

P R E S S R E L E A S E

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ASSA ABLOY acquires the Identification Technology business of ACG and the majority position in OMNIKEY AG

ASSA ABLOY has entered into an agreement to acquire the identification technology business of ACG Advanced Component Group AG and the majority position in OMNIKEY AG. ACG is an independent distributor and technology provider in the market for Radio Frequency Identification (RFID) technology and smart cards. OMNIKEY is a leading manufacturer of smart readers for IT applications.

ACG identification technology business covers all services along the value chain from procurement through to end-customer sales to the markets of smart cards and RFID technology. The business has been a part of the ACG Group since its foundation 13 years ago. ACG is based in Wiesbaden, Germany with distribution companies and sales activities in Europe, the Middle East, Asia, Australia, North and South America. Excluded from this transaction is ACGs mobile communications business.

The acquisition provides ASSA ABLOY with:

- Considerable depth and strength in the supply chain of RFID and smart card, and access to important technology and supply agreements.
- Excellent ACG distribution network covering Eastern Europe, China, Australia, and provides ASSA ABLOY with highly valuable resources in Germany, Austria and elsewhere in the EU.
- Entry into the emerging computer security market via OMNIKEY. The company represents a natural extension of ASSA ABLOY's strength in reader technology through the addition of IT applications. The Company has important relationships with key global IT partners such as Hewlett Packard and Microsoft.

The acquired businesses are projected to generate EUR 67 M in sales for 2003 and will be accretive to EPS from next year. The transaction will be closed within the next few weeks.

Further information can be obtained from

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The ASSA ABLOY Group is the world's leading manufacturer and supplier of locking solutions dedicated to satisfying end-user needs for security, safety and convenience. The Group has about 30,000 employees and annual sales of approximately EUR 3 billion.