

## Press Release

Stockholm, Sweden, 24 November 2010

### Implications of the Intergraph acquisition

On 6 July 2010, Hexagon AB entered into an agreement to acquire the US-based software provider Intergraph Corporation for 2 125 MUSD on a cash and debt free basis. On 28 October 2010, all approvals had been obtained and the acquisition was completed, after which Intergraph is consolidated into Hexagon's accounts.

The integration of Intergraph and Hexagon proceeds according to plan and previously communicated full-year estimates regarding Intergraph and expected synergies remain the same.

Prior to the publication of the prospectus in connection with Hexagon's rights issue and to facilitate the analysis of Hexagon's 2010 year-end report and future development, certain financial and accounting effects of the acquisition of Intergraph are published.

Cash integration, transaction and refinancing costs will amount to approximately 510 MSEK, of which approximately 380 MSEK will be charged in the fourth quarter 2010. Remaining part, approximately 130 MSEK relating to loans, will be capitalised and amortised over the maturity of the loans, which is 5 years. The majority of the approximately 510 MSEK will be paid during the fourth quarter of 2010, while severance payments will be made gradually during 2011.

In the fourth quarter 2010, Hexagon will also record non-cash, non-recurring costs of approximately 670 MSEK. These items affecting comparability are related to writedowns of overlapping technologies in both Hexagon and Intergraph, as well as PPA adjustments (Purchase Price Allocations), which primarily consist of Hexagon being considered to have acquired the inventories of Intergraph at market value and differences in revenue recognition for prepaid income.

In the fourth quarter 2010, Hexagon will also record an impairment charge of approximately 250 MSEK in relation to the business area "Other operations". The impairment charge will not have any cash impact.

<b>MSEK</b>	<b>Total</b>	<b>Items affecting comparability Q4 2010</b>	<b>Amortised over 5 yrs</b>
Cash costs	510	380	130
Non-cash costs	670	670	-
Other operations (non-cash)	250	250	-

Intergraph's assets and liabilities have been recorded at fair value according to applicable accounting rules when consolidated into the Hexagon Group. The difference between the purchase price and the fair value of net assets acquired has been recorded as goodwill. Following these fair value adjustments, Intergraph's pro forma income statement will be:

<b>MSEK</b>	<b>Q1 – Q3 2010</b>	<b>FY 2009</b>
Net sales	4 575	5 890
EBITDA	1 097	1 372
EBIT	929	1 101

Based on the average exchange rate for the respective period.

Full pro forma financial statements will be presented in the rights issue prospectus.



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This press release may contain forward-looking statements. When used in this press release, words such as "anticipate", "believe", "estimate", "expect", "intend", "plan" and "project" are intended to identify forward-looking statements. They may involve risks and uncertainties, including technological advances in the measurement field, product demand and market acceptance, the effect of economic conditions, the impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of Hexagon's management as of the date made with respect to future events and are subject to risks and uncertainties. All of these forward-looking statements are based on estimates and assumptions made by Hexagon's management and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements. Hexagon disclaims any intention or obligation to update these forward-looking statements.

This press release consists of such information that Hexagon AB (publ) may be obliged to disclose in accordance with the Swedish Securities Market Act and /or the Financial Instruments Trading Act. The information was submitted for publication on 24 November 2010 at 08:00 CET.

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