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PRESS RELEASE

HEXAGON ACQUIRES SHEFFIELD'S U.S. METROLOGY OPERATIONS

Hexagon has signed an agreement to acquire the metrology operations of the U.S. based company Sheffield Automation LLC, a wholly owned subsidiary within the ThyssenKrupp Group. Hexagon will operate the business through a new company – Sheffield Measurement Inc. The initial turnover is estimated to amount to approx. 17 MUSD, consisting of sales of measuring machines and related services. Sheffield Measurement Inc. will initially employ some 85 people.

Sheffield is a strong global trademark within the metrology industry, holding brand names such as Cordax, Apollo, Discovery and Endeavour. By this acquisition Hexagon will reach approx. 50 per cent of the total number of installed coordinate measurement machines (CMM) amounting to 80.000 units. This offers Hexagon great possibilities for a continuous expansion of Hexagon's software PCDMIS upon upgrading of the installed CMM's.

The acquisition of Sheffield shall be perceived as a reinforcement of Hexagon Metrology's global presence concerning sales of new CMM's as well as the very interesting aftermarket business. The acquisition is estimated to be effective on March 1st, 2004 and will contribute to Hexagon's earnings during this year.

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***Hexagon AB** is a multinational engineering group with the long-term ambition of positioning itself as number one or number two within its strategic sectors. The operation is divided into four business areas: Hexagon Automation, Hexagon Engineering, Hexagon Metrology and Hexagon Polymers. The group's targets are to increase earnings per share after tax by at least 15 per cent p.a., and achieve a return on capital employed higher than 15 per cent over the business cycle. Current turnover amounts to more than 7 GSEK p.a.*