

Press release

9 September 2002

HEXAGON ACQUIRES THE MAJOR METROLOGY DISTRIBUTOR IN BRAZIL.

Hexagon Metrology, a business unit within the Hexagon Group, has signed an agreement for the acquisition of the Brazilian metrology distributor and agent Quality Ltda (earlier Quality Technology Ltda). The company currently provides on an agency basis metrology machines and services from Hexagon Metrology totalling 80 MSEK per year, and has a turnover, including commission on provided machines and service, of approx. 40 MSEK and employs some 35 people. The acquisition, which is subject to customary closing conditions, will be made through a newly formed Hexagon company in Brazil.

Quality has acted as a distributor and agent in Brazil for Hexagon Metrology's Italian company DEA since 1999. During this period of time, the company has established a position as the major distributor of metrology machines and services to the Brazilian industry, with a particularly strong position towards the vehicle manufacturers.

The acquisition of Quality is an important step in the strengthening of the Hexagon Metrology's local presence in South America, both regarding sales of new machines as well as the very interesting aftermarket business. The acquisition is expected to contribute to Hexagon's earnings as from closing of the acquisition and consolidation of the company into the Hexagon Group, which is expected to take place on October 1st, 2002.

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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 three business areas: Hexagon Automation, Hexagon Engineering and Hexagon Metrology. 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.*