

SIMTRONICS ACQUIRES TECHNOR SALES AND PROFITS DOUBLED

Simtronics ASA announced today that the Company has entered into a sales and purchase agreement to acquire the activities of Technor AS, owned by private equity firm HitecVision. Total consideration is NOK 186.9 million, financed through share issuances, also open to existing and new shareholders. Through the transaction Technor becomes Simtronics principal shareholder.

The transaction merges two companies, which both are key players in their individual areas, with combined sales of more than NOK 740 million in 2008. The combined company will be a significant international provider of technology, products and services aimed at preventing explosions and fires. The acquisition represents a further implementation of Simtronics growth and product extension strategy.

The Technor group is owned indirectly by HitecVision through the fund HitecVision Private Equity IV. The group was last year divided into three separate companies. Technor, which now becomes part of a considerably larger Simtronics, is the former ElectroTech division. The company develops and manufactures sophisticated safety products based on electro-mechanic, instrumentation and electronics expertise. Simtronics is an industry leader in the field of detection, extinguishing and fire prevention equipment. The combined company will enjoy significantly stronger market positions in existing European markets as well as in emerging markets in Asia. The transaction creates a number of operational synergies, primarily within administration, product development, marketing and sales. The two companies are hallmarked by sophisticated technology and strong management.

The transaction is carried out through a rights issue in Simtronics ASA of up to 19 388 611 shares, where net proceeds will finance a partly payment in cash to Technor AS. The remaining part of the consideration to Technor AS will be settled in Simtronics shares based on an agreed price of NOK 3.00 per share in a private placement. The consideration corresponds to an agreed enterprise value of NOK 289.4 million for Technor.

Existing and new shareholders in Simtronics will be invited to participate in the rights issue. The price in the rights issue will be proposed set at NOK 3.00 per share. The transaction is conditional of Technor AS receiving a minimum of 44 426 061 shares as consideration in the transaction, corresponding to 1/3 of shares outstanding in Simtronics after the rights issue and the private placement.

Upon completion of the transaction, the Simtronics group will have net interest bearing debt of approximately NOK 196 million.

The acquisition is subject to certain conditions, including due diligence, approvals from relevant authorities and consent from the two parties financial institutions. Furthermore, an Extraordinary General Meeting of Simtronics ASA will need to approve of the issuance of consideration shares to Technor AS and the rights offering. The EGM will be called for as soon as possible.

A fully subscribed rights issue will set Technor AS ownership to 1/3 of Simtronics outstanding shares after the rights issue and the private placement. If the rights issue is not fully subscribed, Technor AS will receive a larger number of consideration shares against a corresponding reduction in the cash settlement. Should Technor have more than 1/3 of the votes in Simtronics ASA after completion of the transaction, the company will have the option of either reducing its holding of shares in Simtronics ASA or put forward a mandatory bid for all of the outstanding shares in Simtronics ASA at a minimum price of NOK 3.00 per share.

The Technor companies included in the transaction are:

Technor SafeEx – located in Stavanger and Sauda, Norway.

Technor Italsmea – located in Milan, Italy.

Technor Atex – located in Angoulême, France.

Technor Middle East – located in Dubai, UAE.

Italsmea (SEA) Pte Ltd (60% ownership) located in Singapore.

The global oil and gas industry represents the companies' single most important customer segment. Simtronics and Technor had combined sales of more than NOK 740 million in 2008. Technor had an EBITDA margin of 9%, at par with Simtronics' 10% EBITDA margin.

The acquisition increases Simtronics' global reach and distribution capabilities. Simtronics and Technor largely serve the same customer groups and the products involved in the acquisition are complementary. The combined company expects a strong sales growth going forward.

Simtronics' CEO Rune Martini will remain President and CEO of the combined company. Simtronics' CFO Frode Arnesen will remain in his position, while Technor's President and CEO Ola Fladmark will assume the role as Executive Vice President with particular responsibilities for developing the acquired Technor companies.

Commenting on the acquisition, Simtronics' CEO Rune Martini said: This is a major step in developing Simtronics into a global industry leader. Over the last two years we have broadened our product offering and demonstrated an ability to generate profitable growth. The acquisition of Technor will strengthen our technology base even further and improve our international market position.

Technor CEO Ola Fladmark said: There is a close to perfect fit between Technor and Simtronics. This is a merger of two equal parties and we have identified considerable synergies in areas such as product development, marketing and sales. The companies are part of an industry with a significant growth potential.

HitecVision, one of Norway's leading private equity firms, has been the owner of Technor since the group's previous parent company was taken private in 2006.

Under HitecVision's ownership, Technor has experienced a positive development, strategically as well as financially. The company has a strong market position and a solid management, making Technor a good fit for Simtronics. HitecVision will continue as a long term and active shareholder in Simtronics, which we see as a strong and growth oriented company in an exciting industry, said Atle Eide, Chairman of Technor AS and partner at HitecVision AS.

I am very pleased with this move, which I am confident will create long term shareholder value. In particular, I am glad that we have partnered with a strong and industrially focused partner, said John Afseth, Chairman of Simtronics' Board of Directors.

The Company will provide full details of the transaction to its shareholders through the notice of Extraordinary General Meeting. An extended stock exchange release providing more detailed information about the transaction will be released according to Oslo Børs requirements. A prospectus on the transaction will be presented as and when required by Oslo Børs regulations.

Simtronics will hold a presentation of the transaction and the combined company on 30 March at 2 PM at Felix Conference Center, Aker brygge, Oslo. Simtronics' CEO Rune Martini and Technor's CEO Ola Fladmark will host the presentation.

For further information, please call Mr Rune Martini, CEO of Simtronics, telephone +47 4807 8080, Mr Atle Eide, Senior Partner of HitecVision, telephone + 47 9115 2977 or Mr Ola Fladmark, CEO of Technor, telephone +47 9003 0620.

Please visit:

www.simtronics.no

www.technor.no