

Press release  
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## Fagerhult acquires LED LINEAR GMBH

To strategically strengthen the Fagerhult Group's position in the professional lighting market as well as adding leading complementary product ranges, Fagerhult has acquired 100% of the shares of LED Linear GmbH based in Neukirchen-Vluyn, Germany. The acquisition is expected to have a positive effect on the earnings per share during 2016 and forward.

LED Linear GmbH manufactures linear LED lighting fixtures, LED modules and other lighting fixture components primarily for the indoor and outdoor commercial sector. Typical application areas include commercial offices, retail, hospitality, infrastructure and high-end residential buildings. The company has successfully established a global sales presence with more than half of the net sales outside Europe, mainly in North America and Asia.

"LED Linear GmbH has world class linear LED lighting solutions, a cutting edge integrated manufacturing capability and award winning products and brand. The company has consistently delivered very strong financial performance with an organic growth of over 40% in 2015. They have an excellent track record of innovation, delivering a range of leading linear architectural lighting solutions. I am very pleased that Dr. Michael Kramer and Mr. Carsten Schaffarz will remain as Managing Directors of the company and continue to build on the strong platform that they and the LED Linear team have built. With the addition of this company to our Group we see several strong synergies from selling their products through our distribution channels to leveraging their strong LED competence", comments Johan Hjertonsson CEO Fagerhult Group.

"Over the last ten years we have built a worldwide recognized brand in the specification grade lighting business. This achievement is based on the hard and passionate work of our employees and the loyal support of our stakeholders. We are proud to be part of the Fagerhult Group effective today, since it offers amazing opportunities to our company, joint ventures and employees to further grow our business within the group and under the LED Linear Brand", says Dr. Michael Kramer, Managing Director of LED Linear.

In the year ending December 2015, the company had 110 employees, sales of approximately 21 MEUR and a profitability rate significantly above that of the Fagerhult Group. Fagerhult pays MEUR 40, on a cash and debt free basis, as an initial payment for 100% of the shares of LED Linear GmbH. An additional earnout of MEUR 21 can be paid until 2018 tied to the company performance. The company also has shares in seven international joint ventures acting as sales companies. As part of the transaction the joint venture partners in LED Linear USA and LED Linear India have the option to sell their shares to Fagerhult for a total value of ~5 MEUR. If both of these JVs exercise this option the total pro forma sales would be ~28 MEUR. The transaction is financed with new credit facilities.

More information on LED Linear is available at <http://www.led-linear.com>.

2(2)

The information contained in this press release is such that AB Fagerhult (publ) is required to disclose pursuant to the Swedish Financial Instruments Trading Act and/or the Swedish Securities Markets Act. The information was submitted for publication on March 15 2016 at 15.30 CET.

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