



NEWS RELEASE

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Alfa Laval launches cash offer of SEK 68 per share in Munters

Alfa Laval AB (publ) ("Alfa Laval") – global leader in heat transfer, separation and fluid handling – hereby announces a cash offer to the shareholders in Munters AB (publ) ("Munters" or the "Company") to tender all shares in Munters to Alfa Laval at a price of SEK 68 per share (the "Offer"). The shares in Munters are listed on NASDAQ OMX Stockholm ("NASDAQ OMX"), Mid Cap.

Summary:

- Alfa Laval offers SEK 68 in cash per share in Munters, corresponding to a total value of the Offer of SEK 5,027 million.¹
- The Offer represents a premium of approximately 36 percent compared to Munters' volume-weighted average share price on NASDAQ OMX during the last three months up until and including September 3, 2010 of approximately SEK 50. The corresponding premium adjusted for Munters' net cash position after the divestment of the Moisture Control Services division ("MCS") is approximately 42 percent.
- The two main shareholders in Munters, AB Industrivärden and Investment AB Latour, who together hold approximately 29.6 percent of the shares and votes in the Company, have through agreements with Alfa Laval committed to accept the Offer, under certain conditions.
- The acceptance period for the Offer is scheduled to run from September 16 up to and including October 8, 2010. The expected date for the settlement is October 15, 2010.
- A telephone conference will be held today at 10.00 (CET), see page 7.

"The acquisition of Munters will complement our selection of products and gives us an increased application knowledge in air and climate solutions", says Lars Renström, President and CEO of Alfa Laval. "Munters is a company with strong positions that we can further develop through Alfa Laval's industrial structure and strong presence in the fast-growing markets of South America, Eastern Europe and, not the least, Asia."

¹ The offered price is subject to adjustment should Munters pay any dividend or make any other value transfer prior to the settlement of the Offer and will accordingly be reduced by the amount per share of any such dividend or value transfer.

This press release may not be distributed, directly or indirectly, into or in, the United States of America, Australia, Japan, Canada, South Africa or New Zealand. The Offer is not being made to (and acceptances will not be accepted from) persons in those countries or elsewhere where their participation requires further documentation, filings or other measures in addition to those required by Swedish law.

Background and reasons for the Offer

Alfa Laval continuously seeks opportunities to, beyond organic growth, grow through acquisitions. Alfa Laval's acquisition strategy is based on the company's business concept, which is to constantly optimise the performance of the customers' processes. This means that Alfa Laval seeks to undertake acquisitions and alliances that strengthen the existing key technologies, adds new key products and adds complementary products and distribution channels. Over the last five year, Alfa Laval has acquired some 25 companies in total.

Alfa Laval has for some time followed Munters with its leading position in energy, food and environment, in particular in Europe and North America. Munters offers energy-efficient solutions for air treatment in industrial processes and climate control. In total, this will strengthen Alfa Laval's leading global position on the market for heat transfer and Munters is intended to be integrated into Alfa Laval.

The Offer

Alfa Laval offers SEK 68 in cash per share in Munters. The offered price is subject to adjustment should Munters pay any dividend or make any other value transfer prior to settlement of the Offer and will accordingly be reduced by the amount per share of any such dividend or value transfer.

No commission will be charged in connection with the Offer.

Compared to Munters' volume-weighted average share price on NASDAQ OMX during the last three months until September 3, 2010 of approximately SEK 50, the Offer represents a premium of approximately 36 percent (the corresponding premium, adjusted for Munters' net cash position after the divestment of MCS is approximately 42 percent). Compared to the last closing price of SEK 52.50 per share on NASDAQ OMX on September 3, 2010, being the last day of trading prior to the announcement of the Offer, the Offer represents a premium of approximately 30 percent (the corresponding premium, adjusted for Munters' net cash position after the divestment of MCS is approximately 35 percent).²

The total value of the Offer amounts to approximately SEK 5,027 million.³

The acceptance period for the Offer is scheduled to run from and including September 16 up to and including October 8, 2010. The expected date for the settlement is October 15, 2010.

The Offer will be financed through a combination of equity and debt. See "*The financing of the Offer*" on page 4.

² The premium adjusted for net cash is adjusted for Munters' expected net cash position of approximately SEK 566 million (based on the reported net debt as of June 30, 2010 of SEK 734 million and expected net proceeds of SEK 1,300 million from the divestment of MCS) which has been subtracted from the total value of the Offer as well as from Munters' market value, and that the adjusted value of the Offer thereafter has been divided by Munters' adjusted market value.

³ Based on 73,933,050 outstanding shares, which is the total number of outstanding shares in Munters, excluding Munters' holding of 1,066,950 treasury shares.

Alfa Laval's holding in Munters

Alfa Laval does not currently own or control any shares in Munters and has not acquired any shares in the Company during the last six months prior to announcement of the Offer.

Undertakings and support for the Offer

The two main shareholders in Munters, AB Industrivärden and Investment AB Latour, who together hold 21,900,000 shares, corresponding to approximately 29.6 percent of the shares and votes in the Company, have through agreements with Alfa Laval committed to accept the Offer and tender their shares to Alfa Laval in the Offer. These undertakings are conditional upon that no other party announces a competing offer regarding acquisition of shares in Munters at a price exceeding SEK 68 per share which Alfa Laval decides not to match (i.e. offer a price that at least corresponds to the price in the competing offer) within ten business days.

In addition, Lannebo Fonder that hold approximately 4.8 percent of the shares in Munters have expressed their support for the Offer, which, however, does not mean that they have agreed to accept such offer.

Conditions to the Offer

Completion of the Offer is conditional upon:

- (i) the Offer being accepted to such extent that Alfa Laval becomes the owner of more than 90 per cent of the total number of shares in Munters;
- (ii) with respect to the Offer and the acquisition of Munters, receipt of all necessary regulatory, governmental or similar clearances, approvals and decisions, including from competition authorities, in each case on terms which, in Alfa Laval's opinion, are acceptable;
- (iii) that neither the Offer nor the acquisition of Munters is wholly or partly prevented or materially adversely affected by any legislation or other regulation, court decision, public authority decision or similar circumstance, which is actual or could reasonably be anticipated, which is outside the control of Alfa Laval and which Alfa Laval could not reasonably have foreseen at the time of the announcement of the Offer;
- (iv) that, save as publicly announced by Munters or as otherwise disclosed in writing by Munters to Alfa Laval prior to the date the Offer was announced, Alfa Laval does not discover that any information publicly disclosed by Munters or otherwise made available by Munters to Alfa Laval is materially inaccurate or misleading or that any material information which should have been publicly disclosed by Munters has not been so disclosed;
- (v) there being no circumstances, which Alfa Laval did not have knowledge about at the time of the announcement of the Offer, that have occurred which would have a material adverse effect, or could reasonably be expected to have an effect, upon Munters' sales, results, assets, liquidity or equity;

- (vi) that Munters does not take any measures that typically are intended to impair the prerequisites for the implementation of the Offer; and
- (vii) that Munters' divestment of the division MCS is completed in accordance with the agreement announced on June 30, 2010 and with the economic effects communicated in Munters' press release dated July 22, 2010.

Alfa Laval reserves the right to withdraw the Offer in the event that it is clear that any of the above conditions are not fulfilled or cannot be fulfilled. However, with regard to conditions (ii) – (vii) such withdrawal will only be made provided that the defective fulfilment of such condition is of material importance to Alfa Laval's acquisition of the shares in Munters.

Alfa Laval reserves the right to waive, in whole or in part, one or more of the conditions above in accordance with applicable laws and regulations, including, with respect to condition (i) above, to complete the Offer at a lower level of acceptance.

Employees in Munters

Alfa Laval attach great importance to the work carried out by Munters' management and employees and intends to continue to safeguard the excellent relationship that Alfa Laval perceives Munters to have with its employees. Following the completion of the Offer, Alfa Laval intends to investigate in detail the best structure going forward and, to a large extent, maintain Munters' identity after a combination. According to Alfa Laval's current assessment, the Offer will not involve any material change for management and employees (including terms of employment) or employment in the locations where the Company conducts business.

The financing of the Offer

The Offer is not subject to any financing condition. The Offer will be financed by Alfa Laval within the scope of available funds, existing credit facilities, as well as a new credit facility. As of June 30, 2010 the shareholders' equity of Alfa Laval amounted to approximately SEK 12.5 billion. As of the same date, the Group's financial net debt amounted to approximately SEK 516 million.

The existing credit facilities include a syndicated credit facility with a total credit of SEK 5.2 billion. On June 30, 2010 SEK 600 million of this credit facility was drawn. In addition, existing credit facilities include a credit commitment of EUR 130 million from the European Investment Bank.

The new credit facility relates to a new syndicated loan amounting to EUR 265 million. Written confirmations from all participating banks regarding this facility have been received. The documentation regarding the credit facility is being finalised. See "*Financing of the Offer – Summary of the conditions for drawdown pursuant to the credit facilities*" on page 8.

The allocation between available funds and loans will be determined by considering what is optimal for the Alfa Laval Group.

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Due Diligence

Alfa Laval has, in connection with the preparation for the Offer, conducted a limited, confirmatory due diligence and, in connection therewith, met with the management of the Company. During the due diligence Alfa Laval has, among other things, reviewed certain agreements and certain financial information. Munters has informed Alfa Laval that, during this process, no information has been disclosed to Alfa Laval that has not previously been disclosed and that can reasonably be expected to affect the share price of Munters.

Financial effects for Alfa Laval

The total cash consideration pursuant to the Offer amounts to approximately SEK 5,027 million. After completion of the divestment of MCS, Munters is estimated to have a net cash position of approximately SEK 600 million.

Presented below is a summary of financial information after the completion of the Offer, assuming that 100 percent of the shares are tendered in the Offer. The financial information is derived from each company's public financial reports and has not been adjusted with regards to differences in accounting standards or amortization of any excess value that arises in connection with the acquisition.

<i>SEK bn</i>	Alfa Laval	Munters ⁽¹⁾	Alfa Laval and Munters combined
Full Year 2009			
Net sales	26.0	3.8	29.8
Operating profit	4.0	0.3	4.3 ⁽²⁾
No. employees	11,390	2,017	13,407
H1 2010			
Net sales	11.7	1.7	13.4
Operating profit	2.1	0.1	2.2
No. of employees	11,943	2,082	14,025

(1) Continuing operations in Munters in accordance with what was presented in the Company's interim report on July 22, 2010.

(2) Not adjusted for amortization of any excess value that arises in connection with the acquisition.

Preliminary timetable

Preliminary date for publication of the offer document: September 14, 2010

Preliminary dates for the acceptance period: September 16 – October 8, 2010

Preliminary date of settlement: October 15, 2010

Alfa Laval reserves the right to extend the acceptance period for the Offer, as well as to postpone the date of settlement. The acquisition of Munters requires clearance from

the relevant competition authorities. The necessary clearances are expected to be obtained around the end of the acceptance period.

Compulsory acquisition and de-listing

As soon as possible following Alfa Laval's acquisition of shares representing more than 90 percent of the shares in Munters, Alfa Laval intends to call for compulsory acquisition of the remaining shares in Munters. In connection hereto, Alfa Laval intends to act to have the Munters-share delisted from NASDAQ OMX.

Applicable law and disputes

Swedish law, NASDAQ OMX's rules regarding public offers on the stock market (the "Takeover Rules"), the Swedish Securities Council's rulings regarding interpretation and application of the Takeover Rules, and, where applicable, the Swedish Securities Council's former rulings regarding interpretation and application of the Swedish Industry and Commerce Stock Exchange Committee's rules on public offers, are applicable to the Offer.

In accordance with the Swedish Act on Public Takeovers on the Stock Market (*Sw. lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), Alfa Laval has on September 2, 2010 undertaken towards NASDAQ OMX to comply with the Takeover Rules, the Swedish Securities Council's rulings regarding interpretation and application of the Takeover Rules, and, where applicable, the Swedish Securities Council's former rulings regarding interpretation and application of the Swedish Industry and Commerce Stock Exchange Committee's rules on public offers, and submit to the sanctions that NASDAQ OMX may decide upon in event of infringement of the Takeover Rules. Alfa Laval informed the Swedish Financial Supervisory Authority about the Offer and the above mentioned undertaking on September 6, 2010. Any dispute relating to, or arising in connection with, the Offer shall be settled exclusively by Swedish courts, with the city court of Stockholm as the court of first instance.

The Offer is not being made (nor will any acceptance from shareholders or from others on behalf of shareholders) in any jurisdiction in which the making of the Offer or the acceptance of the Offer would not be made in compliance with the laws and regulations of such jurisdiction or where the completion or acceptance of the Offer requires further documentation, filings or other measures in addition to those required under Swedish law, except where there is an applicable exemption. The Offer is not being made, directly or indirectly, by use of mail or any other means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the Internet) in or into the United States of America, Australia, Japan, Canada, South Africa or New Zealand and the Offer cannot be accepted in or from the United States of America, Australia, Japan, Canada, South Africa or New Zealand. As a result, this announcement, the offer document, the acceptance form and other documentation relating to the Offer will not, and may not, be sent by mail or in any other way be distributed, forwarded or transmitted to, from or within the United States of America, Australia, Japan, Canada, South Africa or New Zealand. Alfa Laval will not pay any consideration pursuant to the Offer to, or accept acceptance forms from, the United States of America, Australia, Japan, Canada, South Africa or New Zealand.

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This press release has been published in Swedish and English. In the event that there are any differences between the language versions, the Swedish language version shall prevail.

Advisors

SEB Enskilda is acting as Alfa Laval's financial advisor and Gernandt & Danielsson Advokatbyrå KB is acting as legal advisor in connection with the Offer.

Lund, Sweden on September 6, 2010

Alfa Laval AB (publ)
The Board of Directors

The information in this press release was submitted for publication on September 6, 2010 at 08.00 (CET).

Telephone conference today at 10.00 (CET) for further information

On the account of the Offer, Alfa Laval will arrange for a telephone conference today, Monday September 6, 10.00 (CET) with CEO Lars Renström and CFO Thomas Thuresson.

Please use the link below to register for the conference. At registration, a telephone number, participant code and conference code will be obtained.

<https://eventreg1.conferencing.com/webportal3/reg.html?Acc=901798&Conf=174488>

A PowerPoint presentation will be available on Alfa Laval's webpage before the conference starts.

<http://www.alfalaval.com/investerare/presentationer-2010>

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Alfa Laval in brief

Alfa Laval is a leading global provider of products and solutions for heat transfer, separation and fluid handling.

The company's key products – heat exchangers, separators, pumps and valves – currently play a vital role in areas that are crucial for society, such as energy, the environment and food. Alfa Laval's products are used in the manufacturing of food, chemicals, pharmaceuticals, starch, sugar and ethanol. They are also used in power plants, aboard ships, in the mechanical engineering industry, in the mining industry and in the refinery industry, and for wastewater treatment as well as for creating a comfortable indoor climate.

Alfa Laval sells its products in around 100 countries and has its own sales organisation in over half of these countries. Alfa Laval currently has approximately 12,000 employees.

Alfa Laval's turnover amounted to approximately SEK 26 billion in 2009 and the operating profit amounted to approximately SEK 4.6 billion. Alfa Laval has a market value of approximately SEK 50 billion and is listed on NASDAQ OMX Stockholm, Large Cap.

For more information visit www.alfalaval.com

Munters in brief

Munters is a global leading provider of energy efficient solutions for air treatment based on expertise within humidity and climate control technologies

Munters is organised in two divisions (continuing operations); Dehumidification and HumiCool. Dehumidification manufactures products and complete solutions for moisture control and HumiCool manufactures products and solutions for evaporative cooling and humidification.

The Company has customers in several segments including the food, pharmaceuticals, and electronics industries. The continuing operations of Munters have approximately 2,100 employees.

The turnover for the continuing operations of Munters amounted to approximately SEK 3.8 billion in 2009 and the operating profit amounted to SEK 263 million. The Munters share is listed on NASDAQ OMX Stockholm, Mid Cap.

For more information visit www.munters.com

Financing of the Offer – Summary of the conditions for drawdown pursuant to the credit facilities

The Offer is not subject to any financing condition.

Drawdown pursuant to Alfa Laval's credit facilities is subject to customary conditions for drawdowns pursuant to loans of this kind. The more material conditions for drawdown pursuant to the credit facilities are the following:

- that certain representations regarding actual facts made by the borrower are accurate. Such representations include that the borrower is not insolvent, there being no circumstances that have occurred which would have a material adverse effect or could reasonably be expected to have an effect upon the Alfa Laval Group's business or financial position, that it is not illegal to make payment of the credits, and that the borrower has not violated any other contract of material importance;
- that the borrower has not committed any material breach of the credit agreements; and
- that the borrower provides the banks with certain formal standardized documents.

In addition, the credit agreements contain conditions pursuant to which the lenders may declare the debt due for payment in case of a change of control in the company as a result of a public offer or otherwise.

Three financial covenants, which all must be fulfilled during the duration of the loans, are linked to the syndicated loans. These covenants relate to the ratio between net debt and EBITDA, the interest coverage ratio and the debt/equity ratio. If the covenants are not fulfilled, the banking syndicate may terminate the loans, provided that the breach of covenants is not only temporary. Alfa Laval has met the covenants by a wide margin since the loans were obtained in April 2005.

Forward-looking statements

This press release may contain forward-looking statements. These statements are not guarantees of future performance and are subject to inherent risks and uncertainties. Forward-looking statements may be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as "may", "will", "expects", "believes", "anticipates", "plans", "intends", "estimates", "assesses", "projects", "targets", "forecasts", "seeks", "could", or the negative of such terms, and other variations of such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements about the expected future business of Munters resulting from and following the Offer. These statements reflect Alfa Laval's current expectations, based upon information currently available to Alfa Laval and are subject to various assumptions, as well as risks and uncertainties that may be or is outside of Alfa Laval's control. Actual results could differ materially from those expressed or implied in such forward-looking statements. Any such forward-looking statements speak only as of the date on which they are made and Alfa Laval shall be under no obligation (and expressly disclaims any such obligation) to update or alter such forward-looking statements whether as a result of new information, future events or otherwise, except to the extent legally required.