

Press release
December 5, 2016

Alimak Group acquires Avanti Wind Systems and intends to propose a rights issue of up to 800 MSEK

Avanti Wind Systems A/S (“Avanti”) is the market leader in vertical access solutions for wind turbine towers with a strong global footprint. The acquisition broadens and diversifies Alimak Group’s product portfolio and offers an expansion into a growing area of renewable energy. The enterprise value is 91 MEUR which corresponds to a normalized EV/EBIT of 9.5x (2016 proforma level). The acquisition will be financed through a bridge loan intended to be repaid by proceeds from a proposed rights issue of new shares with preferential rights for existing shareholders in Alimak Group AB (publ) (“Alimak Group”) of up to 800 MSEK.

Avanti offers vertical access solutions to the wind industry that are permanently installed, have a long lifecycle and are based on high safety requirements. Avanti was established in 1885 and has more than 30,000 service lifts installed globally. In 2016, Avanti’s net sales is expected to be 98 MEUR and it operates globally with six production facilities in Denmark, Spain, China, US and Brazil.

“The demand for service lifts for wind turbine towers is expected to grow the coming years due to increased heights of the towers and increased safety requirements. The acquisition expands and diversifies our offering of vertical access solutions for industrial customers globally, enables cross selling opportunities and adds an opportunity to expand after sales well in line with Alimak’s strategy and business model”, says Tormod Gunleiksrud, CEO of Alimak Group.

“Becoming part of Alimak Group enables Avanti to continue its development of best in class safety products and solutions to the benefit of our customers within the wind industry. I see this acquisition as the perfect strategic fit for Avanti, and we look forward to becoming part of the global leader in vertical access systems” says Erik Laursen, CEO of Avanti Group.

Through the acquisition, Alimak Group takes another step forward in the global vertical access industry and the annual group net sales will increase from approximately 3,200 MSEK to 4,200 MSEK, while the number of employees will rise from 1,900 to 2,300. The globally installed base will increase from around 36,000 to 66,000 units.

The acquisition is subject to customary regulatory approvals and is expected to close in the first quarter of 2017. Synergies will primarily be found in the supply chain, through cross-selling and in expansion of the aftersales offering. The acquisition is expected to be EPS accretive and contribute positively to cash flow. Integration costs are estimated to approximately 43 MSEK.

The acquisition will be financed through a bridge loan arranged by Alimak Group’s existing banks. Upon completion of the acquisition, Alimak Group will have a capital structure with an expected leverage (net debt/EBITDA) of around 3.7x, which exceeds the targeted leverage of 2.0x. In accordance with Alimak Group’s financial targets, Alimak Group’s capital structure shall enable a high degree of financial flexibility and allow for strategic initiatives. Therefore the Board of Alimak

Group will call for an Extraordinary General Meeting of shareholders to be held in January 2017 in order to obtain an authorisation for the Board to resolve on a rights issue of up to 800 MSEK with preferential rights for existing shareholders. The rights issue will be launched sometime after the year-end report has been published and is expected to be completed during the beginning of the second quarter of 2017.

Due to the recent acquisitions of Facade Access Group and Avanti during the fourth quarter, Alimak Group will postpone the release of the Year End report 2016 until February 23 2017 (initially scheduled for release on February 17). In the afternoon on February 23, Alimak Group will host an investor update which will include a presentation of revised financial targets for the Group.

A notice to the EGM will be published separately and will be made available at www.alimakgroup.com. A detailed time plan and conditions for the rights issue will be announced at a later stage.

Alimak Group's main shareholders, Triton, Lannebo Fonder, Swedbank Robur and York Capital Management, who together control close to 60% of the share capital and the votes, have indicated their intention to at the EGM vote in favor of authorizing the Board to resolve on the rights issue and declared their intent to subscribe for their respective shares in the rights issue.

Alimak Group was advised by Kirkland & Ellis in connection with the acquisition of Avanti.

Telephone conference and audiocast:

Alimak Group's CEO, Tormod Gunleiksrud and CFO, Stefan Rinaldo, will present the acquisition at a telephone conference and audiocast on Monday December 5, 2016 at 11.00 CET.

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The presentation can also be followed via webcast:

<https://wonderland.videosync.fi/alimak-group-press-conference>

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The information in this release is such that Alimak Group is obliged to make public pursuant to the EU Market Abuse Regulation and, as applicable, the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact person set out above, at December 5, 2016, 07.30 CET.

Alimak Group

Alimak Group is a world-leading supplier of elevators, platforms and after-market service for the industrial and construction sectors. The Group has manufacturing operations in Sweden and China and a sales and servicing network in more than 90 countries supplying and maintaining vertical access solutions. At present, more than 22,000 elevators and platforms are installed globally. Alimak was established in Skellefteå in 1948 and has 1,200 employees around the world. The Group is listed on Nasdaq Stockholm. www.alimakgroup.com

Avanti Group

Avanti is a world leading supplier of service lifts, safety ladder systems, safety equipment, tower internals and after-market service for wind turbine towers. The group has manufacturing facilities in Denmark, Spain, China, US and Brazil and sales offices in 9 countries supplying and servicing customers in all major markets for wind power. As of today Avanti has more than 30,000 service lifts installed globally. Avanti was established in Copenhagen in 1885 and today Avanti has more than 400 employees throughout the world. www.avanti-online.com