

## G & L Beijer and Carrier Corporation announce plans to create a European platform for global expansion in the refrigeration wholesale business

G & L Beijer AB and Carrier Corporation, a subsidiary of United Technologies Corporation, sign letter of intent whereby G & L Beijer AB intends to acquire Carrier's refrigeration wholesale distribution operations in Europe and South Africa through a new share issue to Carrier.

- The combination of G & L Beijer's and Carrier's refrigeration wholesale distribution operations in these areas will form a strong company in refrigeration wholesale distribution in Europe and a solid platform for global expansion.
- The combined operations are expected to have annual net sales of approximately SEK 5,900M with an operating profit of approximately SEK 517M.
- The companies have complementary operations in different European countries and the transaction will create a European-wide distributor with an enhanced product portfolio and wider geographic coverage.
- Greater geographic scale and resources will allow additional investment in the distribution network, better product availability and improved sales execution.
- Installers and customers will benefit from greater choice and better access to air conditioning and refrigeration products.
- The combination is deemed to result in important cost synergies and gives G & L Beijer a strong financial position.
- Current G & L Beijer management will continue to lead the company.
- G & L Beijer will continue as an independent publicly-traded company on the OMX Nordic Exchange Stockholm.
- Existing G & L Beijer shareholders and Carrier to have approximately 67 per cent / 33 per cent voting interest and approximately 55 per cent / 45 per cent economic interest in the combined company, respectively.
- This transaction does not involve Carrier's other refrigeration businesses in Europe and South Africa, including its Food Retail and Food and Beverage businesses which continue as part of Carrier.

MALMÖ, SWEDEN (22 September 2008) – G & L Beijer AB (OMX Nordic Exchange Stockholm: BEIJB) and Carrier Corporation, a subsidiary of United Technologies Corporation (NYSE:UTX), have signed a letter of intent to combine their business operations in refrigeration wholesale distribution covering Europe and South Africa. The combined operations are expected to have annual net sales of approximately SEK 5,900M with an operating profit of approximately SEK 517M.

The transaction will be completed by G & L Beijer acquiring Carrier's refrigeration wholesale business operations in Europe and South Africa. G & L Beijer will in turn issue new shares to Carrier. G & L Beijer will continue as a publicly traded company on the OMX Nordic Exchange Stockholm and the current G & L Beijer management will continue to lead the company. Existing G & L Beijer shareholders and Carrier will have approximately 67 per cent and 33 per cent voting interest, respectively, in G & L Beijer. The corresponding economic interests will be approximately 55 per cent and 45 per cent. The Board of Directors will be expanded from five members to seven members with two new directors nominated by Carrier.

The combination of G & L Beijer's and Carrier's refrigeration wholesale distribution operations will form a strong company in Europe and provide a solid platform for global expansion. Greater geographic scale and resources will allow additional investment in the distribution network, better product availability and improved sales execution. Installers and customers will benefit from greater choice and better access to air conditioning and refrigeration products.

G & L Beijer's and Carrier's operations are complementary in Europe. Carrier also has a substantial presence in South Africa. The combined company will have operations in 21 countries including the Nordic and Baltic countries, the U.K., Holland, Spain, Belgium, Switzerland, France, Italy, some Eastern European countries and South Africa. Carrier will also add an enhanced product portfolio to G & L Beijer's existing product programme.

Commenting on the transaction, Joen Magnusson, Managing Director of G & L Beijer said, *"We are excited by the enhanced prospects for growth and the considerable benefits to all stakeholders that this combination offers. Given the highly complementary nature of our European assets, operations and geographic footprint, this is a logical and compelling combination that we expect will create significant value for shareholders while benefiting customers, installers and the market overall. We look forward to partnering with Carrier to develop the combined business."*

Geraud Darnis, President of Carrier Corporation, said, *"The combined entity will provide customers a wider portfolio of air-conditioning and refrigeration parts and components as well as a higher density branch network and customer support operations. The two companies balance each other well geographically and have a shared focus on customer service. The G & L Beijer management team has a demonstrated track record of execution and we look forward to benefiting along with the other shareholders from their focus and expertise. With this transaction, Carrier will increase its focus on its larger and successful food retail European operations."*

In its six-month report ended 30 June 2008, G & L Beijer reported sales of SEK 3,254M and an operating profit of SEK 294M on a 12 month rolling basis excluding one-off items of SEK 53.2M. Carrier's European refrigeration wholesale distribution sales and operating profit were approximately SEK 2,600M and SEK 223M respectively, in the same period. Post transaction, G & L Beijer will have annual pro forma combined sales of approximately SEK 5,900M and pro forma combined EBIT will be approximately SEK 517M. The transaction is expected to be earnings accretive to G & L Beijer in the second full financial year of combined operations. The total number of employees will be approximately 1,800.

## Transaction Rationale - Creation of a strong European distributor with an enhanced product portfolio

G & L Beijer expects that the enhanced product availability, scale and combined management strength will allow it to operate more effectively in the highly competitive European marketplace and thus improve the standalone operational and financial performance of G & L Beijer through:

### *- Building a Stronger Product Portfolio*

The combined company will have a more complete and differentiated product offering. The new company will also offer customers wider European geographic coverage, with G & L Beijer's presence in Northern and Eastern Europe and Carrier's presence in Southern Europe.

### *- Capturing Synergies and Improving Productivity*

The combination of the businesses is expected to result in substantial cost synergies to come from optimisation of procurement, more effective management of working capital, scale efficiencies and the elimination of duplication in corporate services.

### *- Creating a More Effective Competitor*

This transaction will create a strong European distributor with the scale, operational efficiency and distribution platform to compete more effectively in the European segment, benefiting the customer by offering better access and more choice.

### *- Optimising Organisational Efficiency*

The combined company will focus on creating a value-based culture which will create a competitive organisation capable of the highest standards of operational and service excellence in the industry.

## Approval Process and Timetable

The transaction is subject to completing satisfactory due diligence reviews as well as reaching final agreement, which is expected around the end of 2008. Completion of the transaction will also be subject to customary closing conditions, such as obtaining regulatory clearances and third-party consents as required. The transaction will require the approval at a shareholders' meeting in G & L Beijer by shareholders representing at least two-thirds of votes cast and shares represented at the meeting. G & L Beijer intends to publish a prospectus on the proposed transaction and to summon a shareholders' meeting as soon as a final agreement has been signed by the parties. The G & L Beijer business and the Carrier business will be conducted separately and in the ordinary course until the completion of the transaction.

## Structure of the Transaction and Undertakings by G & L Beijer shareholders

The transaction is intended to be effected through the contribution by Carrier of its existing refrigeration wholesale business in Europe and South Africa to G & L Beijer in exchange for newly issued G & L Beijer shares. Certain core shareholders in G & L Beijer, representing in

aggregate 18.4 per cent of the shares and 54.8 per cent of the votes in G & L Beijer, have signed a letter of intent with Carrier where they declare their intention to agree to undertake to vote in favour of the transaction at the Meeting of shareholders in G & L Beijer, as well as to grant rights of first offer among themselves and Carrier in the event they endeavour to sell certain of their shares in G & L Beijer.

Carrier has been granted dispensation by the Swedish Securities Council from the obligation to make a subsequent mandatory public offer for the entire G & L Beijer shareholding.

## Financial and Other Information:

### *- Financial overview*

30 June, 2008

	G & L Beijer(1,3)	Carrier Europe/SA(2,4) Wholesale Distribution	Pro forma Combined
Net Sales (SEK M)	3,254	2,614	5,868
EBIT (SEK M)	294	223	517

(1) Under IFRS, excluding special items

(2) Under US GAAP, excluding special items

(3) Exchange rate rolling average 12 months July 2007 to June 2008

(4) Carve out proforma, Approximate based on various exchange rates

### *- Financial effects on G & L Beijer*

G & L Beijer will have a strong financial position after the transaction. The ratio of equity to the total balance sheet will be in the range of approximately 45 per cent.

On a pro forma basis, the transaction is expected to be accretive to earnings per share, after synergies, in the second full financial year of combined operation. The transaction is expected to deliver substantial synergies, and therefore the Board of Directors of G & L Beijer expects that the transaction will generate positive value and economic profit in the second full financial year of combination.

## Overview of G & L Beijer

G & L Beijer AB is a technology-oriented group, operating in industrial trading, with sales in excess of SEK 3 billion. The G & L Beijer Group includes the two business areas – Beijer Ref and Beijer Tech. Beijer Ref, which reported sales in excess of SEK 2.5 billion in 2007, markets and sells in 16 European countries. Beijer Tech, which reported sales of more than

SEK 600M in 2007, carries out technology trading, mainly in Sweden, Norway, Finland and Denmark, through a group of specialised companies. An important part of the strategy of both business areas is to grow through acquisitions. During the past five-year period, the Group has reported profitable annual growth of 17 per cent on average.

For more information on G & L Beijer, visit the company's website: [www.beijers.com](http://www.beijers.com).

## Overview of Carrier Corporation

Carrier Corp., headquartered in Farmington, Connecticut, USA, is the world's largest provider of heating, air-conditioning and refrigeration solutions. With 2007 revenues of USD 14.6 billion, Carrier has approximately 43,000 employees worldwide and operations in more than 170 countries. Carrier is part of United Technologies Corp., a Hartford, Connecticut-based diversified provider of a broad range of high technology products and services to the aerospace and building systems industries worldwide. Visit [www.carrier.com](http://www.carrier.com) for more information.

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G & L Beijer AB (publ)

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## Forward-Looking Statements

*This release includes "forward-looking statements" concerning an anticipated business combination and expected future financial performance, including expected revenues, earnings and cash flow. These matters are subject to significant risks and uncertainties. Important factors that could cause actual results to differ materially from those anticipated or implied in forward-looking statements include changes in the health of the global economy; strength of end-market demand; fluctuation in commodity prices, interest rates, foreign currency exchange rates, and the impact of weather conditions; and company-specific factors including the ability to obtain required shareholder and regulatory approvals, to reach agreement on definitive terms and conditions and to effectively integrate the acquired businesses; the ability to achieve cost reductions at planned levels; challenges in the design, development, production and support of advanced technologies and new products and*

*services; delays and disruption in delivery of materials and services from suppliers; labour disputes; and the outcome of legal proceedings.*