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## **NIBE resolves on a rights issue of approximately SEK 3 billion**

**The Board of Directors of NIBE Industrier AB (publ) ("NIBE" or the "Company") has resolved to launch a rights issue of approximately SEK 3 billion with preferential rights for existing shareholders, subject to approval by an extraordinary general meeting.**

- In conjunction with the announcement of the acquisition of the Climate Control Group ("CCG") on May 12, 2016, NIBE announced its plans for a rights issue relating to NIBE shares amounting to approximately SEK 3 billion, with the purpose of allowing NIBE to maintain good acquisition capacity going forward and also henceforth be able to realise its growth strategy.
- The Board of Directors of NIBE resolved on the rights issue of approximately SEK 3 billion on August 30, 2016, subject to approval by an extraordinary general meeting to be held October 3, 2016.
- The complete terms of the rights issue, including subscription price, are expected to be announced at the latest on September 27, 2016. Conditional on approval by the extraordinary general meeting, the record date for participation in the rights issue is October 5, 2016 and the subscription period will run from October 10, 2016, up to and including October 25, 2016.
- Shareholders together representing 67.9 per cent of the votes in NIBE have committed to, or expressed their intentions to, vote in favour of the rights issue at the extraordinary general meeting October 3, 2016.
- Subscription commitments and intentions to subscribe in the rights issue correspond to 23.1 per cent of the rights issue.

### **Background and rationale**

Since the beginning of the 1990s, NIBE has employed a consistent and successful growth strategy based on organic as well as acquired growth. The growth target is set to a yearly average of 20 per cent, half of which organic and half acquired. The Company has a publicly announced target of reaching revenues of SEK 20 billion by 2020, at the latest. During 2016, NIBE has completed three significant acquisitions; all shares in Heatron in the United States, the remaining 40 per cent of the shares in Stovax in the UK, and, most recently, all shares in CCG in the United States. Furthermore in 2016, NIBE has announced the completion of a number of smaller but strategically important acquisitions, such as Air-Site in Sweden and ATE Electronics in Italy.

All acquisitions completed in 2016 have been financed with cash and using existing credit facilities. In order to maintain good acquisition capacity going forward and also henceforth be able to realise its growth strategy, NIBE announced, in conjunction with the announcement of the CCG acquisition on May 12, 2016, its plans for a rights issue amounting to approximately SEK 3 billion within due course following completion. NIBE sees additional attractive acquisition opportunities, and the rights issue creates the financial strength required to utilise these acquisition opportunities.

### **Terms of the rights issue**

NIBE's Board of Directors decided on August 30, 2016, subject to approval at the extraordinary general meeting on October 3, 2016, to conduct a preferential rights issue of class A and class B shares. Those who are registered as shareholders on the record date of October 5, 2016 have preferential rights to subscribe for new shares of the same class in proportion to their existing shareholdings. Class A shares may only be subscribed for through the exercise of subscription rights. Class B shares can be subscribed for without subscription rights. If all class B shares are not subscribed for with subscription rights, the Board shall, within the framework of the

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preferential rights issue's maximum amount, make a decision as to the allocation of class B shares subscribed for without subscription rights, whereby such shares shall primarily be allocated to those who subscribed for shares with subscription rights and who have indicated that they wish to subscribe for additional shares, whether or not they were shareholders on the record date. In the case of over-subscription, allotment shall be made in proportion to the number of shares that such persons have subscribed for in the preferential rights issue with subscription rights. Secondly, class B shares shall be allotted to others who have registered for subscription of class B shares without subscription rights and, in the case of over-subscription, allotment shall be made in proportion to the number of class B shares that each one has registered for subscription. To the extent that shares cannot be allotted as stated above, they will be allotted by drawing lots.

Full terms and conditions of the preferential rights issue, including the increase in share capital, number of shares issued and issue price, is expected to be published on September 27, 2016.

The subscription period is expected to be from October 10, 2016 through October 25, 2016, or such later date as decided by the Board of Directors.

The Board of Directors' decision regarding the preferential rights issue is subject to approval at the Extraordinary General Meeting and subject to the Meeting's approval of the Board's proposal to amend the Articles of Association. For more information, please see the notice to attend the extraordinary general meeting in a separate press release to be announced shortly.

## **Subscription commitments and intentions to subscribe**

Melker Schörling, the Company's largest shareholder, and Gerteric Lindquist, the Company's Managing Director and CEO, together representing 15.5 per cent of the capital and 28.4 per cent of the votes in NIBE, have committed to subscribe for their respective pro rata shares of class A and class B shares in the rights issue.

In addition, all remaining holders of shares of class A, together representing 18.6 per cent of the capital and 39.5 per cent of the votes in NIBE, have expressed their intentions to subscribe for their respective pro rata shares of class A shares, corresponding to 7.0 per cent of the rights issue, and have also expressed their intentions to subscribe for class B shares corresponding to an additional minimum of 0.6 per cent of the rights issue.

In total, subscription commitments and intentions to subscribe correspond to 23.1 per cent of the rights issue. Aforementioned shareholders, together controlling 67.9 per cent of the votes in NIBE, have committed to vote in favour of the rights issue at the extraordinary general meeting on October 3, 2016.

## **Indicative timetable for the rights issue**

September 27, 2016	Announcement of complete terms and conditions, including subscription price, the number of shares to be issued and the subscription ratio
October 3, 2016	Extraordinary general meeting to approve the rights issue resolved by the Board of Directors
October 3, 2016	Last day of trading in class B shares including right to participate in the rights issue
October 4, 2016	First day of trading in class B shares excluding right to participate in the rights issue

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October 5, 2016	Record date for participation in the rights issue, i.e. holders of shares who are registered in the share register on this day will receive subscription rights for participation in the rights issue
October 6, 2016	Estimated date for publication of the prospectus
October 10 – October 21, 2016	Trading in subscription rights
October 10 – October 25, 2016	Subscription period
On or around October 28, 2016	Announcement of preliminary results of the rights issue
On or around November 2, 2016	Announcement of final results of the rights issue

## Financial and legal advisors

Danske Bank and Handelsbanken Capital Markets are acting as financial advisors to NIBE in connection with the rights issue. Advokatfirman Delphi is acting as legal advisor to NIBE in connection with the rights issue.

## About NIBE

NIBE is a Global Group contributing to a more sustainable world with solutions for Indoor Climate and Comfort, as well as components and solutions for Measuring, Controlling, and Electric Heating. NIBE has over 60 years of experience in manufacturing products for both residential and commercial use. It all began in southern Sweden, in the province of Småland. Today, NIBE has operations and sales on five continents.

NIBE has cultivated a Culture of Entrepreneurship and a Passion for Conducting Business. Investments in Sustainability-Oriented Product Development and Corporate Acquisitions have led to significant expansion of the NIBE Group, which had sales exceeding SEK 13 billion (approximately USD 1.5 billion/approximately Euro 1.4 billion) in 2015. Operations are pursued through three different Business Areas: NIBE Climate Solutions, NIBE Element, and NIBE Stoves – with over 11,000 employees in Europe, North America, Asia, and Australia.

Since 1997, the NIBE Group has been listed under NIBE Industrier on the Nasdaq Stockholm Exchange, Large Cap, with a secondary listing on the SIX Swiss Exchange since 2011.

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This information is information that NIBE Industrier AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of Benny Torstensson at 08.00 CET on August 31, 2016.

## Important notice

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in NIBE. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden and Switzerland. Any invitation to the persons

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concerned to subscribe for shares in NIBE will only be made through the prospectus that NIBE estimates to publish on or around October 6, 2016.

The information in this press release may not be released, published or distributed, directly or indirectly, in or into the United States (including its territories and provinces, every state in the United States and the District of Columbia), Canada, Australia, Japan, Hong Kong, New Zealand, Singapore, South Africa or any other jurisdiction in which such action is subject to legal restrictions or would require other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws.

No shares or other securities in NIBE have been registered, and no shares or other securities will be registered, under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities legislation of any state or other jurisdiction in the United States and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States, except under an available exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States.