

# Press release

September 29, 2010, 8.00 AM CET

## Statement by the Board of Directors of Munters in relation to the public offer by Cidron Intressenter

### The Board of Directors of Munters unanimously recommends the shareholders to accept the public offer by Cidron Intressenter [1]

#### Background

This statement is made by the Board of Directors (the “Board”) of Munters AB (publ) (“Munters” or the “Company”) pursuant to section II.19 of the rules concerning public takeover offers on the stock market adopted by NASDAQ OMX Stockholm (the “Takeover Rules”).

Cidron Intressenter AB[2] (“Cidron Intressenter”), a company indirectly wholly owned by Nordic Capital VII Limited[3] (“Nordic Capital”), has today, on 29 September 2010, announced a public offer to the shareholders of Munters to transfer all of their shares in Munters to Cidron Intressenter (the “Offer”). Cidron Intressenter offers SEK 73 in cash per share in Munters. The total value of the Offer is approximately SEK 5 397 million. [4] The Offer is among other things conditional upon Cidron Intressenter becoming the owner of more than 90 per cent of the shares in Munters and that payment will be made under the loan agreements that Cidron Intressenter has entered into with Swedbank. Cidron Intressenter has reserved its right to waive these and other completion conditions of the Offer. According to the indicative timetable set out in the press release through which the Offer was announced (the “Offer Press Release”) the acceptance period is expected to commence on 1 October and to end on 21 October 2010.

[1] Since the director Jan Svensson cannot be considered independent of Investment AB Latour, which has undertaken to, on certain conditions, accept the offer announced by Alfa Laval on 6 September 2010, he has not participated in the Board’s handling of or resolutions regarding the offer by Alfa Laval or the offer by Cidron Intressenter.

[2] A newly formed company indirectly wholly owned by Nordic Capital Fund VII, under change of name from Goldcup 5924 AB to Cidron Intressenter AB.

[3] Nordic Capital VII Limited, a limited liability company established under the laws of Jersey, with registered office in St Helier, Jersey, acting, in relation to the Offer, in its capacity as General Partner for and on behalf of Nordic Capital VII Alpha, L.P. and Nordic Capital VII Beta, L.P.

[4] 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.

Munters is a global leader in energy efficient air treatment solutions and restoration services based on expertise in humidity and climate control technologies. Customers are served in a wide range of segments, the most important being insurance-, utilities-, food- and pharma industries. Manufacturing and sales are carried out via the Group’s own companies in more than 30 countries. The Group has close to 4,000 employees and net sales of about SEK 6.5 billion. The Munters share is listed on OMX Nordic Exchange Stockholm, Mid Cap.

For more information please visit [www.munters.com](http://www.munters.com).



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The Offer represents:

- a premium of 7 per cent compared to the offer of SEK 68 per share in Munters announced by Alfa Laval AB (publ) (“Alfa Laval”) on 6 September 2010;
- a premium of 39 per cent compared to the closing price of SEK 52.50 per share in Munters on 3 September 2010, the last trading day prior to the announcement of Alfa Laval’s offer on 6 September 2010 (the corresponding premium, adjusted for Munters’ net cash position after the divestment of division MCS is approximately 46 per cent)[5];
- a premium of 46 per cent compared to the volume weighted average share price of approximately SEK 50 per share in Munters during the last three months prior to the announcement of Alfa Laval’s offer on 6 September 2010 (the corresponding premium, adjusted for Munters’ net cash position after the divestment of division MCS is approximately 55 per cent) [6]; and
- a premium of 1 per cent compared to the closing price of SEK 72.50 for the Munters share on 28 September 2010, the last trading day prior to the announcement of the Offer (the corresponding premium, adjusted for Munters’ net cash position after the divestment of division MCS is approximately 1 per cent) [7].

The board of Munters has, at the request of Nordic Capital, allowed Nordic Capital to conduct a limited confirmatory due diligence investigation prior to the announcement of the Offer. Nordic Capital has not received any non-public price-sensitive information through such due diligence investigation.

Munters has entered into a so-called cost coverage agreement with Cidron Intressenter and Nordic Capital, under which Munters has undertaken to, on certain conditions, reimburse Cidron Intressenter and Nordic Capital for some of their costs incurred in connection with the Offer, up to a maximum amount of SEK 12 500 000 (plus 50 per cent of any VAT on such amount), if the Board withdraws or adversely modifies this recommendation of the Offer. If Munters withdraws this recommendation and instead recommends a higher competing offer, the payment under the agreement is conditional upon the higher offer being completed within 6 months of its announcement. The agreement will be disclosed in its entirety in the offer document that Cidron Intressenter will draw up and announce for the purposes of the Offer. As a part of the Board’s evaluation of the Offer, the Board has engaged Lazard as financial advisor and Mannheimer Swartling as legal advisor.

### **The Board’s recommendation**

The Board’s statement is based on an assessment of a number of factors that the Board has considered relevant to the evaluation of the Offer. These factors include, but are not limited to, the Company’s present position, the expected future development of the Company and thereto related possibilities and risks.

[5] 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 30 June 2010 of SEK 734 million and expected net proceeds of SEK 1 300 million from the divestment of division MCS) which has been subtracted from the total value of the Offer as well as from Munters’ market value, and the adjusted value of the Offer has thereafter been divided by Munters’ adjusted market value.

[6] See note 5.

[7] See note 5.

As previously communicated by the Board in its statement on 24 September 2010 in relation to the offer announced by Alfa Laval, the Board has concluded that contacting other potential interested parties for Munters would be in the interest of all shareholders, which also has been done. These contacts has resulted in the Offer, whose total values is approximately SEK 5 397 million.[8] The Board notes that the price of the Offer of SEK 73 per share in Munters is SEK 5 (approximately 7 per cent) higher than the offer of SEK 68 per share in Munters announced by Alfa Laval on 6 September 2010.

Under the Takeover Rules, the Board must also set out its views on the impact the completion of the Offer may have on Munters, especially employment, and its views on Cidron Intressenter's and Nordic Capital's strategic plans for the Company and the impact these could be expected to have on employment and on Munters' business locations. In this respect, the Board notes that Nordic Capital intends to maintain the Company's long term strategic aim through active ownership, including support to expand the two divisions and further develop the Company's strategic vision. Concurrently, Nordic Capital intends to employ considerable resources to continue Munters' acquisition and expansion strategy, which will be easier to achieve under private stewardship that can take a more long-term view than the public equity market. Nordic Capital further states that it places great value on Munters' management and the employees, who will continue to play an instrumental role in the success of the Company. Nordic Capital also states that it does not expect that the Offer will have any significant effects for Munters' employees, or employment at those sites where Munters today conducts business. The Board assumes that this statement is correct and has in relevant respects no reason to have a different view.

On this basis, the board of Munters unanimously recommends the shareholders of Munters to accept the Offer. [9]

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29 September 2010  
Munters  
The Board

[8] See note 4.

[9] See note 1.

For further information, please contact:

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*Munters AB discloses the information provided herein pursuant to the Securities Market Act and the Takeover Rules. The information was submitted for publication on 29 September 2010 at 08.00 AM.*