



NEWS RELEASE

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Alfa Laval creates a Food & Water competence centre outside of Copenhagen, Denmark

Alfa Laval – a world leader in heat transfer, centrifugal separation and fluid handling – has today announced that the company will transform its existing site in Søborg, northwest of Copenhagen, Denmark, to a Food & Water competence centre, to secure long-term competitiveness.

Alfa Laval's site in Søborg will over the coming one and half years, shift focus from manufacturing to sales, research & development and engineering & supply. A new testing facility will also be established.

The shift away from manufacturing means that Alfa Laval, by the end of 2017 will have moved the production of its ballast water treatment system - Alfa Laval PureBallast - to the existing facility in Aalborg, Denmark. The production of decanters will move to Alfa Laval's existing facility in Krakow, Poland – a transfer that is expected to be completed during the fourth quarter 2018. The changes are estimated to affect about 100 employees in Søborg and Alfa Laval will do its utmost to minimize the negative consequences.

There are two reasons for carrying out this change. Firstly, to strengthen the company's global position within food and water – two important growth areas. Secondly, to further improve cost competitiveness by consolidating manufacturing to fewer sites in Europe – in line with the company's footprint strategy, which was communicated on October 25, 2016.

"Alfa Laval has invested and built two important global competence and test centres in Denmark; in Kolding – hygienic fluid handling to the food and pharmaceutical industry, and recently in Aalborg – a unique test and training centre for different products and applications to the marine industry. Based on the positive experiences and after a careful evaluation, Søborg was our first and natural choice for a Food & Water competence centre," says Nish Patel, President for the Food & Water division. "Especially, as we have to consolidate our manufacturing footprint to fewer sites."

The financial impact of the changes in the manufacturing footprint is included in the one-time charges that were communicated with the third and fourth quarter reports 2016.

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Did you know that... Alfa Laval, on March 1, 2017, inaugurated an expansion of its Test & Training centre in Aalborg, Denmark, to enable gas testing? Making it the world's most advanced test centre for environmental and combustion technology – regardless of fuel type.

About Alfa Laval

Alfa Laval is a leading global provider of specialized products and engineering solutions based on its key technologies of heat transfer, separation and fluid handling.

The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes. The solutions help them to heat, cool, separate and transport products in industries that produce food and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol.

Alfa Laval's products are also used in power plants, aboard ships, oil and gas exploration, in the mechanical engineering industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications.

Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena. Alfa Laval is listed on Nasdaq OMX, and, in 2016, posted annual sales of about SEK 35.6 billion (approx. 3.77 billion Euros). The company has about 17 000 employees.

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