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JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

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Justice Department Reaches Settlement in Suit to Block ASSA ABLOY's Proposed Acquisition of Spectrum Brands' Hardware and Home Improvement Division

Proposed Settlement Requires Expanded Divestiture

The Department of Justice announced today that it has reached a settlement in its litigation regarding ASSA ABLOY AB's (ASSA ABLOY) proposed \$4.3 billion acquisition of Spectrum Brand Holding Inc.'s Hardware and Home Improvement division. The proposed settlement requires ASSA ABLOY to divest assets as a condition of finalizing ASSA ABLOY's transaction with Spectrum Brands Holdings, Inc.

Under the terms of the proposed settlement, which is subject to court approval, ASSA ABLOY must divest assets to Fortune Brands Innovations, Inc. that are designed to allow Fortune to compete in the markets for premium mechanical door hardware and smart locks used in residential and multifamily buildings. These assets include ASSA ABLOY's EMTEK and Schaub premium mechanical door hardware businesses, its Yale and August residential smart lock businesses in the United States and Canada, and other assets for multifamily smart lock applications in the United States and Canada. Additional terms of the settlement include: expanding Fortune's intellectual property and commercialization rights in smart locks, inclusion of additional residential mechanical lock assets, the appointment of a monitoring trustee, a penalty provision for delayed transfer of a manufacturing facility, and the ability, under certain circumstances, for the Department to seek additional relief later if the divestiture fails to maintain the intensity of competition that existed before the merger for smart locks used for residential and multifamily buildings.

ASSA ABLOY AB is a publicly traded Swedish stock company headquartered in Stockholm, Sweden. It sells its residential door hardware products in the United States under the August, EMTEK, and Yale brands.

Spectrum Brands Holdings Inc. is a publicly traded Delaware corporation headquartered in Middleton, Wisconsin. It sells its residential hardware products in the United States under the Baldwin and Kwikset brands.

Fortune Brands Innovation, Inc. is a publicly traded Delaware corporation headquartered in Deerfield, Illinois. It sells various products for the home under the Moen, Fiberon, and MasterLock brands, among others.

As required by the Tunney Act, the proposed settlement, along with a competitive impact statement, will be published in the Federal Register. Any person may submit written comments concerning the proposed settlement during a 60-day comment period to Chief, Defense, Industrials, and Aerospace Section, Antitrust Division, U.S. Department of Justice, 450 Fifth Street NW, Suite 8700, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the U.S. District Court for the District of Columbia may enter the final judgment upon finding it is in the public interest.

The claims resolved by the settlement are allegations only and there has been no determination of liability.

Attachment(s):

[Download Competitive Impact Statement](#)

[Download Proposed Final Judgment](#)

[Download Stipulation](#)

[Download Explanation of Procedures](#)

[Download Attachment A](#)

[Download Attachment B](#)

[Download Appendix A](#)

Topic(s):

Antitrust

Component(s):

[Antitrust Division](#)

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