



Lennox International and Outokumpu Group Announce Agreement to Form Joint Venture

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DALLAS, April 22 /PRNewswire-FirstCall/ -- Lennox International Inc. (NYSE: LII) announced today it has entered into a memorandum of agreement for the formation of a joint venture with Outokumpu Oyj of Finland. Outokumpu will purchase a 55 percent interest in LII's heat transfer business segment for \$55 million, with LII retaining 45 percent ownership. After a period of three years, Outokumpu will have the option to purchase the remainder of the business contingent upon several factors, including operating performance of the joint venture. The agreement, which has been approved by the board of directors of both companies and is contingent upon regulatory approvals, is currently targeted for completion in mid-year 2002.

As part of the agreement, a separate, 50-50 technology partnership will be established to strengthen the leadership position in heat transfer technology for both partners.

"We are partnering with the Outokumpu Group to realize synergies between the two companies," said Bob Schjerven, LII CEO. "This joint venture brings together the resources and reach of two highly respected global businesses, both leaders in their respective technologies. Merging these two adjacent links in the supply chain will drive unparalleled efficiencies in customer service and working capital reduction. This partnership will also allow LII to focus on strengthening our branded finished goods business segments and improving our effectiveness in providing value-added products and services in our core heating, cooling and refrigeration markets."

"Outokumpu has been supplying air-conditioning and refrigeration tubing to LII for several years," said Kalevi Nikkila, President of Outokumpu Copper Products Oy. "We intend to develop Outokumpu Copper Products, our copper tubing products business, further down the value chain. The partnership with LII will allow us to expand beyond copper tubing into new geographic markets and product offerings."

Included in the joint venture agreement are the OEM and Commercial Coil plants in Grenada, Mississippi; the heat transfer plant in Juarez, Mexico; European heat transfer operations in Cremieu, France, Torreglia, Italy, and Prague, Czech Republic; and Livernois Engineering in Dearborn, Michigan.

Outokumpu Copper Products is part of The Outokumpu Group, global leaders in the non-ferrous metals and stainless steel industries. Its main customers are in the electrical, heat transfer, telecommunications, building and construction, and automotive industries. Outokumpu operates manufacturing facilities in the United States, Finland, Sweden, Holland, Spain, China, Malaysia, Thailand, Austria, and Great Britain.

A Fortune 500 company operating in over 70 countries, Lennox International Inc. is a global leader in the heating, ventilation, air conditioning, and refrigeration markets. Lennox International stock is traded on the New York Stock Exchange under the symbol "LII". Additional information is available at www.lennoxinternational.com or by contacting Karen O'Shea, Vice President, Communications and Public Relations, at 972-497-5258.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from such statements. For information concerning these risks and uncertainties, see Lennox' publicly available filings with the Securities and Exchange Commission. Lennox disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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