ASSA ABLOY

Q1 Report 2009

Johan Molin
President & CEO

Financial Highlights Q1 2009

- **Record performance despite recessionary headwind**
  - Construction in recession throughout the world
  - Entrance systems, HID and emerging markets holds up
  - Large efficiency gains
  - Continued strong cash flow
- **Sales** **8,881 MSEK** **+8%**

  -12% organic, +4% acquired growth, +16% currency
- **EBIT*** **1,328 MSEK** **+7%**

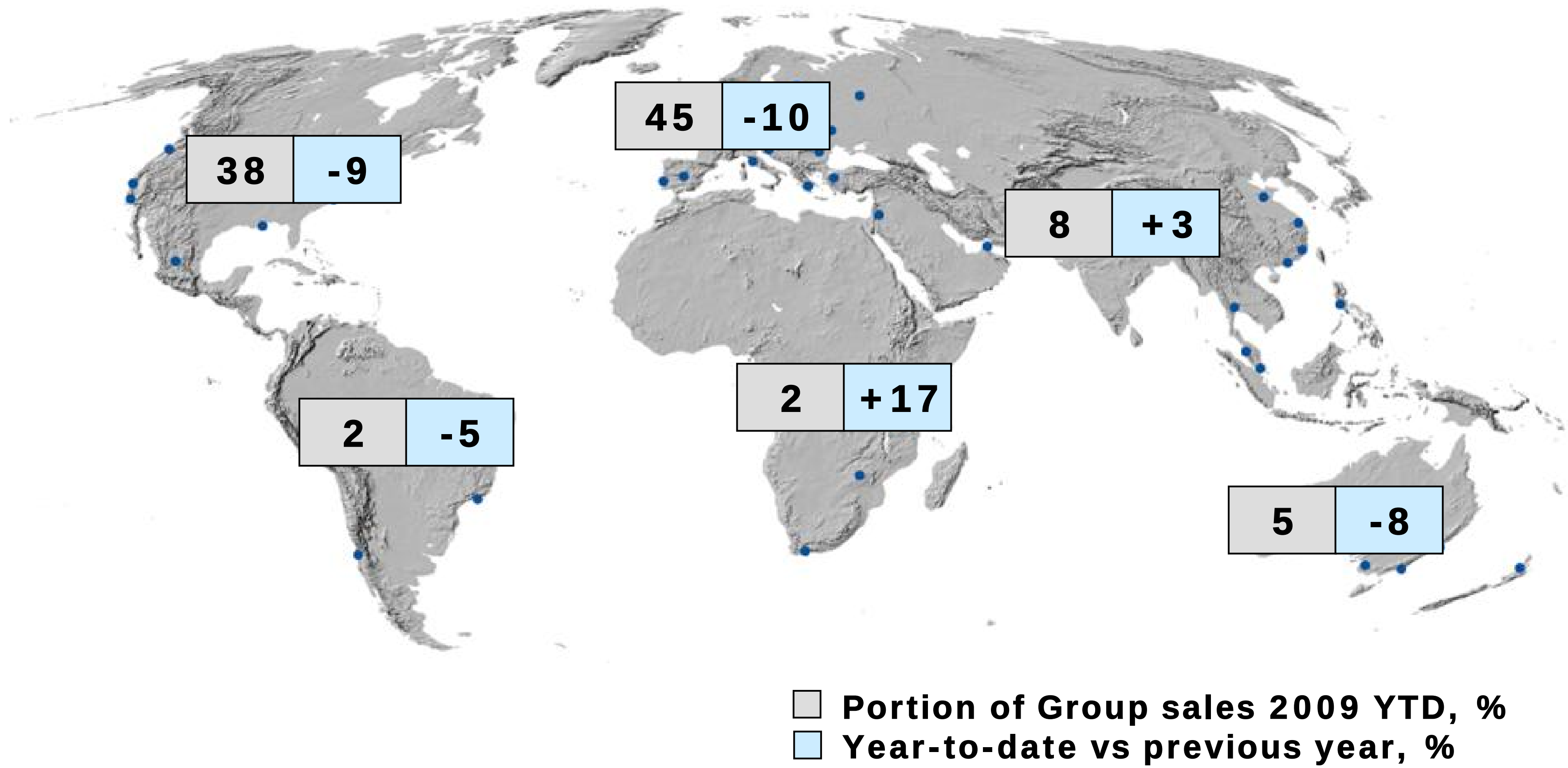
  Currency effect +225 MSEK
- **EPS*** **2,20 SEK** **+6%**

*Excluding restructuring and one off cost of 109 MSEK.

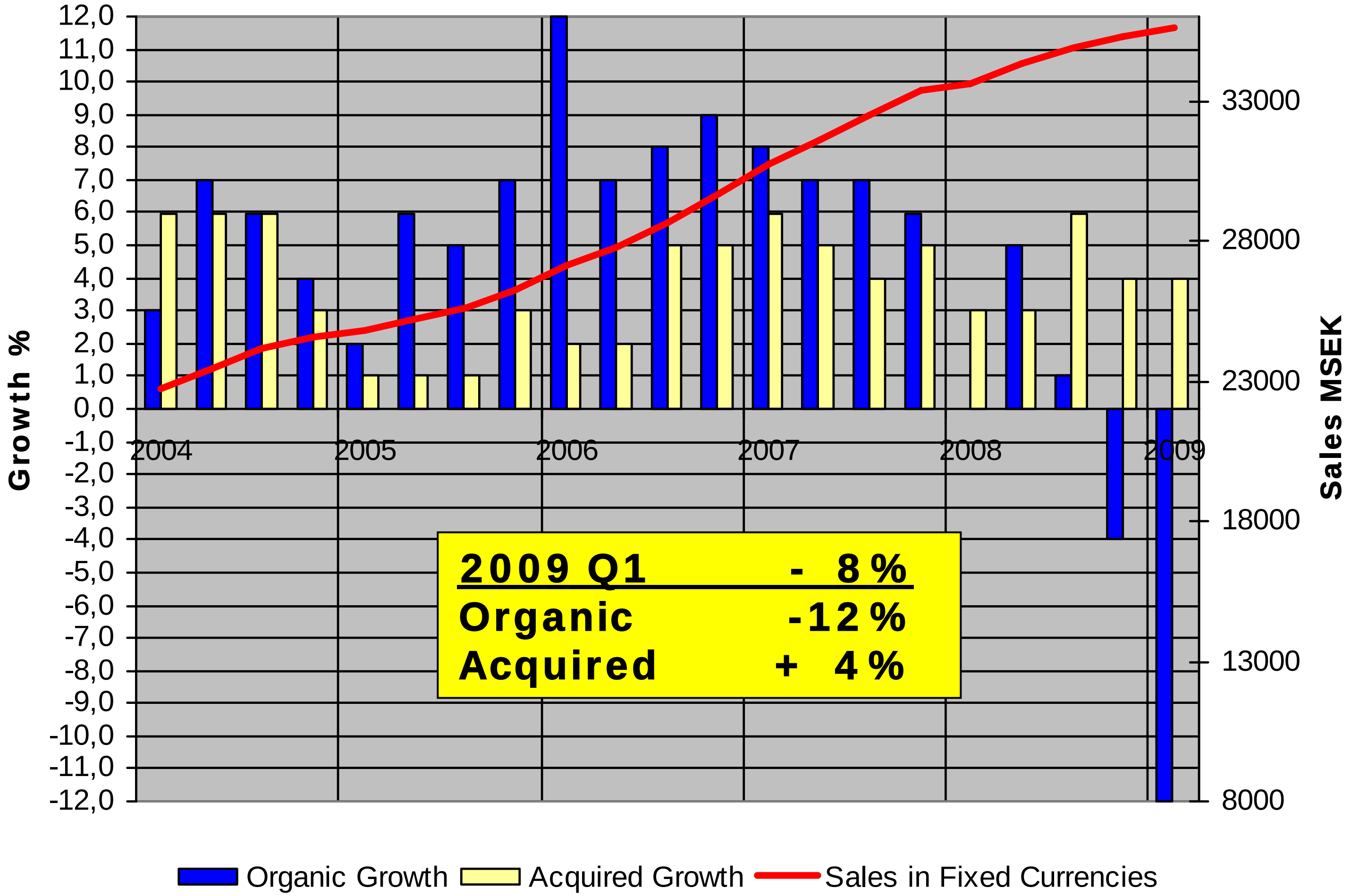
ASSA ABLOY in Q1 2009

- **Weakening demand in all parts of the world**
  - De-stocking and weak aftermarket
  - Emerging markets less hit
- **Relatively good performance of electromechanics**
  - HID and Entrance are stable
  - Many new products within elmech gives relatively good performance
- **Continued investment in R&D and market presence**
- **Industry consolidation continues**
  - ASSA ABLOY made 4 small acquisitions

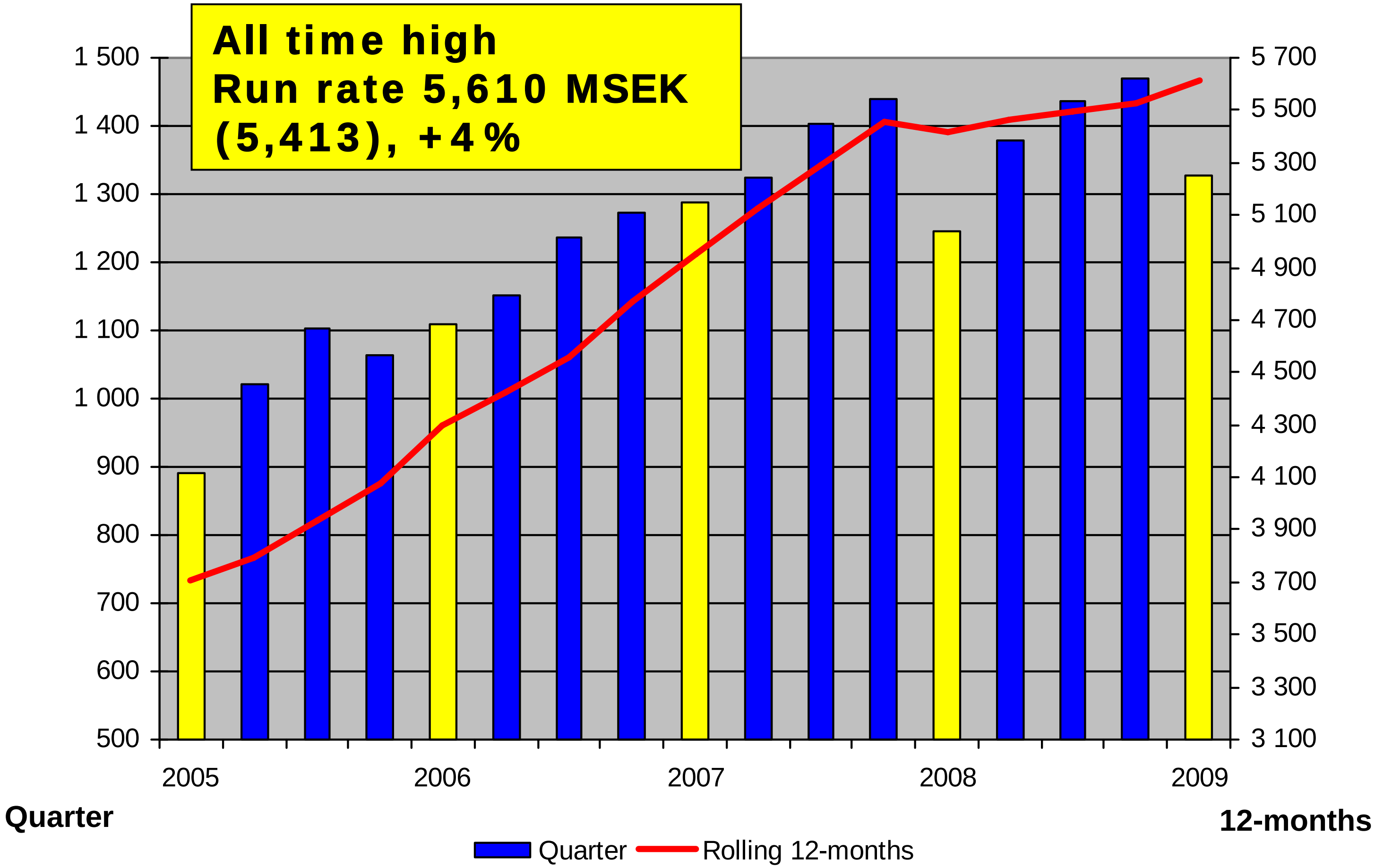
Group Sales in Local Currencies Q1 2009



Sales Growth Q1 2009 - Currency Adjusted

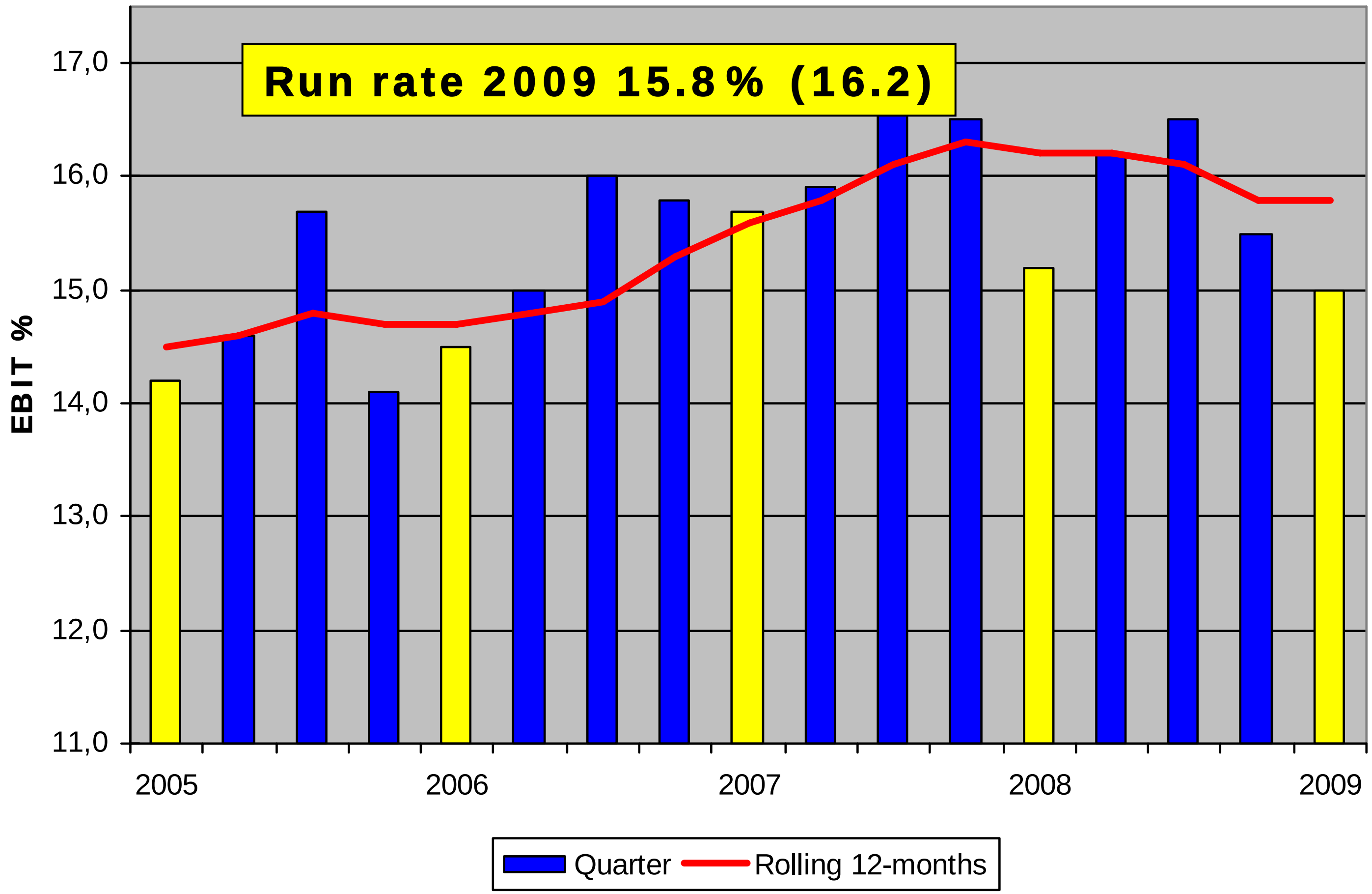


Operating Income* (EBIT) MSEK



*Rolling 12-months excludes restructuring and one off costs 2006 of 1,474 MSEK, 2008 of 1,257 MSEK and 2009 of 109 MSEK.

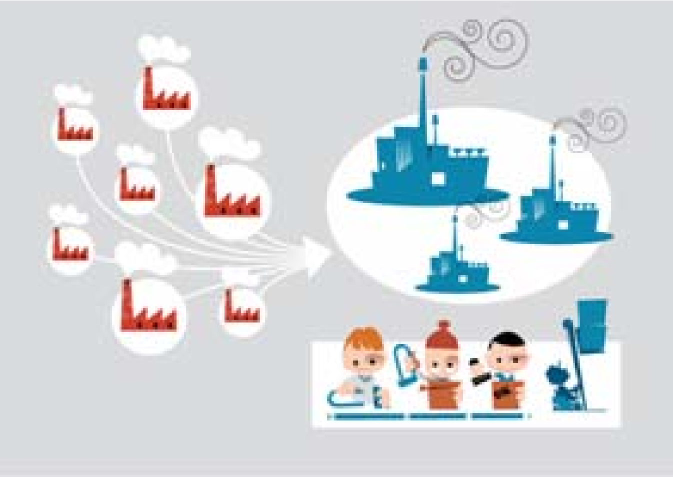
Operating Margin* (EBIT)



*Rolling 12-months excludes restructuring and one off costs 2006 of 1,474 MSEK, 2008 of 1,257 MSEK and 2009 of 109 MSEK

Manufacturing Footprint

- Large efficiency gains out of the programs
- 40 new projects with planned closure of 15 sites
- Consolidation of support functions and administration
- Conversion to assembly in high cost countries
- Full cost MFP II, additional charge MFP I
  - 1 180 MSEK Q4 2008
  - 109 MSEK Q1 2009
- Achieved 3 300p, 1 750p to go
  - Original plan 3 800p
  - Forecast 5 050p (+33%)



Acquisitions 2009

- **Acquisitions on temporary hold**

- **4 small acquisitions carried through during Q1**
  - Adds 200 MSEK annualized, +0,6%

- **SimonsVoss**
  - Court appeal pending

Acquisitions 2009

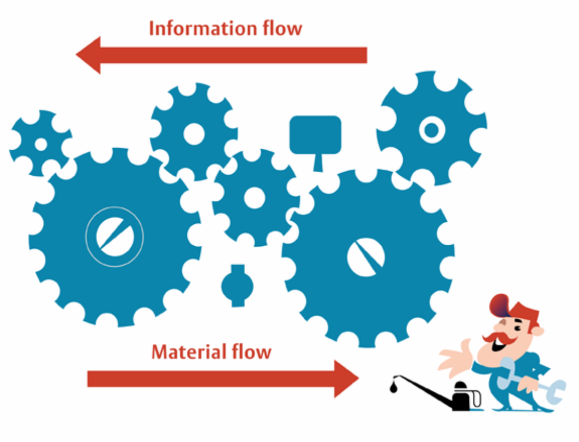
Maiman Company

- Sales 100 MSEK
- Complementary door range
  - Wear and tear laminate doors
  - Stile and Rail doors

Stile and Rail

- Main customers schools, hospitals and public buildings
- Will be leveraged through US specification team
- Accretive in 2009

Margin Highlights Q1 2009



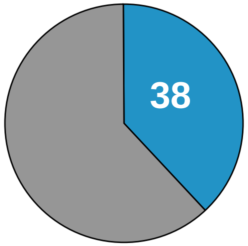
- Total growth 8%, with organic -12%
- EBIT margin 15.0%* (15.2%)
- Gross margin maintained
  - Gains from manufacturing footprint, 24 sites closed
  - Contingency plans released
    - 21% less personnel, 6 300, in 18 months
    - 7% less in Q1
  - Raw material positive
- SG&A cost maintained at 26.0%

* Excluding restructuring and one off cost of 109 MSEK.

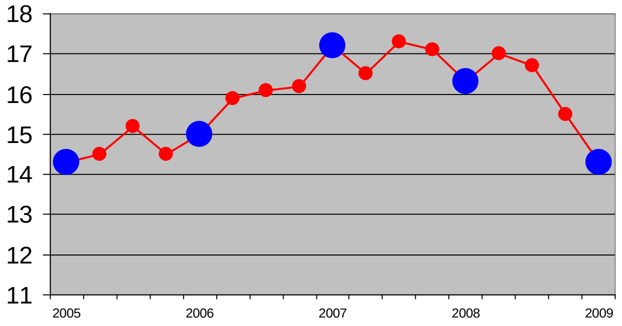
Division - EMEA

- Construction in deep decline throughout EMEA
- Relatively good development in Germanic markets
- Severe downturn in Spain, Italy and EE
- Profit supported by footprint savings
- Valli&Valli and Gardesa dilutes by 0.4%
- Operating margin (EBIT)
  - \- Volume -15%
  - \+ Restructuring savings
  - \- Dilution
  - = Raw material positive

SALES
share of
Group total %



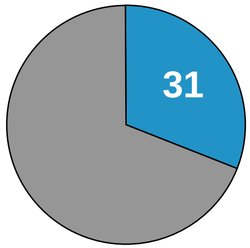
EBIT %



Division - Americas

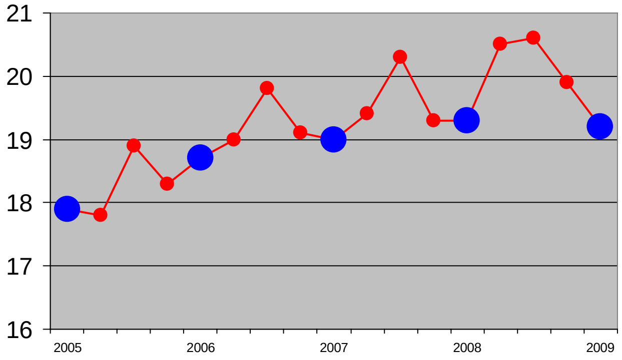
- Project market and Canada positive
- Distribution destocks and weak aftermarket
- Continued downturn in residential, OEM
- Margin maintained thanks to efficiency gains and reductions of personnel

SALES
share of
Group total %



- Operating margin (EBIT)
  = Volume -15%
  + Strong efficiency improvement
  = Raw materials positive

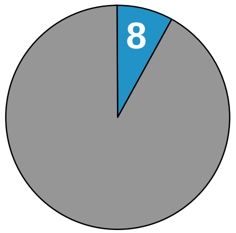
EBIT %



Division - Asia Pacific

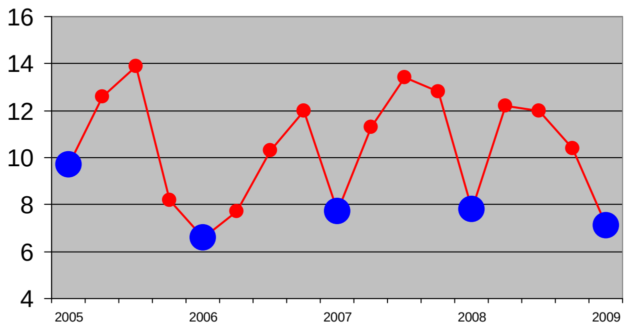
- Slowing construction in the whole region
- Australia holds up while New Zealand is weak
- iRevo and China doors in growth
- Production for Europe in decline
- Profit in the Pacific affected by weak currency

SALES
share of
Group total %



- Operating margin (EBIT)
  - Volume -6%
  - Currency turbulence
  + Restructuring savings
  + Raw material

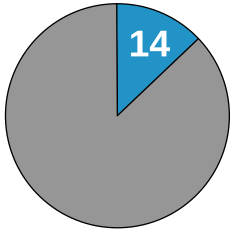
EBIT %



Division - Global Technologies

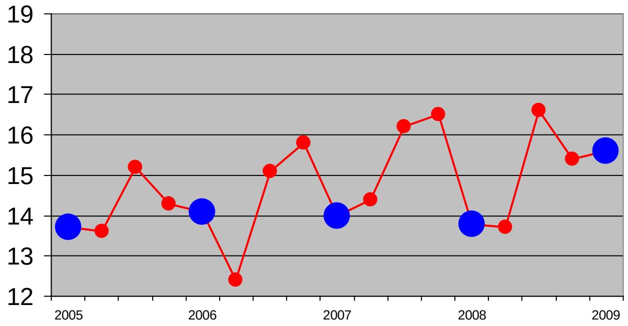
- Growth in HID and Fargo
  - Several large projects for Secure Issuance
- ITG sales continued negative
- Hospitality project delays continued
- Strong profit in HID/Fargo and Hospitality
- ITG is improving, low margin business reduced

SALES share of Group total %



- Operating margin (EBIT)
  - \+ Volume stable HID/Fargo
  - \+ Hospitality currency improvement
  - \+ ITG resumes profit

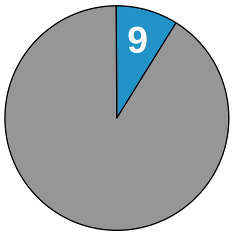
EBIT %



Division - Entrance Systems

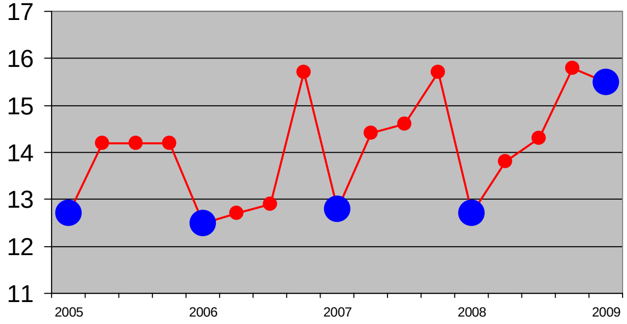
- Recession in the retail segment
- Strong health care and emerging markets
- Good development of service sales
- Margin improvement from manufacturing footprint

SALES
share of
Group total %



- Operating margin (EBIT)
  = Volume
  + Manufacturing footprint
  + Raw material

EBIT %



ASSA ABLOY

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Tomas Eliasson
CFO

Financial Highlights Q1 2009

MSEK	Twelve months 2007	Twelve months 2008	Change	1st Quarter 2008	1st Quarter 2009	Change
Sales	33,550	34,918	+4%	8,203	8,881	+8%
Whereof						
Organic growth			+0%			-12%
Acquired growth			+4%			+4%
FX-differences		+16	+0%		+1,460	+16%
Operating income (EBIT)*	5,458	5,526	+1%	1,244	1,328	+7%
EBIT-margin (%)*	16.3	15.8		15.2	15.0	
Operating cash flow	4,808	4,769	-1%	583	838	+44%
EPS (SEK)*	9.02	9.21	+2%	2.08	2.20	+6%

*Excluding restructuring and one off charges of 1,010 MSEK in Q4 and 1,257 for the full year 2008 and 109 MSEK in Q1 2009

P&L – Components as % of Sales

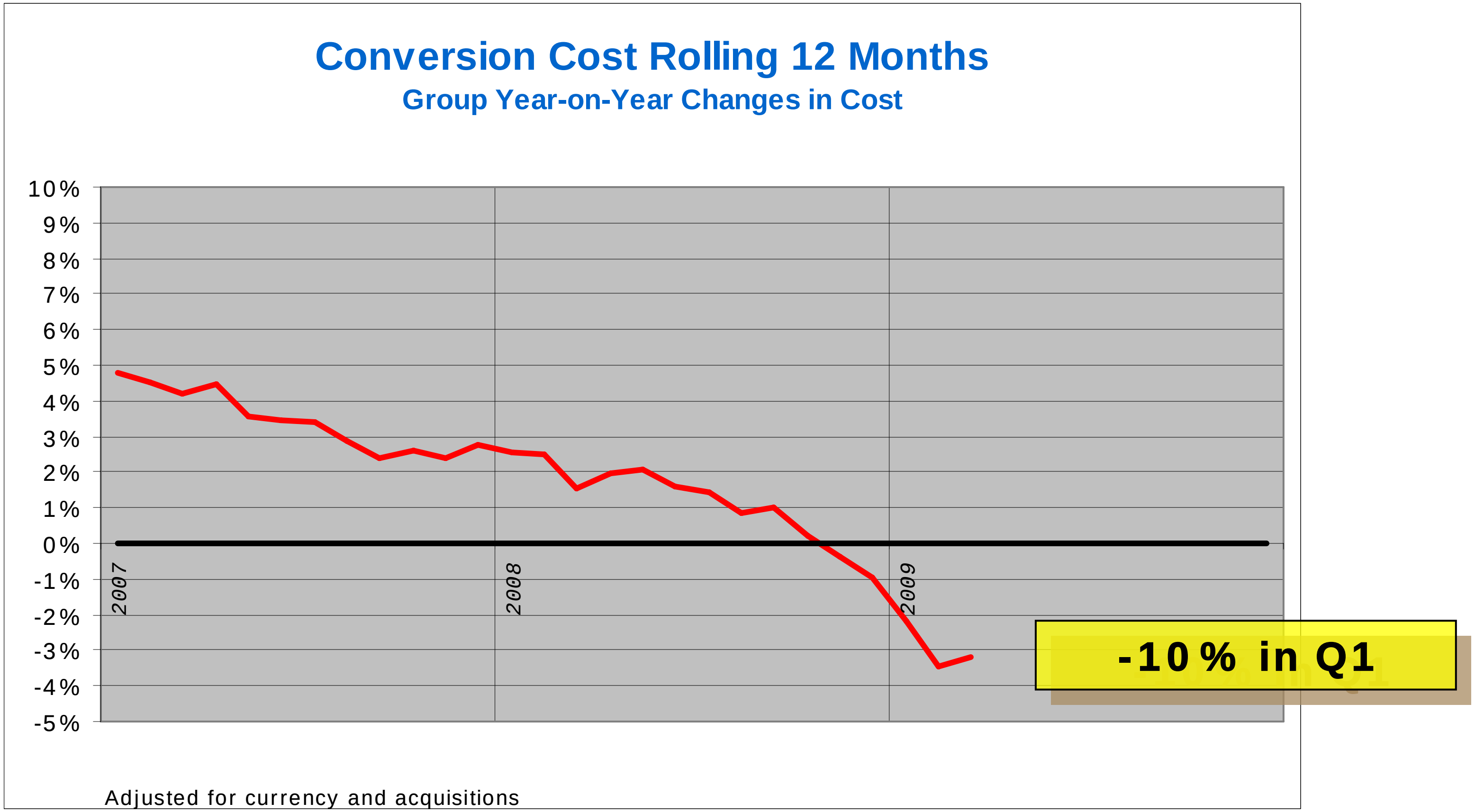
Q1 Year-on-Year

	2008	2009*
Direct material	31.4%	31.6%
Conversion costs	27.4%	27.4%
Gross Margin	41.2%	41.0%
S, G & A	26.0%	26.0%
EBIT	15.2%	15.0%

* Excluding restructuring and one off cost of 109 MSEK

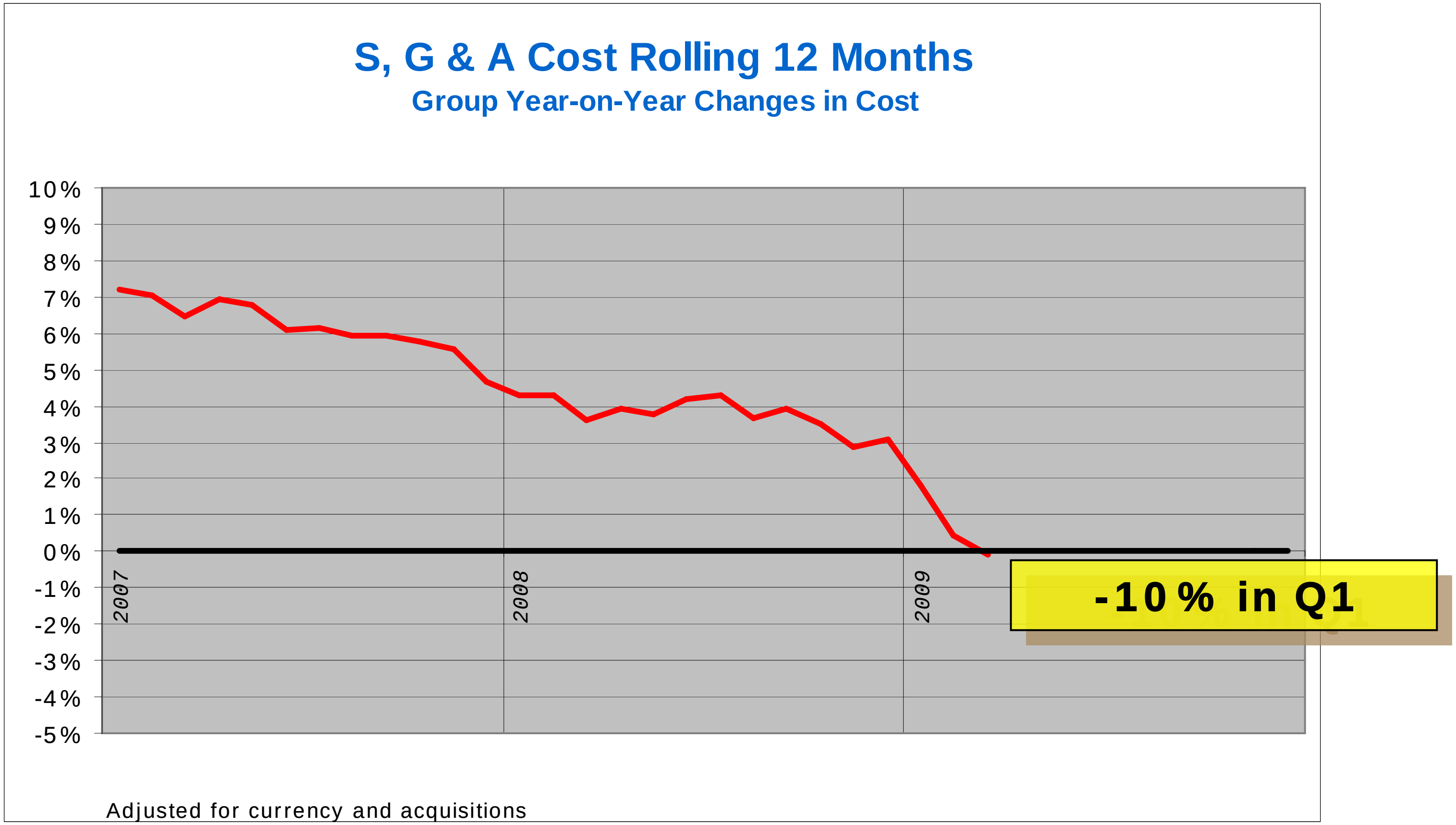
Cost Development

Cost Development

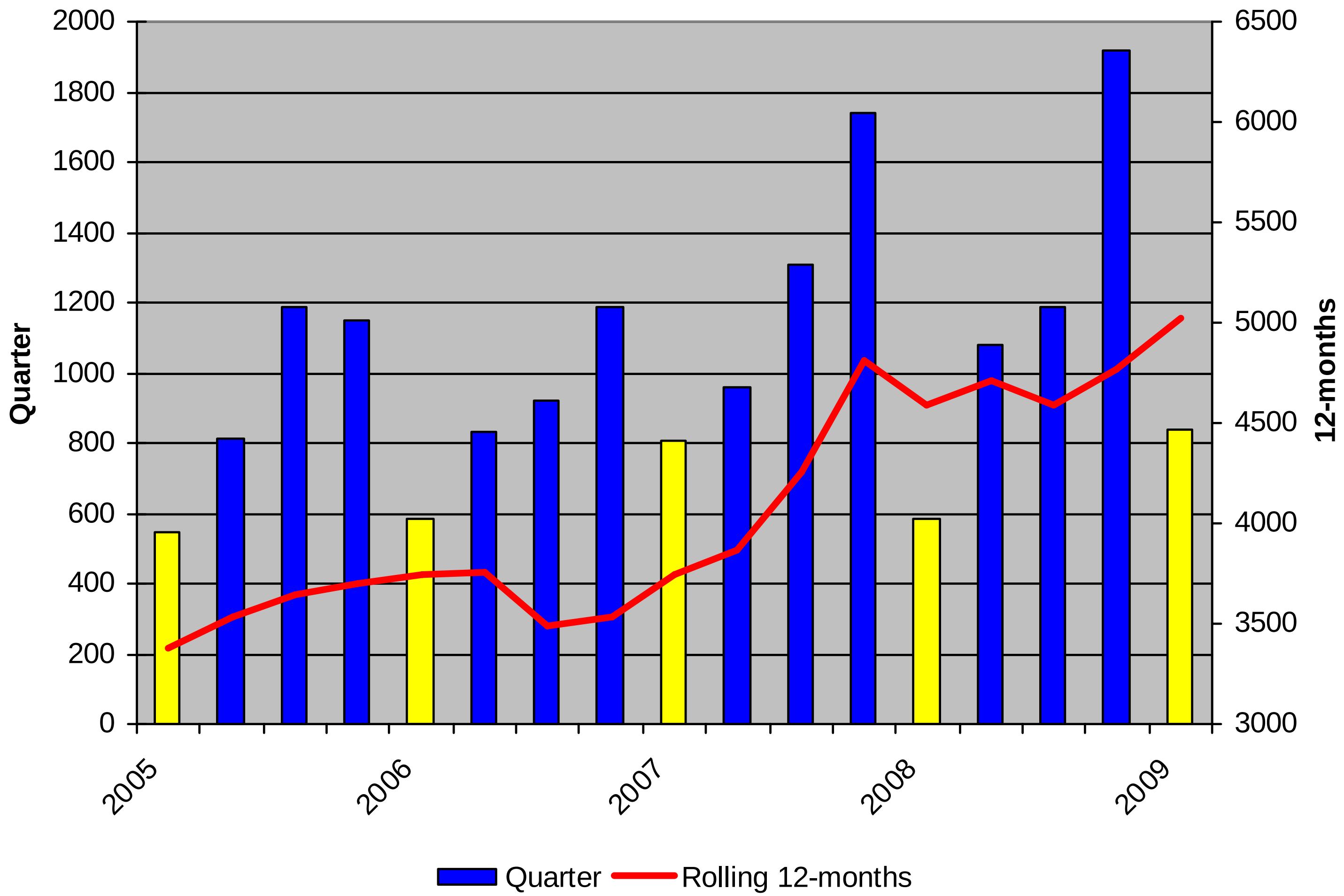


Conversion cost = all fixed and variable production costs excluding material

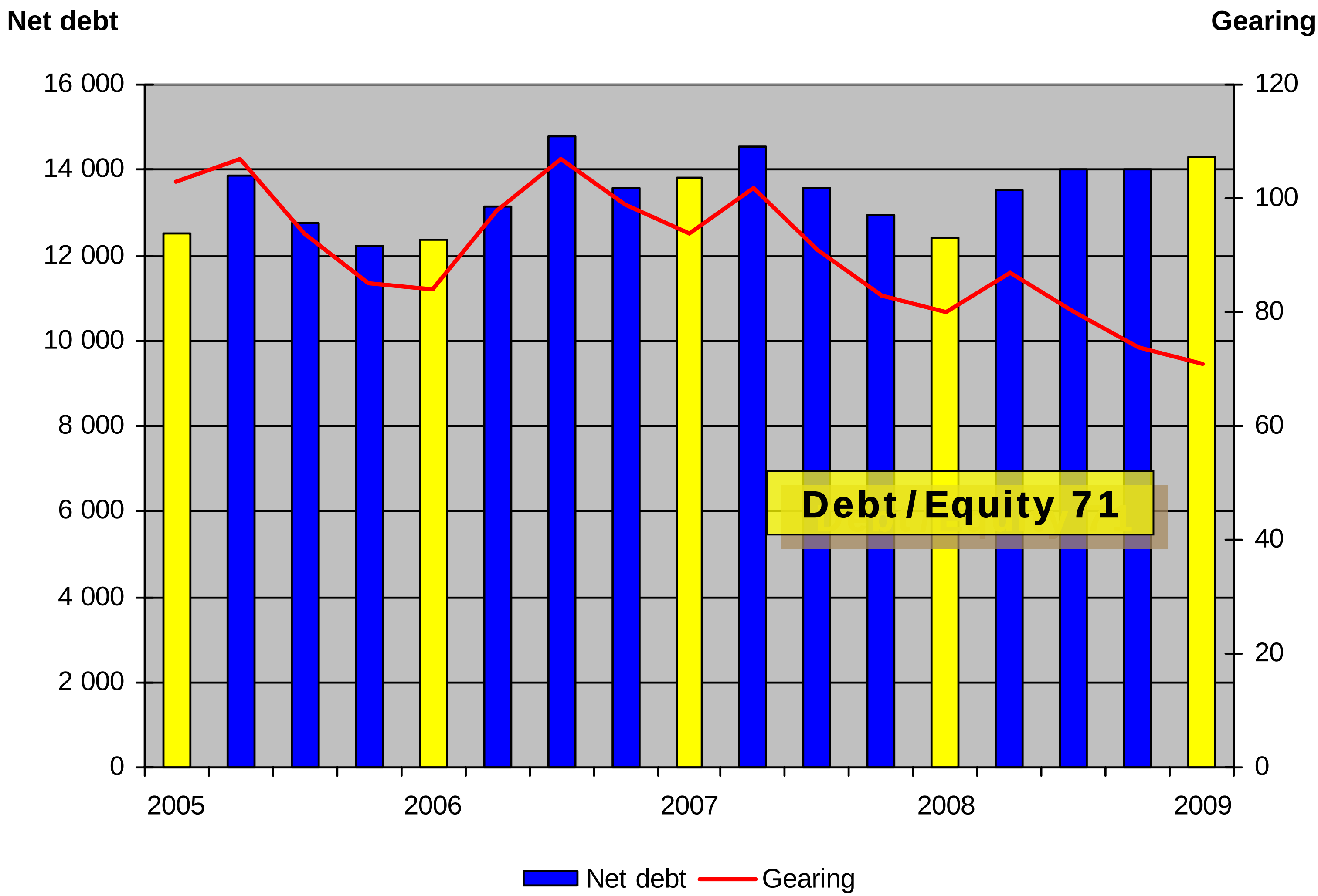
Cost Development



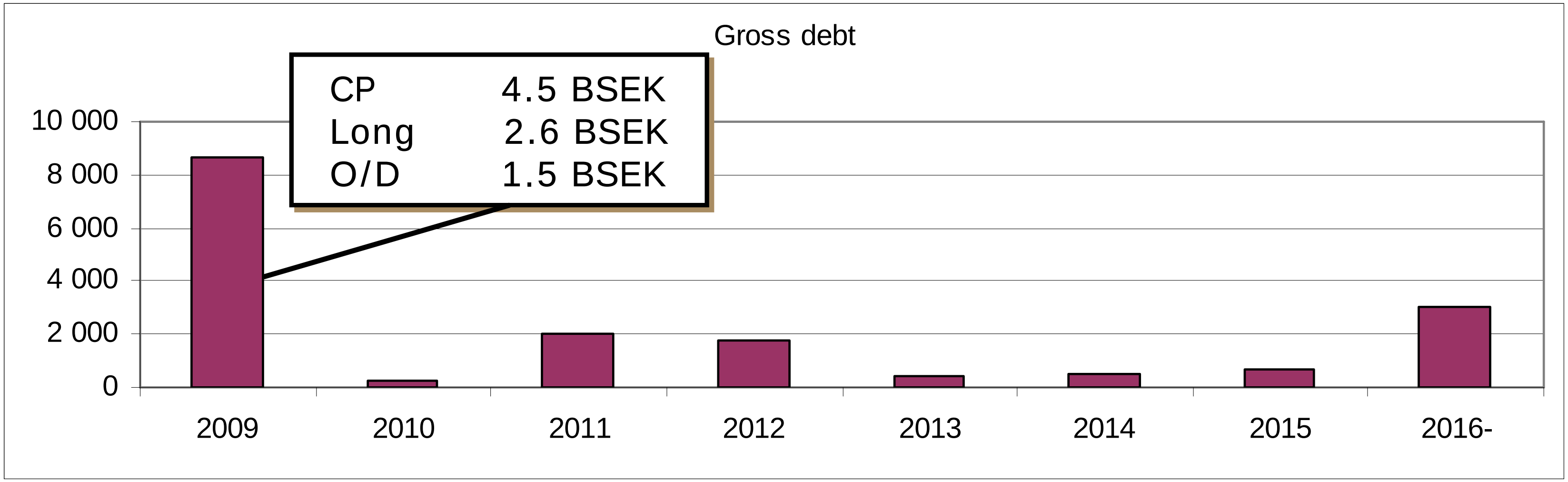
Operating Cash Flow, MSEK



Gearing % and Net Debt MSEK



Maturity Profile Gross Debt



Covered by SEK 12 B back-up facility if necessary and 4 B in cash assets

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President & CEO

Conclusion Q1 2009

- 8% growth
- Record profit despite recessionary headwind
- Continued investments in R&D and market presence
- 4 smaller acquisitions
- Strong operational cash flow

Short Term Actions 2009

- Stay close to customers – sales force maintained
- Continue investments in new products
- Cost reductions
- Cash and margin focus
- Be ready to react fast on market opportunities

ASSA ABLOY and the economic slowdown

- Significant construction slowdown in all parts of the world
- Raw material prices are reducing from Q1
- Manufacturing footprint in full motion
  - Going forward 16 site closures and >1 750 people
- Contingency plans released
- Large savings realized, -21% employees in 18 months

Outlook

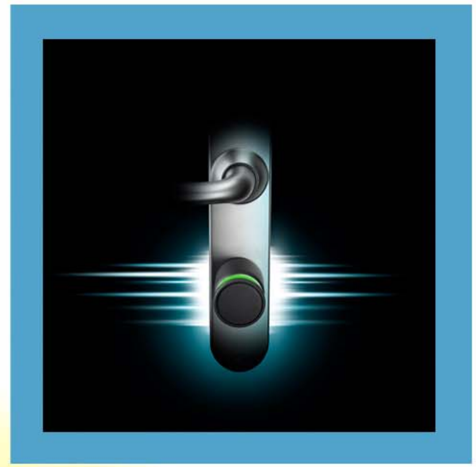
Long Term

- Organic sales growth is expected to continue at a good rate
- The operating margin (EBIT) and operating cash flow are expected to develop well

Outlook for 2009

- Significant construction slowdown in all parts of the world
- Negative organic growth is expected
- Easter effect will have a negative impact on Q2

Q&A



Summary

- Construction in recession throughout the world
- Q2 will be negatively affected by Easter
- Early reaction to downturn gives good savings
- Manufacturing Footprint program, raw materials and currency gives good benefit in the weak market