ASSA ABLOY

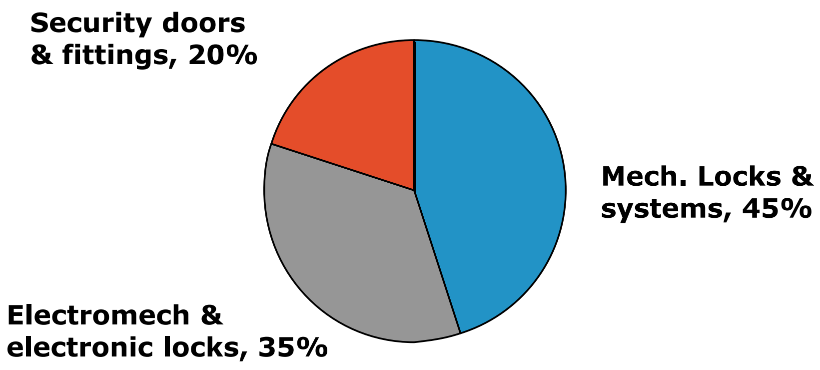
Q4 Report 2009

ASSA ABLOY overview

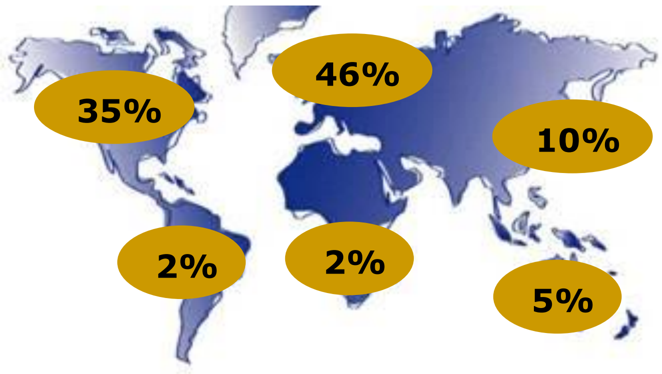
Financials (SEK bn)

Net sales	**35.0**
EBIT	**5.4**
Op cash flow	**6.8**
Net debt	**11.0**
Market cap	**48**

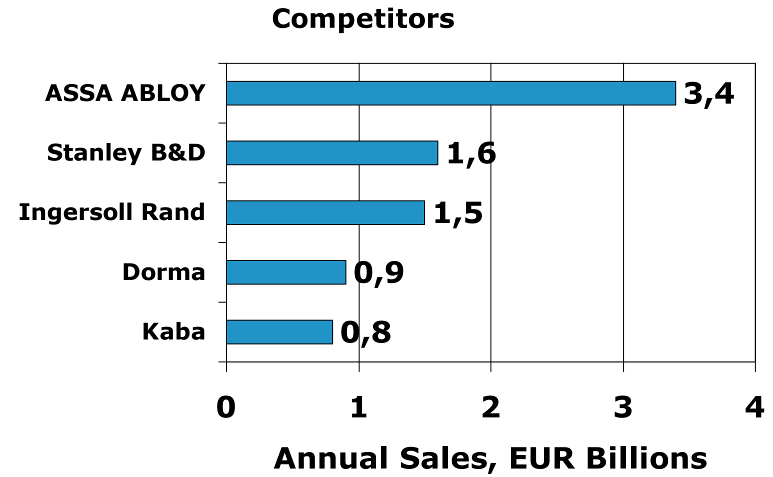
Sales by product group Dec 2009



Sales by region Dec 2009



Leading market positions



Financial Highlights Q4 2009

- **Higher margin in slightly improved market**
  - Good trend in EMEA, Global Technologies and Entrance Systems
  - Asia Pacific in strong growth
  - USA weak
  - Large efficiency gains supported strong EBIT
  - Record cash flow

- **Sales 8,799 MSEK -7%**

  -8% organic, +3% acquired growth, -2% currency

- **EBIT 1,398 MSEK* -5%**

  Currency effect -4 MSEK

- **EPS 2.41 SEK -2%**

* Excluding restructuring charges of MSEK 930

Financial Highlights Jan-Dec 2009

- **Excellent performance in a tough year**
  - Total growth 0%
  - Maintained EBIT through efficiency and currency gains

- **Sales — 34,963 MSEK — +0%**

  -12% organic, +3% acquired growth, +9% currency

- **EBIT — 5,413 MSEK* — -2%**

  Currency effect +643 MSEK

- **EPS — 9,22 SEK — +0%**

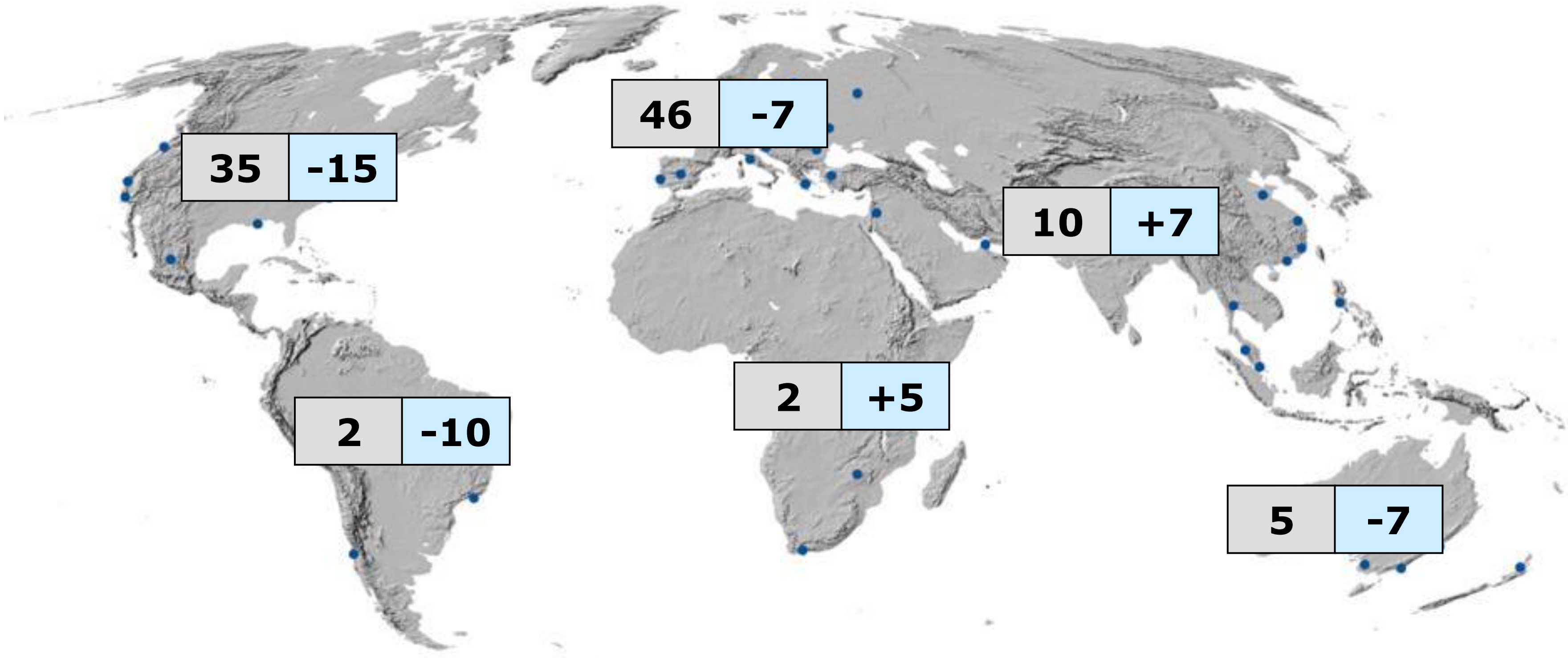
* Excluding restructuring charges of MSEK 1,039

Sales Highlights Q4

- **Growing sales in several parts of the world**
  - Scandinavia, UK, Africa, Asia and Pacific are growing
- **Maintained investment in R&D**
  - Reinforced product leadership

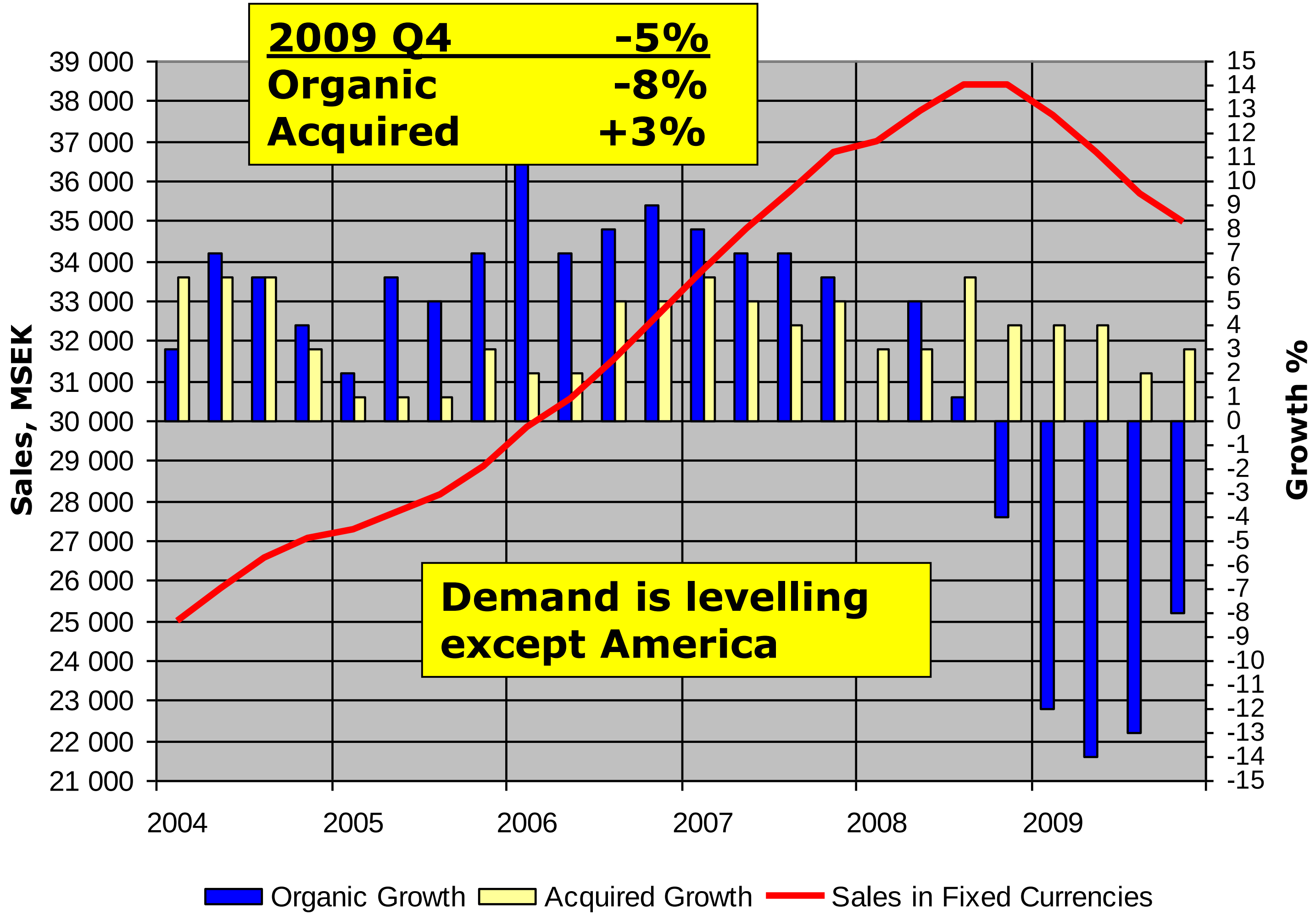
- **Large number of new products reinforces competitiveness**
  - Global platforms
- **Maintained market presence**
  - Successful market segmentation

Group Sales in Local Currencies Jan-Dec 2009

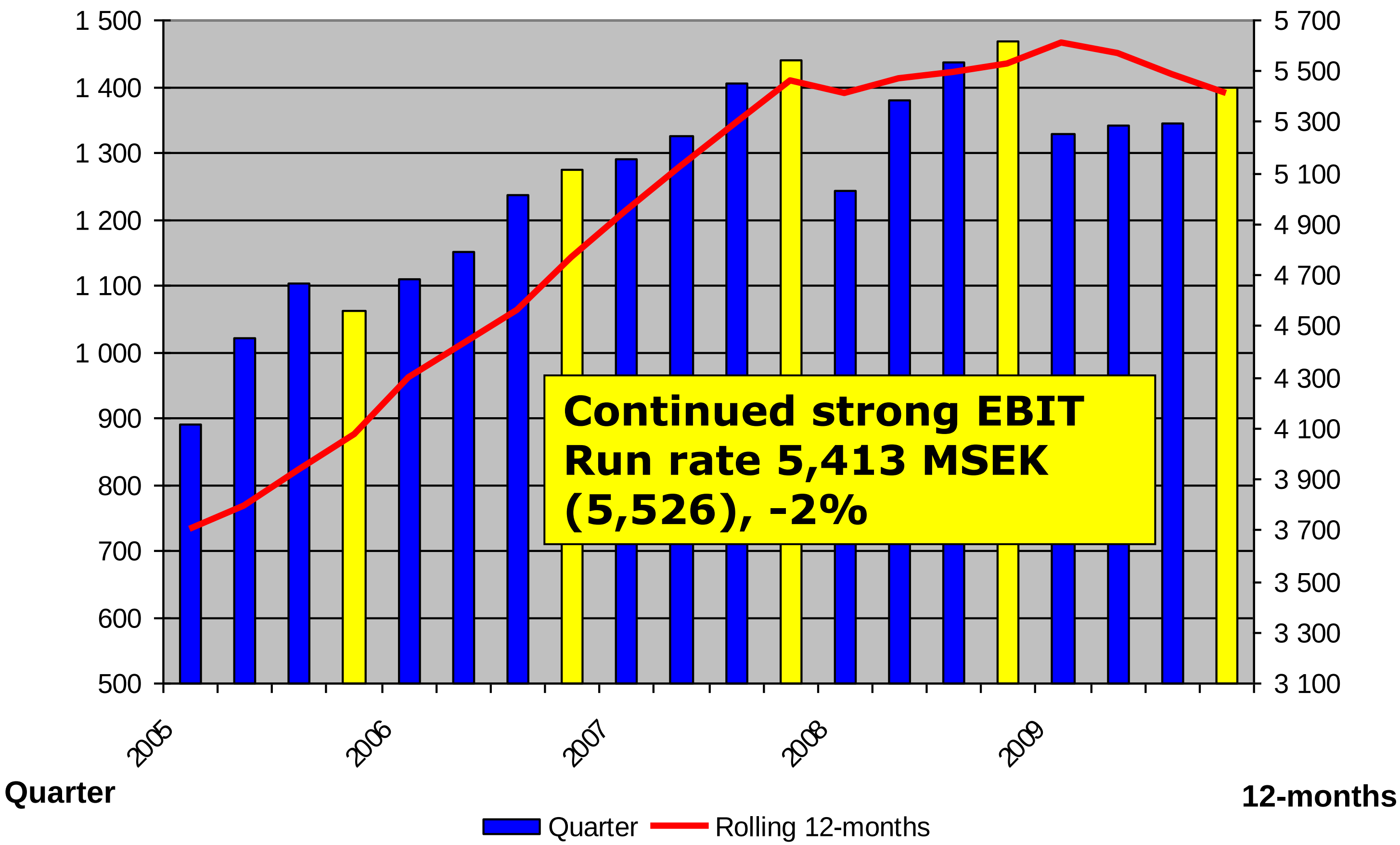


Share of Group sales 2009 YTD, %
Year-to-date vs previous year, %

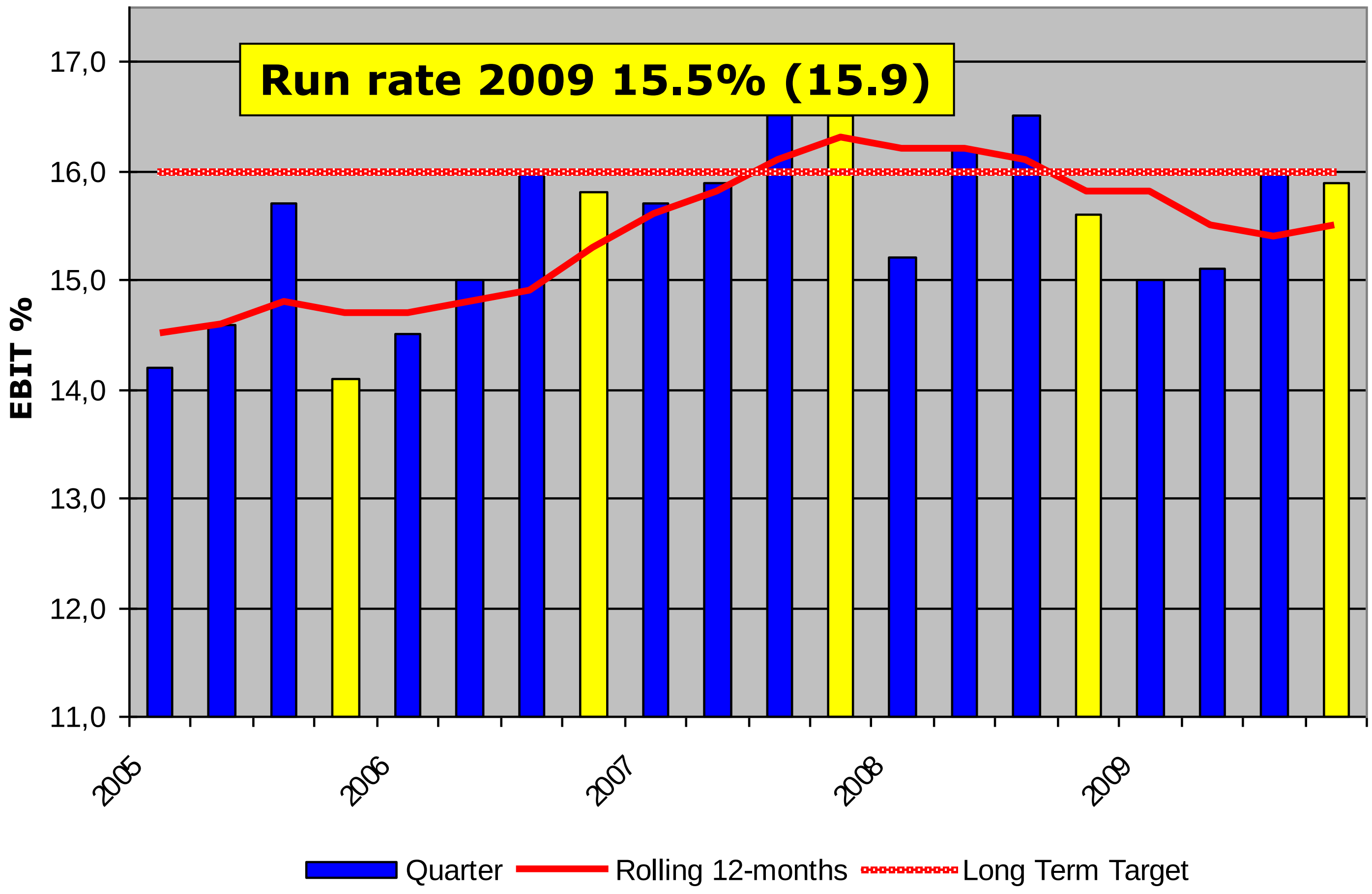
Sales Growth Q4 2009 - Currency Adjusted



Operating Income (EBIT) MSEK

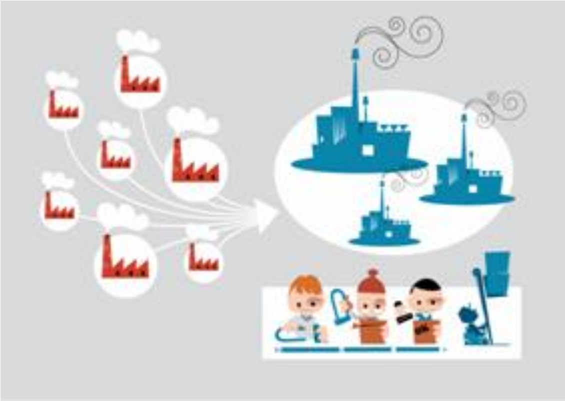


Operating Margin (EBIT)



Manufacturing Footprint
2006 and 2008 programs

- Great improvements achieved in efficiency since start
- Conversion to assembly or closures in high cost countries
- Consolidation of core production to China and Czechia
- 36 production facilities closed to date, 4 to go
- Personnel reduction 4 631p, +30% to plan
- 586p more to go

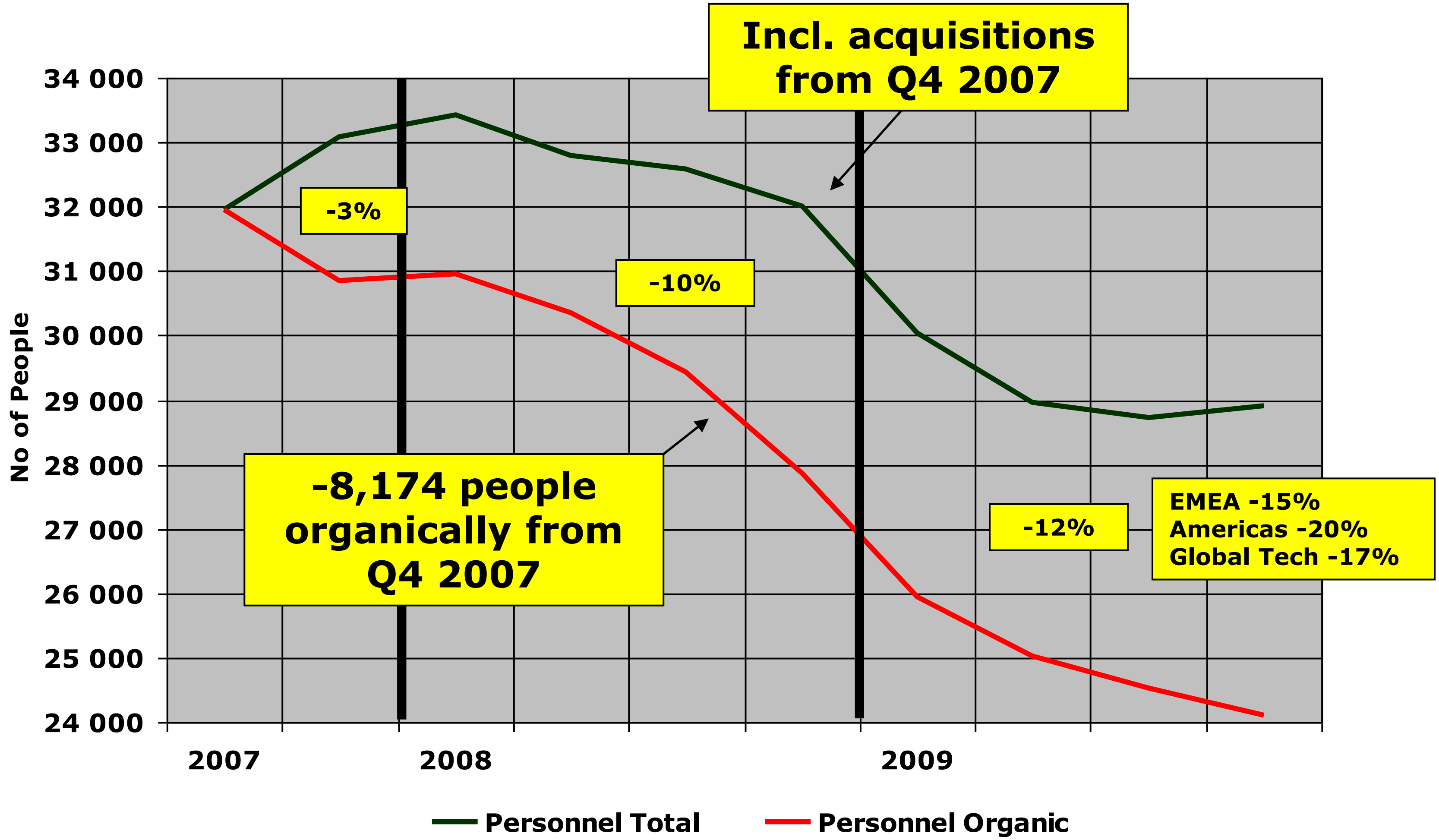


Manufacturing Footprint – New Program
Catch the Momentum

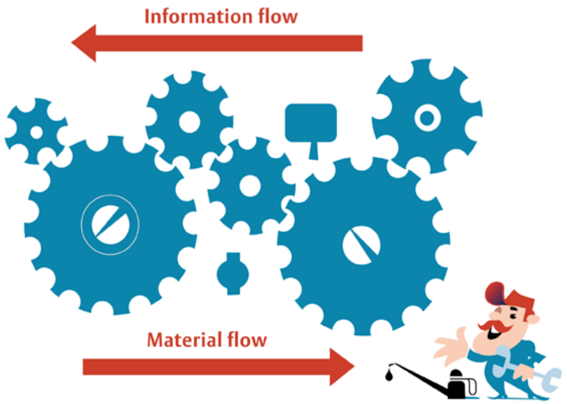
- Great improvements achieved since start
- Conversion to assembly in high cost countries
- 11 closures and conversion to assembly of 4 sites.
- In addition 11 office sites to be closed.
- Cost 930 MSEK and reduction of 1,200 people in HCC

→ 1,577 MSEK remains at year end for all three programs

Personnel Development



Margin Highlights Q4 2009



EBIT margin 15.9% (15.6)

- Volume downturn
- Depreciation dilutes

\+ Manufacturing footprint, 36 sites closed

\+ Contingency and manufacturing plans

3,898 people left YTD, 12% less

25% reduction in personnel since downturn

= S, G & A cost reduction in line with sales decline

Acquisitions 2009

- **From hold to fully active on acquisitions**
  - Growing pipeline with target 5% growth
- **8 acquisitions completed in 2009**
  - Annualized 1,175 MSEK, +3.4%
- **Pan Pan, China, awaiting final approval in Q1**
  - Adds 1,200 MSEK annualized from consolidation, +3.4%
- **In total 9 acquisitions**
  - Annualized 2,375 MSEK, +6.8%

Yale Colombia (Cerracol)

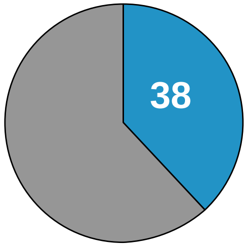
- Strategic move into emerging markets
- Market leader in Central America
- Based in Bogota, Colombia
- Manufactures Yale products since 1983
- 425 employees and SEK 140 M sales

Division - EMEA

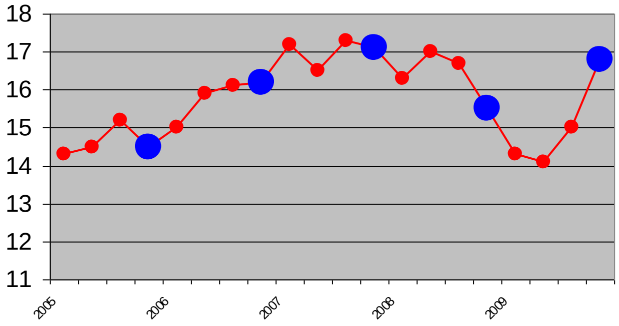
- Levelling in most markets
- Scandinavia, UK and Africa are growing
- Downturn in Italy and East Europe continued
- EBIT strongly improved on the back of savings
- Vachette and Assa Lycksele closed

- Operating margin (EBIT)
  - \- Volume -3%
  - \+ Good response to new products
  - \+ Restructuring savings
  - = Raw material positive

SALES
share of
Group total %



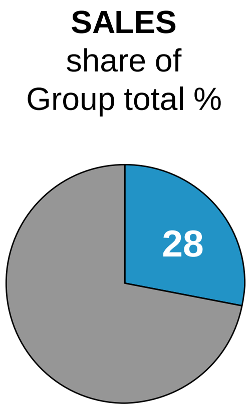
EBIT %

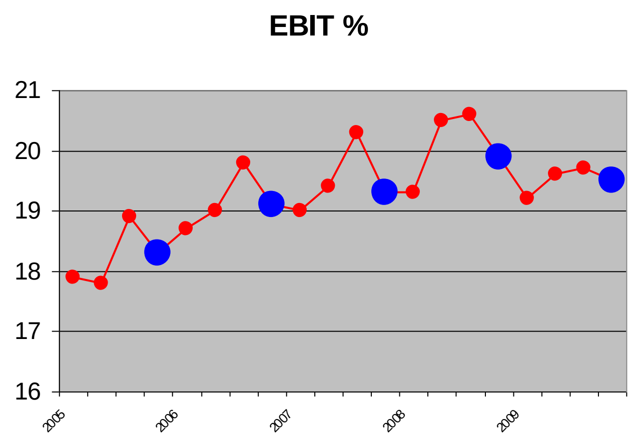


Division - Americas

- Continued decline in the commercial and residential market
- Canada, Mexico and Brazil less hit
- Door Group suffering the most
- Strong EBIT margin through savings
- Reduction of commercial construction continuous at least 6 months

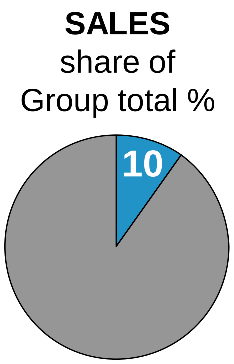
- Operating margin (EBIT)
  - Volume -21%
  + Strong efficiency improvement
  + Raw materials positive





Division - Asia Pacific

- Good evolution of sales in all units
- Australia and New Zealand growing
- Profit improved on the back of growth
- Investing in capacity within China doors
- Currency gains in AUD and NZD



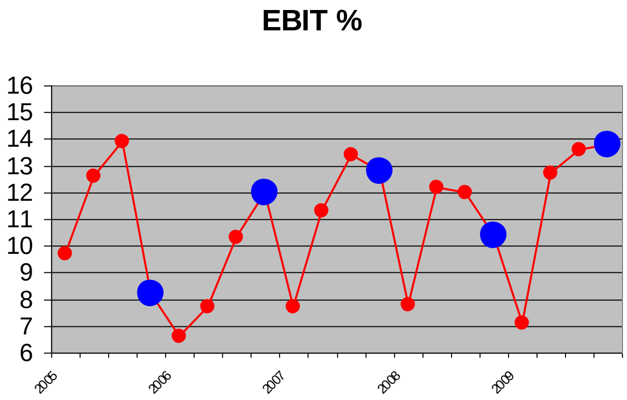
- Operating margin (EBIT)

  + Volume +10%

  + Currency effects

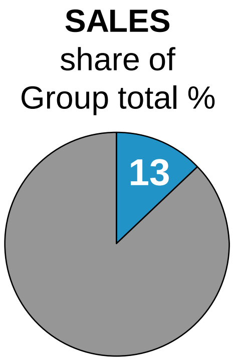
  + Restructuring savings

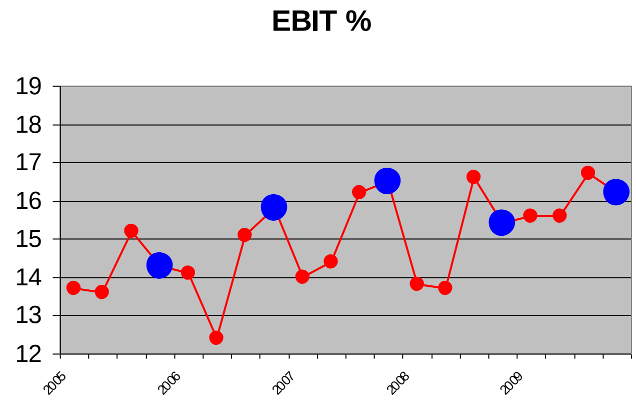
  - Raw material



Division - Global Technologies

- Good demand in Asia Pacific and flat in Europe
- HID
  - Access control; projects resumed and growing
  - Secure issuance; reduced due to low project activity
  - Identification Solutions; no change of negative trend
- Hospitality, no change in US trend
- Savings in infrastructure supports profit
- Operating margin (EBIT)
  - Volume -9%
  + All parts profitable
  + Restructuring give good effects

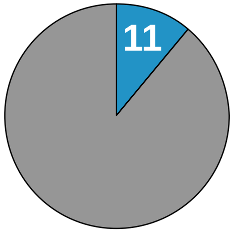




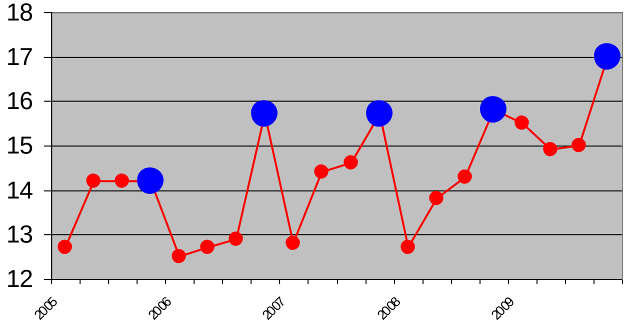
Division - Entrance Systems

- Markets stabilizing with good Asian growth
- Service sales in healthy growth
- Very dynamic effects on product costs through standardisation and LCC manufacturing
- USA profit strongly improved
- Ditec reinforces global leadership but dilutes result in Q4 by 2.8 %-unit
- Operating margin (EBIT)
  - Volume -4%
  + Manufacturing footprint
  + US setup

SALES share of Group total %



EBIT %

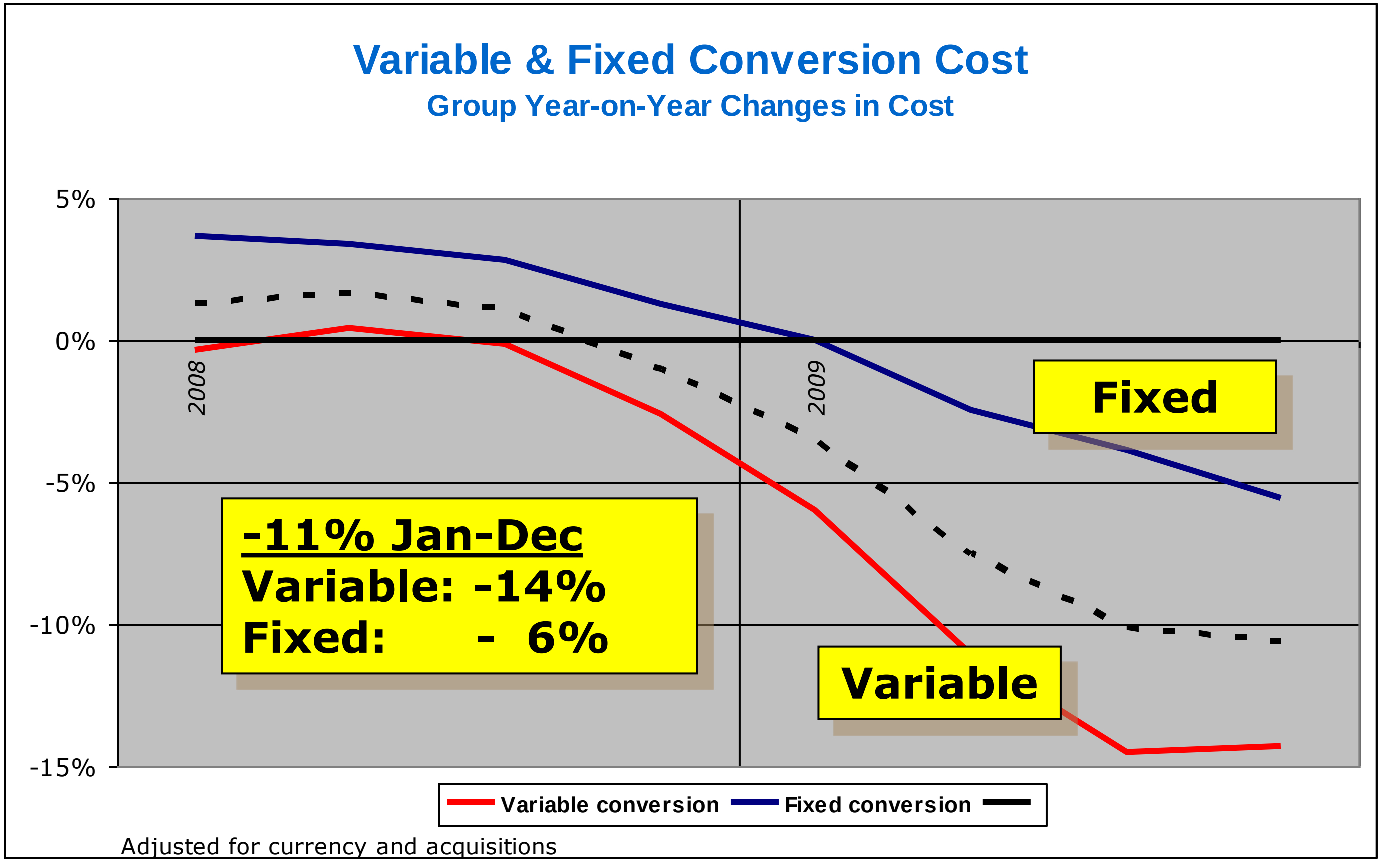


Financial Highlights Q4 2009

	4th Quarter			Twelve months		
MSEK	**2008**	**2009**	**Change**	**2008**	**2009**	**Change**
Sales	**9,444**	**8,799**	**-7%**	**34,829**	**34,963**	**+0%**
Whereof						
Organic growth			-8%			-12%
Acquired growth			+3%			+3%
FX-differences		-185	-2%		+3,491	+9%
Operating income (EBIT)*	**1,469**	**1,398**	**-5%**	**5,526**	**5,413**	**-2%**
EBIT-margin (%)*	15.6	15.9		15.9	15.5	
Operating cash flow	**1,916**	**2,296**	**+20%**	**4,769**	**6,843**	**+43%**
EPS (SEK)*	**2.45**	**2.42**	**-1%**	**9.21**	**9.22**	**0%**

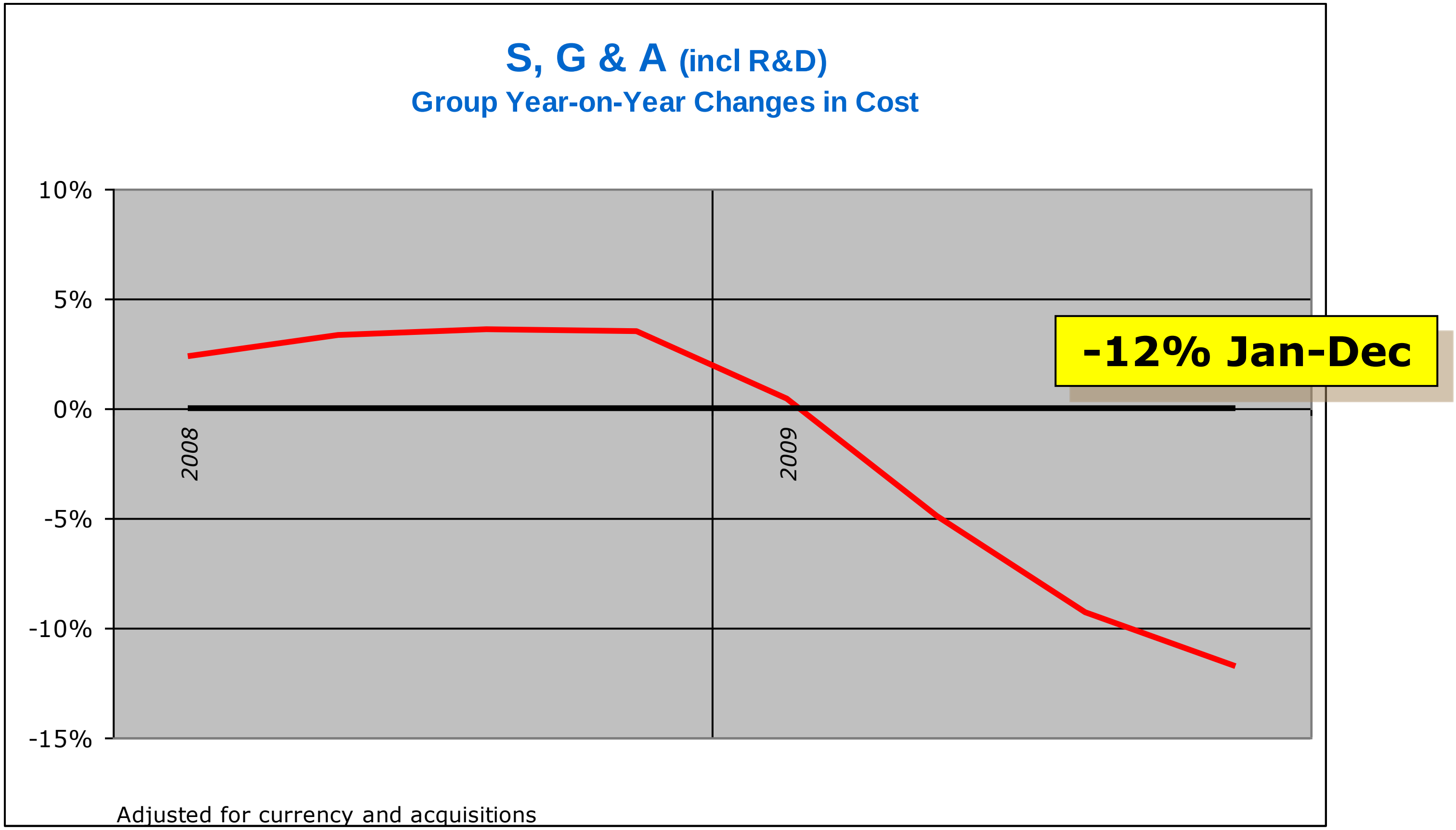
*Excluding restructuring and one off charges of 930 MSEK (1,010) in Q4 and 1,039 MSEK (1,257) for the full year

Cost Development
12 Months Rolling



Conversion cost = all fixed and variable production costs excluding material

Cost Development
12 Months Rolling

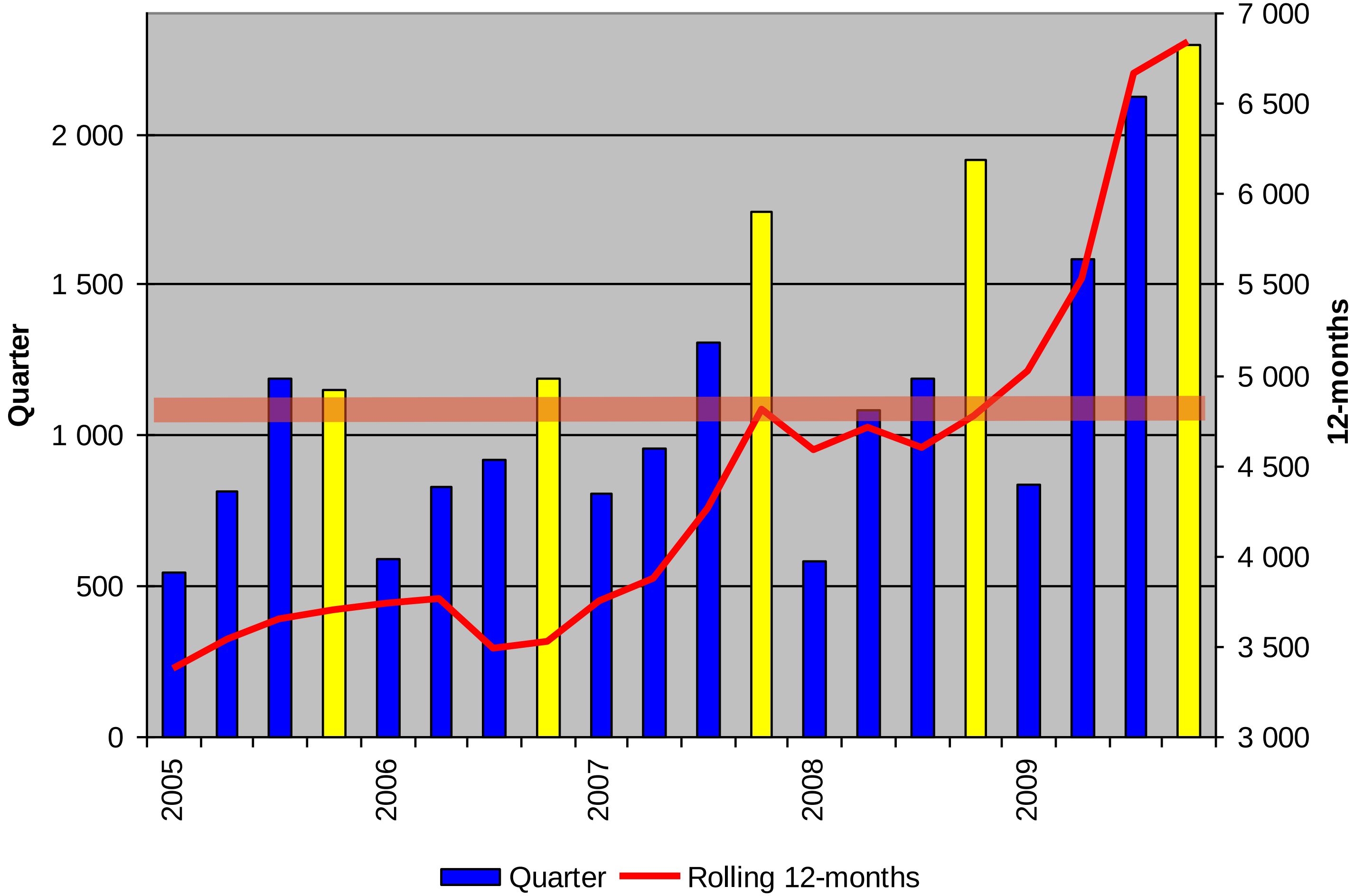


S, G & A cost = Selling, administrative and R&D costs

Bridge Analysis – Jan-Dec 2009

MSEK	2008 Jan-Dec	Organic Growth	Currency	Acq/Div	2009 Jan-Dec
ASSA ABLOY Group		-12%	9%	3%	0%
Revenues	34,829	-4,586	3,491	1,229	34,963
EBIT	5,526	-914	643	158	5,413
%	15.9%	19.9%	18.4%	12.9%	15.5%

Operating Cash Flow, MSEK



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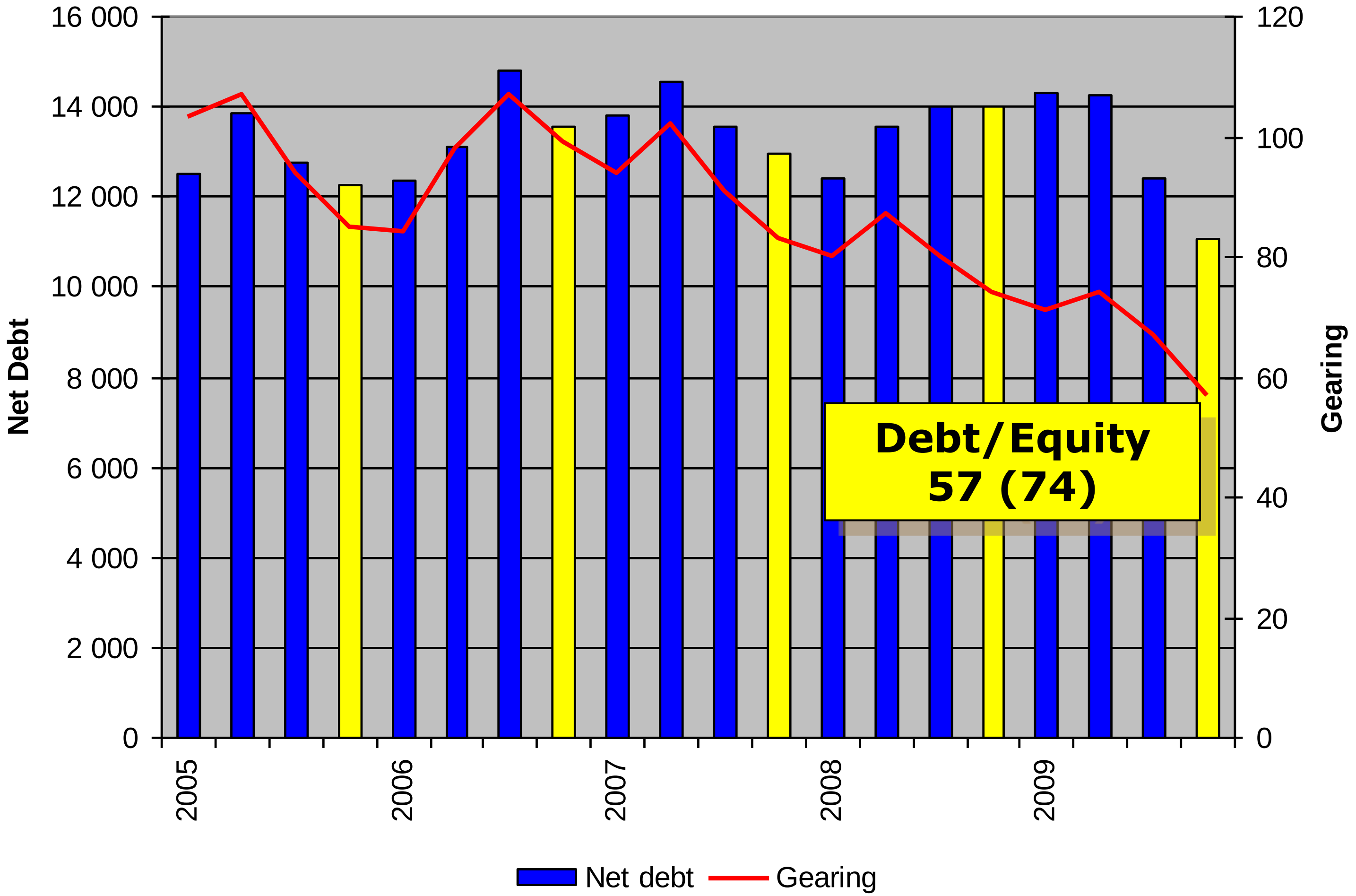
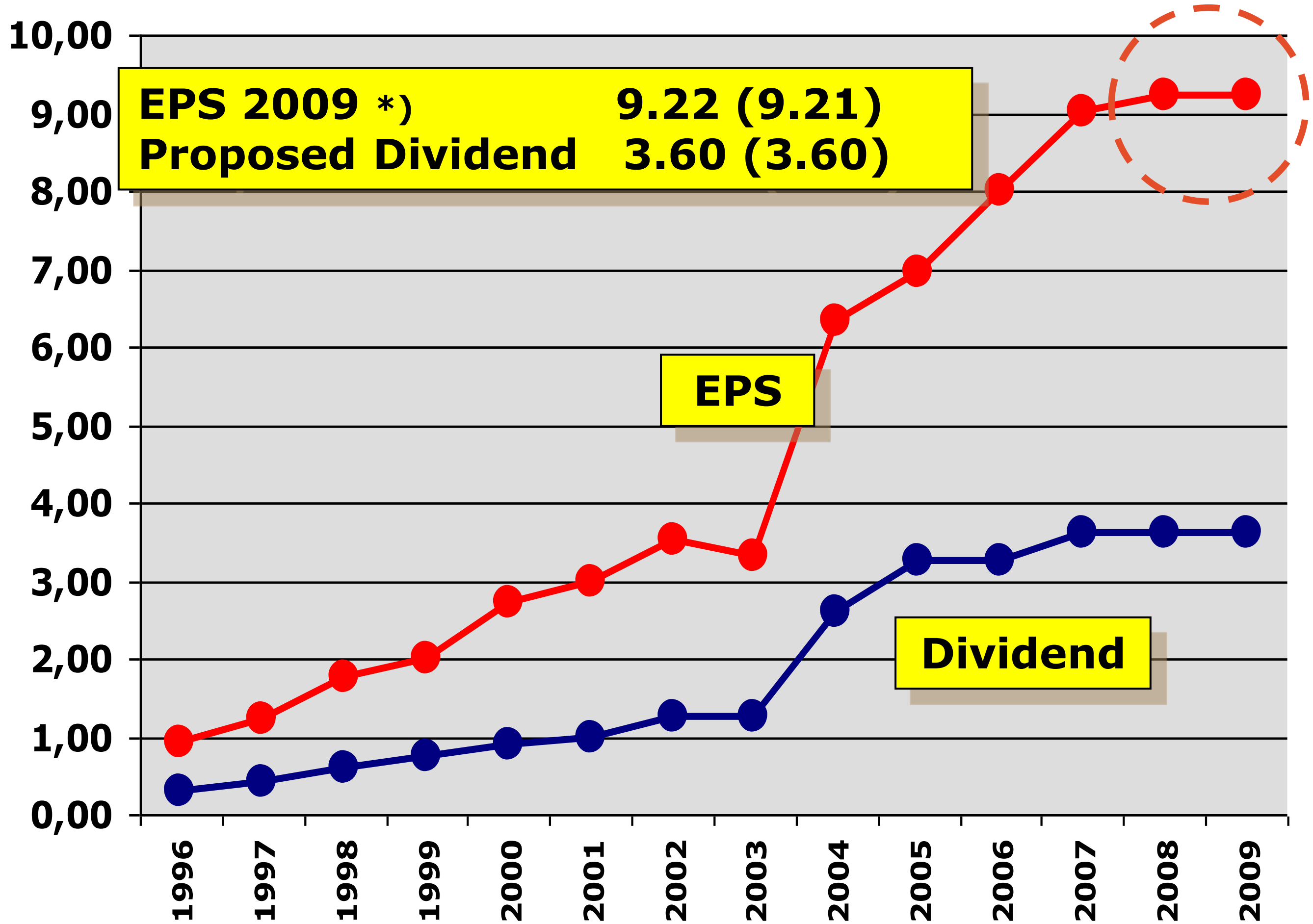
Gearing % and Net Debt MSEK



Earnings per Share and Proposed Dividend, SEK



*) Excluding restructuring charges

Conclusion Q4 2009

- Higher margin in slightly improved market
- Maintained investments in R&D and market presence
- Strong cash flow
- Back to active on acquisitions
- Strategic expansion into emerging markets through Pan Pan and Yale Colombia

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 2010

- Flat organic growth is expected