

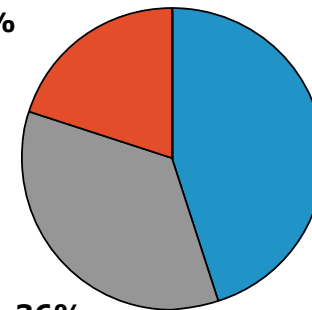
ASSA ABLOY overview

Financials (SEK bn)

Net sales	36.8
EBIT	6.0
Op cash flow	6.3
Net debt	10.6
Market cap	65

Sales by product group Dec 2010

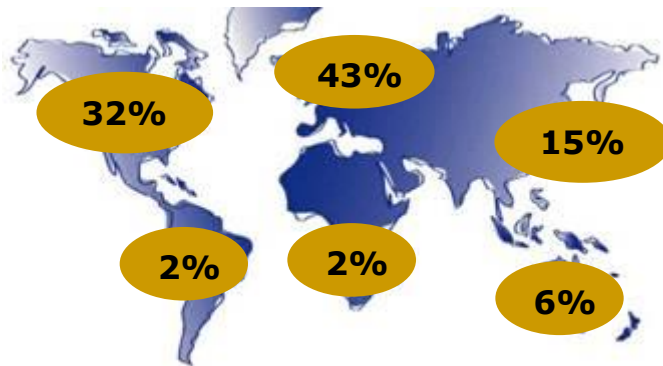
Security doors
& fittings, 22%



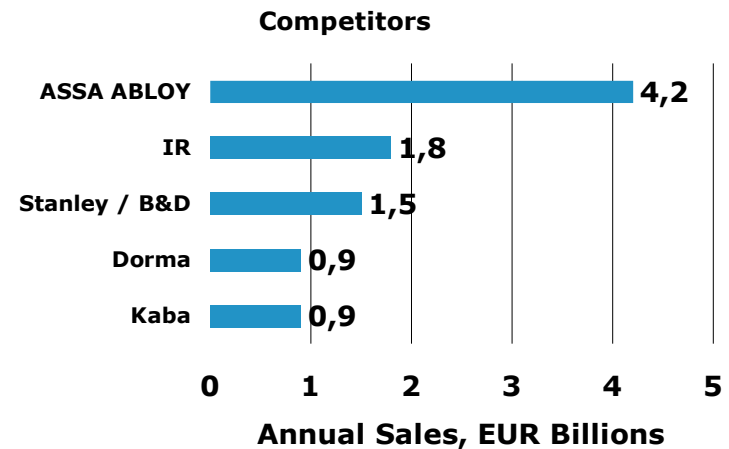
Mech. Locks &
systems, 42%

Electromech &
electronic locks, 36%

Sales by region Dec 2010



Leading market positions



Financial highlights Q4 2010

- **Strong ending of the year**

- Strong growth in Global Technologies, APAC and South America
- Americas in solid growth while EMEA remained flat
- Expansion of margin in all divisions
- Acquisition of Cardo, Swesafe and LaserCard

- **Sales** **9,648 MSEK** **+10%**
+6% organic, +9% acquired growth, -5% currency

- **EBIT** **1,606 MSEK** **+15%**
Currency effect -71 MSEK
Cardo acquisition costs -32 MSEK

- **EPS** **2.86 SEK** **+19%**
Reduced tax rate

Financial highlights Jan-Dec 2010

- **Growth returning to normal**

- 6% organic growth in H2
- Strong efficiency improvements
- Solid Cash flow 117% (143) of EBT

- **Sales** **36,823 MSEK** **+5%**

3% organic, +8% acquired growth, -6% currency

- **EBIT** **6,046 MSEK** **+12%**

Currency effect -262 MSEK

- **EPS** **10.89 SEK** **+18%**

Reduced tax rate

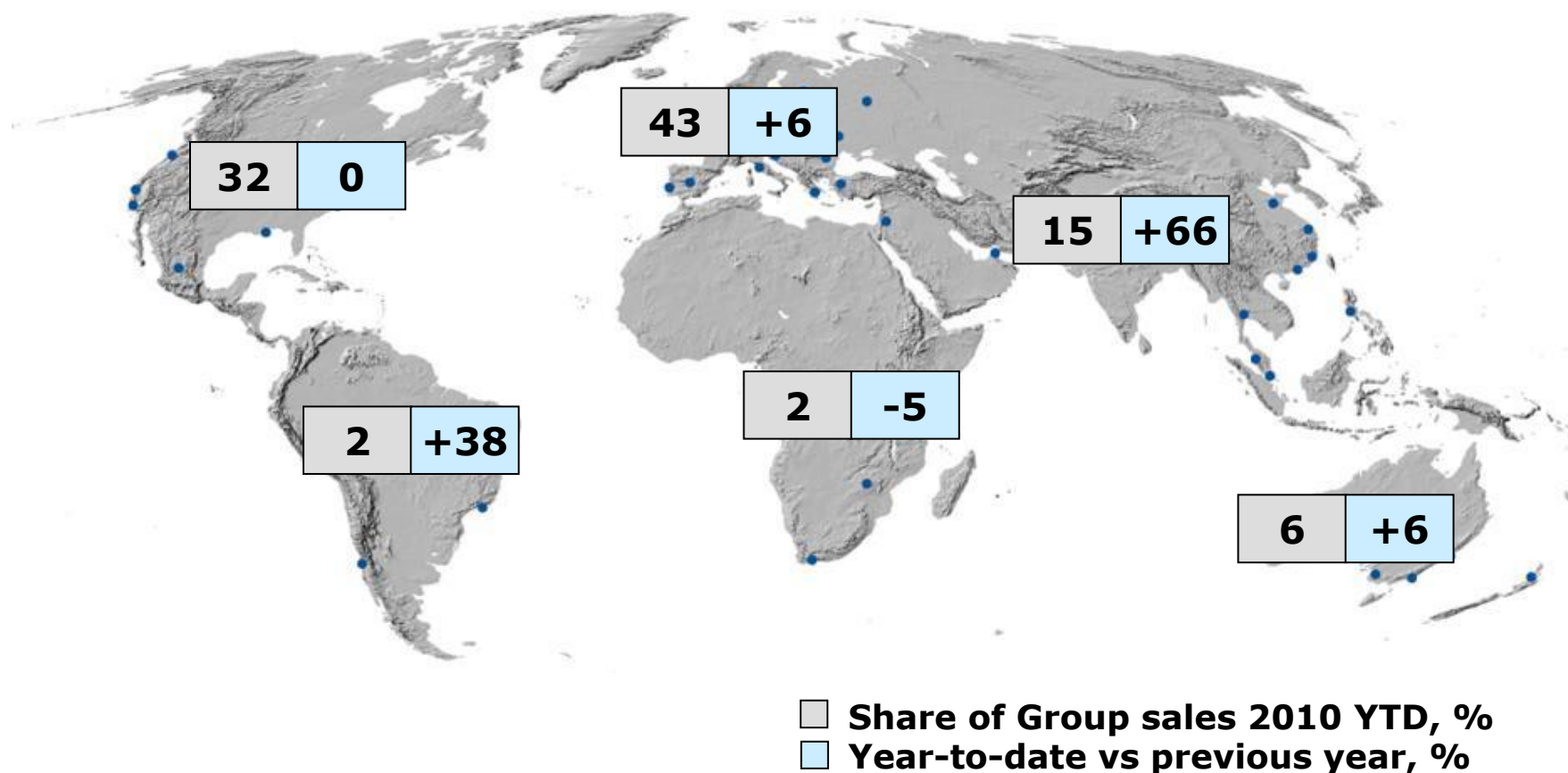
Market highlights

- Share of Emerging markets up 6% to 24% of sales
- Orion, energy management, reward for best product in hotel industry
- Mobile Keys – first live installation
- New ASSA ABLOY door closer range has met strong market interest
- Strongly reinforced presence in logical access through ActivIdentity

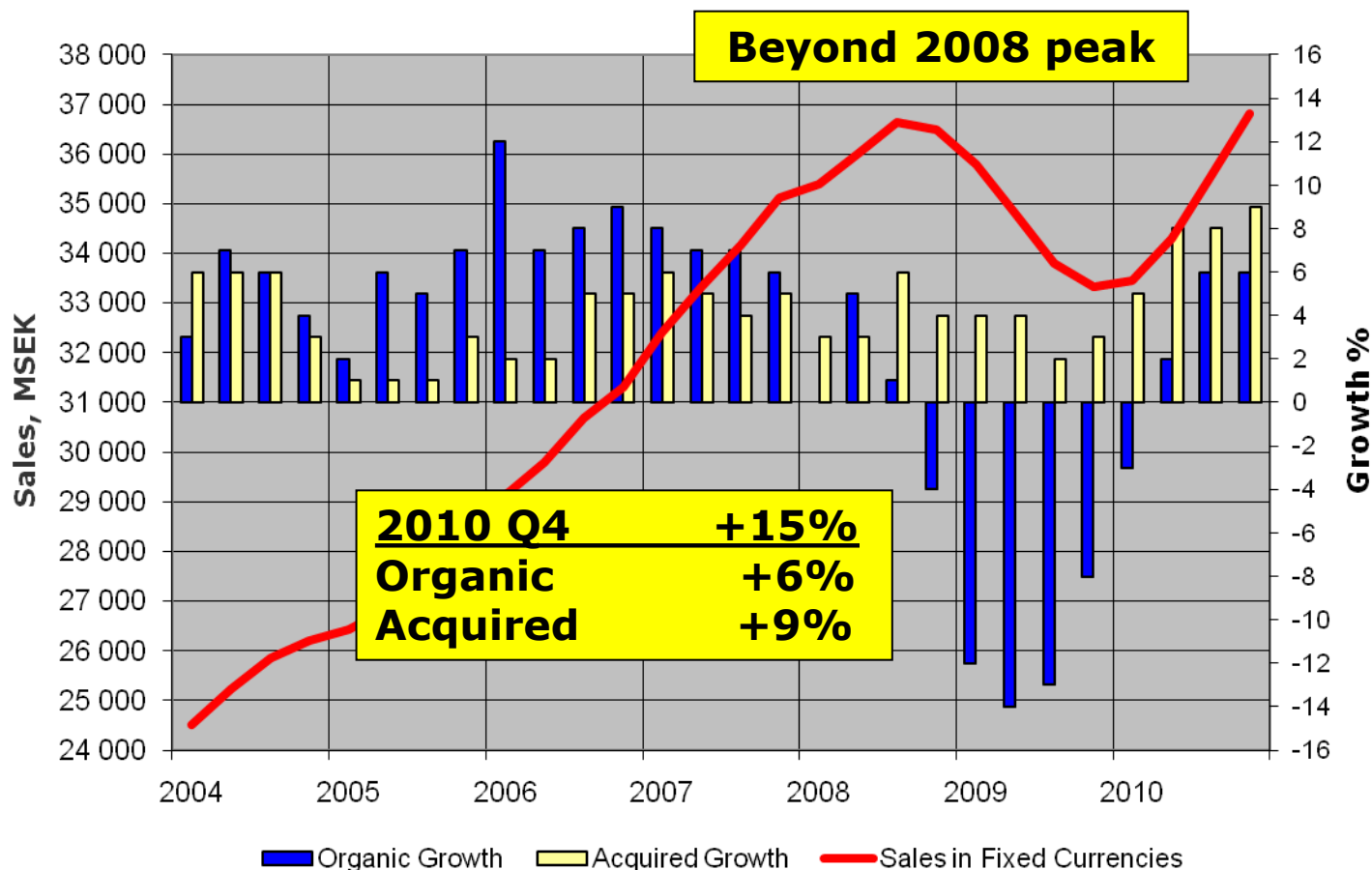


ACTIV  IDENTITY™

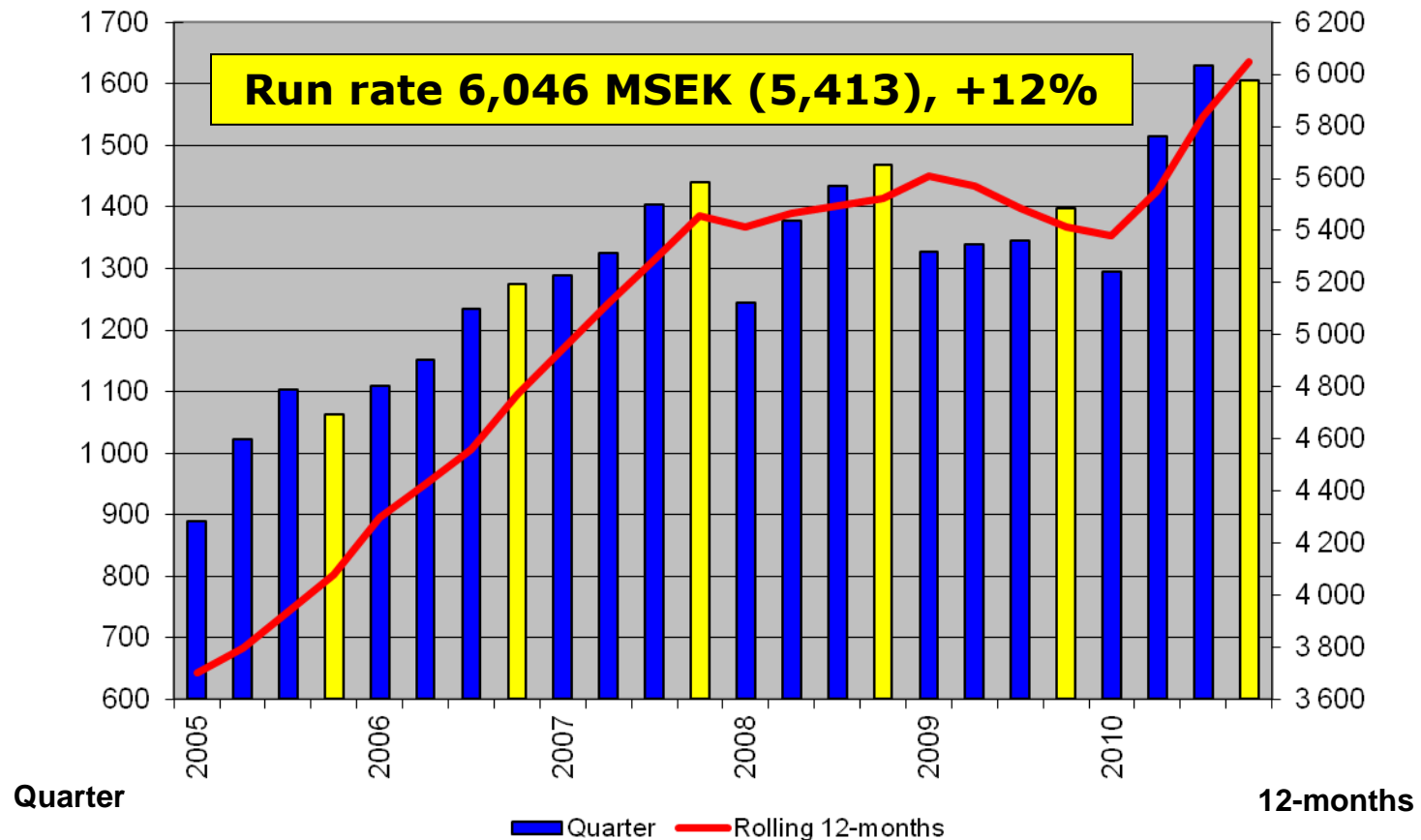
Group sales in local currencies Jan-Dec 2010



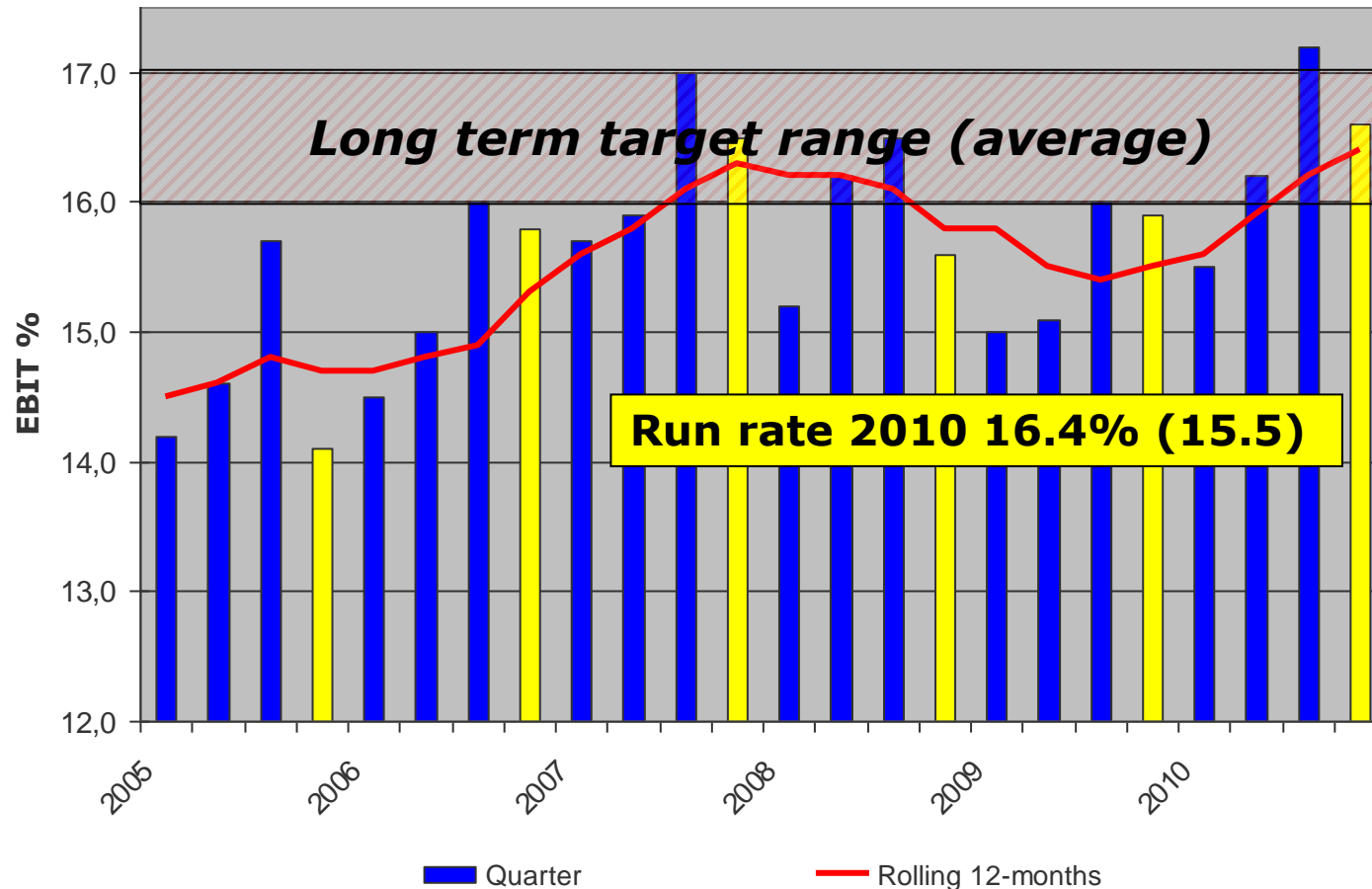
Sales growth Q4 2010 - Currency adjusted



Operating income (EBIT), MSEK

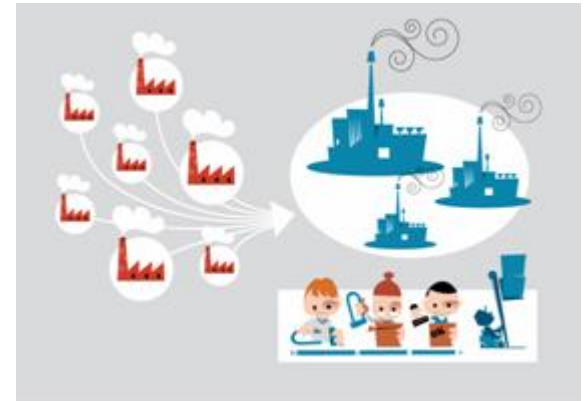


Operating margin (EBIT), %



Manufacturing footprint

- Conversion to assembly or closures in high cost countries
 - 38 factories closed to date, 13 to go
 - 42 factories converted to assembly, 11 to go
 - 20 offices closed, 5 to go
 - Consolidation of core production to China and Eastern Europe
 - Personnel reduction 5,387p, +14% to plan
 - 1,030 more to go
- 924 MSEK remains at the end of the fourth quarter for all three programs

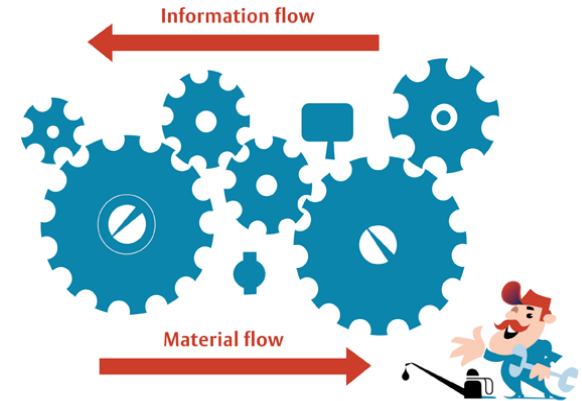


Margin highlights Q4 2010

EBIT margin 16.6% (15.9)

Excluding Cardo costs 17.0% (15.9)

- + Volume increase 5%, price 1%
- + Manufacturing footprint & efficiency improvements
 - Sustained gross margin despite material cost increases
 - Lower S, G & A
- Dilution from acquisitions by -0.2%-units
- Negative currency effect -0.1%-units



Acquisitions 2010

- **Fully active on acquisitions**
 - Good pipeline targeting 5% growth
- **13 acquisitions completed in 2010**

→ **Annualized 2 880 MSEK, +8.2%**

→ **New acquisitions Q4:**

- Cardo
- Swesafe
- Lasercard

CARDO



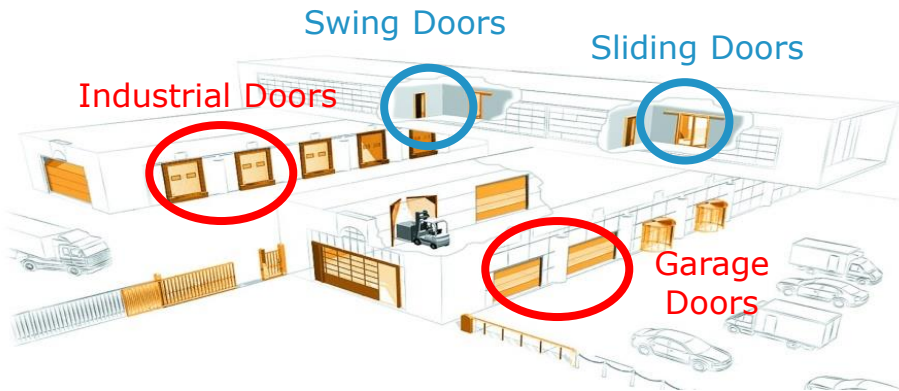
Lasercard®



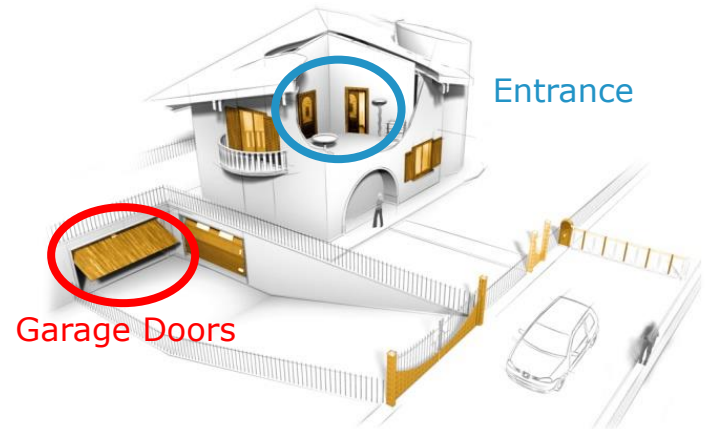
Acquisition of Cardo – Entrance Automation

Products for all door opening applications

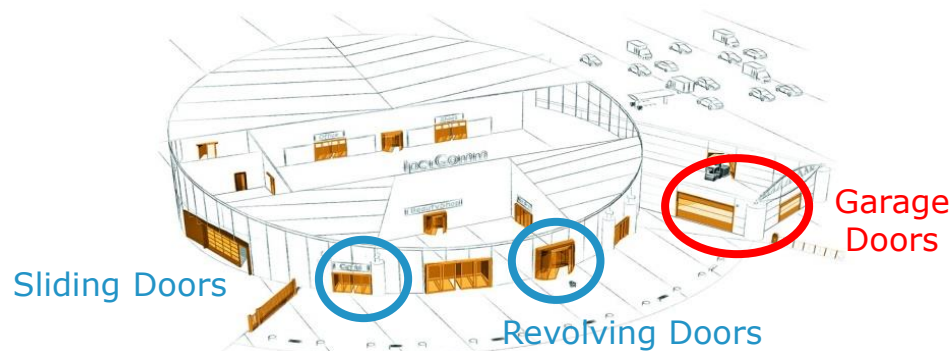
Industrial applications



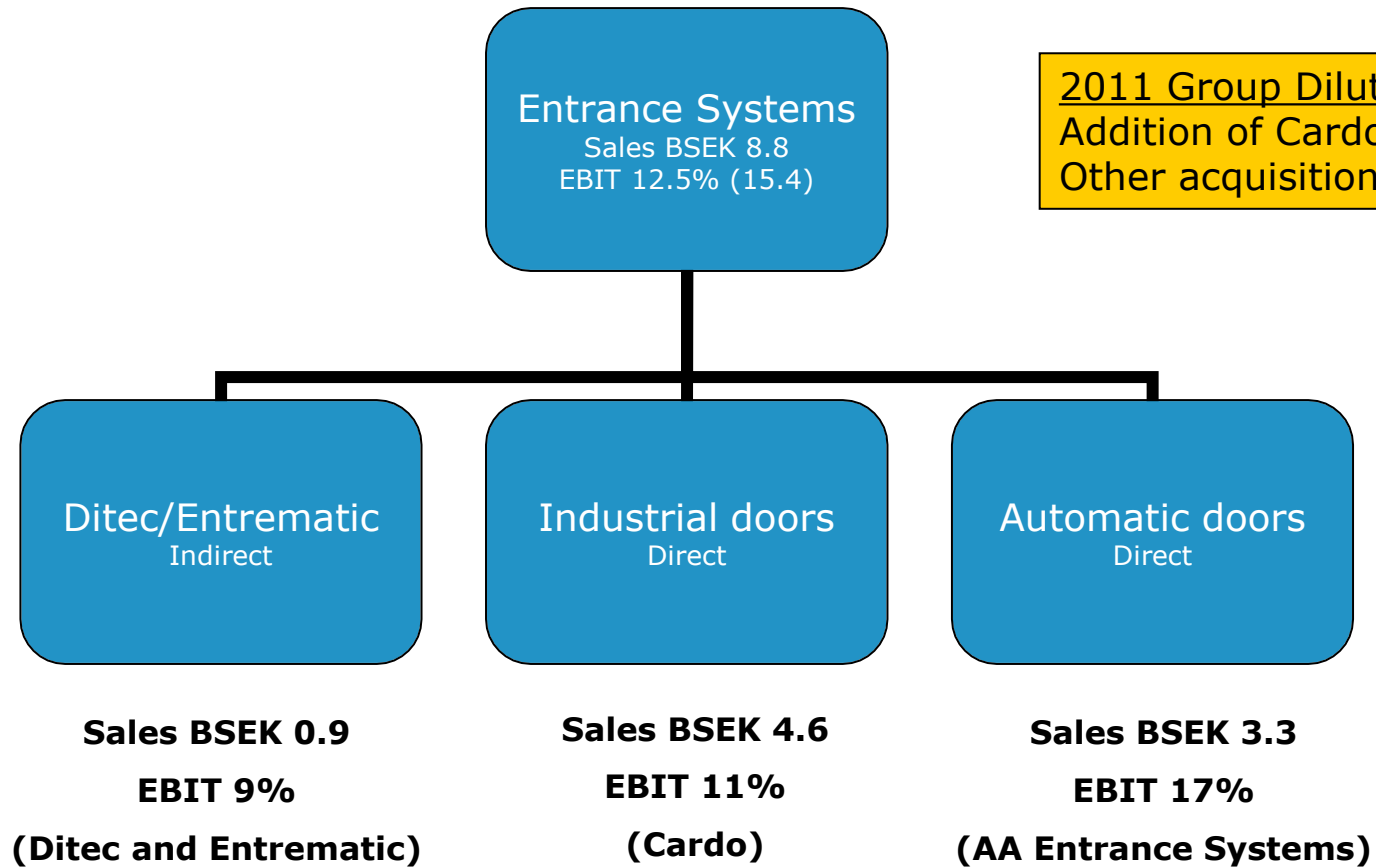
Residential applications



Commercial applications



Entrance Systems division



2011 Group Dilution
Addition of Cardo -0.6%
Other acquisitions -0.4%

38% of Agta Record, Sales BSEK 2.0

Cardo going forward

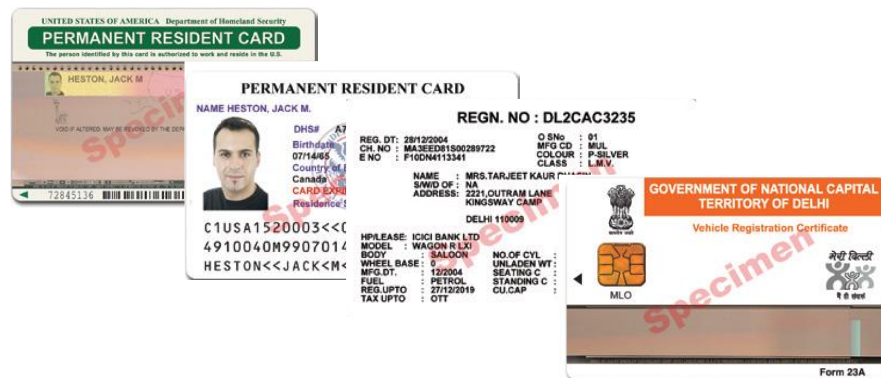
- Grow and develop Cardo's business
 - Global key accounting and bolt on service
 - Increase investments in R&D, new products
 - The company has gone through the recession in a good way and is now ready for growth
 - ASSA ABLOY will make use of Cardo's talent and management
-
- Cardo's flow and L&W do not fit with ASSA ABLOY's long term strategy and will be divested in due time



Lasercard



- Leading global provider of secure ID solutions to governments and commercial clients
- Platform for total eGovernment solutions (passports, national ID-cards & health cards, drivers licences etc)
- Strong in identity on demand production
- Based in California, US and in Germany
- 182 employees and with sales of USD 50 M for 2010
- Neutral to earnings per share in 2011



Swesafe



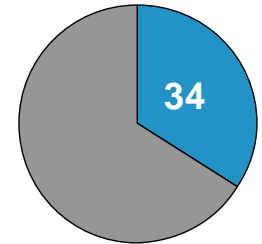
- Largest locksmith in Sweden, sales 430 MSEK and 313 employees
- 24 locations covering 85% of the population
- Develop the locksmith industry into projects, electromechanic products and service concepts
- Platform to channel new products into the market
- Competition approval pending, deal expected to close in first half of 2011



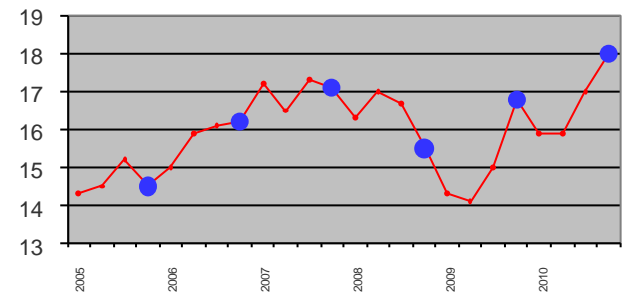
Division - EMEA

- Slow recovery across EMEA with most markets flat
 - Good growth in Finland, Germany and Eastern Europe
 - Italy and Spain in slight progress
 - Very strong efficiency improvements and good results from sourcing and VA/VE
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- Operating margin (EBIT)
 - + Volume 2%
 - + Good response to new products
 - + Strong efficiency gains
 - Raw materials increasing

SALES
share of
Group total %



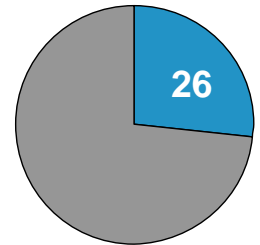
EBIT %



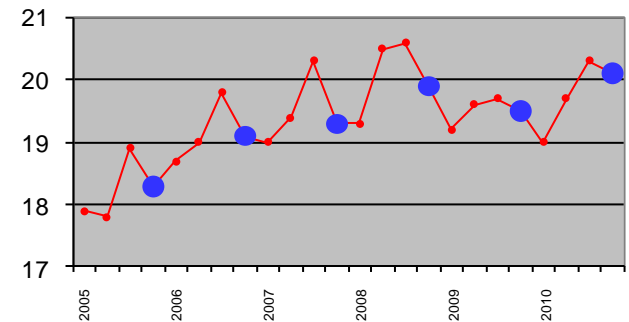
Division - Americas

- All business units growing
- South America, Mexico, Latin America and Electromechanics in strong growth
- New build market still depressed even though ABI is improving
- Good development of EBIT while continuing investments in R&D and sales presence
- Operating margin (EBIT)
 - + Volume +6%
 - + Good sales of new products
 - + Strong efficiency improvement
 - Raw materials increasing

SALES
share of
Group total %



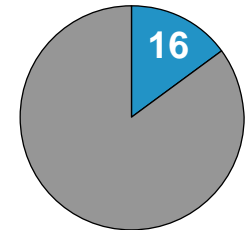
EBIT %



Division - Asia Pacific

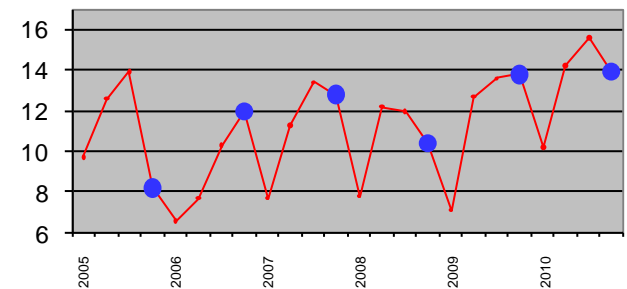
- China security doors in strong progress
- Korea and South East Asia growing rapidly
- Good growth in the Pacific
- Good efficiency development

SALES
share of
Group total %



- Operating margin (EBIT)
 - + Volume +12%
 - + Currency effects
 - Dilution effects from Pan Pan by 0.7 %-units
 - Raw materials increasing

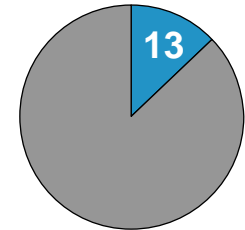
EBIT %



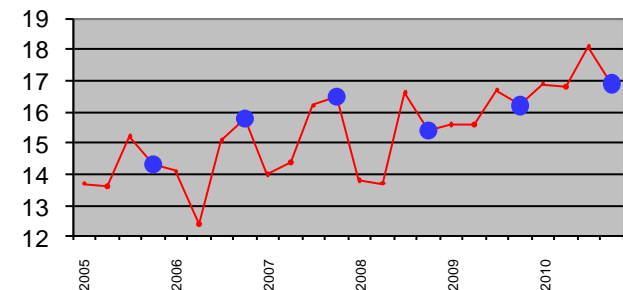
Division - Global Technologies

- Continued strong evolution in HID
 - Access control growing in all parts of the world
 - Secure issuance benefitting from new printers
 - Logical access strongly reinforced by ActivIdentity
- Hospitality
 - Strong activity on renovation market
 - Upgrades of lock installations to meet new NFC technology
 - Orion, energy management, in rapid growth
- Operating margin (EBIT)
 - + Volume +18%
 - Lack of critical components
 - Heavy airfreight on printers and readers

SALES
share of
Group total %



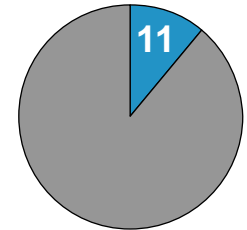
EBIT %



Division - Entrance Systems

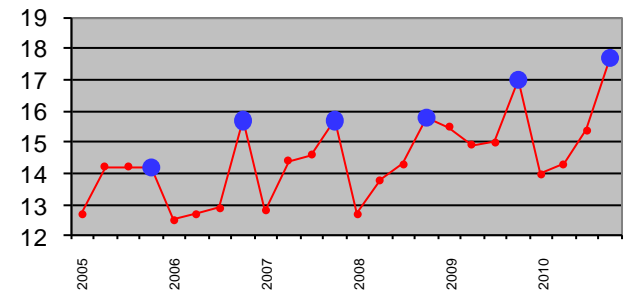
- Quotation levels and orders are growing
- Health care is weak while commercial is coming back
- Service market is returning to normal
- Ditec sales returned to growth

SALES
share of
Group total %



- Operating margin (EBIT)
 - Volume -2%
 - + Good Q4 in Ditec
 - + Efficiency gains

EBIT %



Financial highlights Q4 2010

MSEK	4th Quarter			Twelve months		
	2009	2010	Change	2009	2010	Change
Sales	8,799	9,648	+10%	34,963	36,823	+5%
<i>Whereof</i>						
Organic growth			+6%			+3%
Acquired growth			+9%			+8%
FX-differences		-385	-5%		-1,626	-6%
Operating income (EBIT)	1,398*	1,606	+15%	5,413*	6,046	+12%
EBIT-margin (%)	15.9*	16.6		15.5*	16.4	
Operating cash flow	2,296	2,085	-9%	6,843	6,285	-8%
EPS (SEK)*	2.41	2.86	+19%	9.22	10.89	+18%

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

Finance net

- Interest net on net debt going down significantly
- New rules: Earnouts to be discounted

MSEK	Jan-Dec 2009	Jan-Dec 2010
Interest net	-507	-432
Exchange effects and other	-27	-46
Defined benefit pensions	-100	-157
Discounted earnouts	<u>n/a</u>	<u>-45</u>
Total other	-127	-248
Total	-634	-680

Bridge Analysis – Oct-Dec 2010

MSEK	2009 Oct-Dec	Acq/Div	Currency	Organic	2010 Oct-Dec
		9%	-5%	6%	10%
Revenues	8,799	760	-385	474	9,648
EBIT	1,398	107	-71	172	1,606
%	15.9%	14.1%	18.4%	36.2%	16.6%

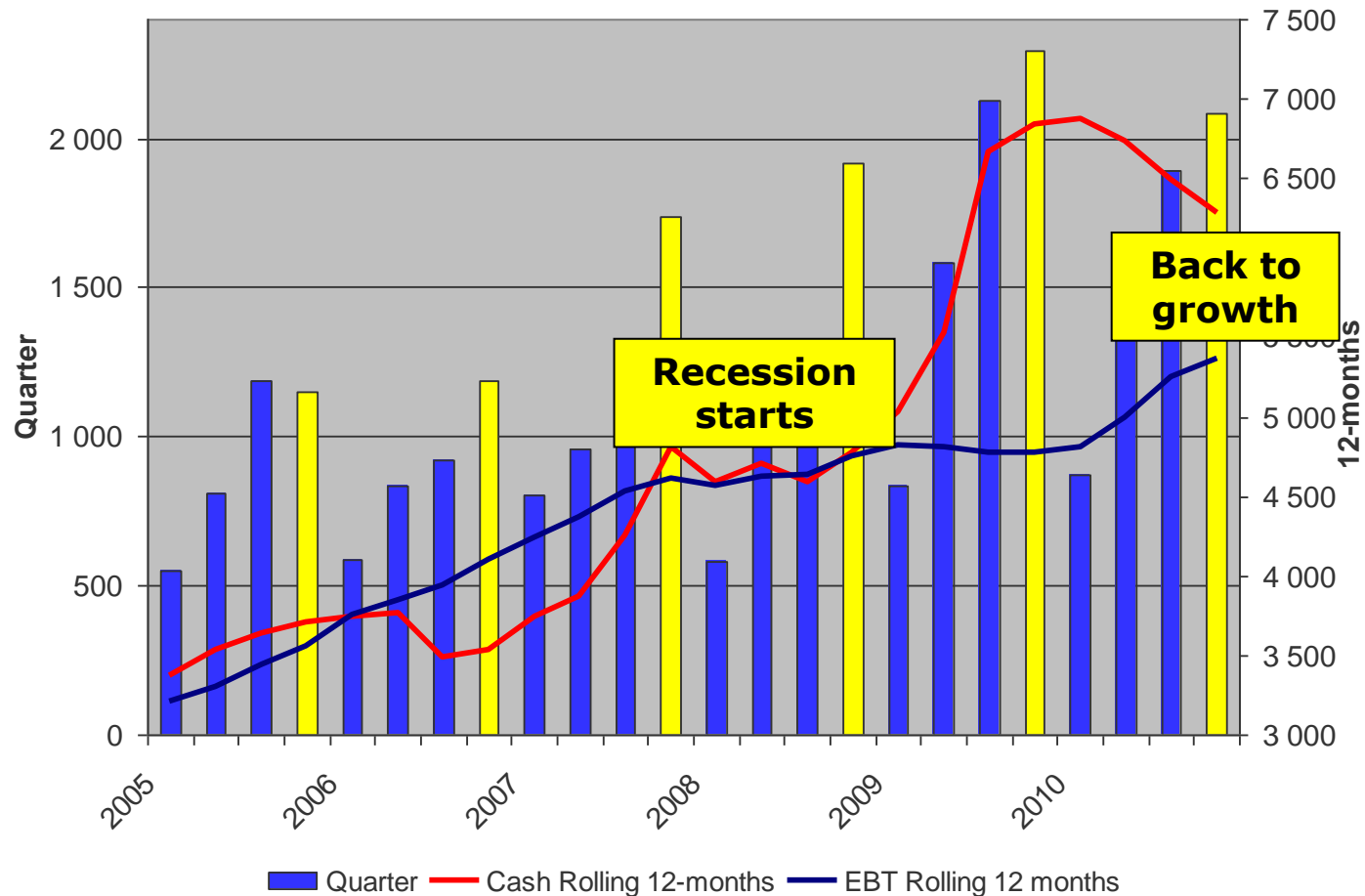
Dilution / Accretion		-20 bp	-10 bp	100 bp	
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P&L – Components as % of sales

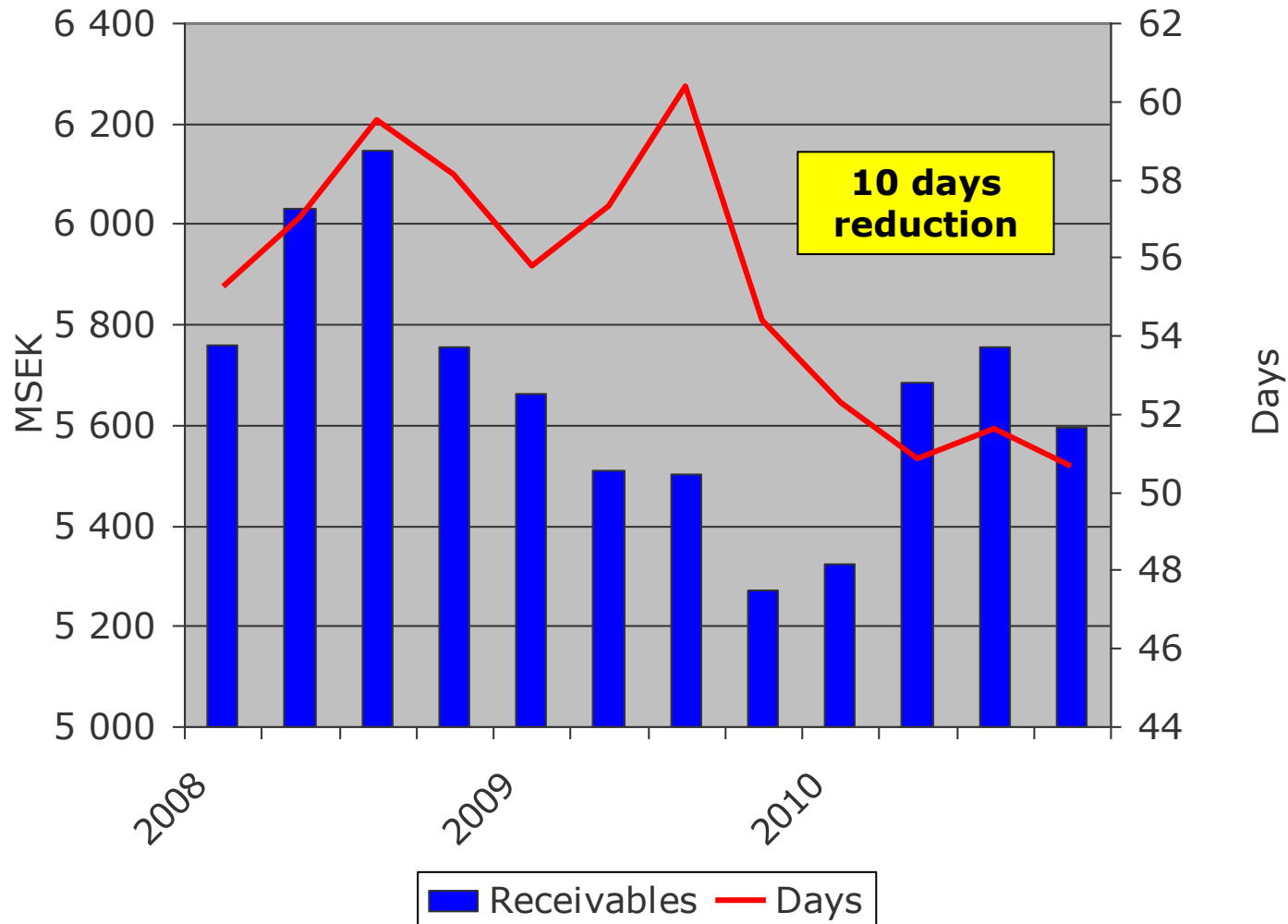
Q4 Year-on-Year

	2009 Actual	2010 Organic	2010 Actual
■ Direct material	32.1%	33.9%	35.3%
■ Conversion costs	<u>27.0%</u>	<u>24.9%</u>	<u>24.6%</u>
■ Gross Margin	40.9%	41.2%	40.1%
■ S, G & A	<u>25.0%</u>	<u>24.3%</u>	<u>23.5%</u>
■ EBIT	15.9%	16.9%	16.6%

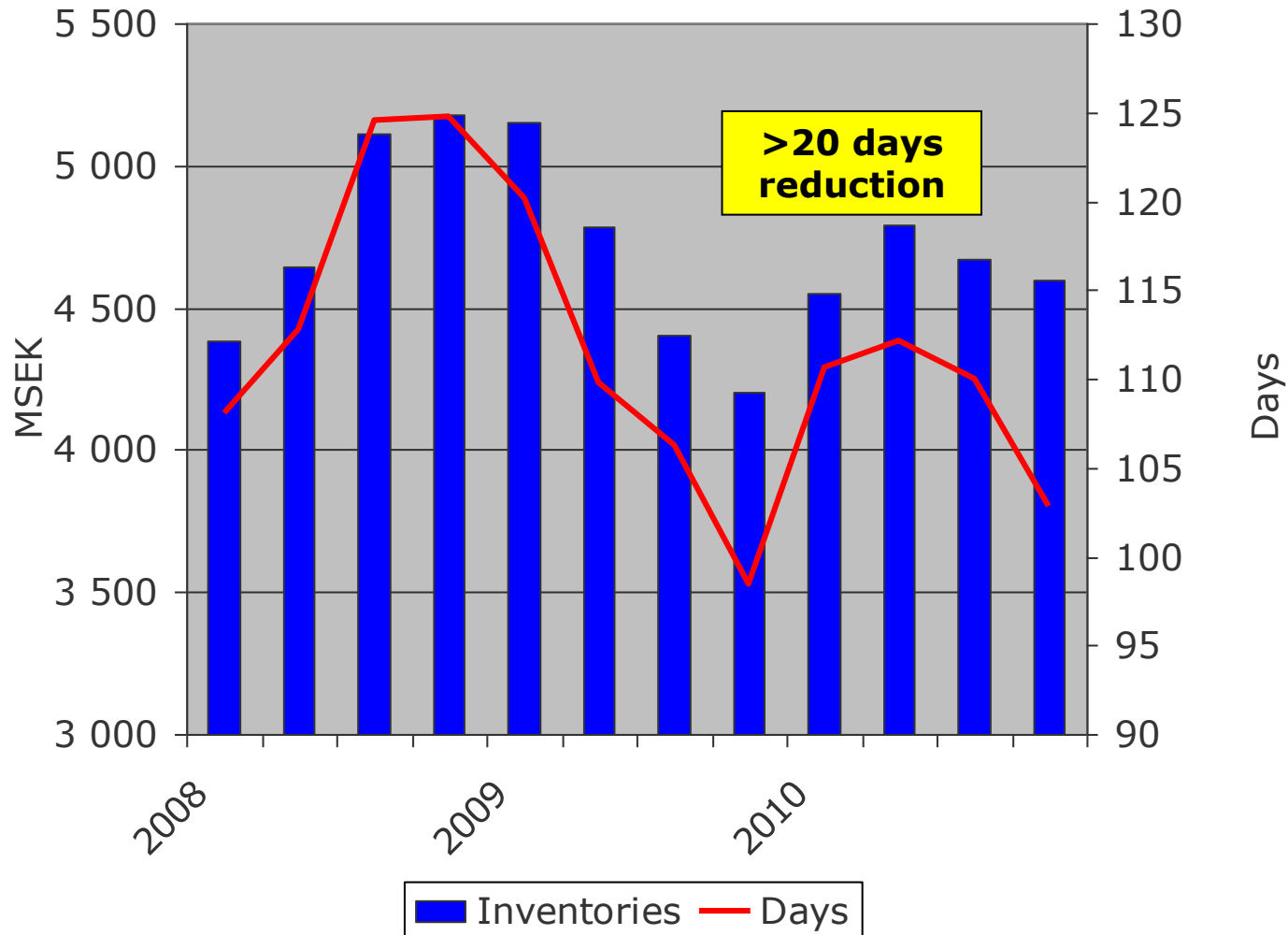
Operating cash flow, MSEK



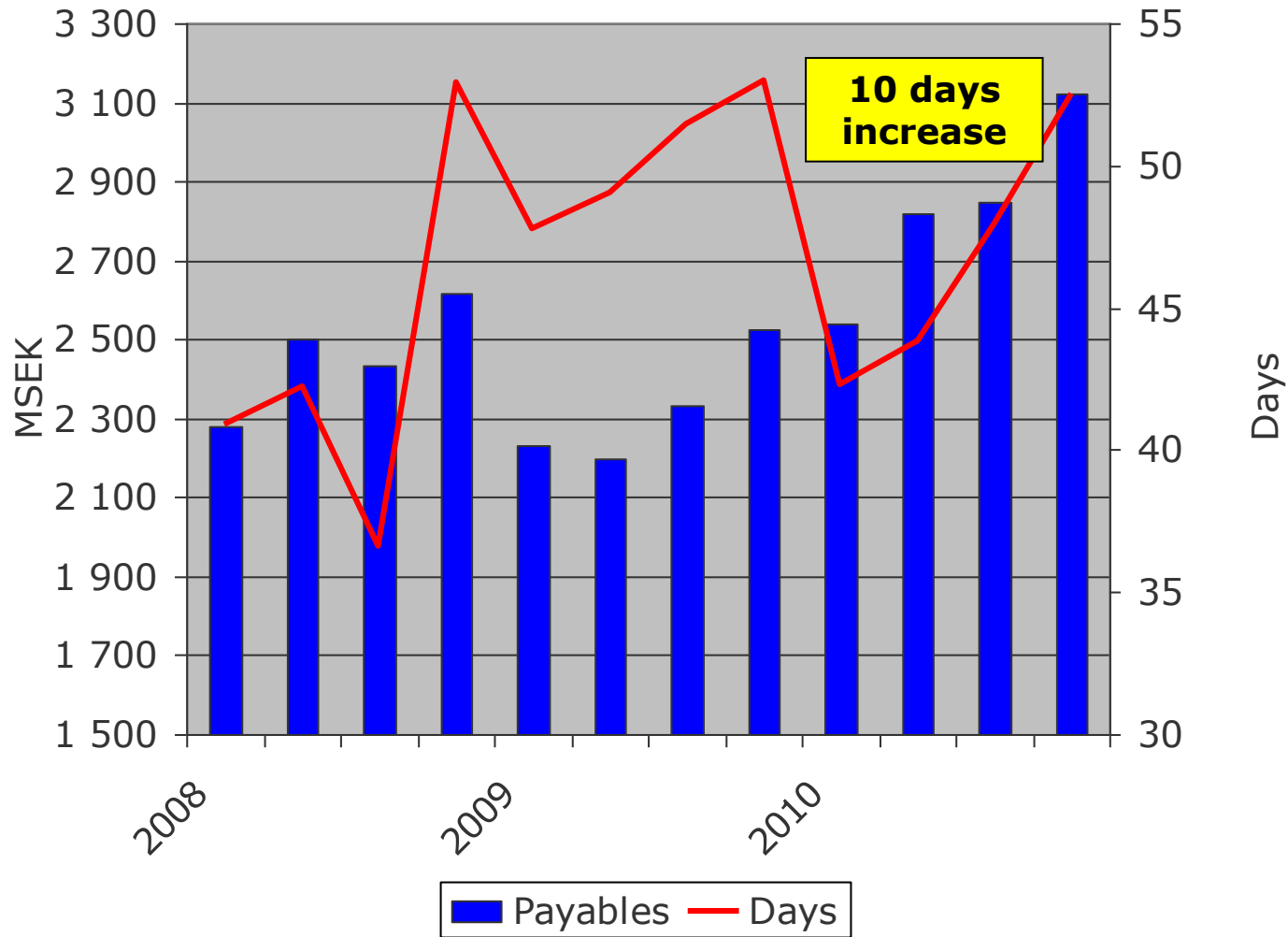
Trade receivables



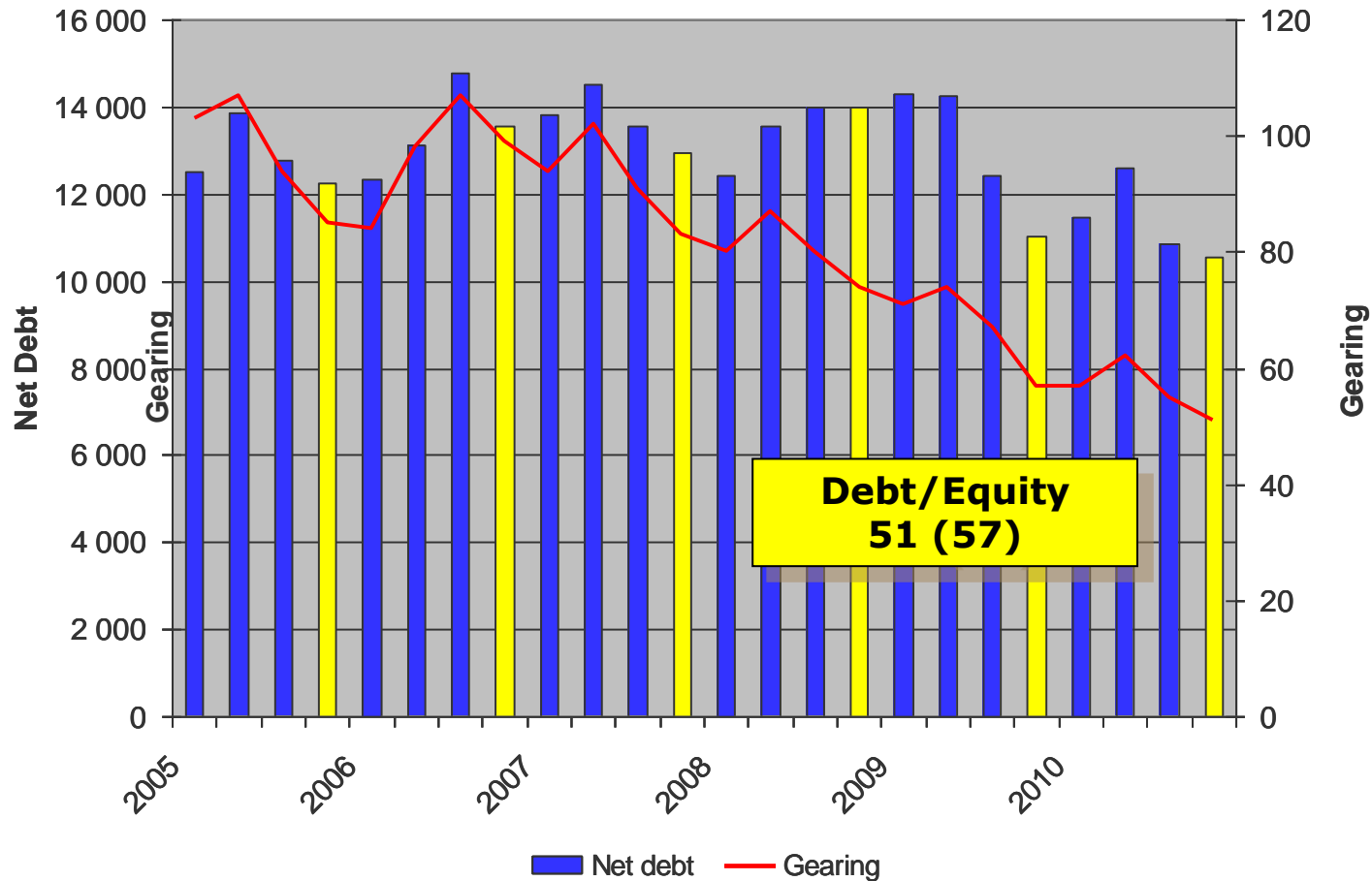
Inventories



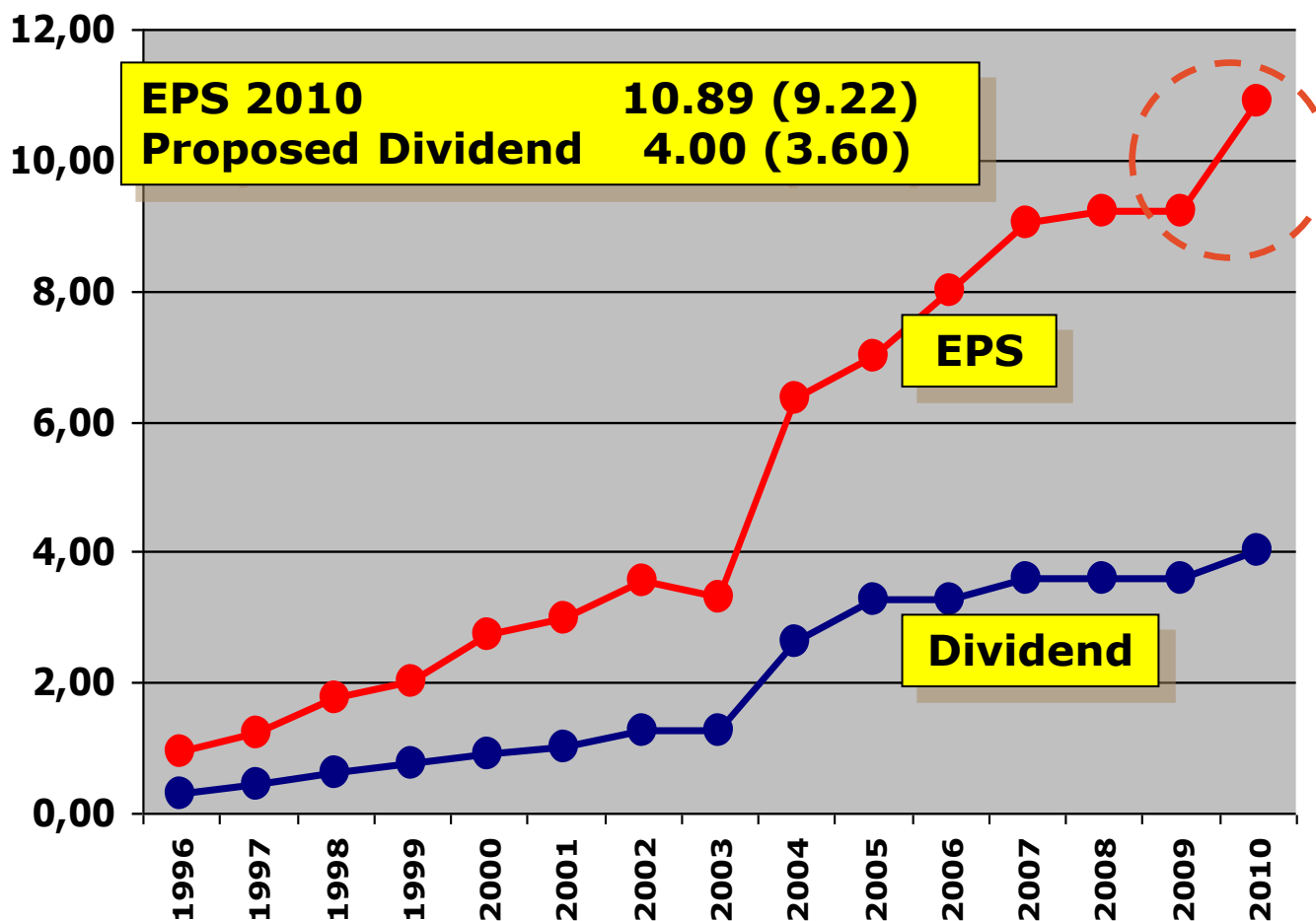
Trade payables



Gearing % and net debt MSEK



Earnings per share and proposed dividend, SEK



Conclusions Q4 2010

- 15% total growth whereof 6% organic growth in Q4
- Sales from emerging markets >24%
- Investments in front end and product development
- Margin expansion in all parts
- Strong cash flow
- Exciting acquisitions with Cardo, Lasercard and Swesafe

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