

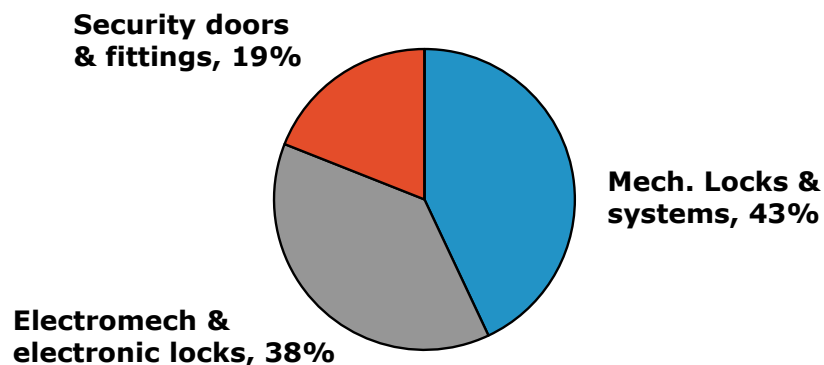


ASSA ABLOY overview

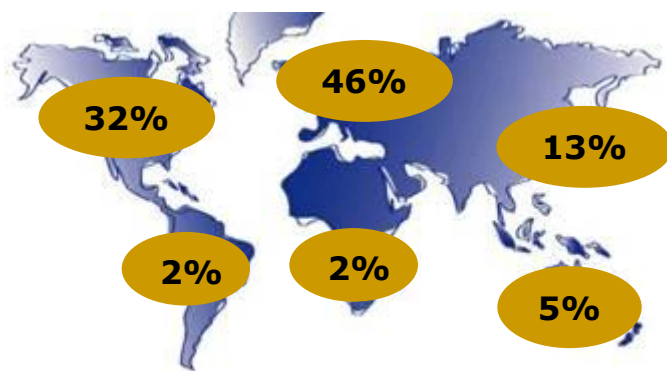
Financials (SEK bn)

Net sales	37.2
EBIT	6.1
Op cash flow	5.9
Net debt	21.6
Market cap	64

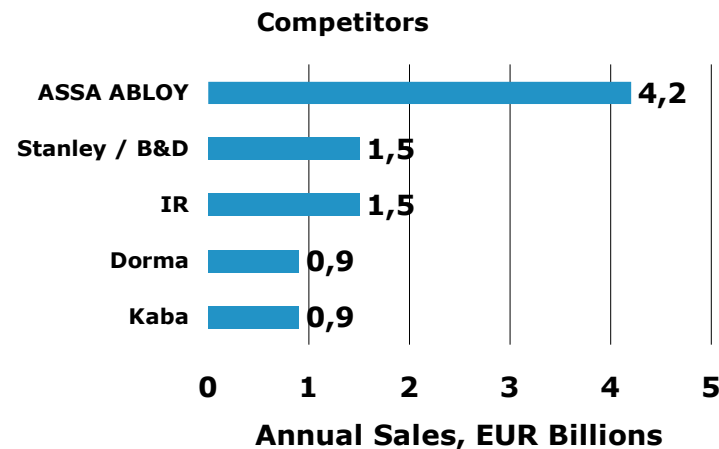
Sales by product group Mar 2011



Sales by region Mar 2011



Leading market positions



Financial highlights Q1 2011

- **Good start of the year**

- Strong growth in Asia and North & South America
- Stable evolution in Europe
- Slight decline in the Pacific
- Continued margin expansion
- Sale of Cardo Flow and acquisition of FlexiForce

- **Sales** **8,699 MSEK** **+4%**
+6% organic, +7% acquired growth, -9% currency

- **EBIT** **1,377 MSEK** **+6%**
Currency effect -113 MSEK

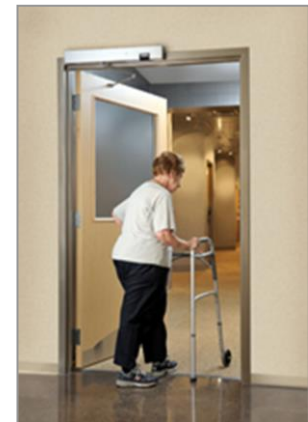
- **EPS** **2.53 SEK** **+7%**
Tax rate reduced to 22%

Market highlights

- Rapid growth for digital door locks in China
- Safezone automatic door closer meets strong customer demand
- Launch of i-Class SE, platform independent Secure Identity Object (SIO)
- Good penetration of Aperio within system integration
- Introduction of Online Card Services, Identity on Demand (IOD)



Digital Door Lock



Safezone



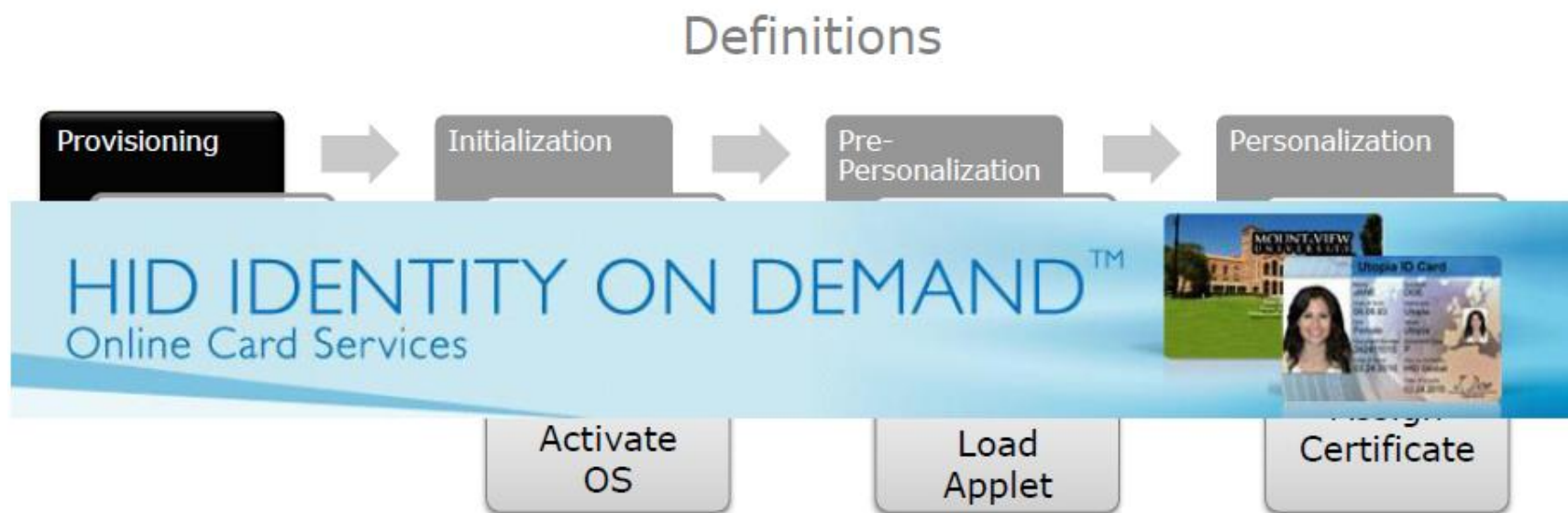
Aperio



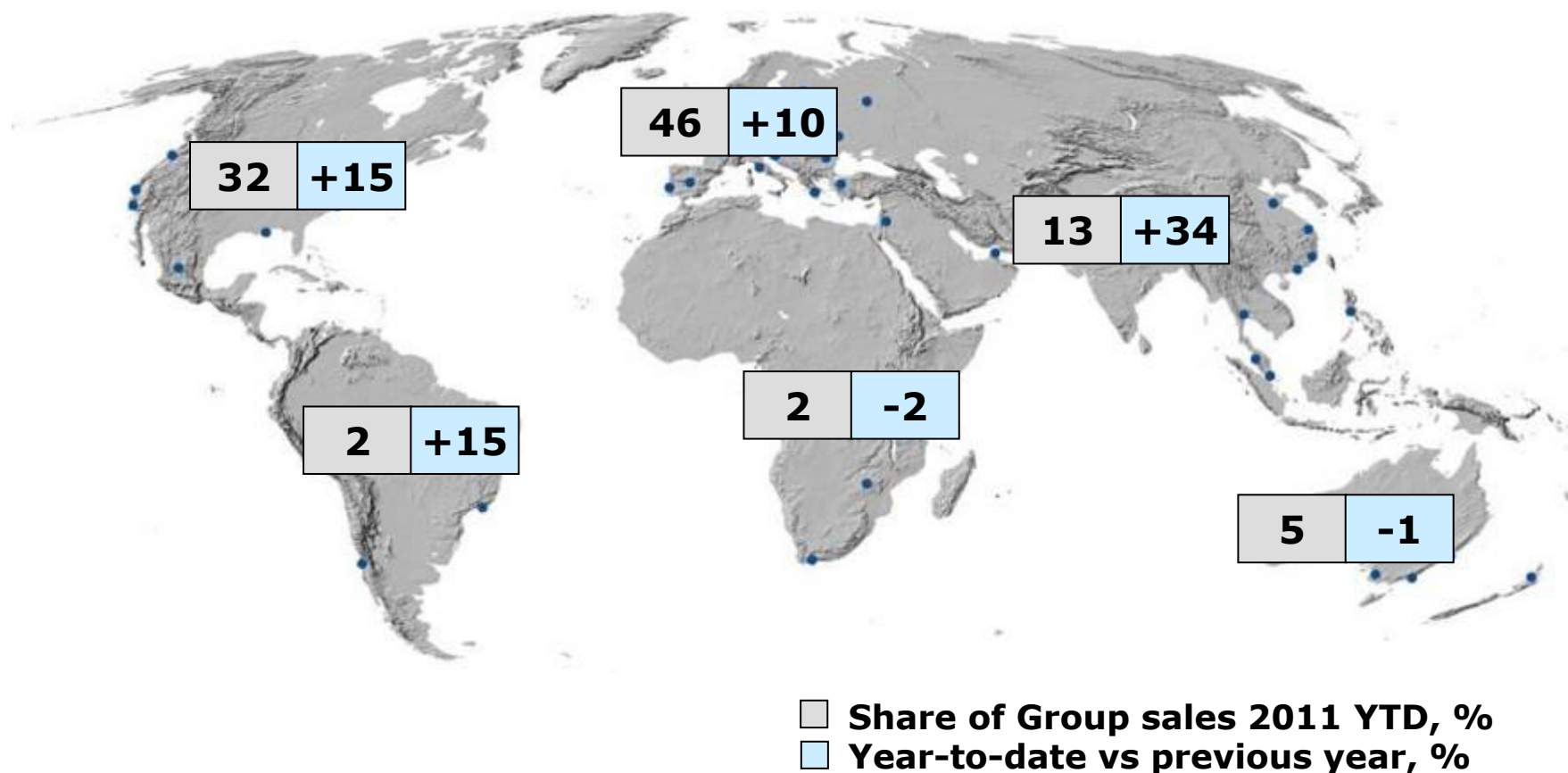
**HDP 5000
Card printer**

Identity on Demand (IOD)

- A scalable, secure, automated, on-line and high-quality system for provisioning a personalized smart card
- Dedicated setup in Europe and USA

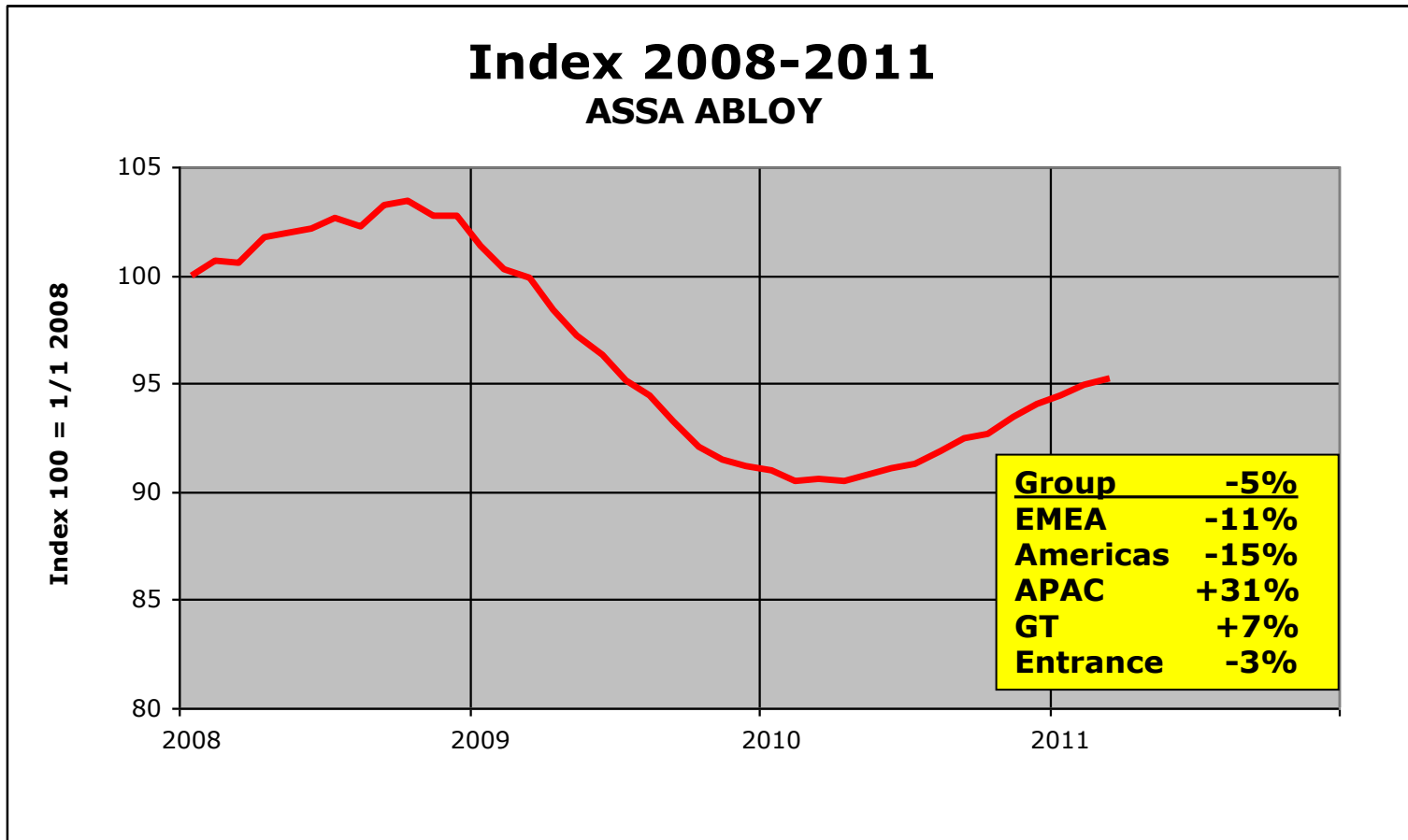


Group sales in local currencies Jan-Mar 2011

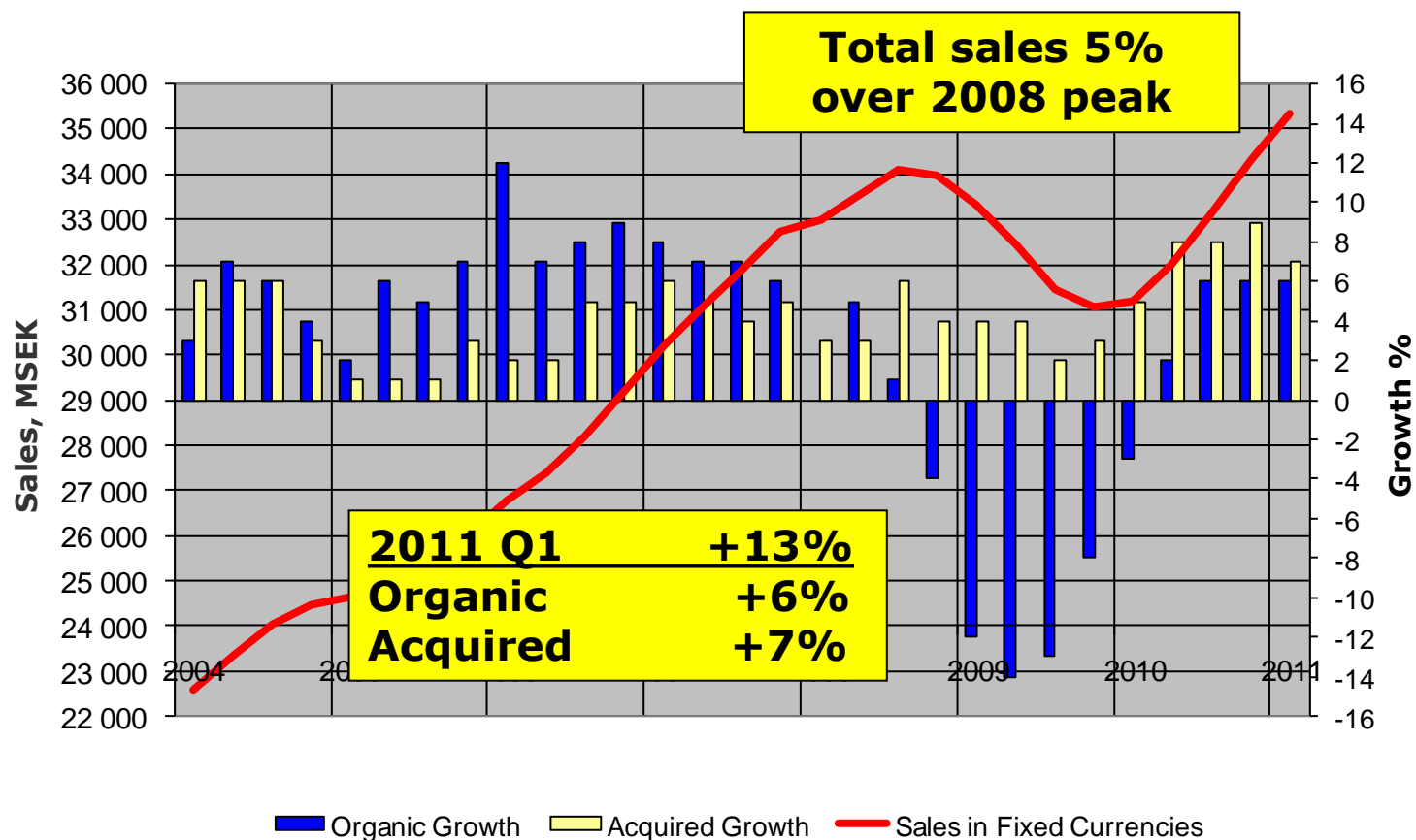


Organic growth index

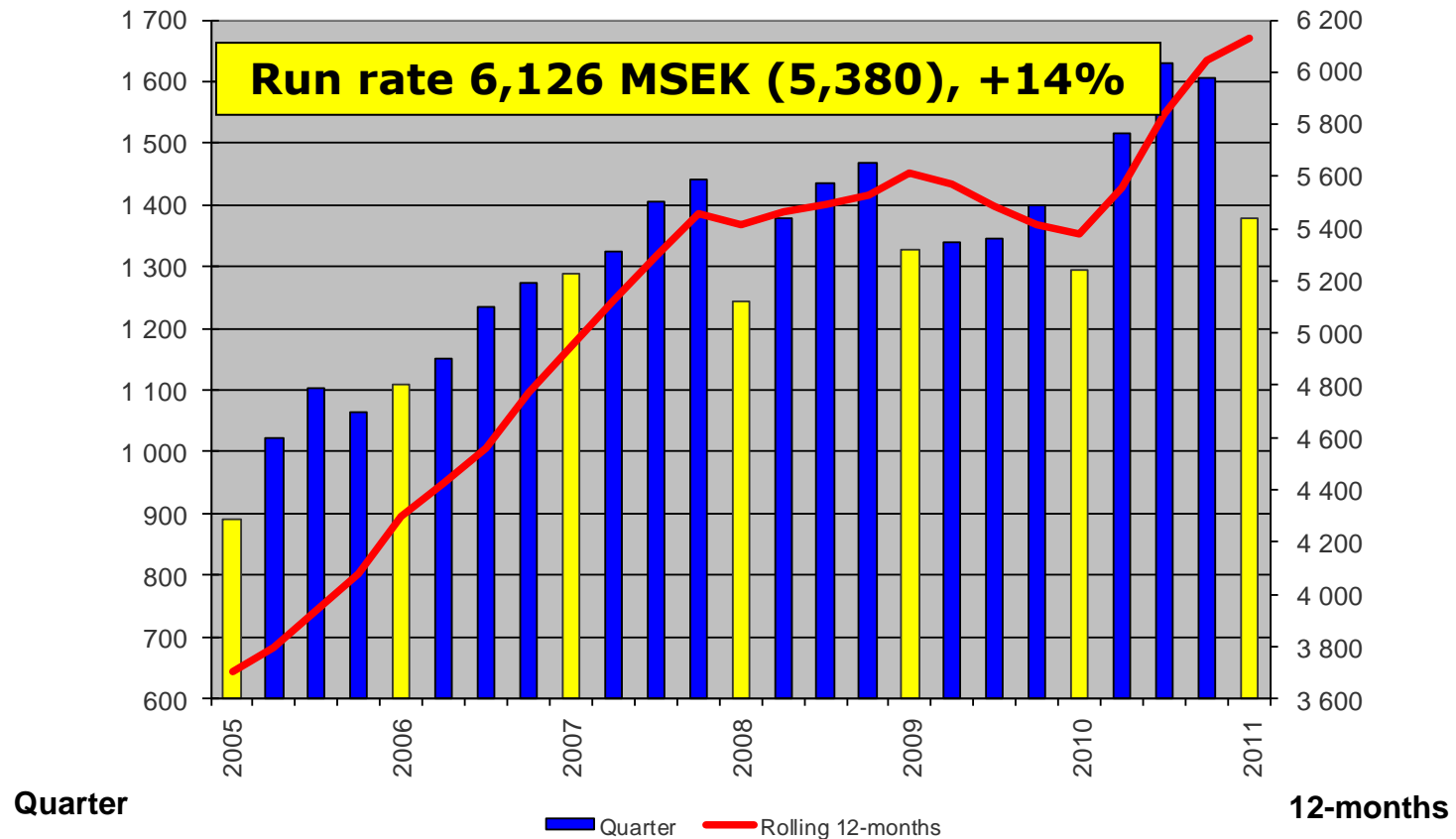
Recovery from recession



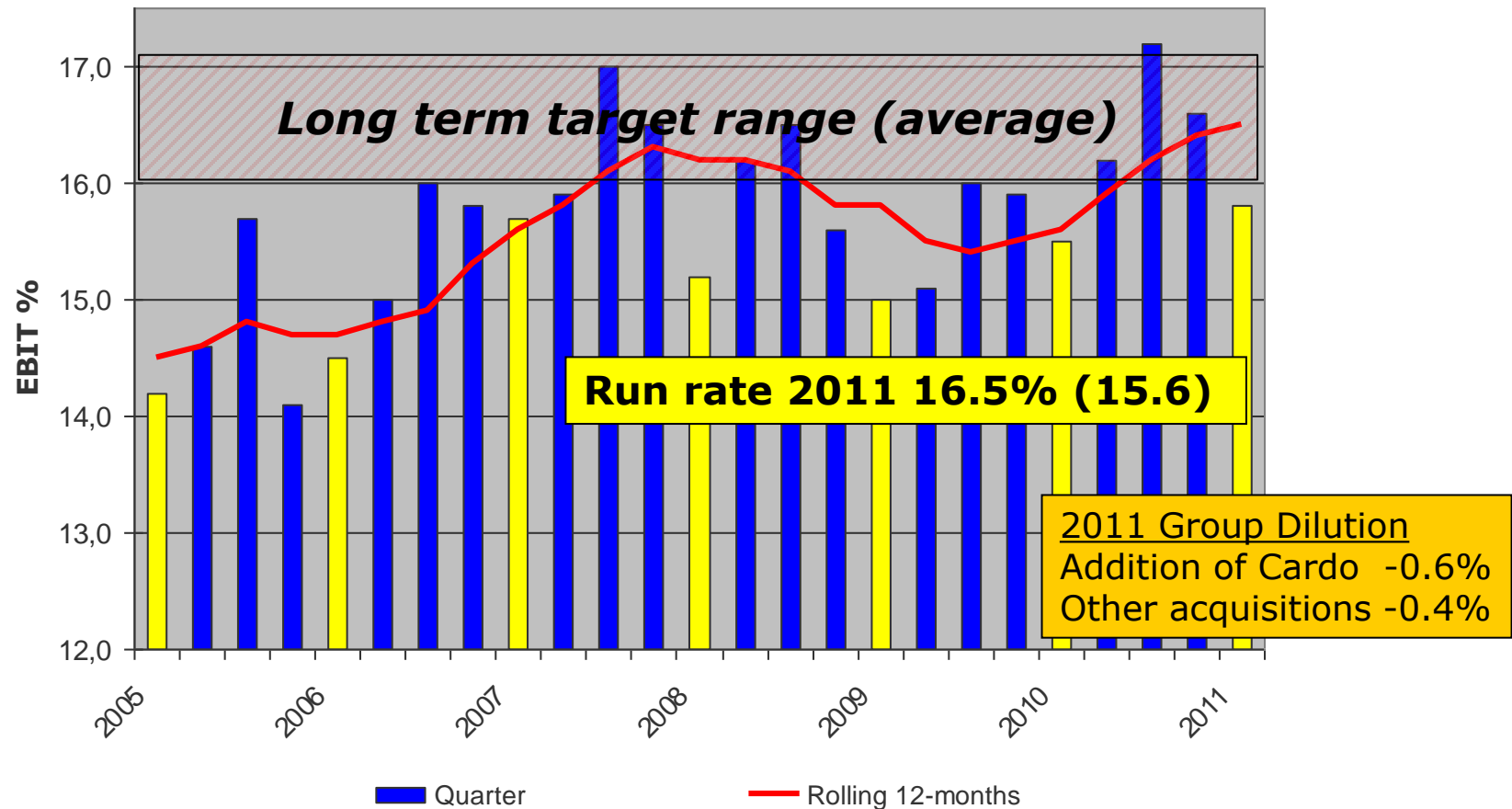
Sales growth Q1 2011 - Currency adjusted



Operating income (EBIT), MSEK

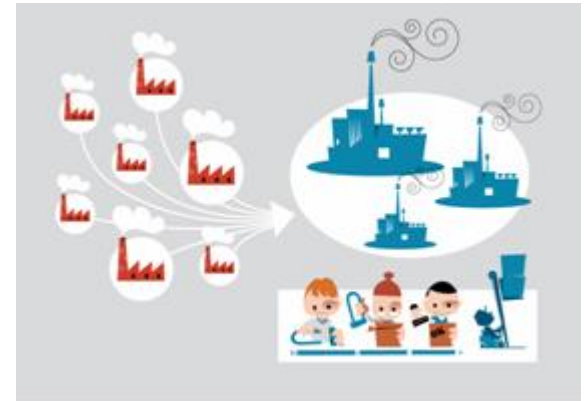


Operating margin (EBIT), %



Manufacturing footprint

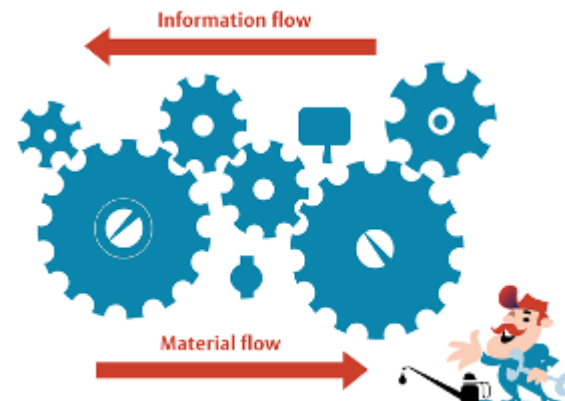
- Conversion to assembly or closures in high cost countries
 - 40 factories closed to date, 11 to go
 - 42 factories converted to assembly, 11 to go
 - 21 offices closed, 4 to go
 - Consolidation of core production to China and Eastern Europe
 - Personnel reduction 5,483p, +13% to plan
 - 933 more to go
- 873 MSEK remains at the end of the first quarter for all three programs



Margin highlights Q1 2011

EBIT margin 15.8% (15.5)

- + Volume increase 4%, price 2%
- + Manufacturing footprint & efficiency improvements
 - Increased gross margin despite material cost increases
 - Slightly lower S, G & A
- Dilution from acquisitions by -0.5%-units
- Negative currency effect -0.1%-units



Acquisitions Q1 2011

- **Fully active on acquisitions**
 - Good pipeline targeting 5% growth

- **7 acquisitions completed Jan-Apr 2011**

→ **Annualized >5,750 MSEK, +16%**



→ **Major acquisitions Jan-Apr:**

- Cardo
- Swesafe
- Lasercard
- FlexiForce

CARDO

flexiforce FF 30
1980-2010 innovations for overhead doors



Lasercard®

FlexiForce

European leader in industrial door hardware

- Manufacturer of hardware for industrial doors
- Sales 600 MSEK and 300 employees
- Sales indirect to door producers and installers
- Strongly complementary on products with Cardo and Ditec
- LCC manufacturing in Poland and China
- Accretive to EPS from start



▪ Pre-assembled track-set, shaft + springs, drums and hardware box



▪ Industrial operator (brand: LiftMaster)



▪ Pre-assembled torsion spring

Entrance systems division

Organizational chart, sales and profit 2010

ASSA ABLOY Entrance Systems
Sales 9.4 BSEK, EBIT 12.7%

besam
ASSA ABLOY

CARDO

DITEC
ENTREMATICA

flexiforce
1980-2010 innovations for overhead doors

Direct sales

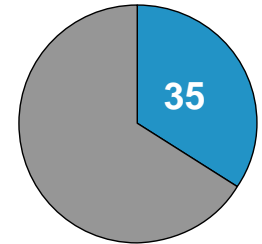
Distribution sales

38% of Agta Record, Sales BSEK 2.0

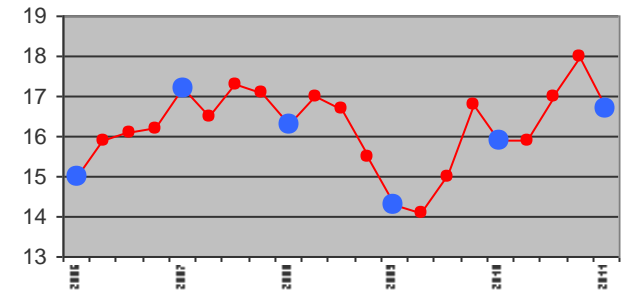
Division - EMEA

- Slow development of EMEA due to austerity programs
- Continued growth in Finland, Sweden, Germany and Eastern Europe
- Unrest in North Africa affects exports from Italy and Spain
- Excellent efficiency improvements and price management
- Operating margin (EBIT)
 - + Volume 0%
 - + Strong Elmech sales
 - + Excellent efficiency gains
 - Raw materials increasing

SALES
share of
Group total %



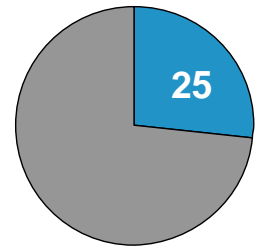
EBIT %



Division - Americas

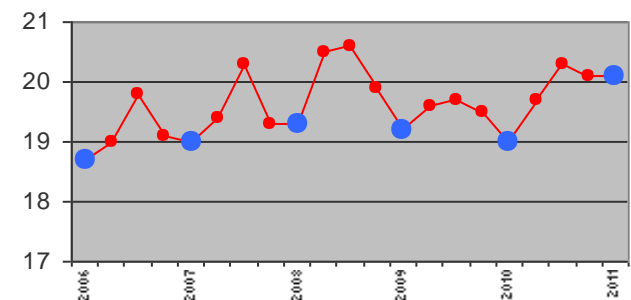
- All business units are growing
- Particularly good in South America, Canada and electromechanical locks
- Solid development of doors, high security locks and residential
- EBIT reached record level despite strong investments in R&D

SALES
share of
Group total %



- Operating margin (EBIT)
 - + Volume +7%
 - + Price management and efficiency with reinforced investment in R&D
 - Raw materials increasing

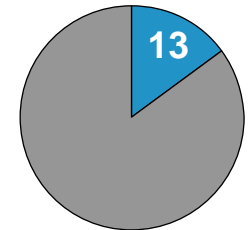
EBIT %



Division - Asia Pacific

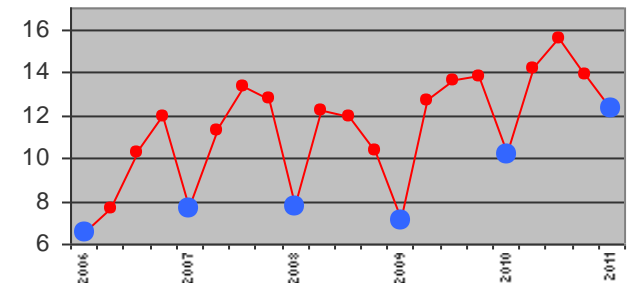
- All of Asia in strong growth
- Digital door locks and China are doing particularly well
- Decline in NZ and weak Australia mainly due to natural disasters
- Good margin expansion for Q1

SALES
share of
Group total %



- Operating margin (EBIT)
 - + Volume +10%
 - + Efficiency improvements
 - + Currency gain of +0.6%
 - Raw materials and salaries increasing

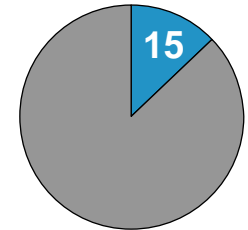
EBIT %



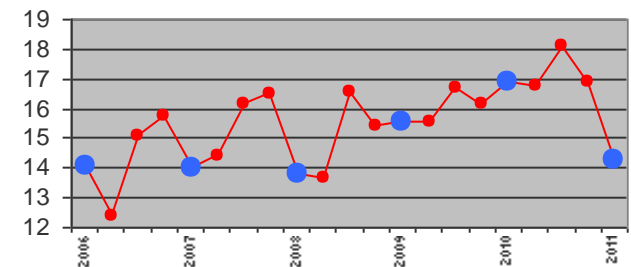
Division - Global Technologies

- Strong evolution in HID
 - Solid development within physical access
 - Strong growth of IDS
 - ActivIdentity and LaserCard added
- Hospitality
 - Renovation market in very strong demand
 - New build still in decline
 - RFID lock upgrades and energy management are developing particularly well
- Operating margin (EBIT)
 - + Volume +19%
 - Mix towards IDS affects leverage
 - Dilution from Active Identity & Lasercard by -2.3%
 - Dilution from currency by -0.9%

SALES
share of
Group total %



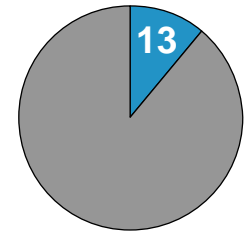
EBIT %



Division - Entrance Systems

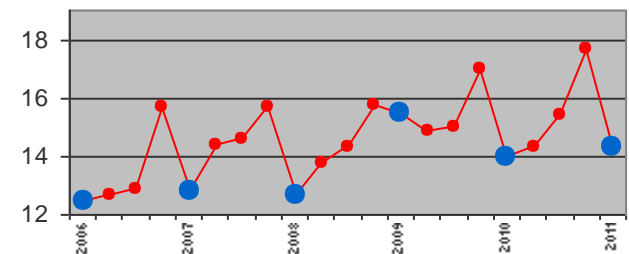
- Growth is back with strong demand from retail
- Continued strong evolution in service
- Strong margin improvement in Ditec
- Integration of Cardo is progressing well
- Dilution from Cardo by -0,4%

SALES
share of
Group total %



- Operating margin (EBIT)
- + Volume +4%
- + Efficiency gains & Ditec improvement
- - Dilution from Cardo

EBIT %



Financial highlights Q1 2011

MSEK	1st Quarter			Twelve months		
	2010	2011	Change	2009	2010	Change
Sales	8,345	8,699	+4%	34,963	36,823	+5%
<i>Whereof</i>						
Organic growth			+6%			+3%
Acquired growth			+7%			+8%
FX-differences		-666	-9%		-1,626	-6%
Operating income (EBIT)	1,295	1,377	+6%	5,413*	6,046	+12%
EBIT-margin (%)	15.5	15.8		15.5*	16.4	
Operating cash flow	870	448	-49%	6,843	6,285	-8%
EPS (SEK)*	2.36	2.53	+7%	9.22	10.89	+18%

*Excluding restructuring and one off charges of 1,039 MSEK

Bridge Analysis – Jan-Mar 2011

MSEK	2010 Jan-Mar	Acq/Div	Currency	Organic	2011 Jan-Mar
		7%	-9%	6%	4%
Revenues	8,345	551	-666	469	8,699
EBIT	1,295	49	-113	146	1,377
%	15.5%	8.9%	17.0%	31.1%	15.8%

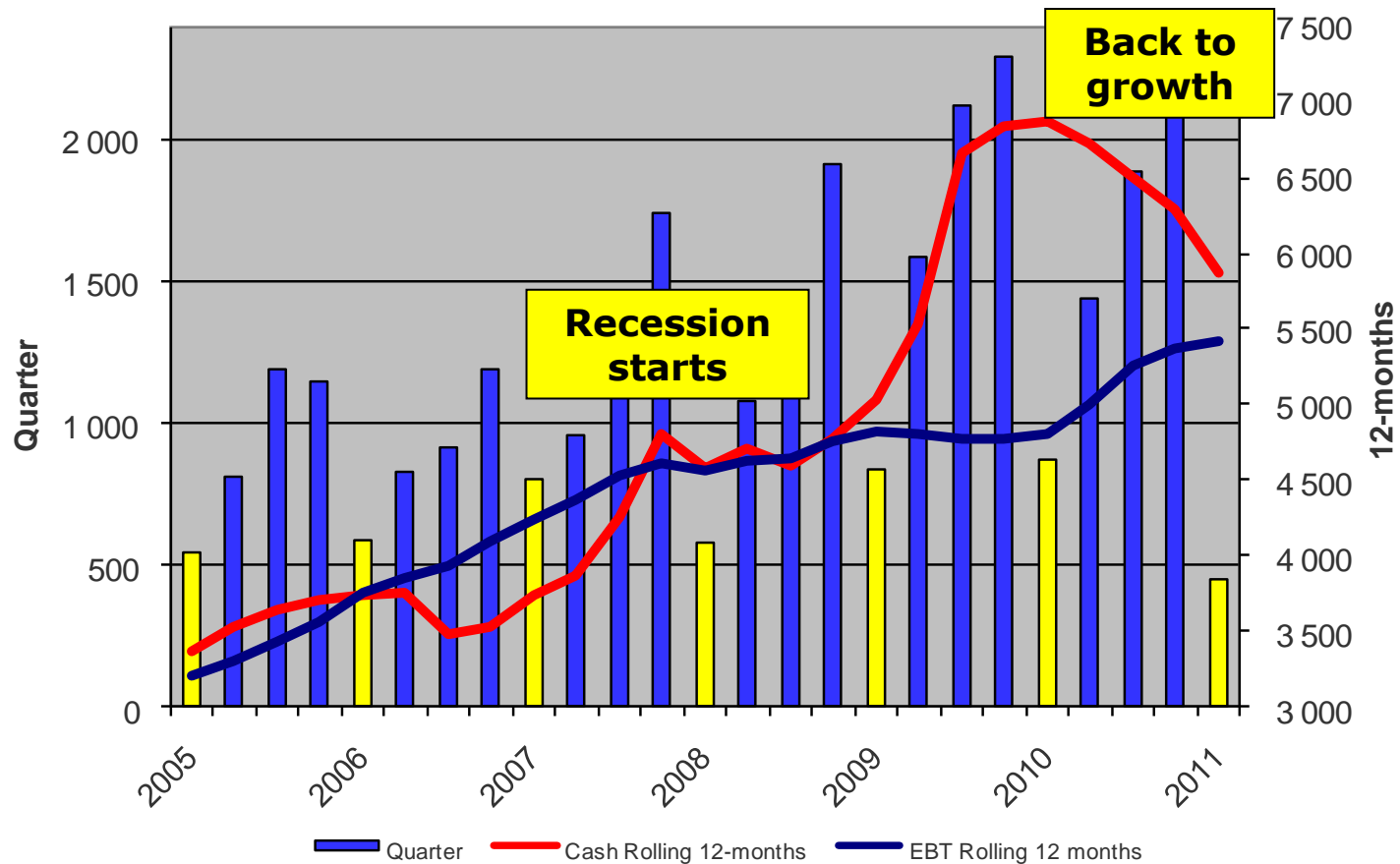
Dilution / Accretion		-50 bp	-10 bp	90 bp	
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P&L – Components as % of sales

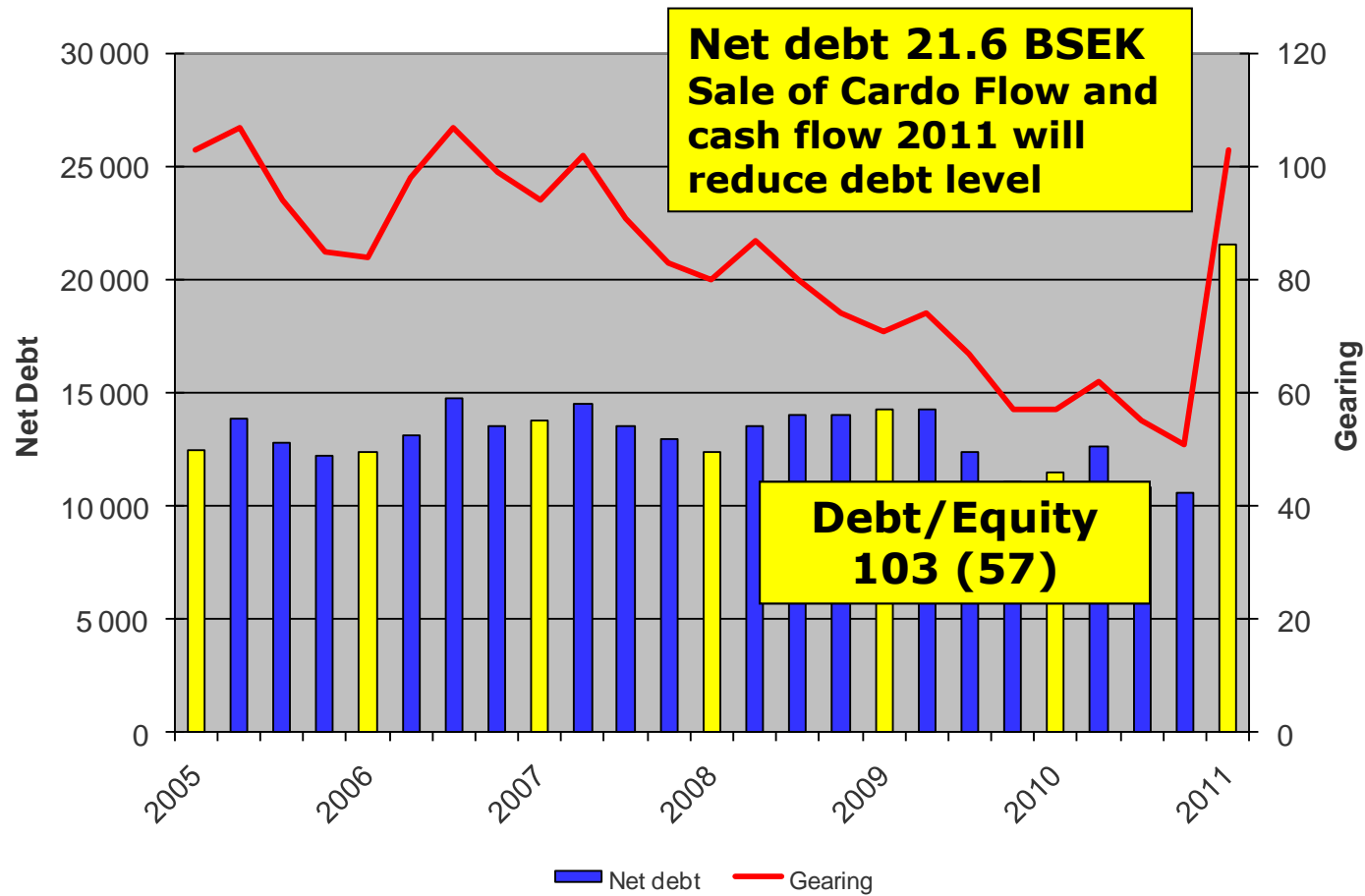
	2010 Q1	2011 Q1
■ Direct material	32.3%	32.9%
■ Conversion costs	<u>27.4%</u>	<u>26.2%</u>
■ Gross Margin	40.3%	40.9%
■ S, G & A	<u>24.8%</u>	<u>25.1%</u> *)
■ EBIT	15.5%	15.8%

*) Currency effect -0.4%

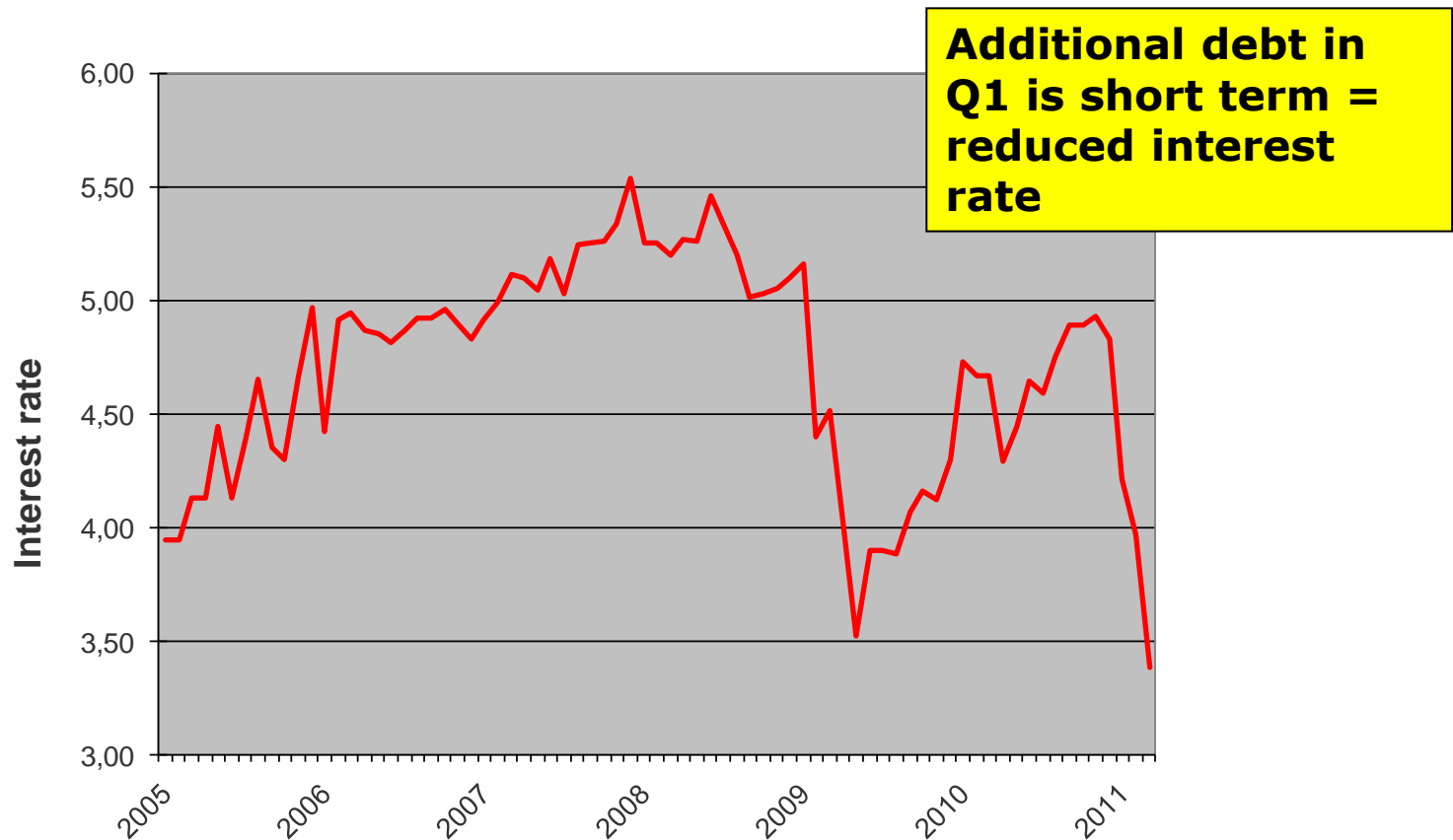
Operating cash flow, MSEK




Gearing % and net debt MSEK



Net interest rate, %



Conclusions Q1 2011

- 13% total growth whereof 6% organic growth
 - Emerging markets and in particular Asia in strong growth
 - Margin expansion in all parts
 - Reduced tax rate by 2% to 22%
 - Exciting acquired growth ahead and sale of Cardo Flow
- 

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

