

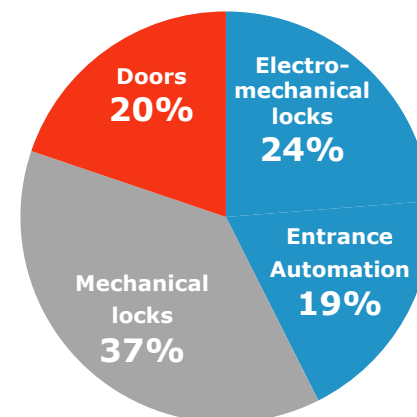


ASSA ABLOY overview

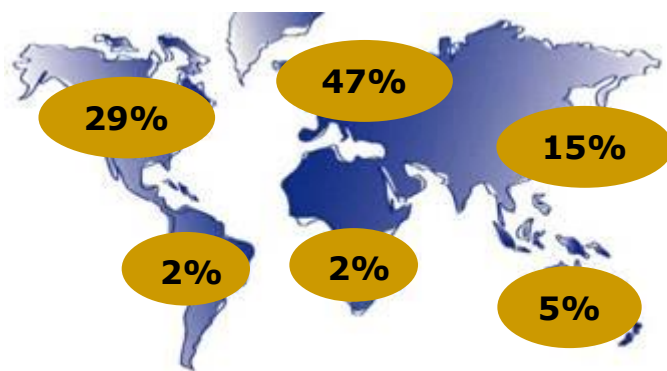
Financials (SEK bn)

Net sales	39.7
EBIT	6.3
Op cash flow	5.4
Net debt	16.2
Market cap	56

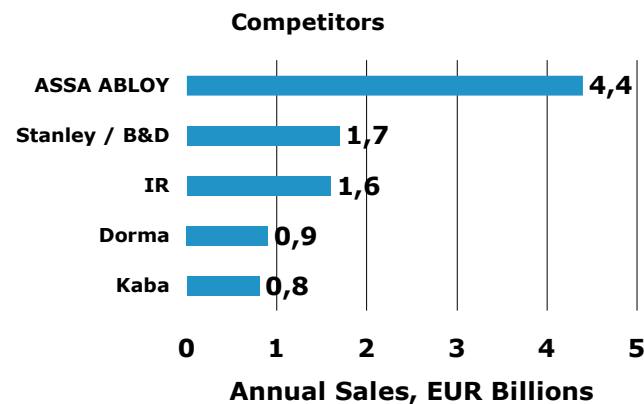
Sales by product group Sep 2011



Sales by region Sep 2011



Leading market positions



Financial highlights Q3 2011

- **Good performance in a weak market**

- Continued strong growth in Asia
- Stable but slow development in mature markets
- South America slowing
- New footprint program with closure of 17 sites

▪ Sales	10,841 MSEK	+14%
+2% organic, +18% acquired growth, -6% currency		

▪ EBIT	1,751 MSEK	+7%
Currency effect -112 MSEK		

▪ EPS	3.30 SEK *)	+13%
Tax rate reduced to 22%		

*) Excluding one-off gain of 424 MSEK

Financial highlights Jan-Sept 2011

- **Good development in a weak construction market**

▪ Sales	30,042 MSEK	+ 11%
+4% organic, +16% acquired growth, -9% currency		
▪ EBIT	4,743 MSEK	+7%
Currency effect -388 MSEK		
▪ EPS	8.86 SEK *)	+10%
Reduced tax rate to 22%		

*) Excluding one-off gain of 424 MSEK

Market highlights

- Big potential for HID access control from new US government PIV standard
- Yale Real Living – New high end digital door lock launched for home automation
- Good progress from specification work in US and Europe
- 1st price in categories Integrated Security Product and Access Control Product of the Year for Aperio and CLIQ Remote at IFSEC (Europe)
- 1st price for best innovation with Secure Element Access Control at ASIS (America)
- Blackberry delivered with ASSA ABLOY access control



Reader with integrated PIV



Yale Real Living

IFSEC2011
SECURITY INDUSTRY AWARDS



Blackberry

Hardware manufacturers adapt technology

Blackberry release NFC phones, Dell embedd readers in laptops

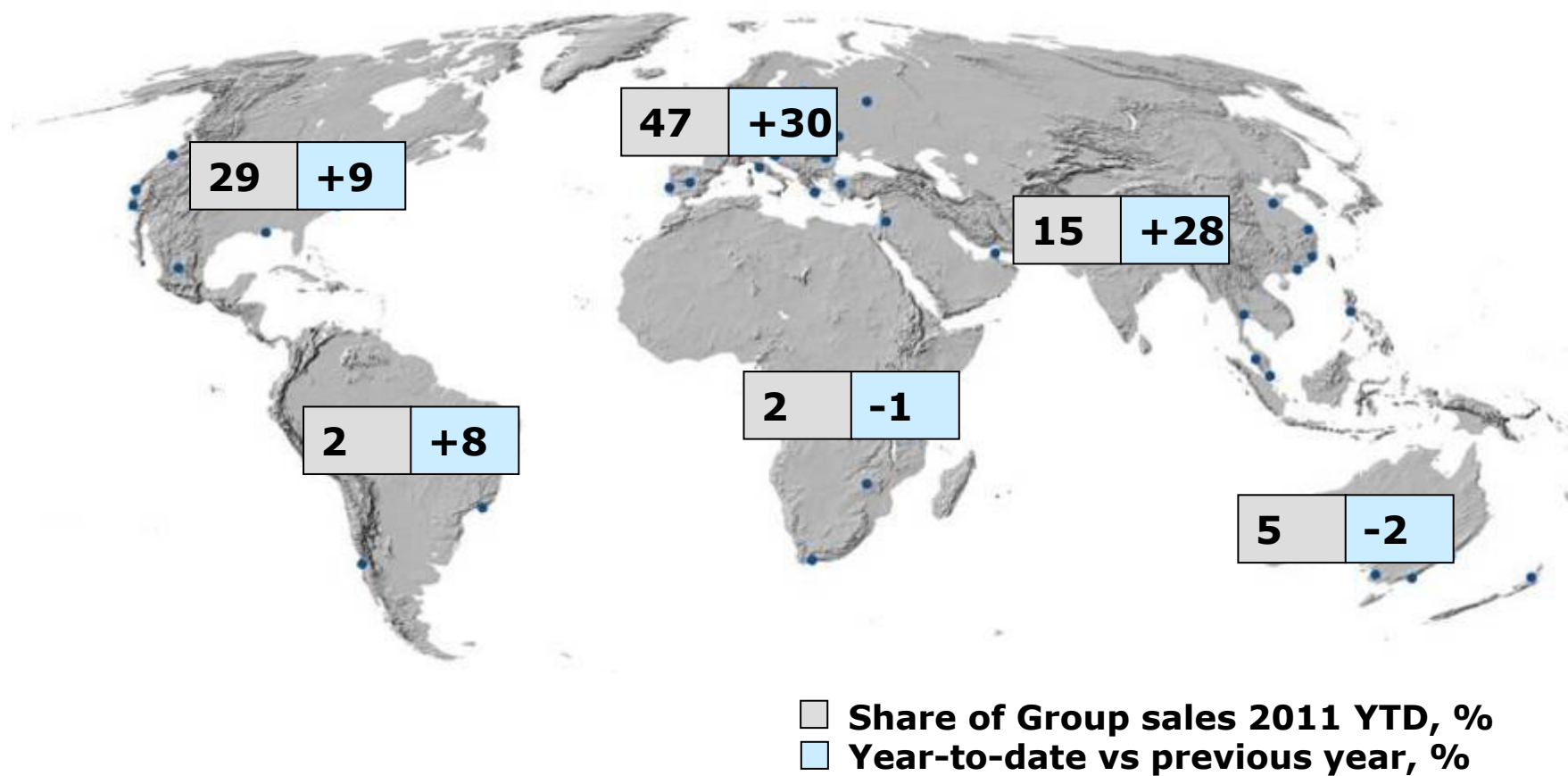
- Dell Latitude and Precision Laptops offer contactless smart card reader options embedded in the laptop
- BlackBerry smartphones are NFC-enabled and can be activated with iCLASS digital credentials



Contactless smart card reader embedded in laptop

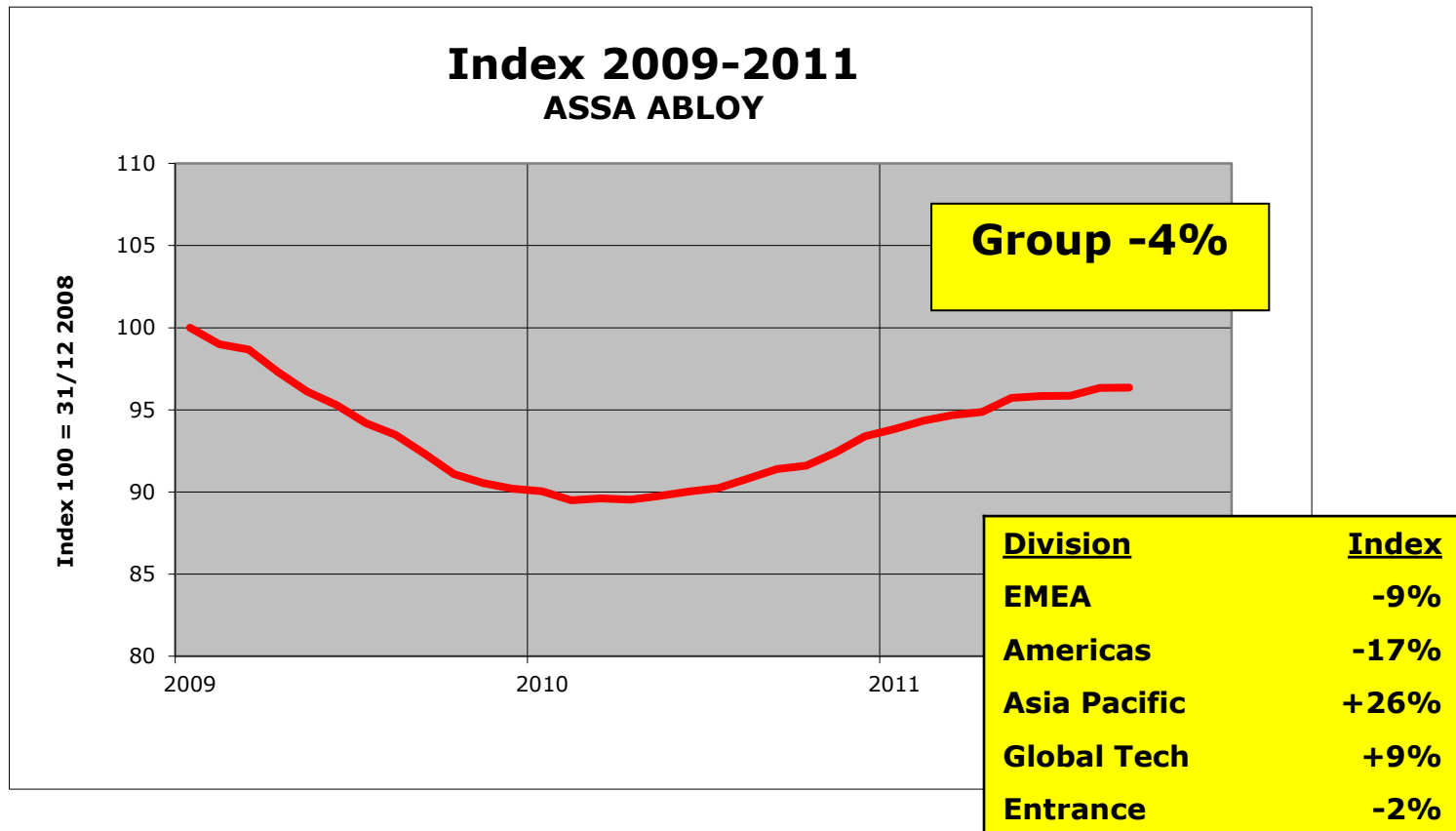


Group sales in local currencies Jan-Sep 2011

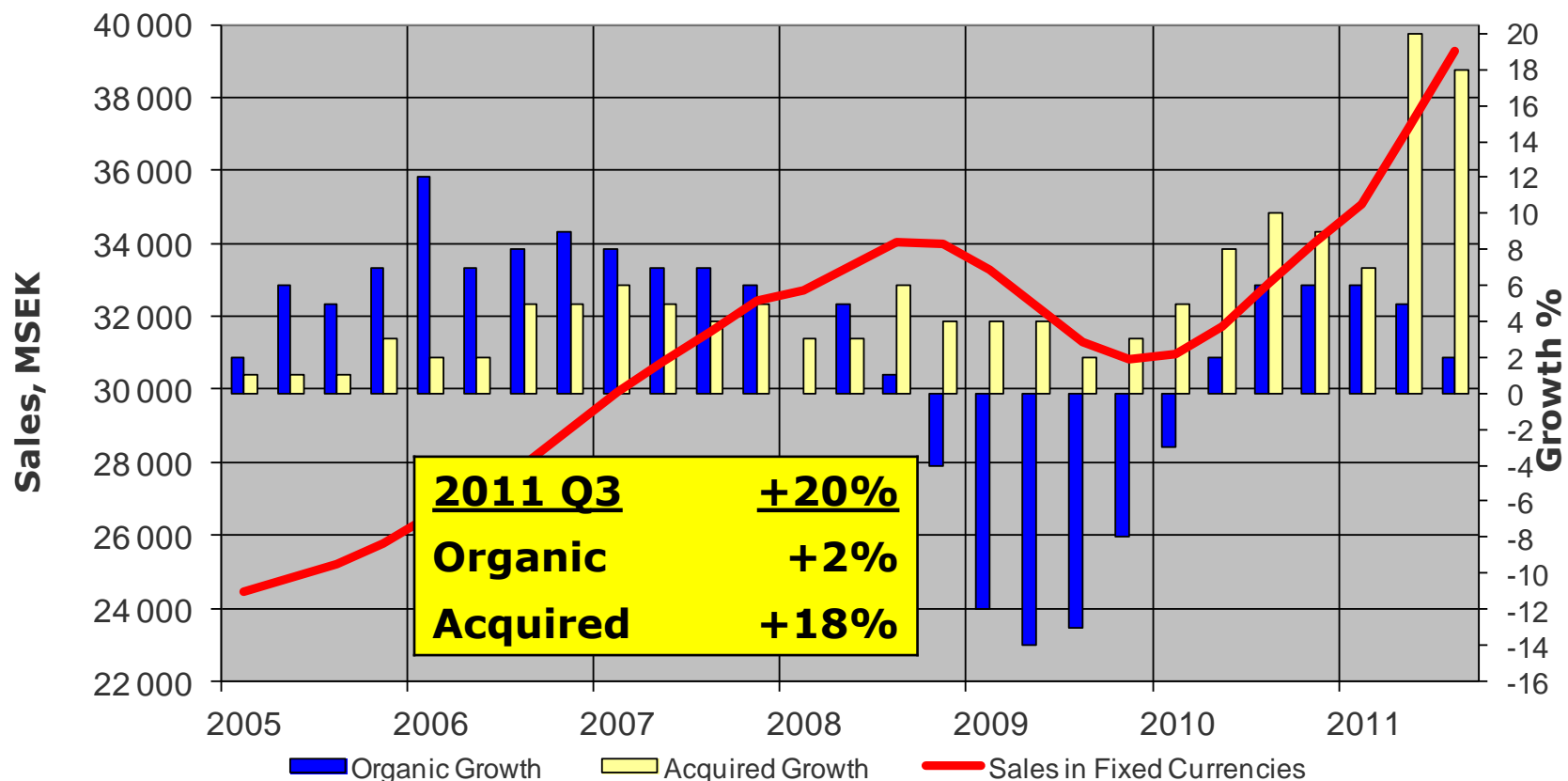


Organic growth index

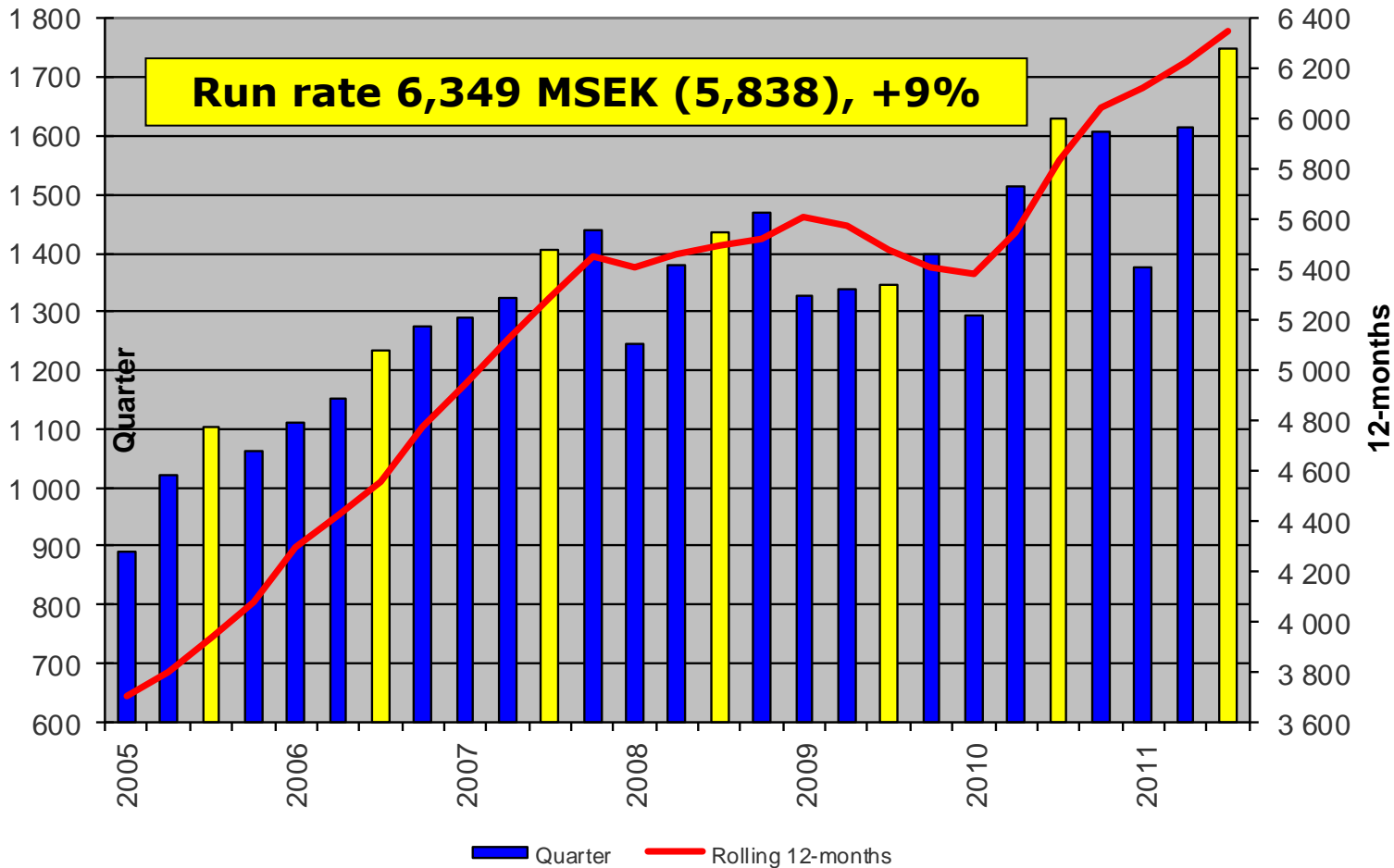
Recovery from recession



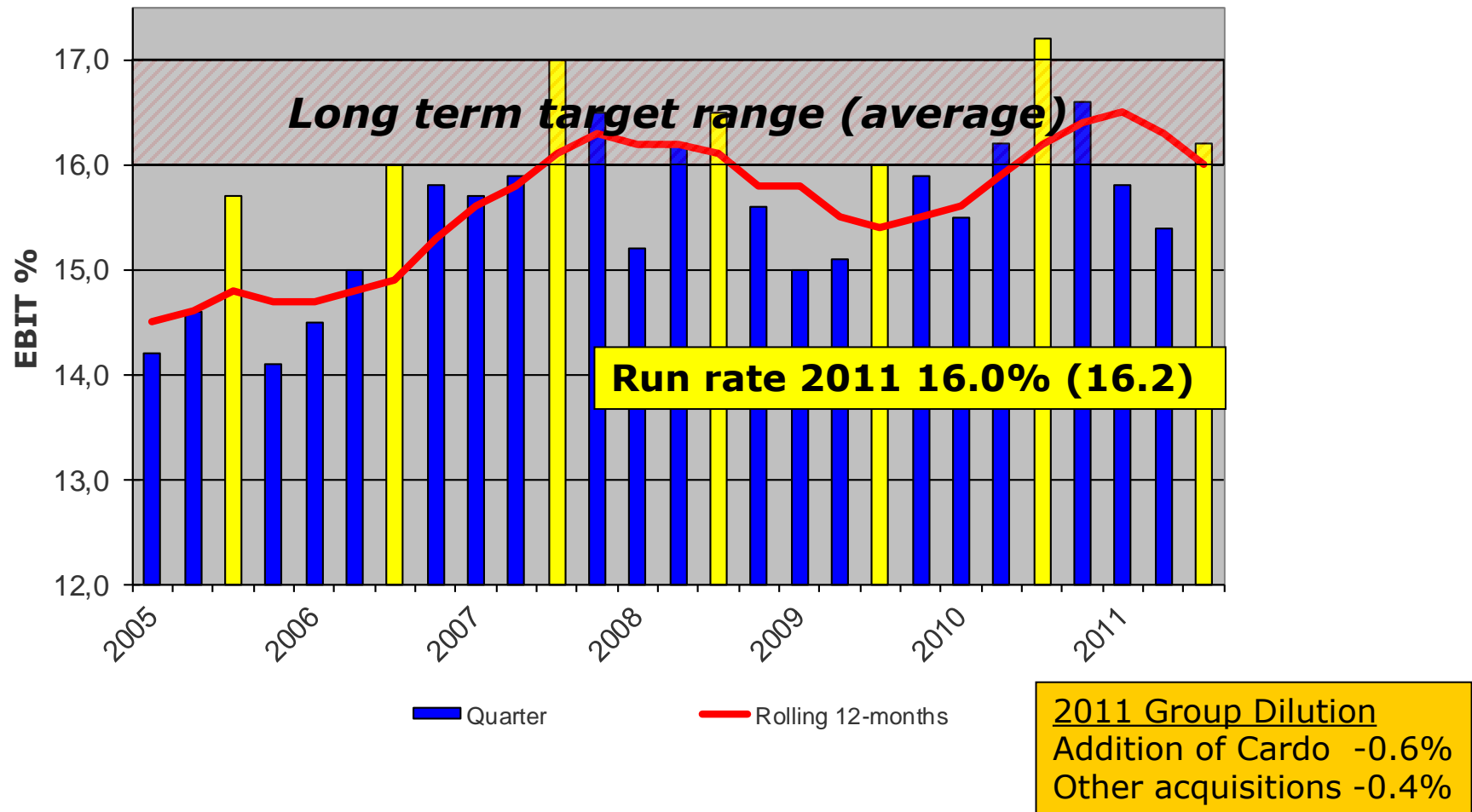
Sales growth Q3 2011 - Currency adjusted



Operating income (EBIT), MSEK

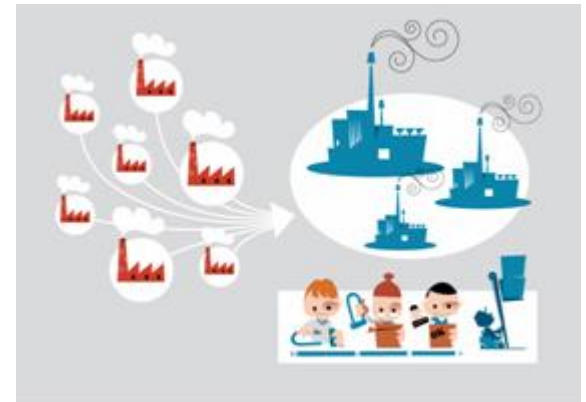


Operating margin (EBIT), %



New manufacturing footprint program

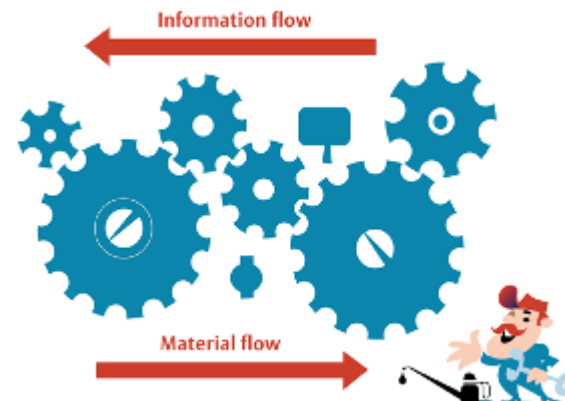
- 17 additional factories to be closed
 - Further consolidation potential within the ASSA ABLOY Group
 - Synergies larger than expected with Crawford
 - Net cost 900 MSEK (after 424 MSEK Cardo capital gain)
 - Cost planned to be booked in Q4, payback 3.1 years
 - Status current manufacturing footprint program:
 - 41 factories closed to date, 10 to go
 - 46 factories converted to assembly, 7 to go
 - 21 offices closed, 4 to go
 - Personnel reduction Q3 -181p, tot 5,753p
 - 621 in further planned reductions
- 688 MSEK of the provision remains



Margin highlights Q3 2011

EBIT margin 16.2% (17.2)

- + Volume increase 0%, price 2%
- Margin expansion 0.3%
 - + Manufacturing footprint & efficiency improvements
 - Geographical mix
 - Dilution from acquisitions by -1.0%
 - Negative currency effect -0.3%



Acquisitions Jan-Oct 2011

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

- **16 acquisitions Jan-Oct 2011**

→ **Annualized 7,800 MSEK, +21%**

- **Major acquisitions Jan-Oct:**

- Cardo
- Swesafe
- Lasercard
- FlexiForce
- Portafeu
- Angel Metal
- Albany



Albany, US



- *Largest HPD Company*
- *16 Product Lines*
- *700 Employees*
- *5 Mfg Locations*
- *22 Branches*
- *180 Service Techs*
- *500 Dealers*



Albany Door Systems



- Market leader in high speed doors
- Strong presence in Europe and US
- Sales and service has good fit with Crawford and Besam (direct channel)
- Total sales 180 MUSD with 700 employees
- Accretive to EPS from start



Angel Metal, Korea

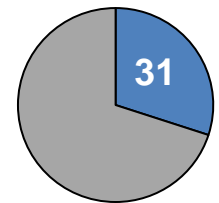
- Market leader in locks and hardware in Korea
- Sales 2011 expected to reach 180 MSEK with 54 employees
- Strong market share in Korea
- Serving both residential and commercial segments
- Strong specification presence and innovation capability
- Accretive to EPS from start



Division - EMEA

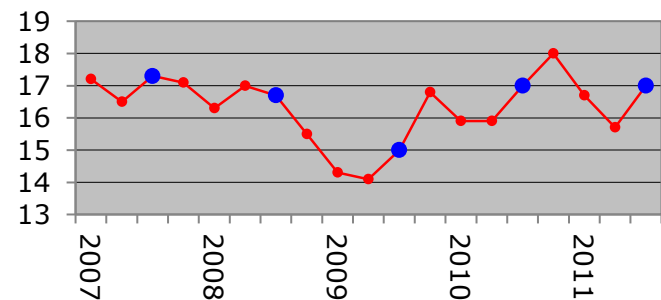
- Slow but stable in most parts
- Growth in Scandinavia, Finland and East Europe
- France, Belgium, Germany and UK stable
- Southern Europe with Spain and Italy in strong decline
- Several large orders from specification with new products
- EBIT margin maintained

SALES
share of
Group total %



- Operating margin (EBIT)
 - Volume +0%
 - Material cost
 - Acquisition dilution by 0.3%
 - + Restructuring savings

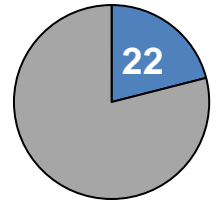
EBIT %



Division - Americas

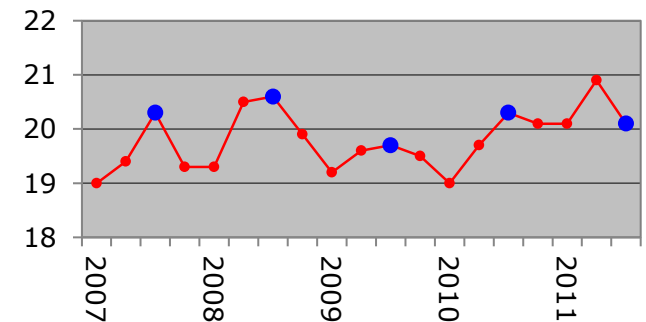
- Weak institutional construction continues to affect US
- Brazil, Mexico and Latin America declining
- Good development of residential and elmech
- Stable high margin sustained through efficiency gains
- Investment in R&D and sales maintained

SALES
share of
Group total %



- Operating margin (EBIT)
 - Volume -1%
 - Material cost
 - + Efficiency improvement and price

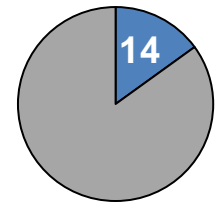
EBIT %



Division - Asia Pacific

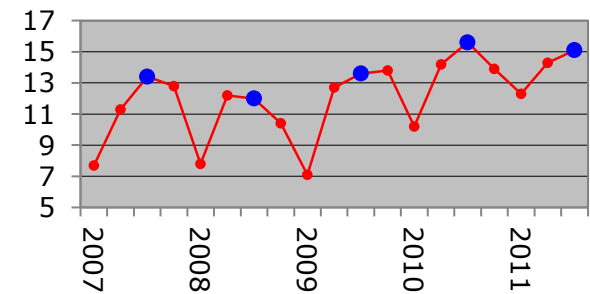
- Strong growth in Asia, especially South East Asia including India
- Australia in decline due to end of government stimuli
- Earth quakes in New Zealand hampers demand
- Very good evolution from digital door locks (DDL)
- Negative mix due to Pacific and China doors

SALES
share of
Group total %



- Operating margin (EBIT)
 - = Volume +7%
 - Raw material & price
 - Sales mix

EBIT %

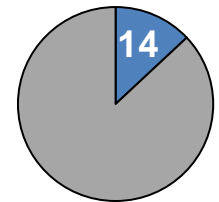


Division - Global Technologies

■ HID

- Access control and secure issuance in good growth
- Strong demand from e-Government with LaserCard
- Identification Technology declining but improved profit

SALES
share of
Group total %



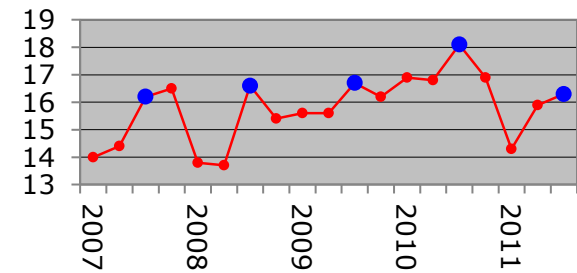
■ Hospitality

- Good demand for NFC locks, >70% of all new locks
- Large hotel chains planning for NFC upgrades
- Aftermarket in good growth due to patented keyways

■ Operating margin (EBIT)

- + Volume +5% (26), good leverage
- Dilution from LaserCard and ActivIdentity with -2.0%
- Dilution from currency

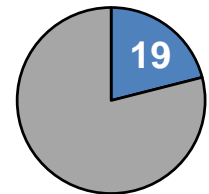
EBIT %



Division - Entrance Systems

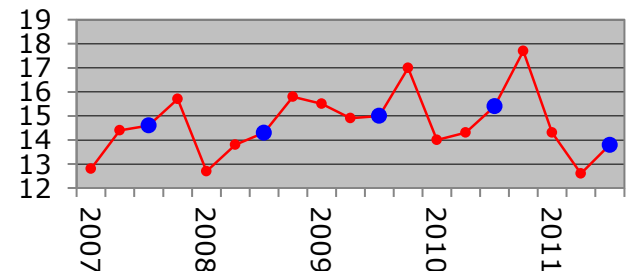
- Good development of automatic doors and Ditec
- Crawford and FlexiForce experiences good industrial demand
- Service contract sales in steady growth
- Synergies from Crawford and Normstahl larger than expected
- Sales and EBIT more than doubled

SALES
share of
Group total %

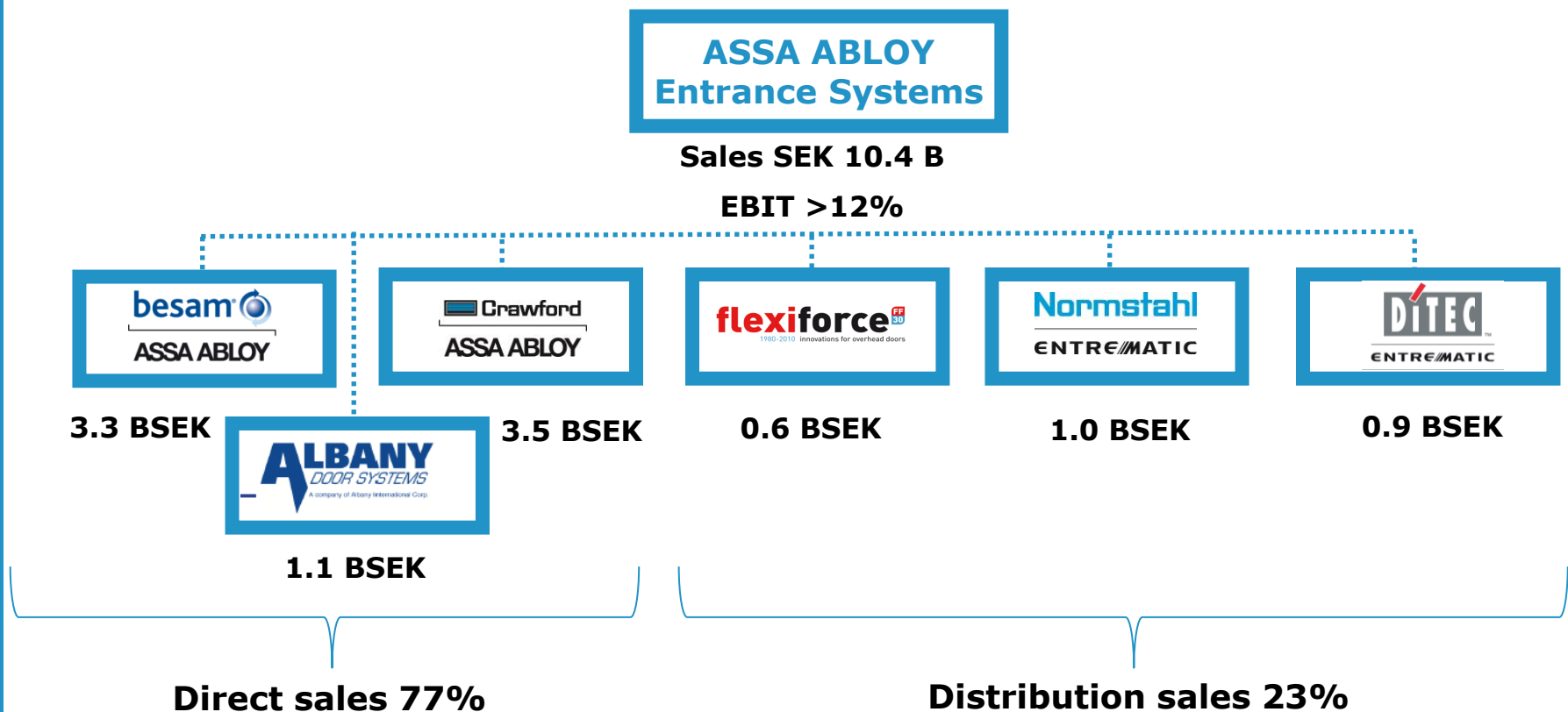


- Operating margin (EBIT)
 - + Volume +5%
 - Dilution from acquisitions -2.0%
 - Increased R&D and sales costs

EBIT %



The new ASSA ABLOY Entrance Systems



In addition, 38% of Agta Record, Sales SEK 2.0 B

Financial highlights Q3 2011

MSEK	3rd Quarter			Nine months		
	2010	2011	Change	2010	2011	Change
Sales	9,474	10,841	+14%	27,175	30,042	+11%
<i>Whereof</i>						
Organic growth			+2%			+4%
Acquired growth			+18%			+16%
FX-differences		-491	-6%		-2,113	-9%
Operating income (EBIT)	1,630	1,751	+7%	4,440	4,743	+7%
EBIT-margin (%)	17.2	16.2		16.3	15.8	
Operating cash flow	1,890	1,528	-19%	4,200	3,286	-22%
EPS (SEK)	2.93	3.30	+13%	8.03	8.86	+10%

Bridge Analysis – Jul-Sep 2011

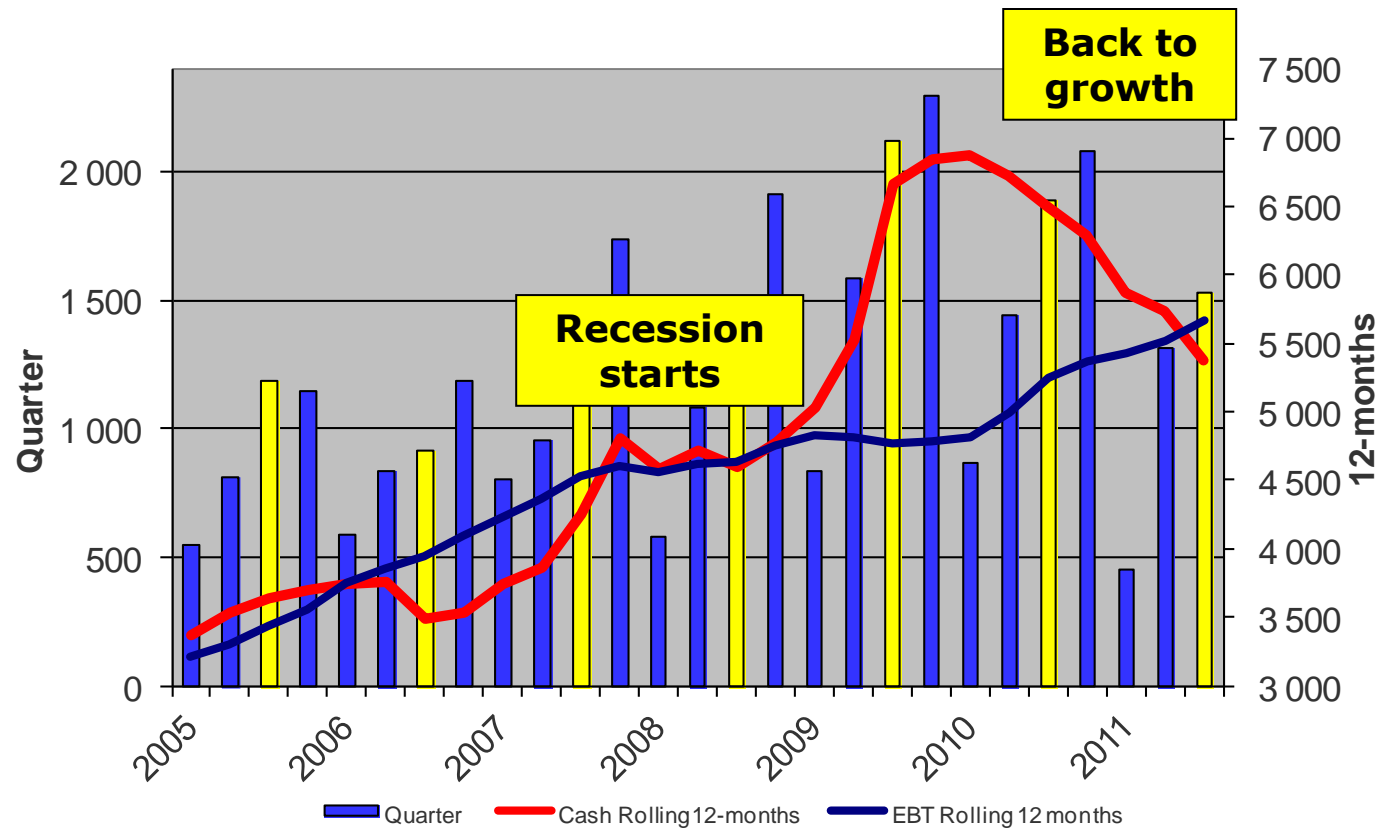
MSEK	2010 Jul-Sep	Acq/Div	Currency	Organic	2011 Jul-Sep
		18%	-6%	2%	14%
Revenues	9,474	1,650	-491	208	10,481
EBIT	1,630	176	-112	57	1,751
%	17.2%	10.7%	22.8%	27.5%	16.2%

Dilution / Accretion		-100 bp	-30 bp	+30 bp	
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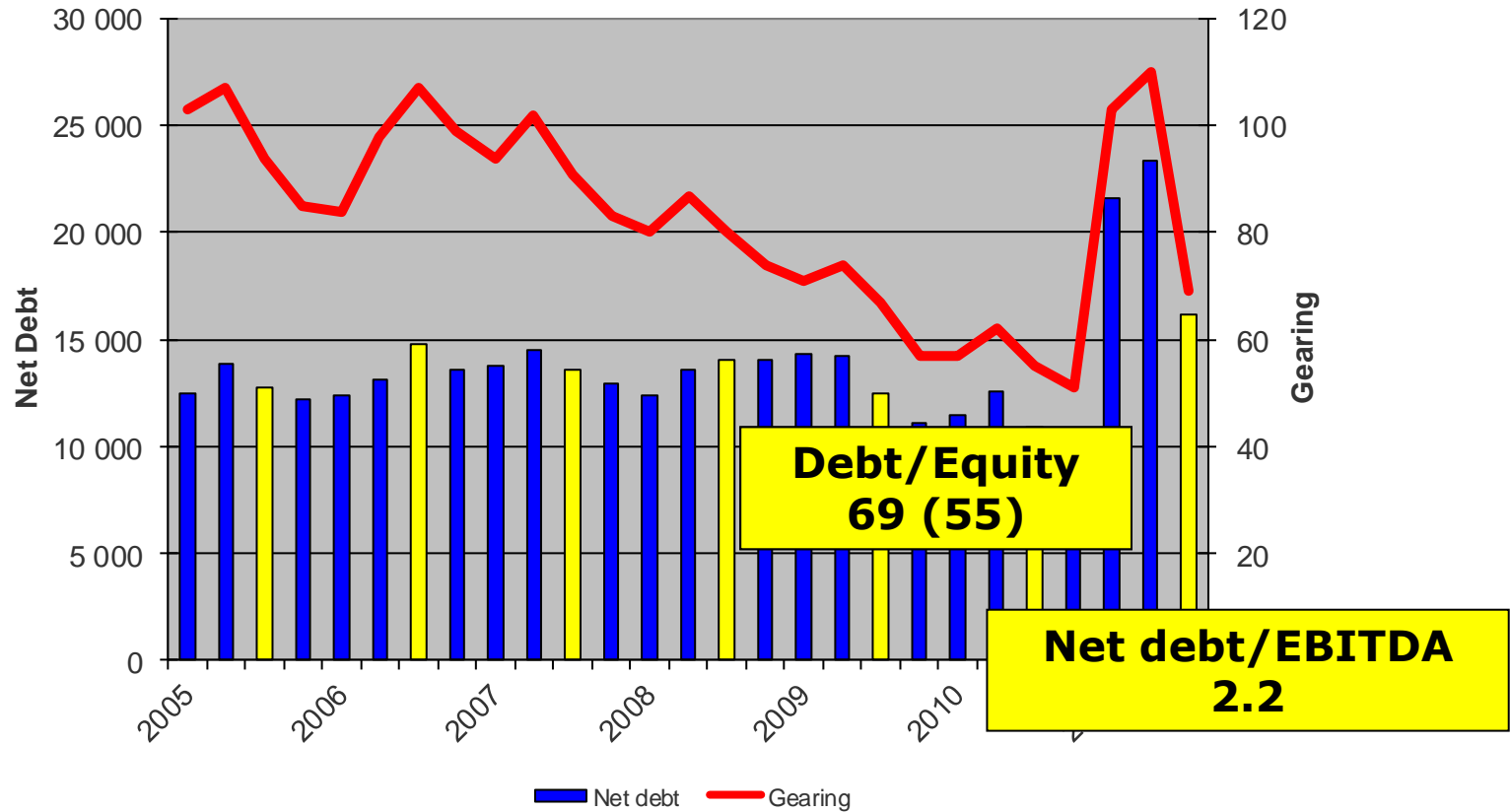
P&L – Components as % of sales

	2010 Q3	2011 Q3 excluding acquisitions	2011 Q3
■ Direct material	35.0%	36.3%	34.4%
■ Conversion costs	<u>24.4%</u>	<u>23.6%</u>	<u>26.3%</u>
■ Gross Margin	40.6%	40.1%	39.3%
■ S, G & A	<u>23.4%</u>	<u>22.9%</u>	<u>23.1%</u>
■ EBIT	17.2%	17.2%	16.2%

Operating cash flow, MSEK



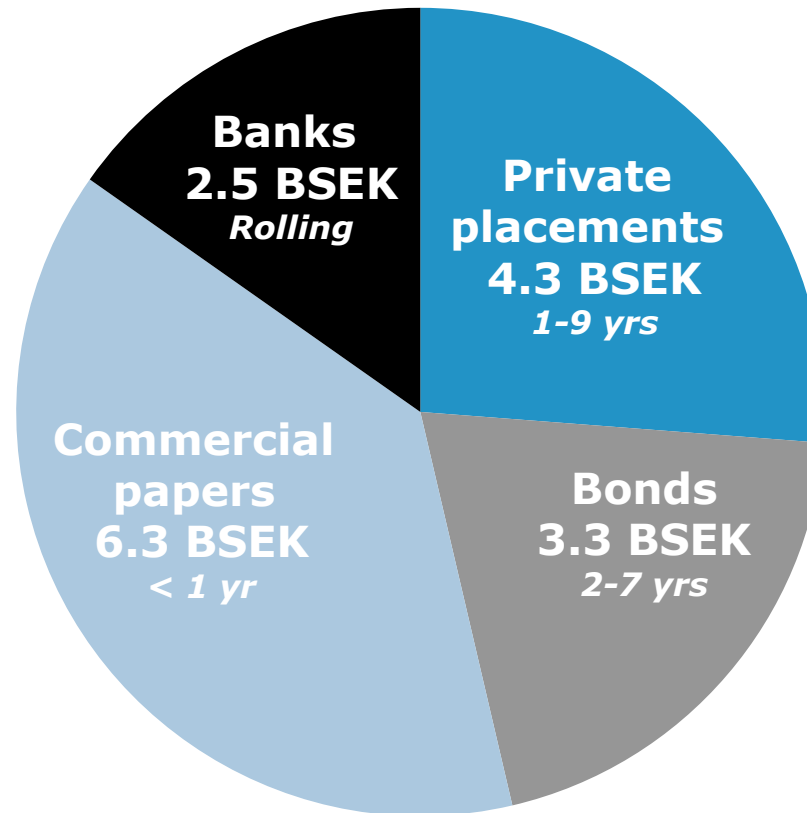
Gearing % and net debt MSEK



Gross debt distribution

Excluding pension liabilities, derivatives and cash assets

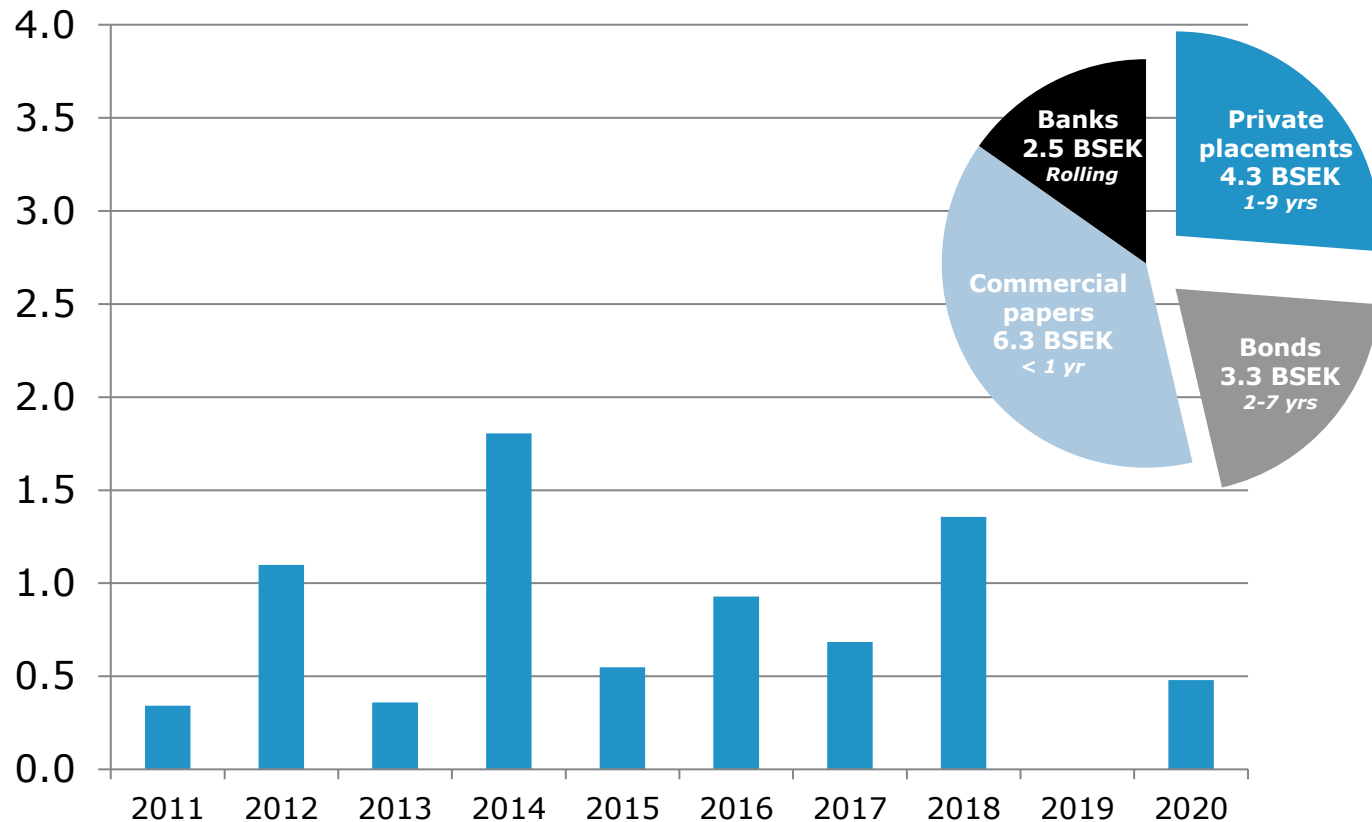
Gross debt	16.4 BSEK
Net debt	16.2 BSEK



Backup facility 10.0 BSEK untouched

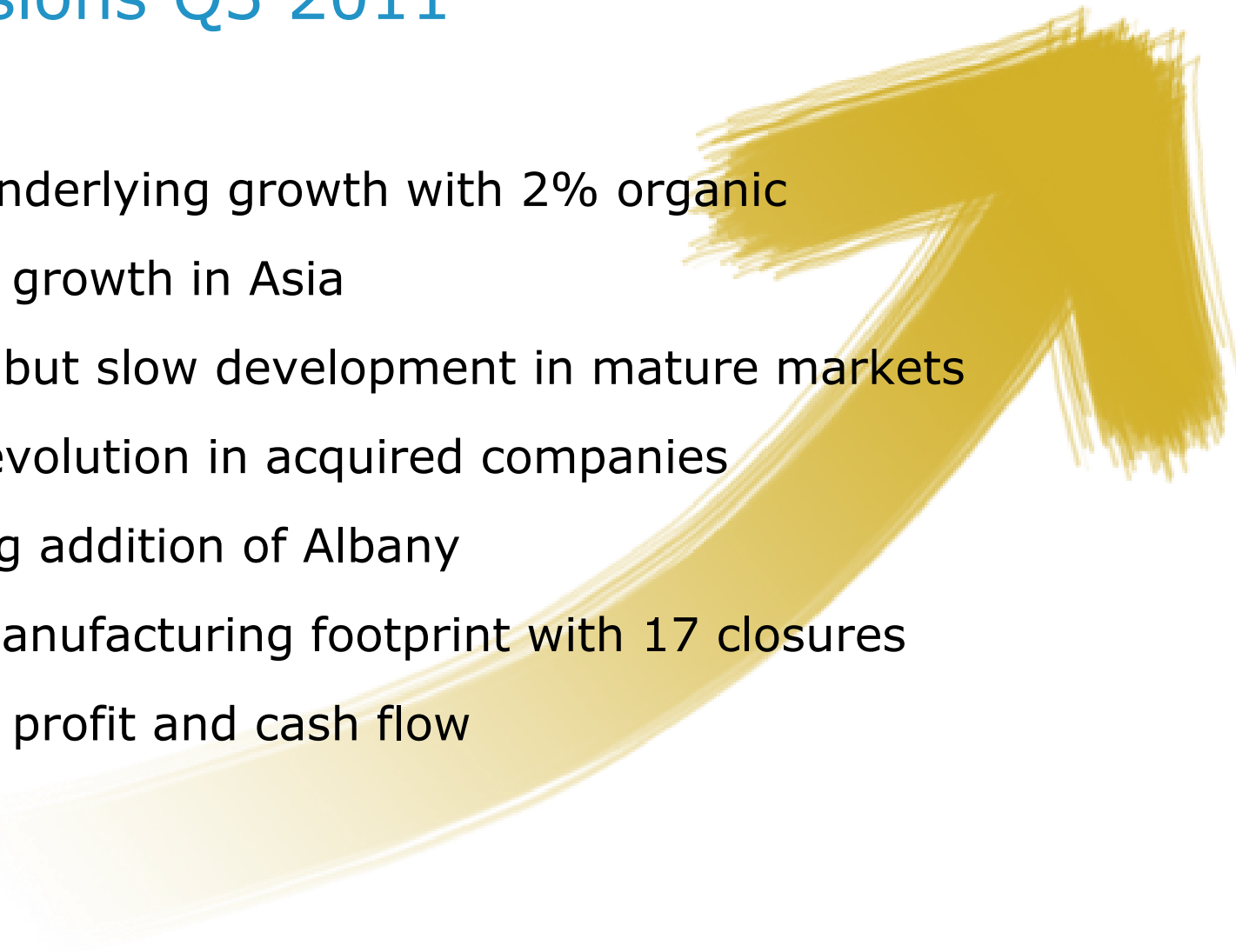
Maturities private placements and bonds

Strategy not to have in excess of 2 BSEK per annum



Backup facility 10.0 BSEK untouched

Conclusions Q3 2011

- 20% underlying growth with 2% organic
 - Strong growth in Asia
 - Stable but slow development in mature markets
 - Good evolution in acquired companies
 - Exciting addition of Albany
 - New manufacturing footprint with 17 closures
 - Strong profit and cash 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

