

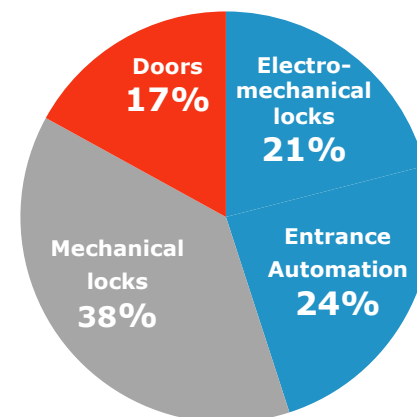


# ASSA ABLOY overview

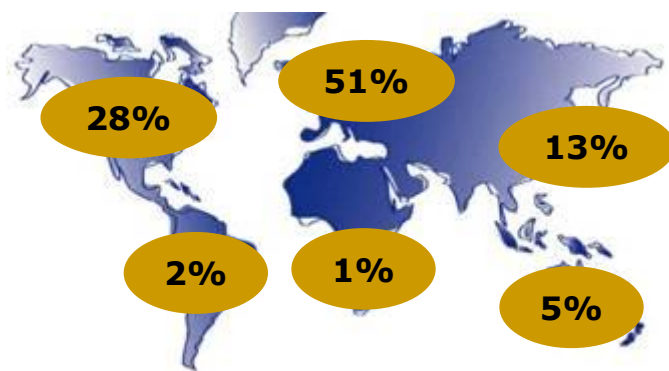
## Financials (SEK bn)

Net sales	43.9
EBIT	6.9
Op cash flow	6.1
Net debt	15.7
Market cap	75

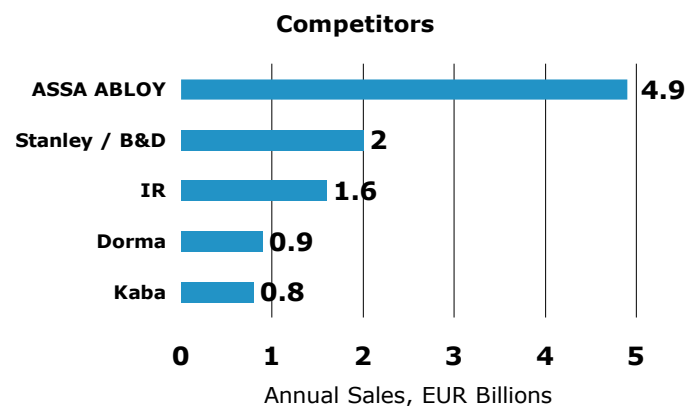
## Sales by product group Mar 2012



## Sales by region Mar 2012



## Leading market positions



# Financial highlights Q1 2012

- **Steady growth with strong profit improvement**

- Continued strong growth in Global tech
- Good development in Europe and North America
- Slower emerging markets and declining Australia
- Footprint program gives good savings

▪ <b>Sales</b>	<b>10,839 MSEK</b>	<b>+25%</b>
+3% organic, +19% acquired growth, 3% currency		
▪ <b>EBIT</b>	<b>1,655 MSEK</b>	<b>+20%</b>
Currency effect 19 MSEK		
▪ <b>EPS</b>	<b>3.10 SEK</b>	<b>+23%</b>
Underlying tax rate 23%		

# Market highlights

## Branding

- Group appearance on all trade shows
- Demonstration fleet for architects
- One company exposure on internet

## ■ Investment in Emerging markets

- Build up in India, ME, Africa and South America
- Sales units created in Russia, Croatia, Indonesia, Ghana, Uganda, Mozambique, Liberia, Qatar

## ■ Innovation pays off

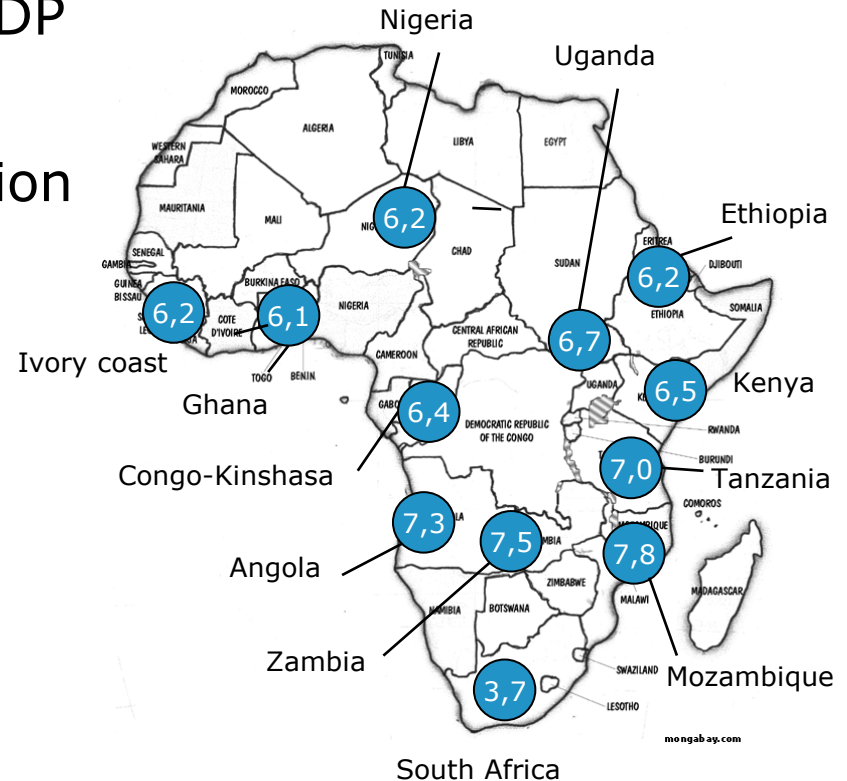
- More than 20% of all sales from products less than 3 years old



# Emerging markets expansion

## Example; Africa

- Countries with high total GDP and highly populated cities
- **13** new ASSA ABLOY Solution centres
- **3** new legal entities



● Annual GDP growth, 2012-2016 (prognos), percent





ASSA ABLOY  
Door Closers



Code Handle



DDL

# EMEA new products



Aperio

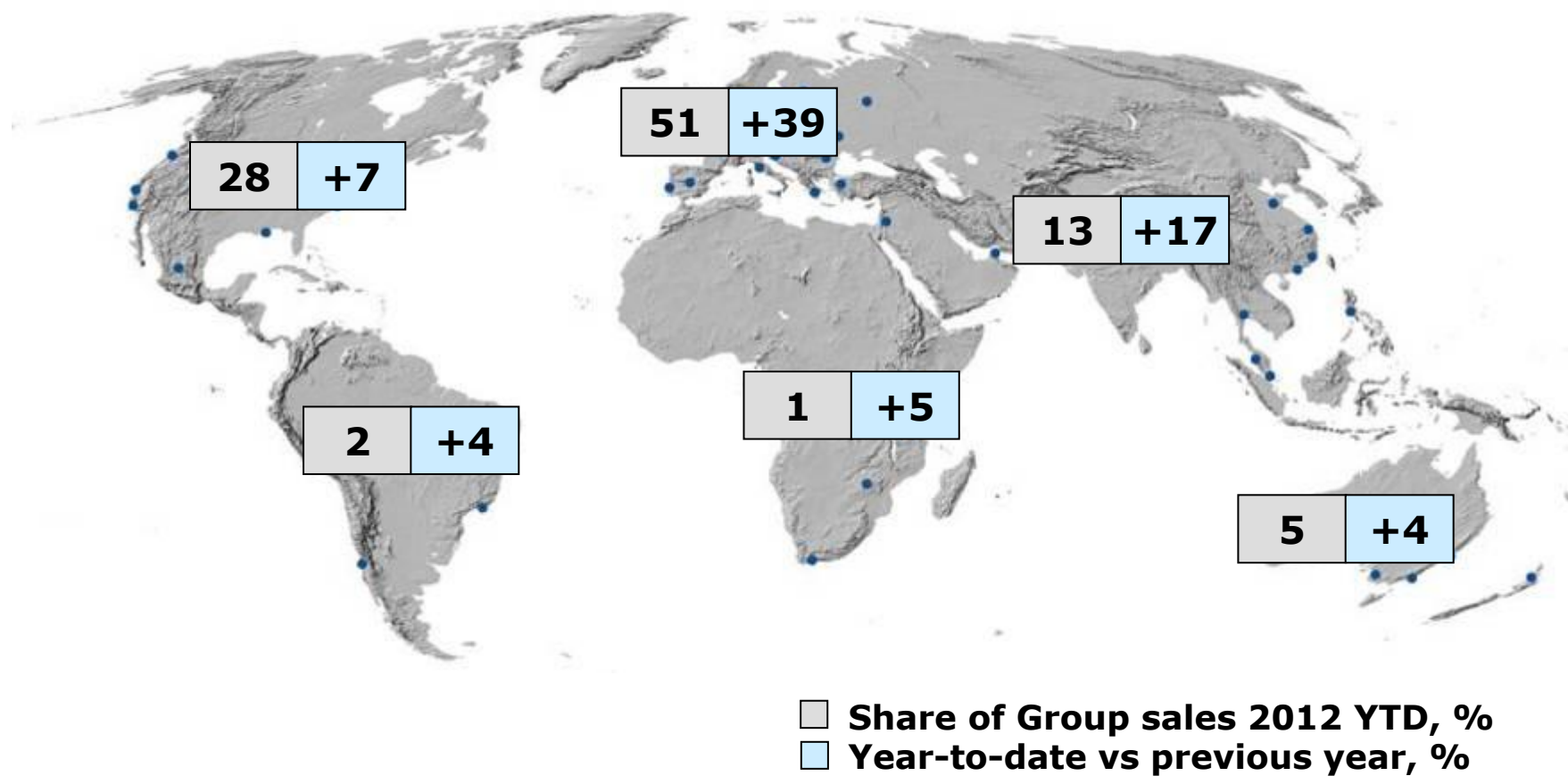


CLIQ



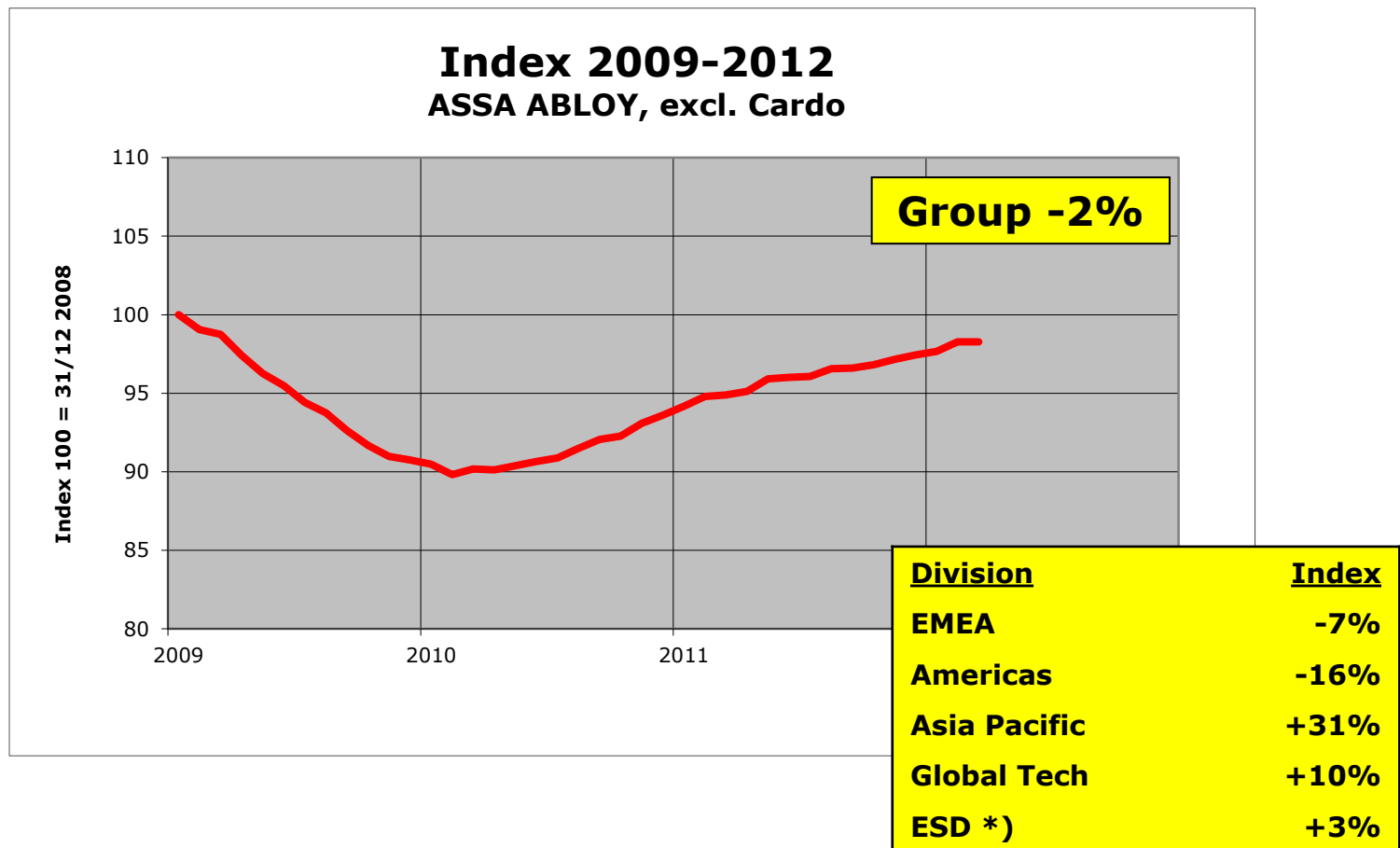
SMARTAIR

# Group sales in local currencies Jan-Mar 2012



# Organic growth index

Recovery from recession



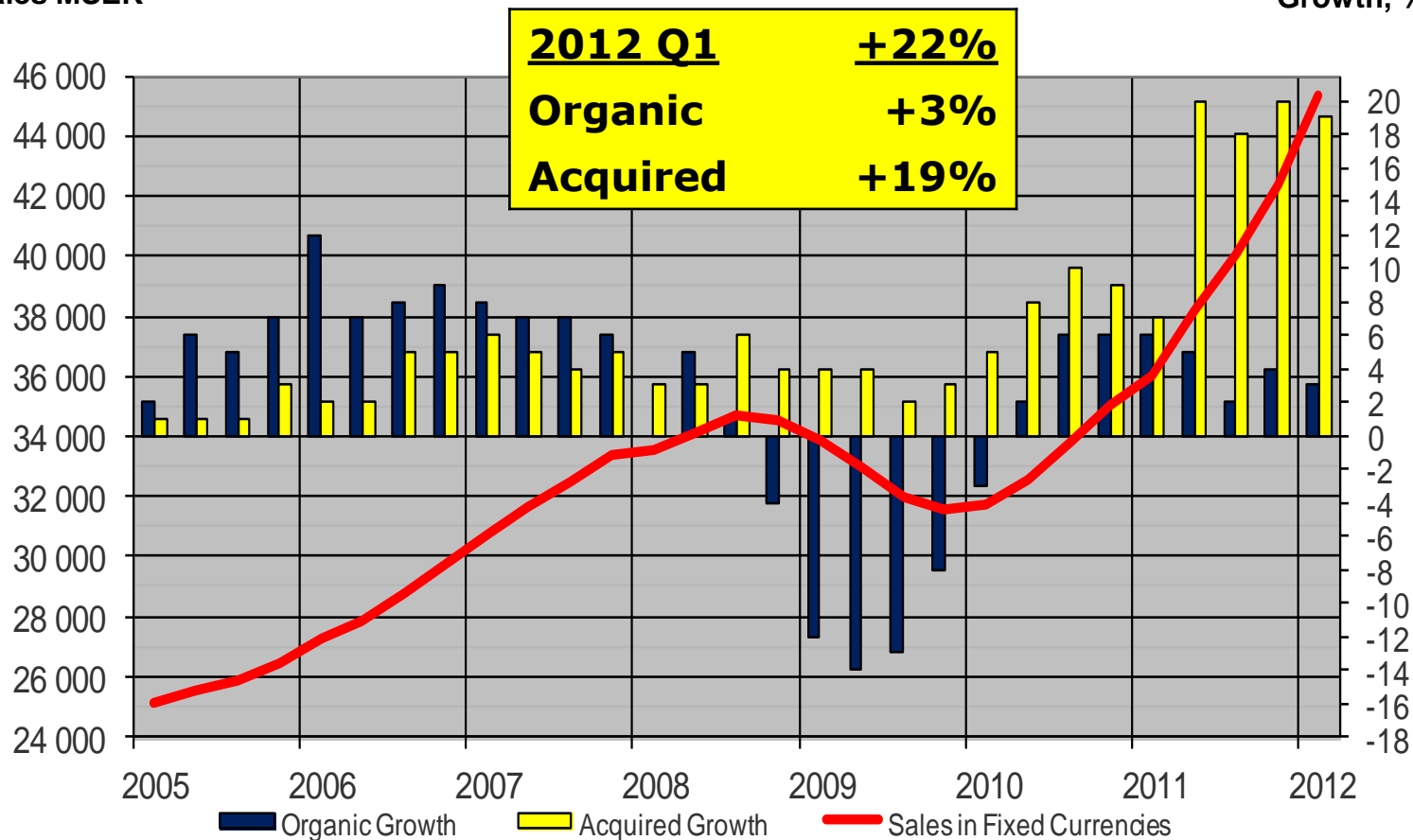
\*) Entrance systems division including new acquired companies -12%



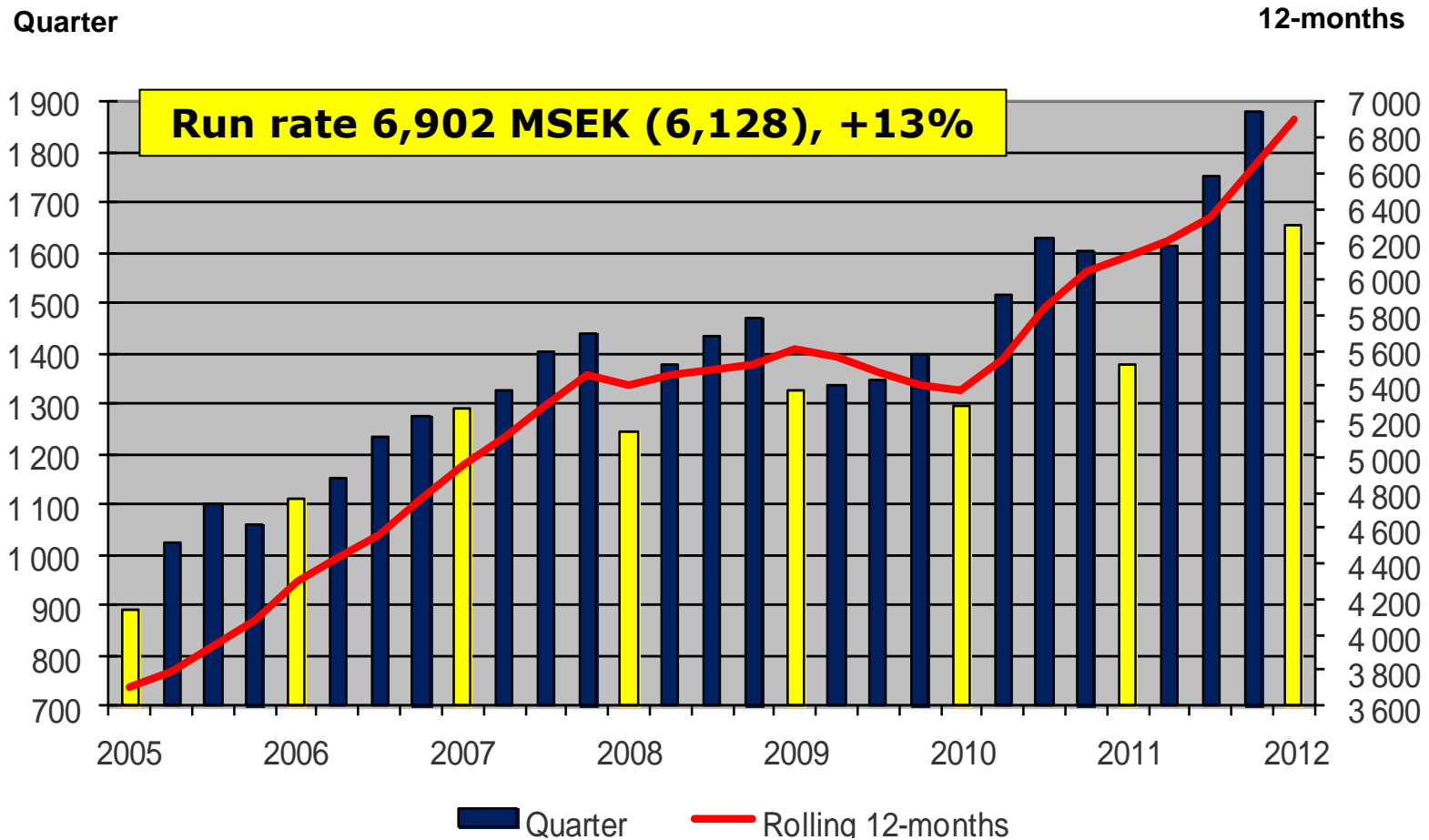
# Sales growth, currency adjusted

Sales MSEK

Growth, %



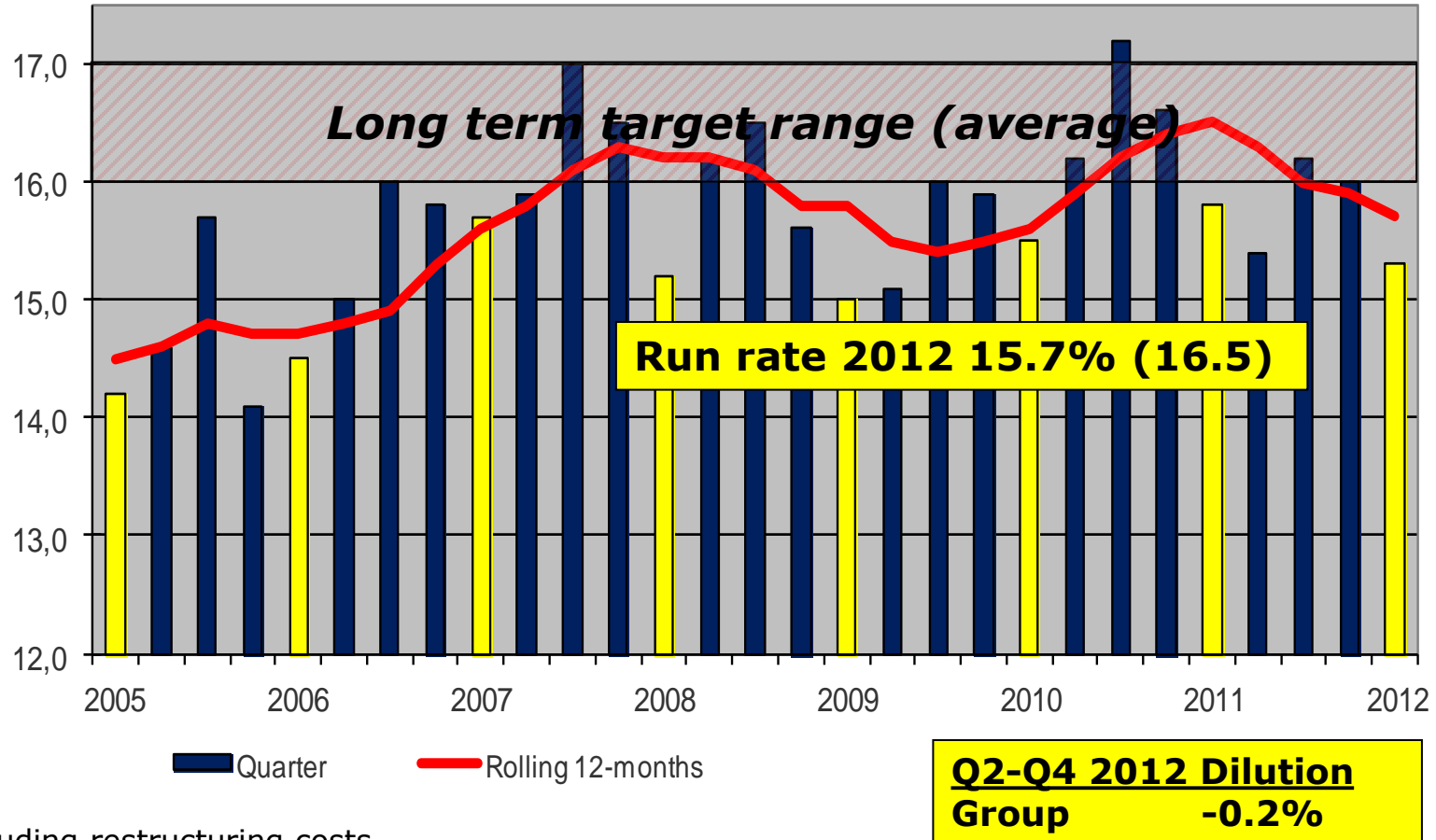
# Operating income (EBIT), MSEK



\*) Excluding restructuring costs.

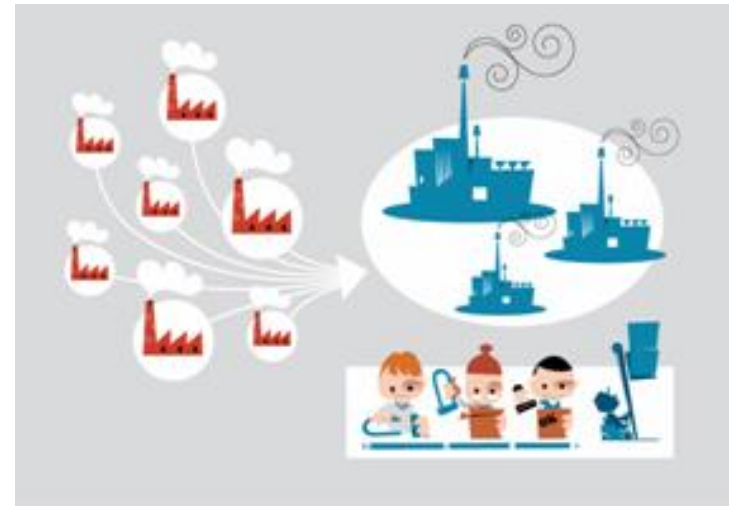
# Operating margin (EBIT)\*, %

EBIT Margin



# Manufacturing footprint

- Status manufacturing footprint programs 2006-2011:
  - 45 factories closed to date, 23 to go
  - 50 factories converted to assembly, 25 to go
  - 25 offices closed, 4 to go
- Personnel reduction QTD 346p and total 6,243p
- 1,292 in further planned reductions



→ 1,569 MSEK of the provision remains for all programs

# Margin highlights Q1 2012

**EBIT margin 15.3% (15.8), -0.5%**

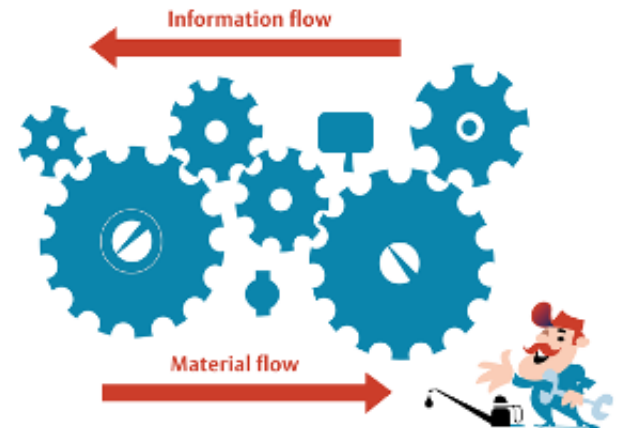
+ Volume increase 1.5%, price 1.5%

+ Margin expansion 0.5%

+ Manufacturing footprint & efficiency improvements

+ Positive mix with growth in mature markets

- Dilution from acquisitions by -1.0%



# Acquisitions 2012

- **Fully active**
- **6 acquisitions done so far in 2012**
- **Annualized sales 2,200 MSEK, +5,3%**



- **Major acquisitions Jan-Apr 2012:**

- Albany, US
- Dynaco, BE
- Securistyle, UK
- Traka, UK
- Frameworks, USA





# Traka plc

- Strong technology company
- Intelligent key cabinets
- Advanced locker systems
- Fleet management solutions
- Sales of 140 MSEK, 40% export
- Accretive to EPS from start

**traka**  
intelligent access management



# Frameworks Manufacturing Inc



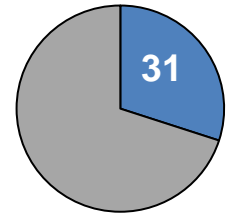
- Entrance to interior aluminum door, frame and window wall market
- Adds glaziers as additional distribution channel
- Complementary to our door business with good margins
- Total sales 110 MSEK
- Accretive to EPS from start



# Division - EMEA

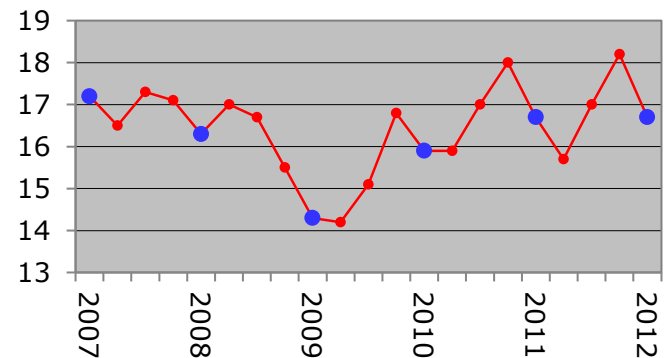
- Market improved but hesitant
- Growth in Scandinavia, Finland, Benelux, UK, Israel and Africa
- France, Germany and Eastern Europe are stable
- Southern Europe in continued decline
- Good leverage from volume increase

**SALES**  
share of  
Group total %



- Operating margin (EBIT)
  - + Volume 4%
  - = Material cost
  - + Footprint savings
  - Dilution by 0.8%

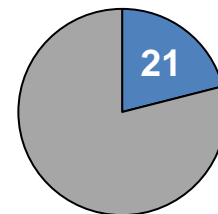
**EBIT %**



# Division - Americas

- Stable sales development
- Good growth of high security, elmech and residential
- Positive sales of mechanical locks and security doors
- Negative sales in Canada, Mexico and Brazil
- Improved margin from efficiency gains

**SALES**  
share of  
Group total %



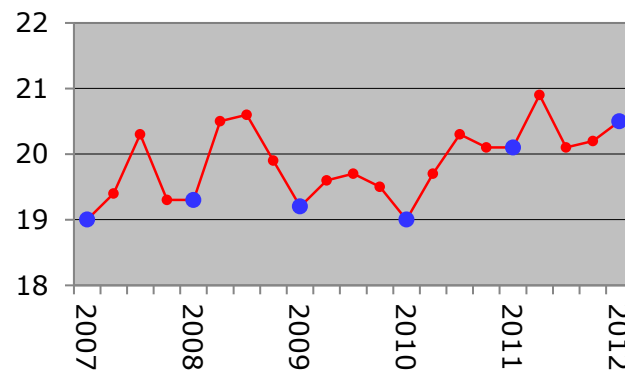
- Operating margin (EBIT)

+ Volume 3%

= Material cost

+ Efficiency improvement

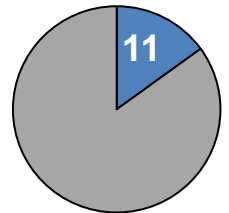
**EBIT %**



# Division - Asia Pacific

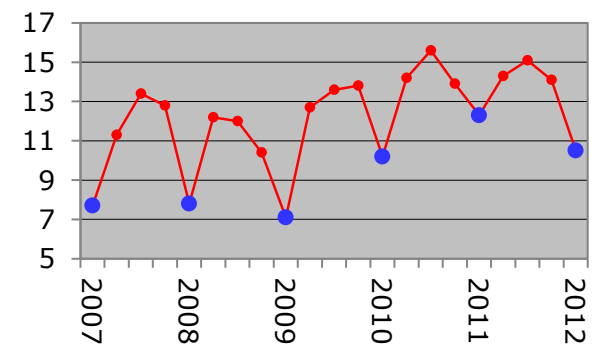
- Strong growth in Korea and South East Asia including India
- Weak growth in China
- Decline in Australia and New Zealand
- Negative mix and Chinese cost pressure

**SALES**  
share of  
Group total %



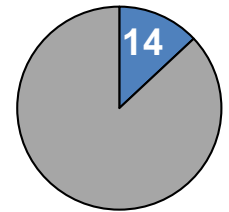
- Operating margin (EBIT)
  - = Volume 3%
  - = Raw material
  - Mix & cost pressure

**EBIT %**

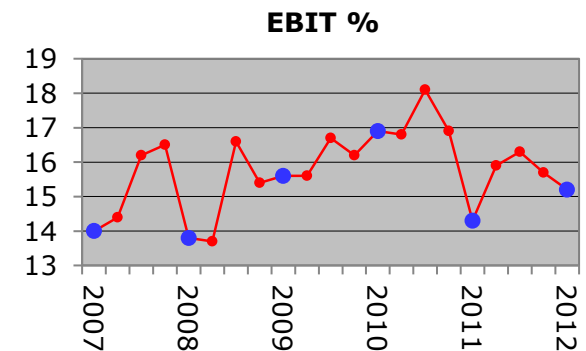


# Division - Global Technologies

**SALES**  
share of  
Group total %



- **HID**
  - Good growth of Access control and secure issuance
  - Strong sales of Identification Technology
  - Large project orders dilutes
- **Hospitality**
  - Good growth in all market regions
  - Several gains of important key accounts
- **Operating margin (EBIT)**
  - + Volume 8% (13)
  - + Strong leverage from core business growth
  - Dilution from large project orders

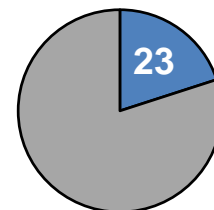




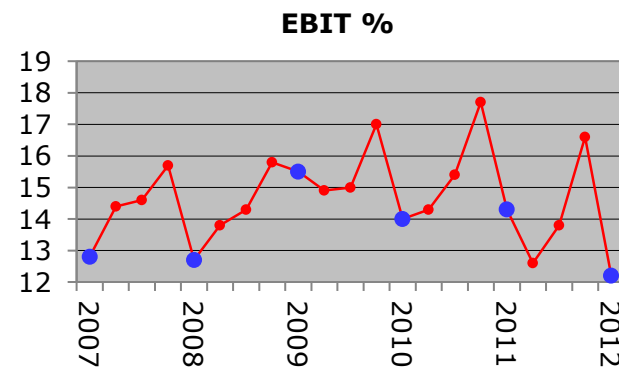
# Division - Entrance Systems

- Good growth of Besam, Crawford and FlexiForce
- Service sales in steady growth
- Ditec declining due to southern Europe
- Albany and Dynaco consolidated in the quarter
- Sales +130% and EBIT +94%

**SALES**  
share of  
Group total %



- Operating margin (EBIT)
  - + Volume 3%
  - Dilution from acquisitions -2.7%
  - + Leverage from growth +0.3%



# Financial highlights Q1 2012

MSEK	1st Quarter			Twelve months		
	2011	2012	Change	2010	2011	Change
<b>Sales</b>	<b>8,699</b>	<b>10,839</b>	<b>+25%</b>	<b>36,823</b>	<b>41,786</b>	<b>+13%</b>
<i>Whereof</i>						
Organic growth			+3%			+4%
Acquired growth			+19%			+17%
FX-differences		+149	+3%		-2,309	-8%
<b>Operating income (EBIT) *)</b>	<b>1,377</b>	<b>1,655</b>	<b>+20%</b>	<b>6,046</b>	<b>6,624</b>	<b>+10%</b>
EBIT-margin (%)	15.8	15.3		16.4	15.9	
<b>Operating cash flow</b>	<b>448</b>	<b>483</b>	<b>+8%</b>	<b>6,285</b>	<b>6,080</b>	<b>-3%</b>
<b>EPS (SEK) **)</b>	<b>2.52</b>	<b>3.10</b>	<b>+23%</b>	<b>10.89</b>	<b>12.30</b>	<b>+13%</b>

\*) Excluding restructuring items of 1,420 MSEK for Q4 and full year 2011

\*\*) Excluding one-off items of 1,447 for Q4 and 1,016 MSEK for the full year 2011

# Bridge Analysis – Jan-Mar 2012

MSEK	2011 Jan-Mar	Organic	Currency	Acq/Div	2012 Jan-Mar
		3%	3%	19%	25%
Revenues	8,699	294	149	1,696	10,839
EBIT	1,377	92	19	167	1,655
%	15.8%	31.1%	12.9%	9.9%	15.3%

Dilution / Accretion

0.5%

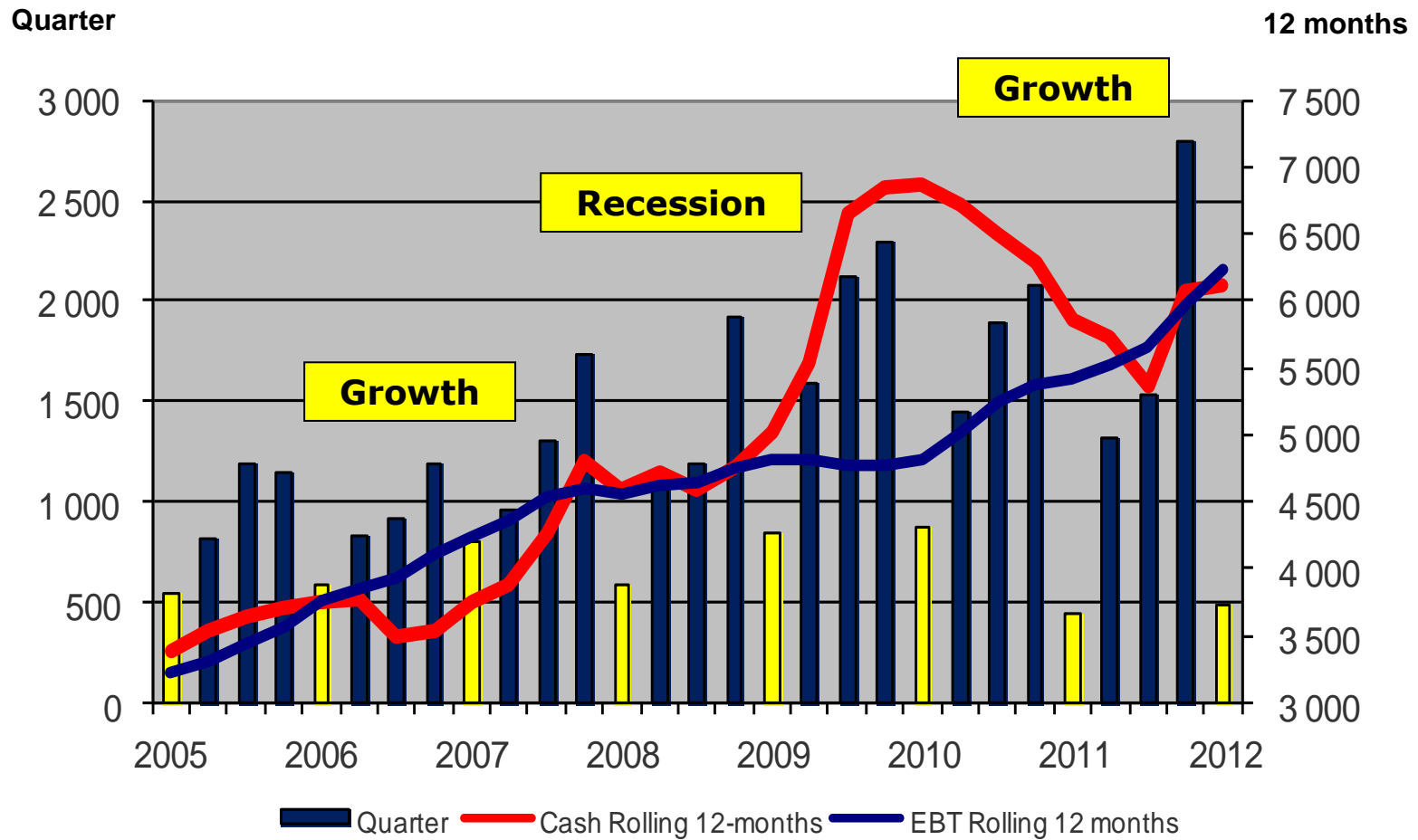
0.0%

-1.0%

## P&L – Components as % of sales

	<b>2011 Q1</b>	<b>2012 Q1 excluding acquisitions</b>	<b>2012 Q1</b>
■ Direct material	32.9%	33.2%	32.7%
■ Conversion costs	<u>26.2%</u>	<u>25.4%</u>	<u>27.6%</u>
■ Gross Margin	40.9%	41.4%	39.7%
■ S, G & A	<u>25.1%</u>	<u>25.1%</u>	<u>24.4%</u>
■ EBIT	15.8%	16.3%	15.3%

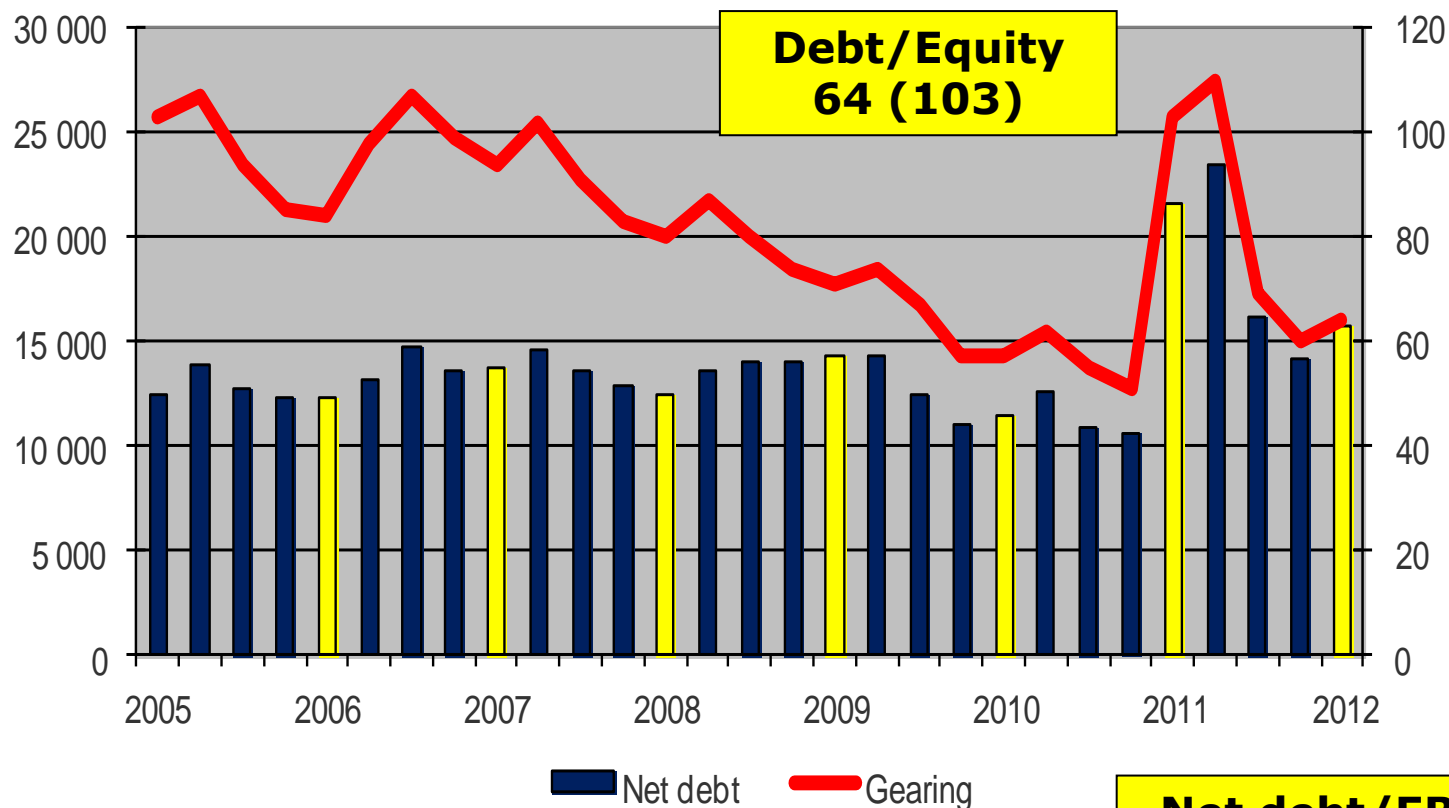
# Operating cash flow, MSEK



# Gearing % and net debt MSEK

Net Debt

Gearing



**Net debt/EBITDA  
2.0 (3.0)**



# Conclusions Q1 2012

- Strong total growth by 25% with 3% organic
  - Good development in mature markets
    - Many new products and projects wins
  - Slower emerging markets
  - Good evolution in acquired companies
  - Footprint program gives good savings
  - Strong profit improvement
- 