



Financial highlights Q4 2012

- **Good performance in a tough market**
 - Good growth in Americas and improvement in the Pacific
 - Stable situation in EMEA, APAC and Global Tech
 - ESD suffering from weak Europe
 - Record profit and cash flow
- **Sales** **12,239 MSEK** **+4%**
0% organic, +7% acquired growth, -3% currency
- **EBIT** **2,030 MSEK** **+8%**
Currency effect -41 MSEK
- **EPS** **3.74 SEK** **+9%**
Underlying tax rate 24%

Financial highlights Jan-Dec 2012

- **A good year in a challenging market**

▪ Sales	46,619 MSEK	+12%
+2% organic, +9% acquired growth, +1% currency		
▪ EBIT	7,501 MSEK	+13%
Currency effect 37 MSEK		
▪ EPS	13.84 SEK	+13%
Underlying tax rate 24%		

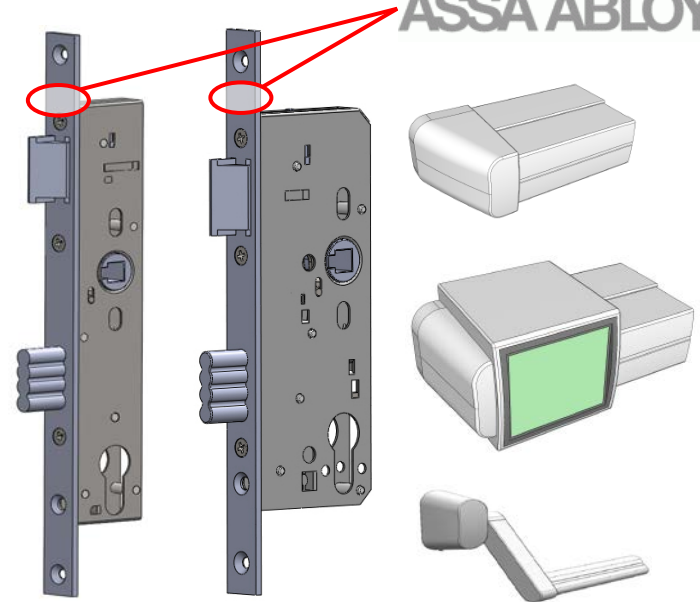
Market highlights

- Strong demand for SE readers with SIO in Physical access
- Digital door locks sees strong growth in the Americas
- New industrial door range for distribution in ESD
- New modular lock range for Europe



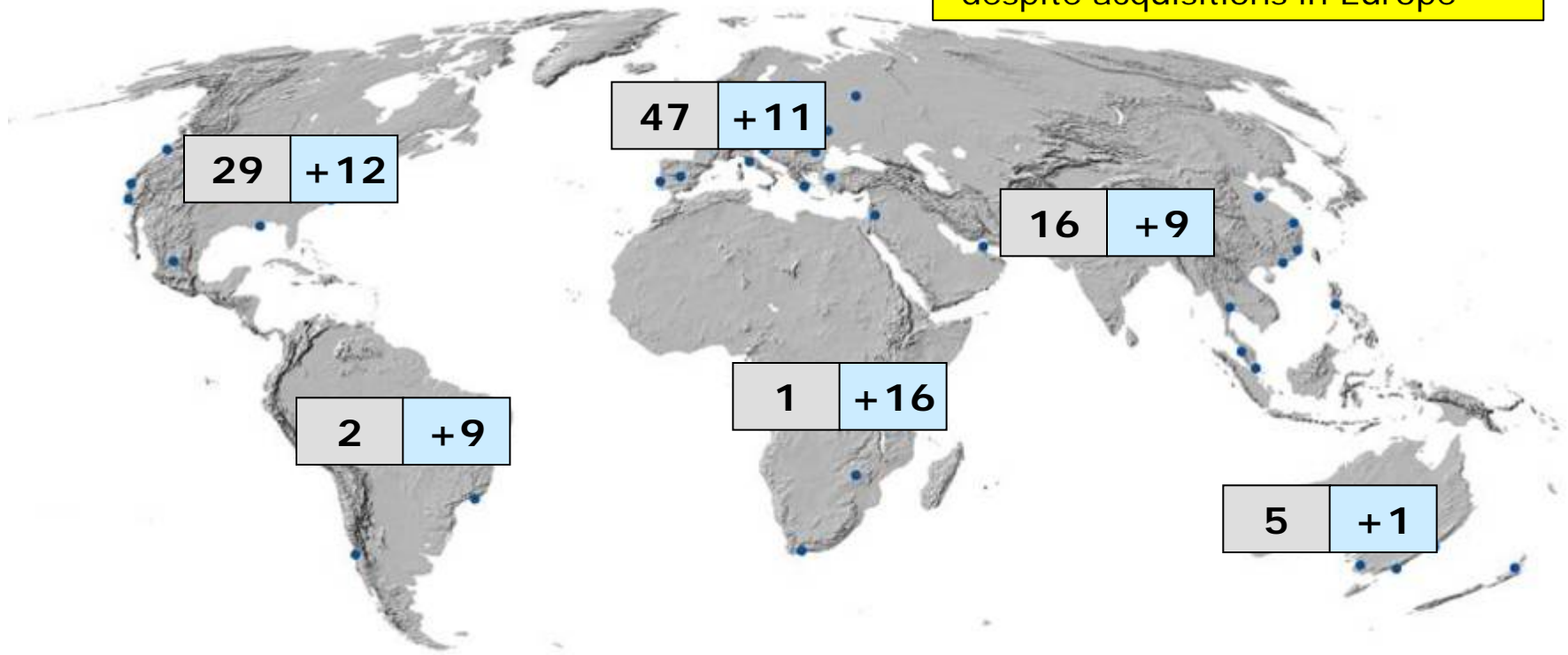
Modular lock range

- Platform based mechanical & elmech locks for commercial applications
- Sustainability ECO Design, "Sustainable Design" and EPD
- 20 new patents
- Branded ASSA ABLOY, like the success of ASSA ABLOY door closers



Group sales in local currencies Jan-Dec 2012

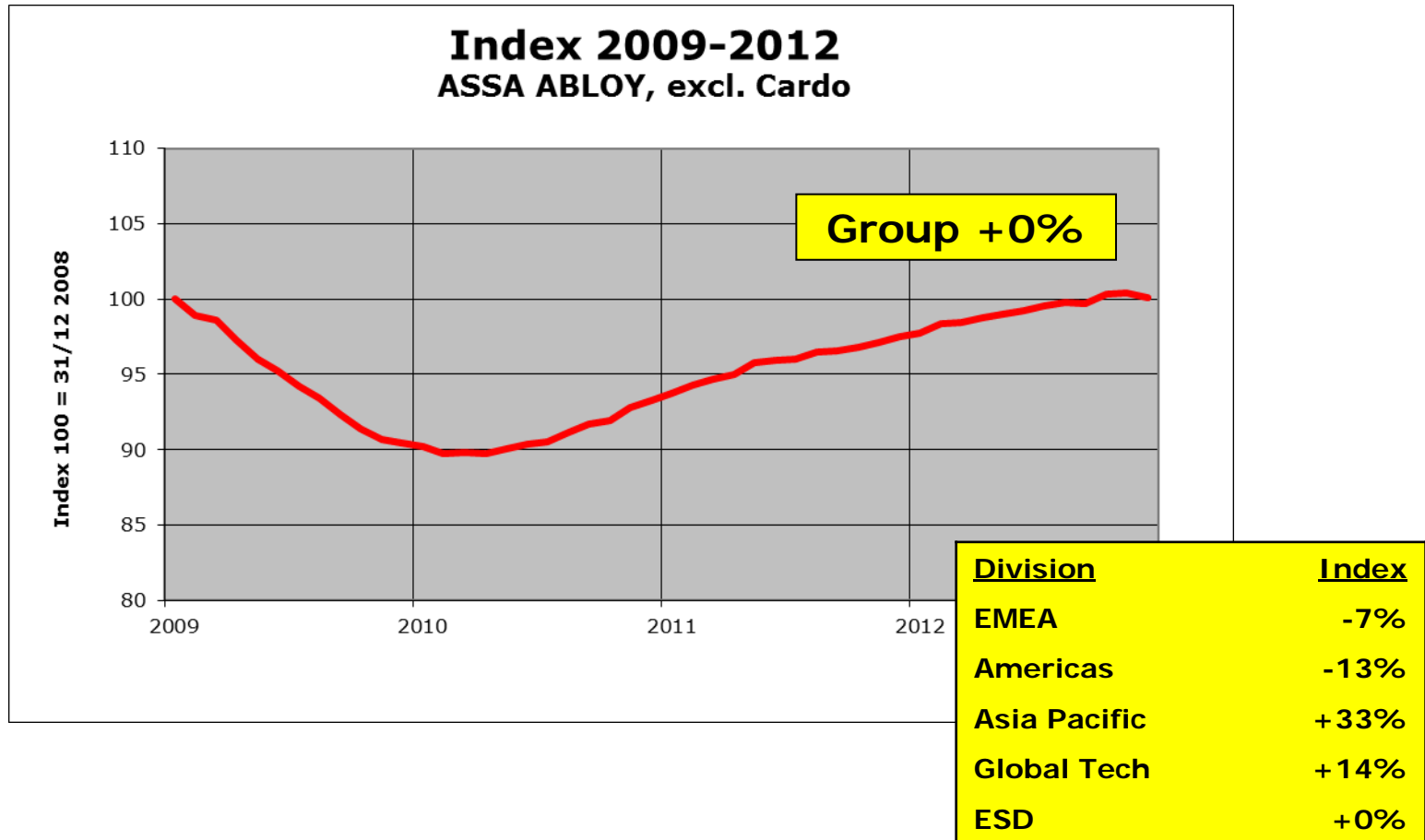
Emerging markets 25% of sales despite acquisitions in Europe



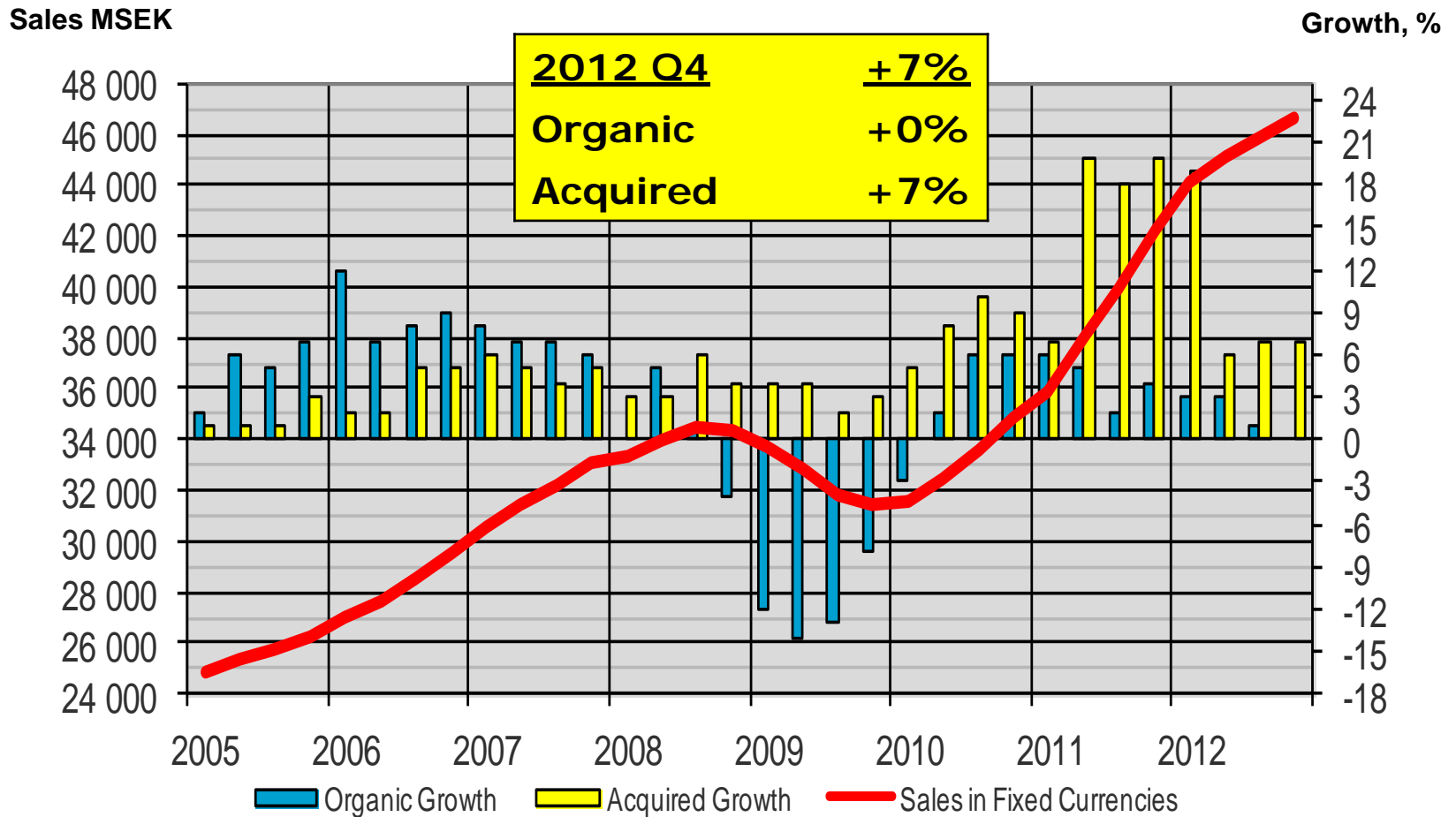
■ Share of Group sales 2012 YTD, %
■ Year-to-date vs previous year, %

Organic growth index

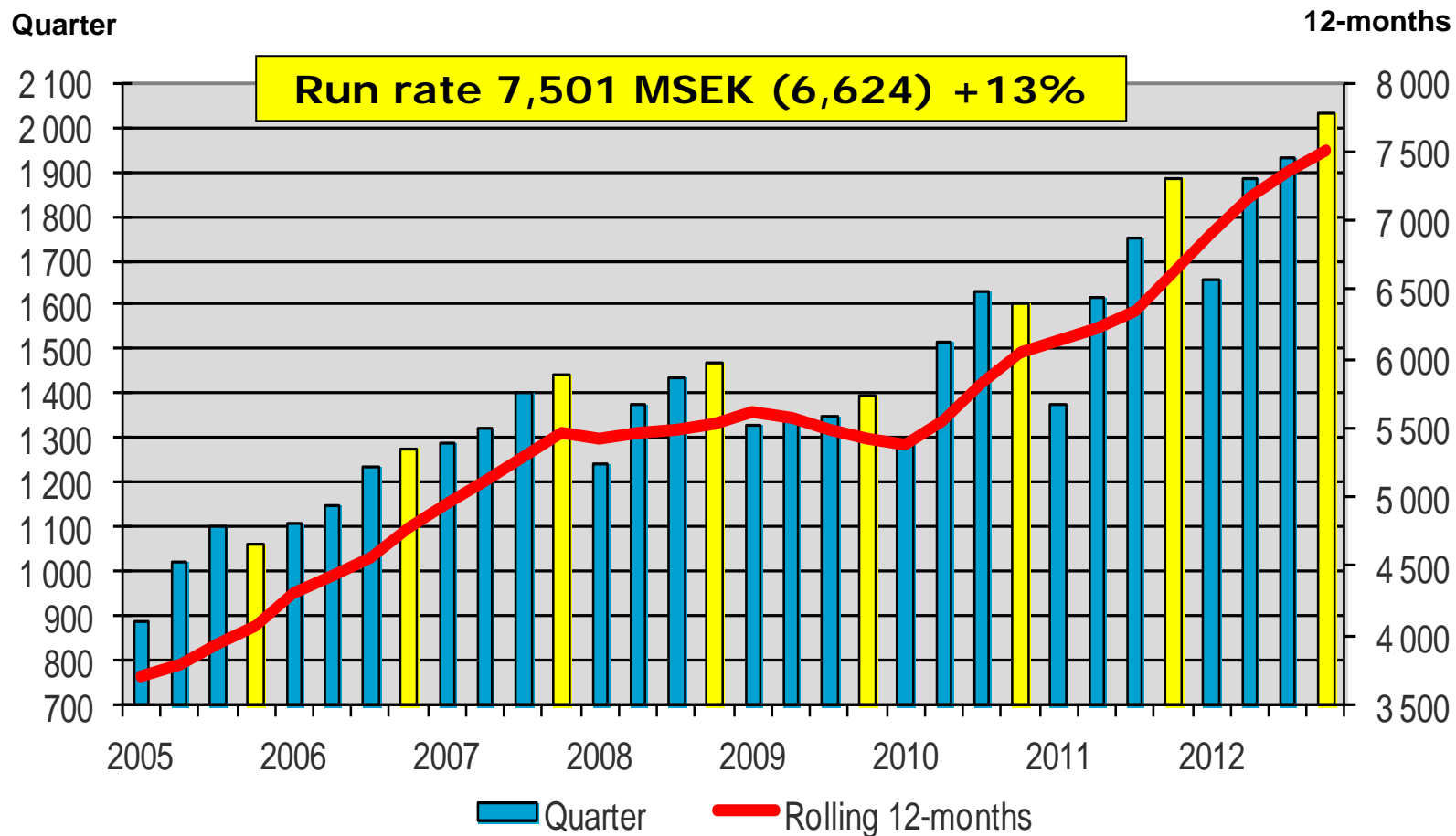
Recovery from recession



Sales growth, currency adjusted



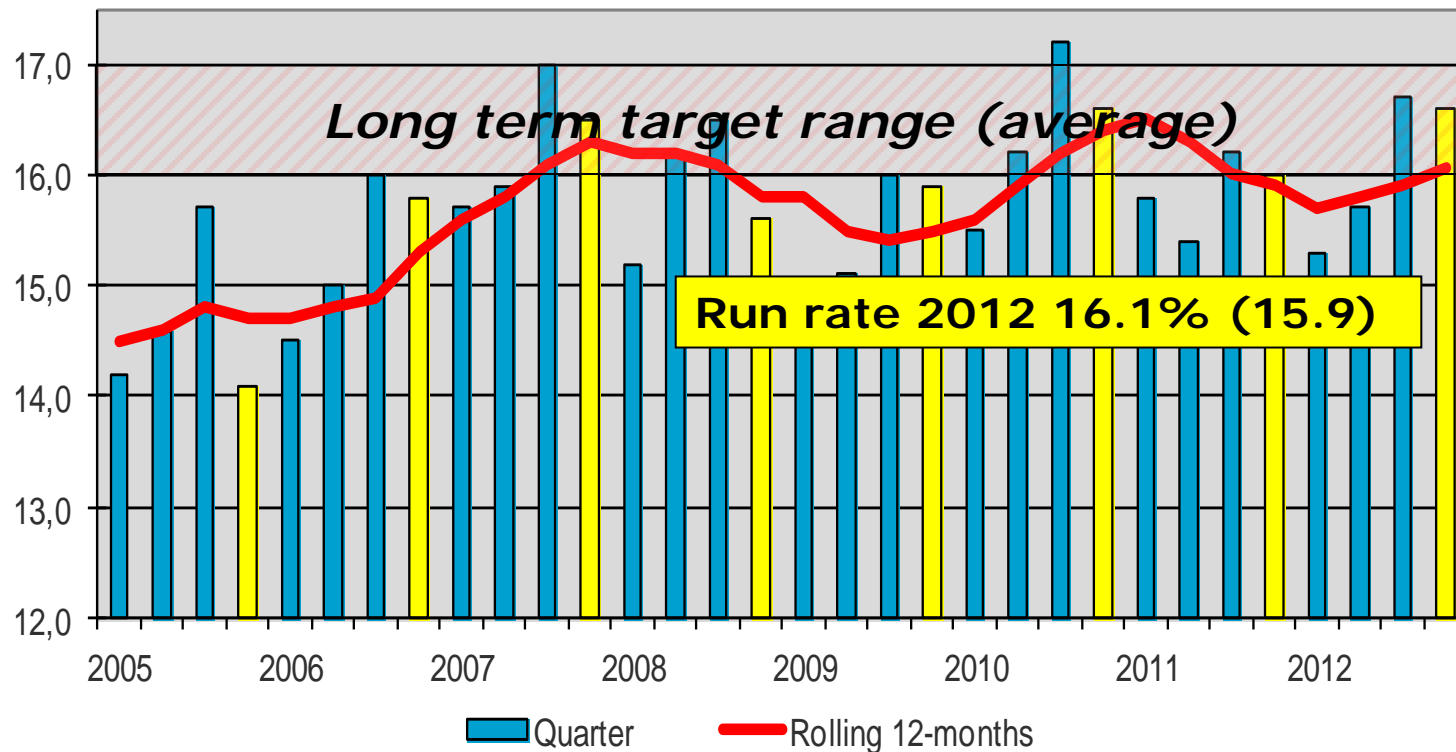
Operating income (EBIT), MSEK



*) Excluding restructuring costs.

Operating margin (EBIT)*, %

EBIT Margin



Run rate 2012 16.1% (15.9)

Q4 2012 Dilution

QTD +0.1%
YTD -0.2%

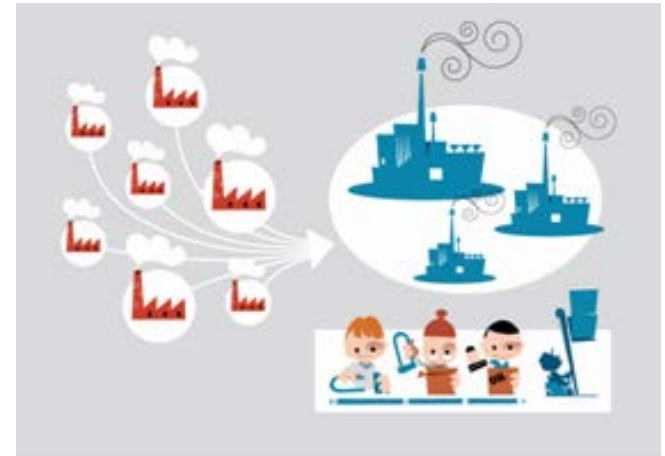
Q1 2013 effect

Easter -2 days

*) Excluding restructuring costs.

Manufacturing footprint

- Status manufacturing footprint programs 2006-2011:
 - 53 factories closed to date, 15 to go
 - 56 factories converted to assembly, 19 to go
 - 28 offices closed, 1 to go
- Personnel reduction QTD 301p and total 6,765p
- 770p in further planned reductions

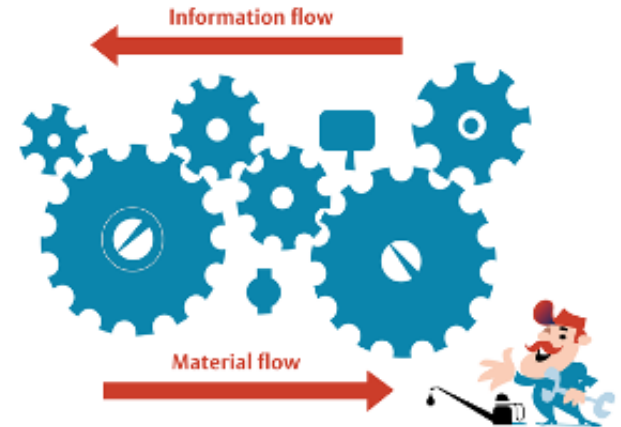


→ 1,068 MSEK of the provision remains for all programs

Margin highlights Q4 2012

EBIT margin 16.6% (16.0) +0.6%

- + Volume increase -1%, price +1%
- + Margin expansion from organic growth 0.5%
 - Organic growth 0%
 - + Manufacturing footprint
 - + Capacity adjustments
 - + Raw material
- + Contribution from acquisitions +0.1%



Acquisitions 2012

- Fully active pipeline
- 13 acquisitions done in 2012
- Annualized sales 4,500 MSEK + 10.8%



- Major acquisitions Jan-Dec 2012:

- Albany, US
- Dynaco, BE
- Securistyle, UK
- Sanhe Metal, China
- Helton, Canada
- Guoqiang, China
- 4Front, USA



4Front, USA



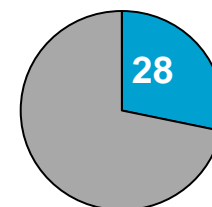
- US Market leader in docking equipment with sales of 1,100 MSEK
- Adds strong distribution network across North America
- Leading well known brands and products with 125 active patents
- Offers a manufacturing base for production in North America
- Single digit EBIT but accretive to EPS in 2013



Division - EMEA

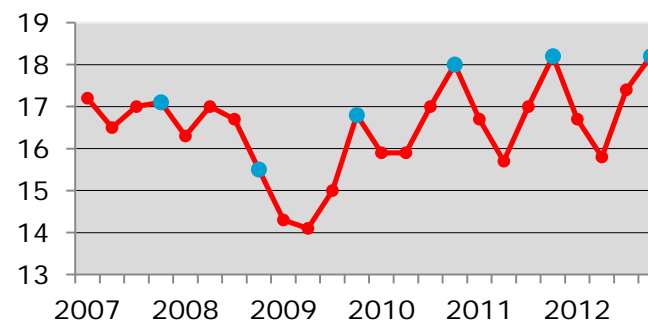
- Weak December due to few working days
- Growth in UK, France, Israel, Middle east and Eastern Europe
- Slight decline in Scandinavia, Finland, Germany and Spain
- Negative sales in Italy and Benelux
- Good profit and cash flow

SALES
share of
Group total %



- Operating margin (EBIT)
 - Organic -1%
 - = Material cost
 - + Footprint savings

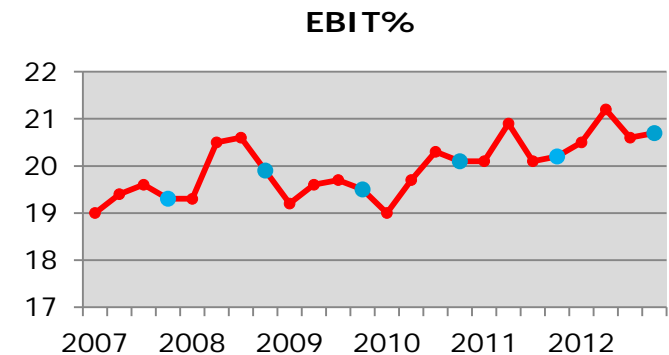
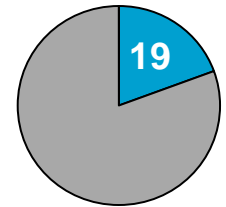
EBIT %



Division - Americas

- Strong growth in Residential, Electromechanical and South America
- Growth in AHW, Doors, High security and Mexico
- Decline in Canada
- Improved margin from volume and efficiency gains
- Operating margin (EBIT)
 - + Organic +5%
 - + Material cost
 - + Efficiency improvement

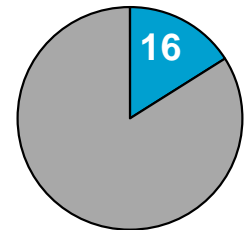
SALES
share of
Group total %



Division - Asia Pacific

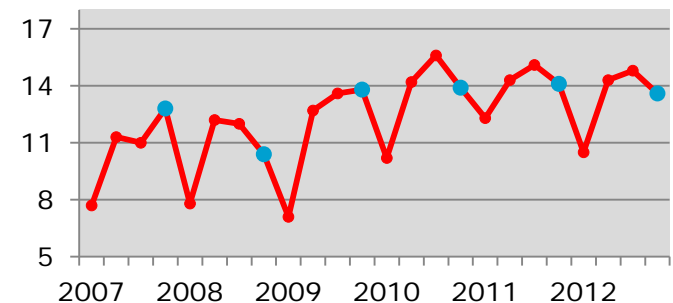
- Return of growth in the Pacific and strong growth of Korea
- Low growth in China and slowing South East Asia
- Workforce in China reduced by 1,400p to mitigate the high salary inflation

SALES
share of
Group total %



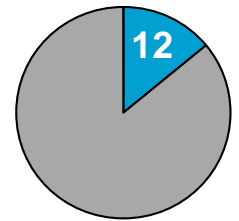
- Operating margin (EBIT)
 - Organic +2%
 - Mix & cost pressure
 - + Efficiency in China
 - + Material cost

EBIT %



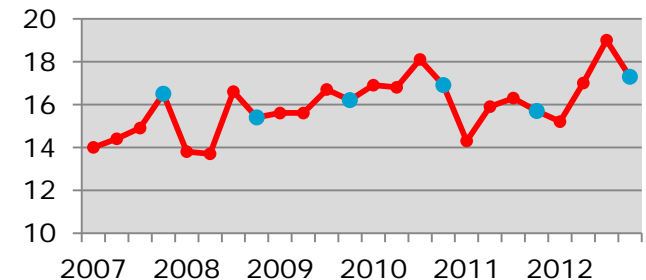
Division - Global Technologies

SALES
share of
Group total %



- **HID**
 - Strong growth of Logical access and IDT
 - Good growth of Access control and Secure Issuance
 - Flat in Government ID and decline in project sales
 - Strong profit improvement
- **Hospitality**
 - Continued good growth from the renovation market
 - Strong profit improvement
- **Operating margin (EBIT)**
 - + Organic +2%
 - + Leverage from core business growth
 - + Less project sales

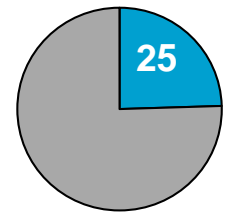
EBIT%



Division - Entrance Systems

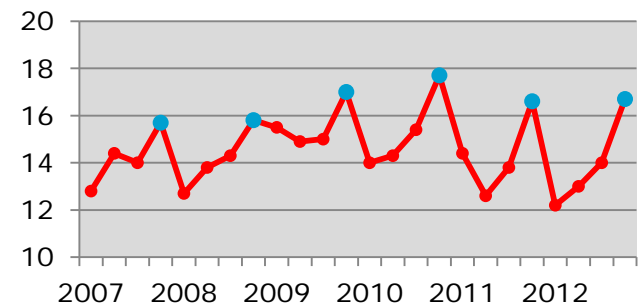
- Decline in Southern Europe
- Good growth of Albany, Dynaco
- Slightly neg growth for industrial and pedestrian doors
- Continued decline of Ditec and Residential doors
- Integration work develops very well
- Sales +14% and EBIT +15%

SALES
share of
Group total %



- Operating margin (EBIT)
 - Organic -5%
 - + Raw material
 - + Efficiency gains from integration works

EBIT%





Financial highlights Q4 2012

MSEK	4th Quarter			Twelve months		
	2011	2012	Change	2011	2012	Change
Sales	11,744	12,239	+4%	41,786	46,619	+12%
<i>Whereof</i>						
Organic growth			0%			+2%
Acquired growth			+7%			+9%
FX-differences		-212	-3%		290	1%
Operating income (EBIT)	1,881	2,030	+8%	6,624	7,501	+13%
EBIT-margin (%)	16.0	16.6		15.9	16.1	
Operating cash flow	2,794	3,160	+13%	6,080	7,044	+16%
EPS (SEK)*	3.43	3.74	+9%	12.30	13.84	+13%

*excluding non comparable items

Bridge Analysis – Oct-Dec 2012

MSEK	2011 Oct-Dec	Organic	Currency	Acq/Div	2012 Oct-Dec
		0%	-3%	7%	4%
Revenues	11,744	-28	-212	736	12,239
EBIT	1,881	51	-41	138	2,030
%	16.0%	-	19.2%	18.8%	16.6%

Dilution / Accretion

0.5%

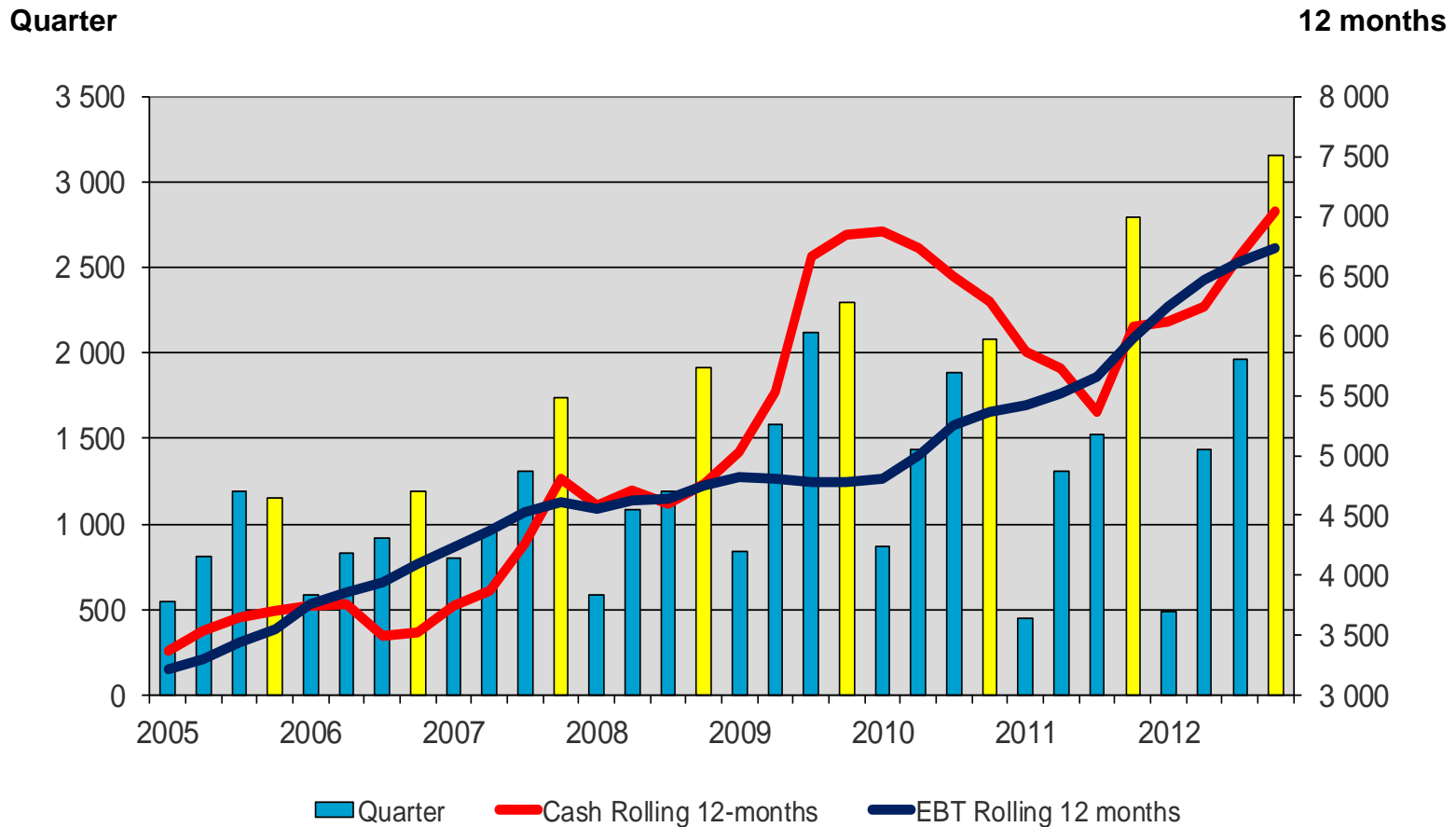
0.0%

0.1%

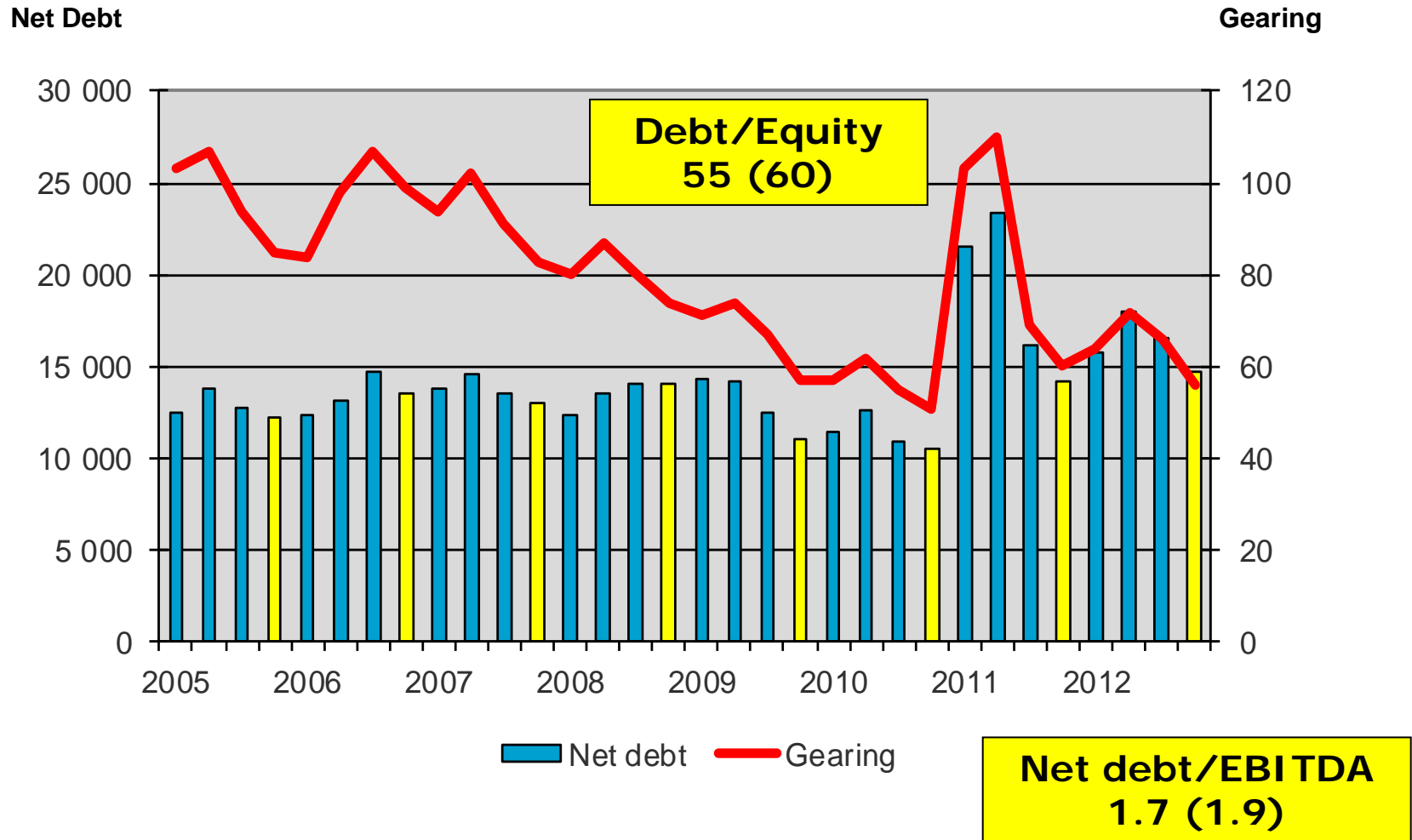
P&L – Components as % of sales

	2011 FY	2012 FY excluding acquisitions	2012 FY
■ Direct material	35.1%	34.7%	34.6%
■ Conversion costs	<u>25.9%</u>	<u>25.4%</u>	<u>25.9%</u>
■ Gross Margin	39.0%	39.9%	39.5%
■ S, G & A	<u>23.1%</u>	<u>23.6%</u>	<u>23.4%</u>
■ EBIT	15.9%	16.3%	16.1%

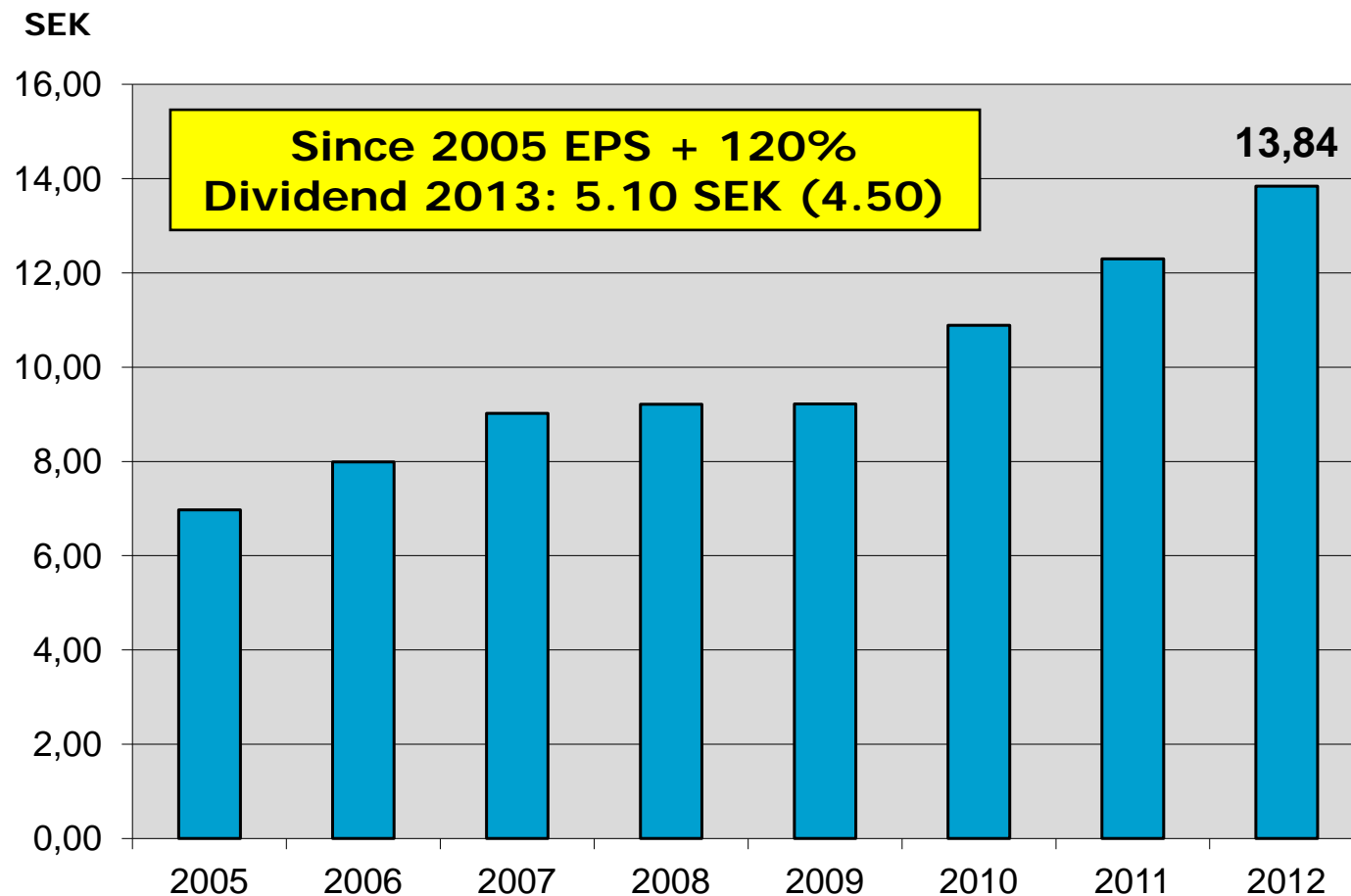
Operating cash flow, MSEK



Gearing % and net debt MSEK



Earnings per share



*) Excluding restructuring costs.



ASSA ABLOY

Q4 Report 2012

Johan Molin
President & CEO



Conclusions Q4 2012

- Total growth by 4% with 0% organic
 - Good growth in Americas
 - Stable situation in EMEA, APAC and Global Tech
 - Strong efficiency improvements and raw material supports profit
 - Record EBIT of 2,030 MSEK, improved by 8%
 - Record cash flow at 3,160 MSEK
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