



Financial highlights Q2 2013

- **Back to growth despite weak Europe**

- Strong growth in Americas and Global Tech
- Growth in APAC
- EMEA and ESD suffering from weak Europe
- Important gains of efficiency and savings
- Good sales from new products

▪ Sales	12,239 MSEK	+2%
+3% organic, +4% acquired growth, -5% currency		
▪ EBIT	1,970 MSEK	+5%
Currency effect -96 MSEK		
▪ EPS	3.71 SEK	+5%*
Forecasted tax rate 25%		

*) 2012 restated for changed pension accounting principles.

Financial highlights Jan-Jun 2013

- **Solid performance in a tough market**

- **Sales** **23,108 MSEK** **+1%**
+1% organic, +4% acquired growth, -4% currency
- **EBIT** **3,632 MSEK** **+3%**
Currency effect -159 MSEK
- **EPS** **6.78 SEK** **+2%***
Forecasted tax rate 25%

*) 2012 restated for changed pension accounting principles.

Market highlights

- Strong growth of Digital door locks
 - Yale chosen for AT&T home security system
- Oberthur adapts SEOS
 - NFC SIM cards preloaded with SEOS
- Shine, new digital door lock for glass doors
 - Retail and light commercial doors
- School security program launched



Sales Tools



A safe and secure classroom
with the push of a button

THE TECHNICAL RESOURCE FOR THE PHYSICAL & ELECTRONIC SECURITY

LOCKSMITH LED

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International

Improving A School's Security In An Emergency: What You Can Do

Start with the fundamentals.
Make sure that perimeter doors
and critical interior doors,
like classroom doors,
can be safely secured.

By CHRISTOPHER GAUSMAN

The Sandy Hook tragedy has brought school security to the top of everyone's minds. While the safety of students has always been paramount, in the wake of the horrifying event in Newtown, Connecticut, the urgency has never been greater to improve the security of our schools — and to ensure

SARGENT Security Solutions

In the event of a suspect in the best defense, schools are looking for ways to protect themselves from the threat of an active shooter. While many schools have installed bullet-resistant glass in their classrooms, many schools are still looking for ways to improve their security. A number of steps that schools can take to ensure a safe environment are outlined in a long-term plan.

In brief, a school's security plan should include the following:

- Control and manage external building security — or control them.
- Quickly secure a classroom and/or specialty room.
- Provide a safe transition with exit devices.

To accomplish this, ASSA ABLOY offers a mechanical lockset to schools that provide an lockdown capability. In lockdown capability, teachers should ensure

Stand-alone access control allows you to lock the

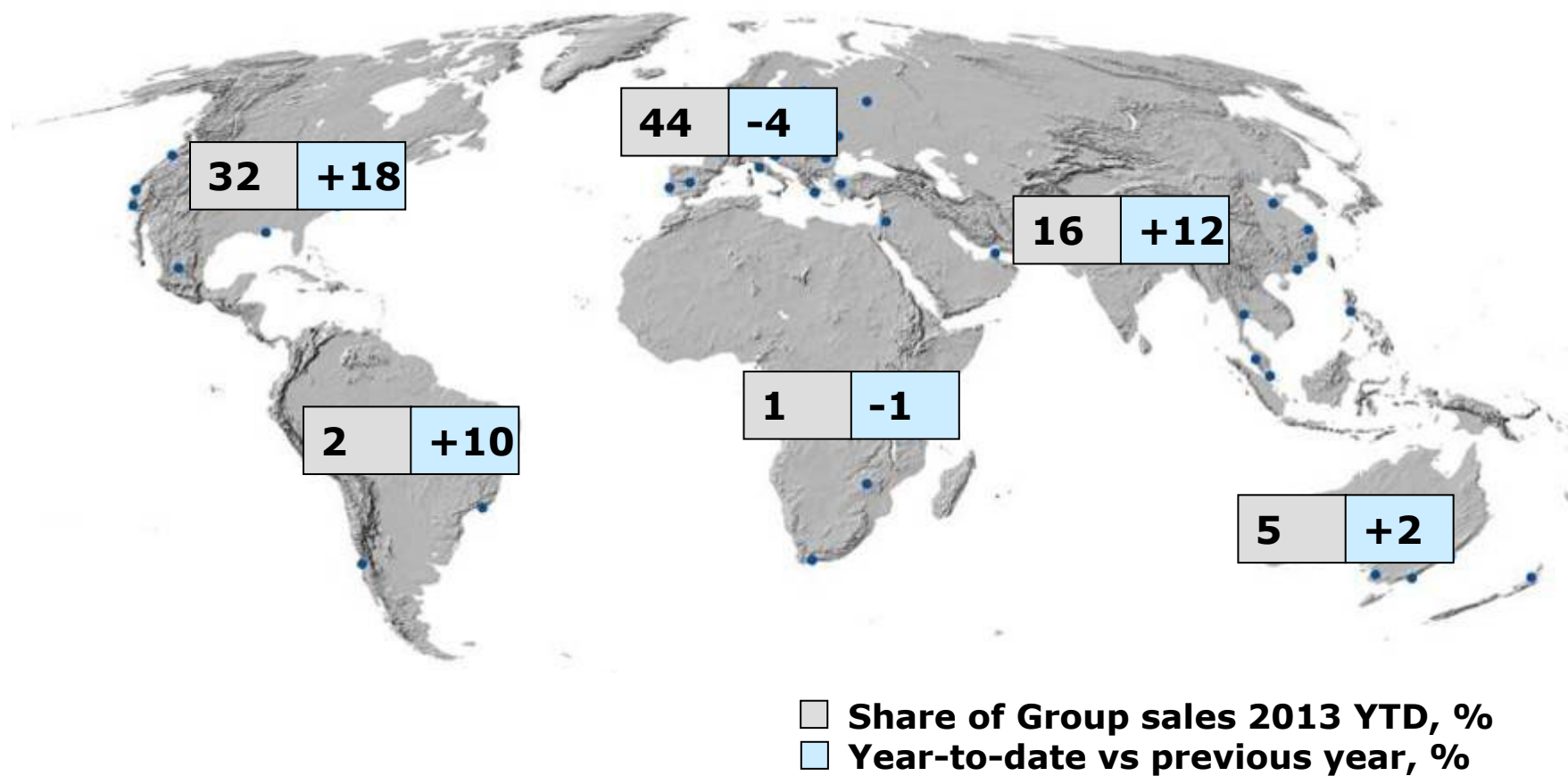
Top floor mixed view shows the interior of a classroom with a view of the hallway. The view is from the hallway looking into the classroom. The view is from the hallway looking into the classroom.

Contact your ASSA ABLOY Integrator. Visit us at www.intelligentopen.com

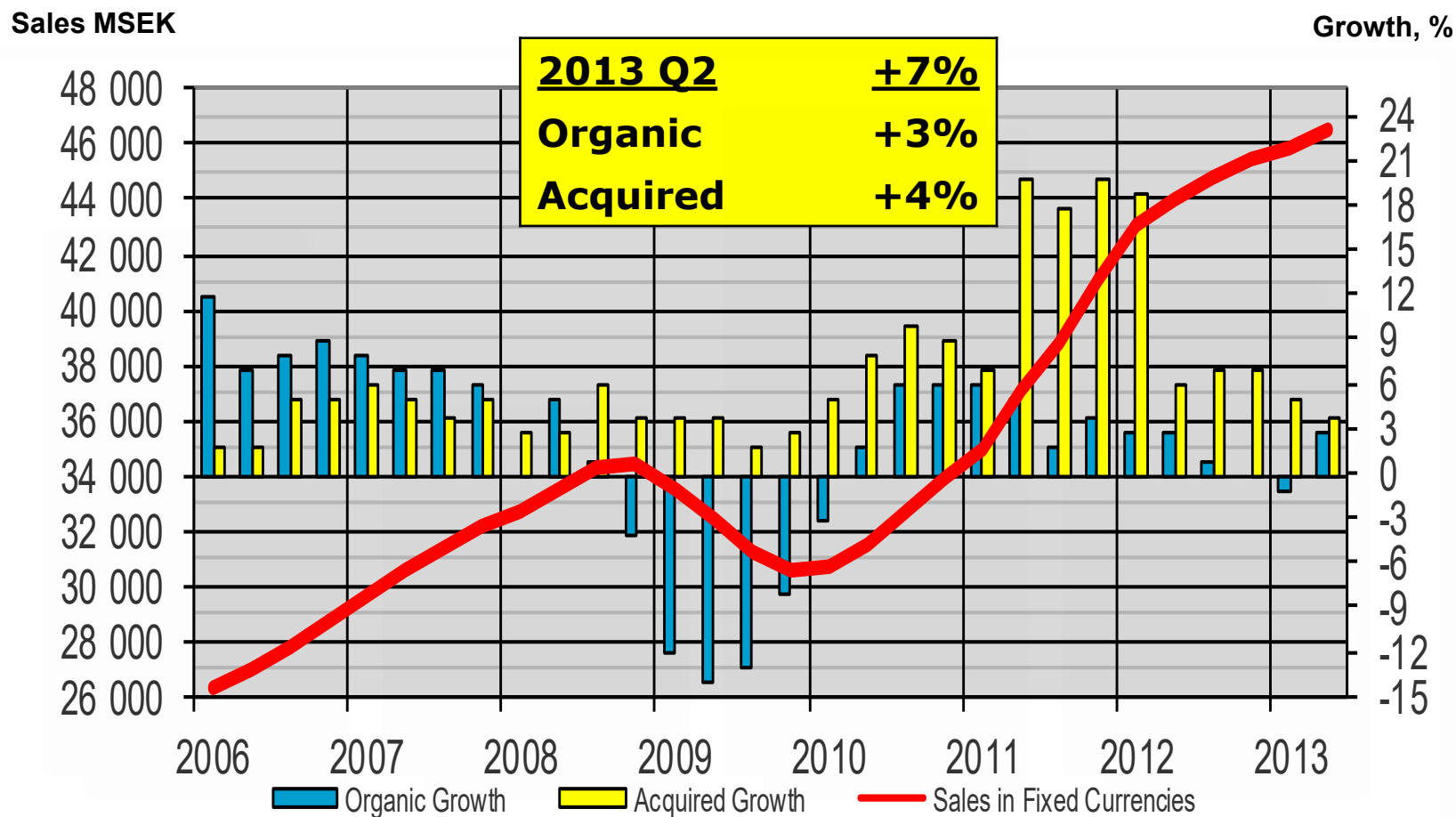
CORBIN RUSSWIN | SARGENT

Corbin Russwin CL1000 Classroom Function lock

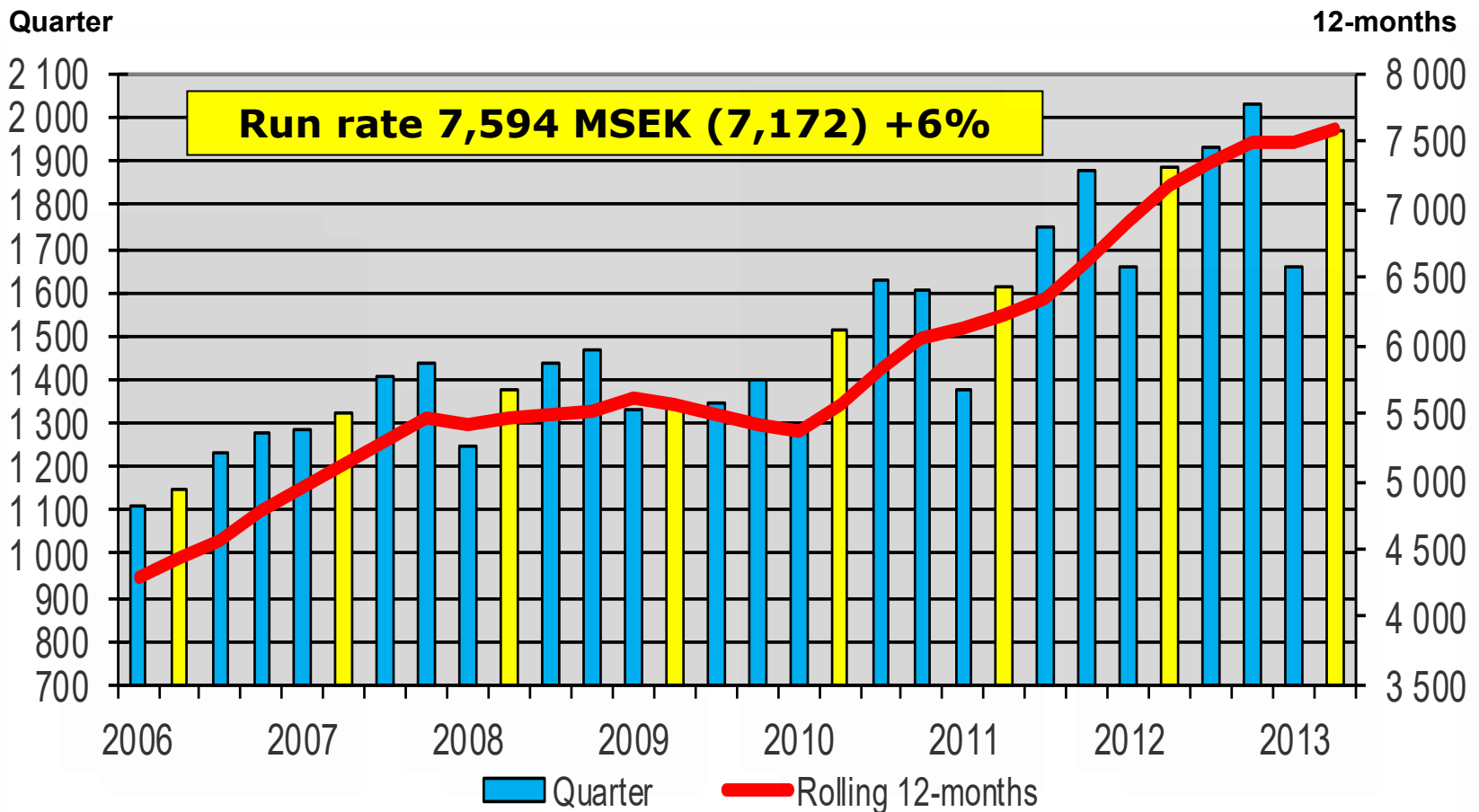
Group sales in local currencies Jan-Jun 2013



Sales growth, currency adjusted

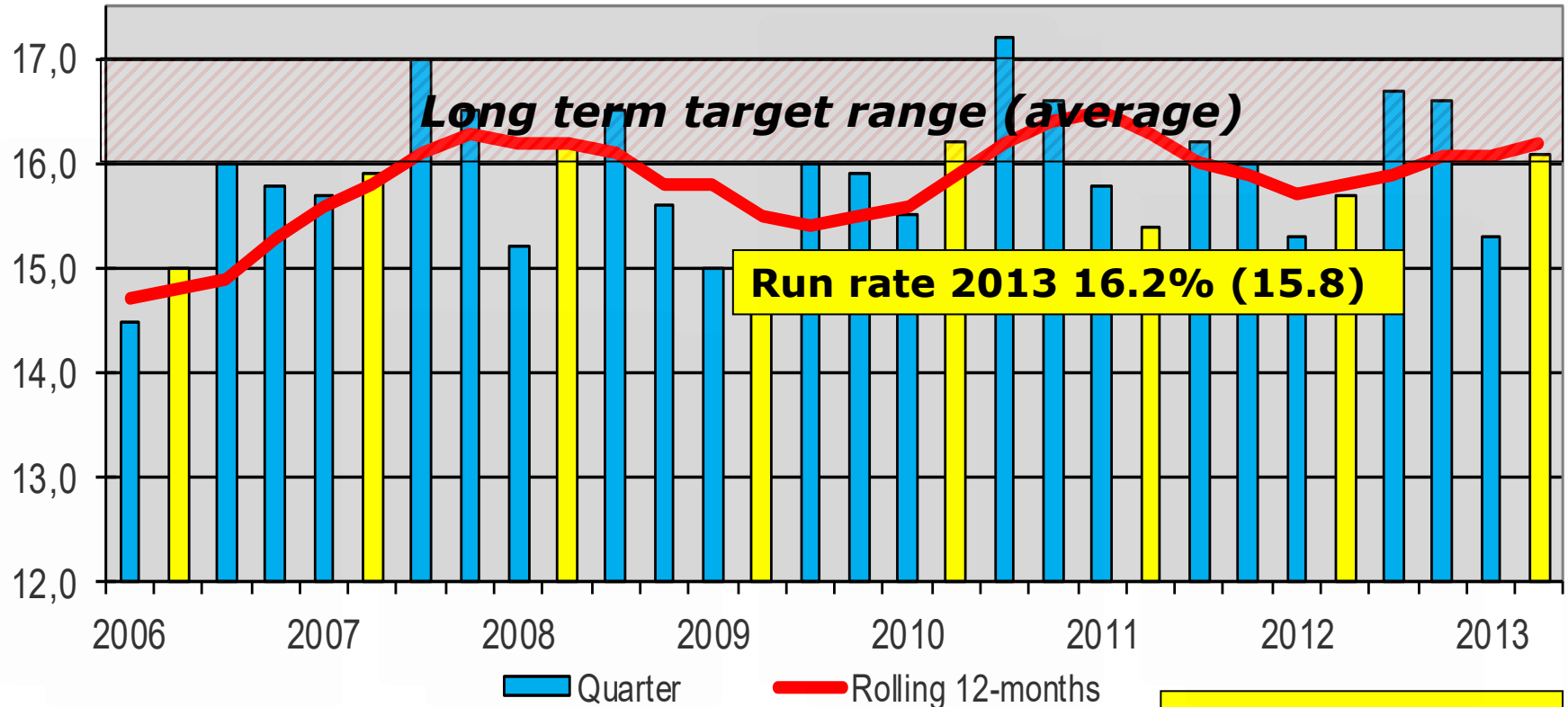


Operating income (EBIT), MSEK



Operating margin (EBIT)*, %

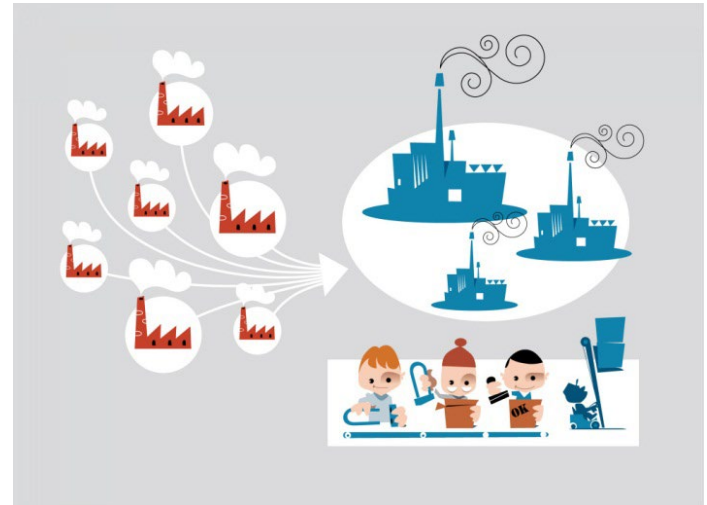
EBIT Margin



2013 Dilution	
QTD	0.0%
H2	-0.1%

Manufacturing footprint

- Status manufacturing footprint programs 2006-2011:
 - 55 factories closed to date, 13 to go
 - 64 factories converted to assembly, 11 to go
 - 28 offices closed, 1 to go
- Personal reduction QTD 91p and total 6,957p
- 578p in further planned reductions



→ 793 MSEK of the provision remains for all programs

Margin highlights Q2 2013

EBIT margin 16.1% (15.7) 0.4%

+ Volume increase +2%, price +1%

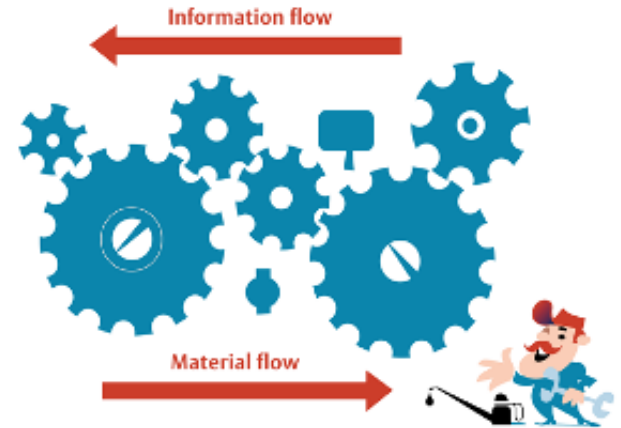
+ Margin expansion 0.4%

- + Organic growth

- + Manufacturing footprint

- + Capacity adjustments

Dilution from acquisitions 0.0%



Acquisitions 2013

- **Fully active pipeline**
 - **5 acquisitions done in 2013**
 - **Annualized sales 170 MSEK**
 - **Added sales 0,3%**
-



Acquisitions in the quarter

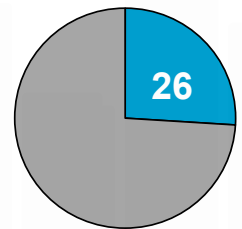
- Glenridge, ESD
Distributor of **industrial doors** in
Canada with total sales of 20 MSEK
- Toddco, ESD
Manufacturer of **Industrial doors**
in Australia with sales of 20 MSEK



Division - EMEA

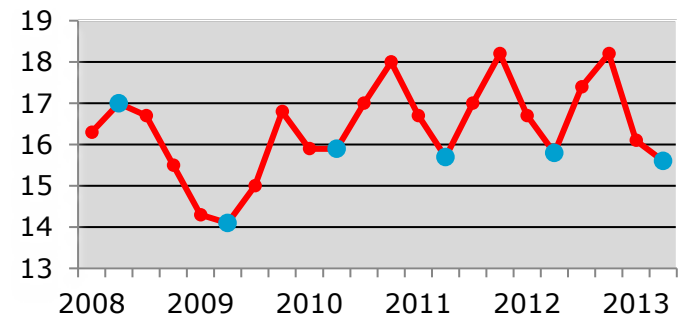
- Stabilisation in Q2, but still weak
- Growth in Scandinavia, Germany, UK, Africa, Middle east and Eastern Europe
- Continued decline in Spain, Italy, France, Holland and Finland
- Good profit due to savings, despite maintaining front end

SALES
share of
Group total %



- Operating margin (EBIT)
 - Organic 0%
 - ++ Footprint savings
 - Material cost
 - SG&A

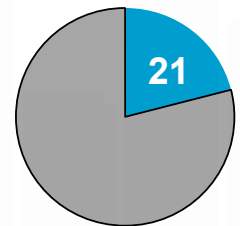
EBIT %



Division - Americas

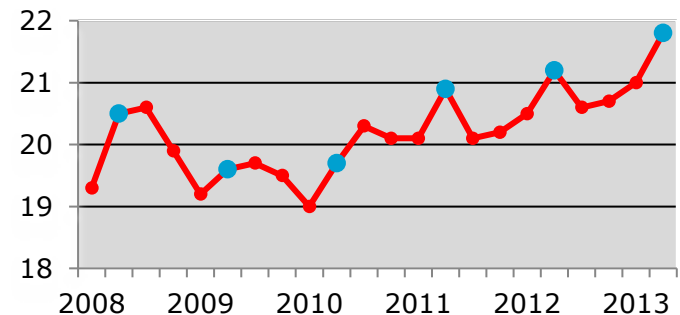
- Strong general demand in the US with strong growth in AHW, Doors, Electromechanical and Residential
- Slowing growth in Brazil, Chile and Colombia
- Slightly negative in Mexico and Canada
- Record high margin despite investments in R&D and front end

SALES
share of
Group total %



- Operating margin (EBIT)
 - + Organic +8%
 - + Material cost
 - + Efficiency improvement
 - SG&A

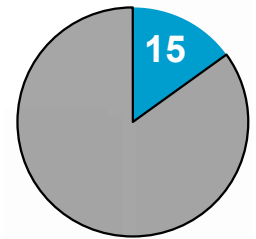
EBIT %



Division - Asia Pacific

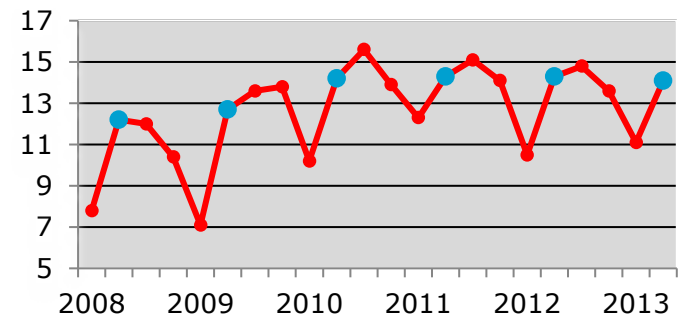
- Strong growth in Korea (DDL) and New Zealand
- Good growth in China despite the decline in export to EMEA
- Small growth in Australia and South East Asia
- Continued adjustment of workforce in China to mitigate high salary increases

SALES
share of
Group total %



- Operating margin (EBIT)
 - = Organic +3%
 - + Material cost
 - + Efficiency in China
 - Mix & cost pressure

EBIT %



Division - Global Technologies

■ HID

- Strong growth of Access control and Secure Issuance
- Good growth in Project sales
- Negative in Government ID and IDT
- Strong profit improvement

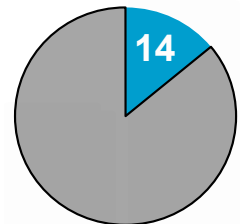
■ Hospitality

- Continued good growth from the renovation market
- Positive construction activity in the USA

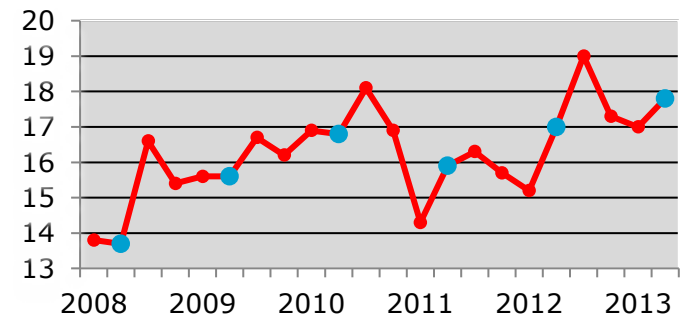
■ Operating margin (EBIT)

- + Organic 6%
- + Leverage from core business growth
- + Good improvement of AI and Lasercard

SALES
share of
Group total %



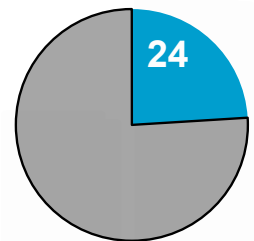
EBIT %



Division - Entrance Systems

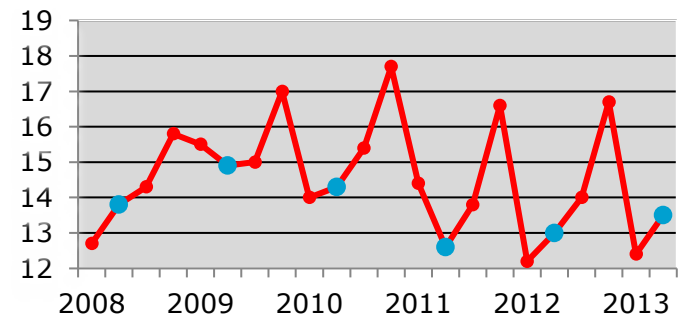
- Europe weak while Americas & Asia are growing
- Growth in Industrial and High speed doors
- Flat in Door automatics
- Very good start in 4Front with strong growth
- Sales +9% and EBIT +13%

SALES
share of
Group total %



- Operating margin (EBIT)
 - Organic -1%
 - Dilution -0,2%
 - + Smooth running of integration work
 - + Large savings on product cost and operations

EBIT %





Financial highlights Q2 2013

MSEK	2nd Quarter			Six months		
	2012	2013	Change	2012	2013	Change
Sales	11,997	12,239	2%	22,835	23,108	+1%
<i>Whereof</i>						
Organic growth			+3%			+1%
Acquired growth			+4%			+4%
FX-differences		-509	-5%		-888	-4%
Operating income (EBIT)	1,885	1,970	+5%	3,540	3,632	+3%
EBIT-margin (%)	15.7	16.1		15.5	15.7	
Operating cash flow	1,435	1,589	+11%	1,918	2,087	+9%
EPS (SEK)*	3.54	3.71	+5%	6.65	6.78	+2%

*) excluding non comparable items

Bridge Analysis – Apr-Jun 2013

MSEK	2012 Apr-Jun	Organic	Currency	Acq/Div	2013 Apr-Jun
		3%	-5%	4%	2%
Revenues	11,997	318	-509	434	12,239
EBIT	1,885	105	-96	76	1,970
%	15.7%	33.1%	18.8%	17.4%	16.1%

Dilution / Accretion

0.5%

-0.1%

0.0%

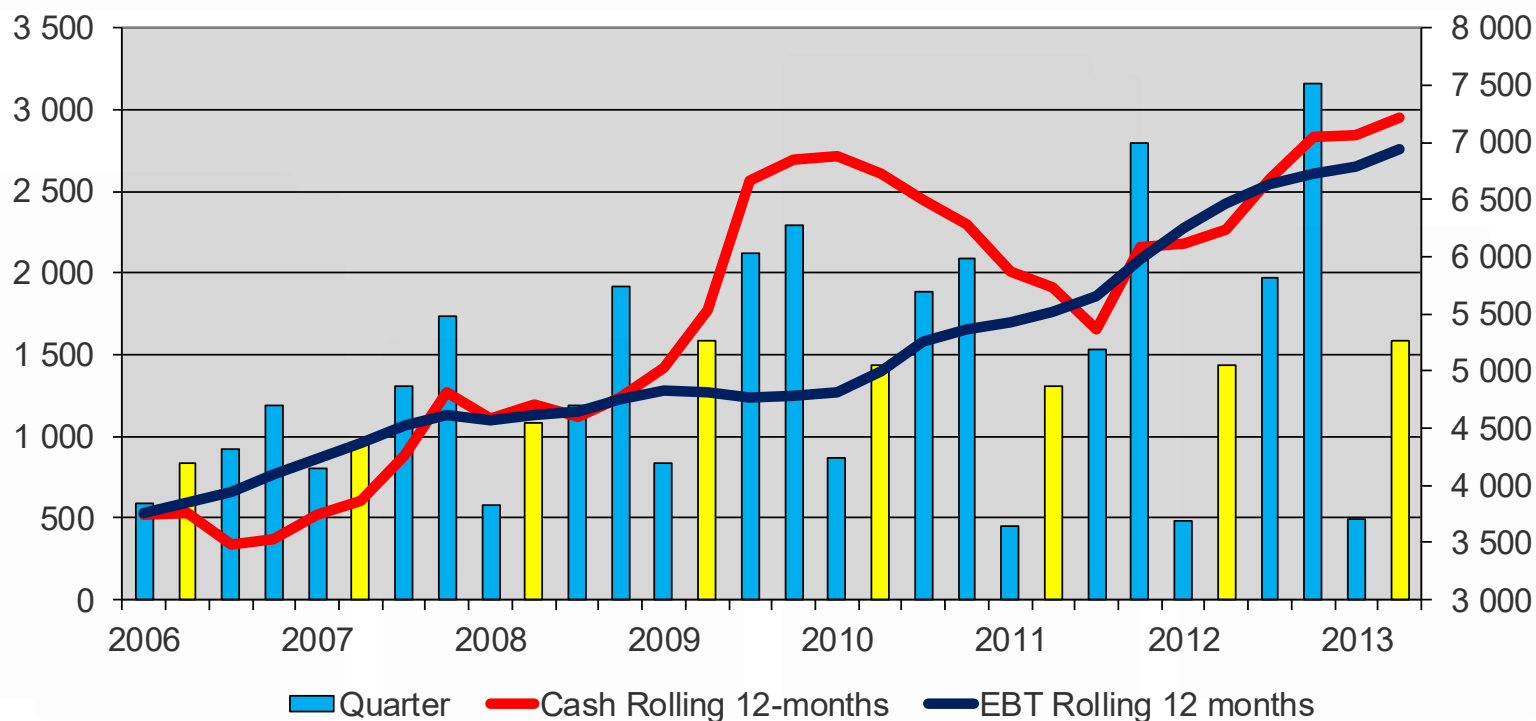
P&L – Components as % of sales

	2012 Q2	2013 Q2 excluding acquisitions	2013 Q2
■ Direct material	35.0%	35.3%	35.6%
■ Conversion costs	<u>25.9%</u>	<u>25.3%</u>	<u>25.3%</u>
■ Gross Margin	39.1%	39.4%	39.1%
■ S, G & A	<u>23.4%</u>	<u>23.3%</u>	<u>23.0%</u>
■ EBIT	15.7%	16.1%	16.1%

Operating cash flow, MSEK

Quarter

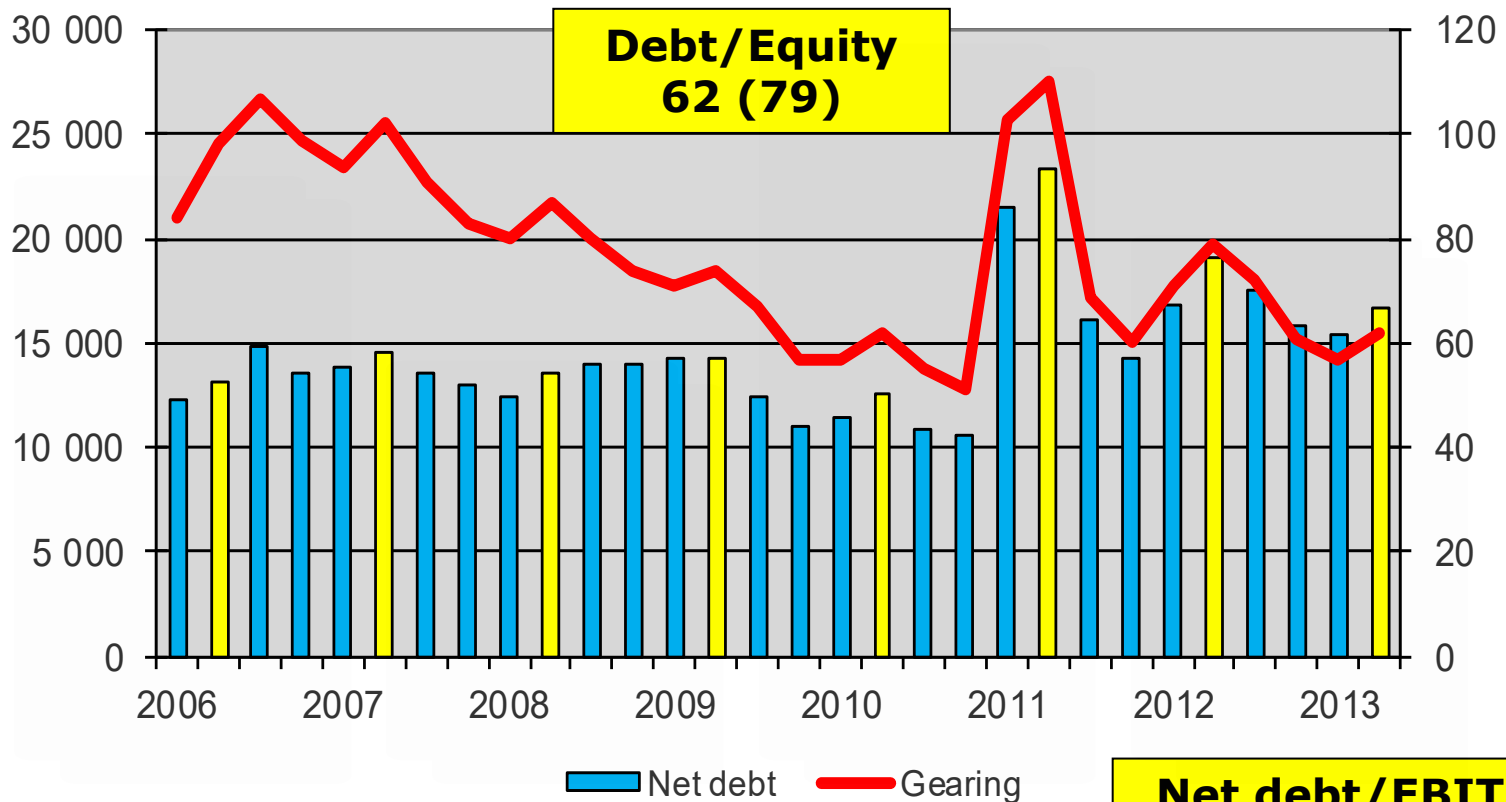
12 months



Gearing % and net debt MSEK

Net Debt

Gearing

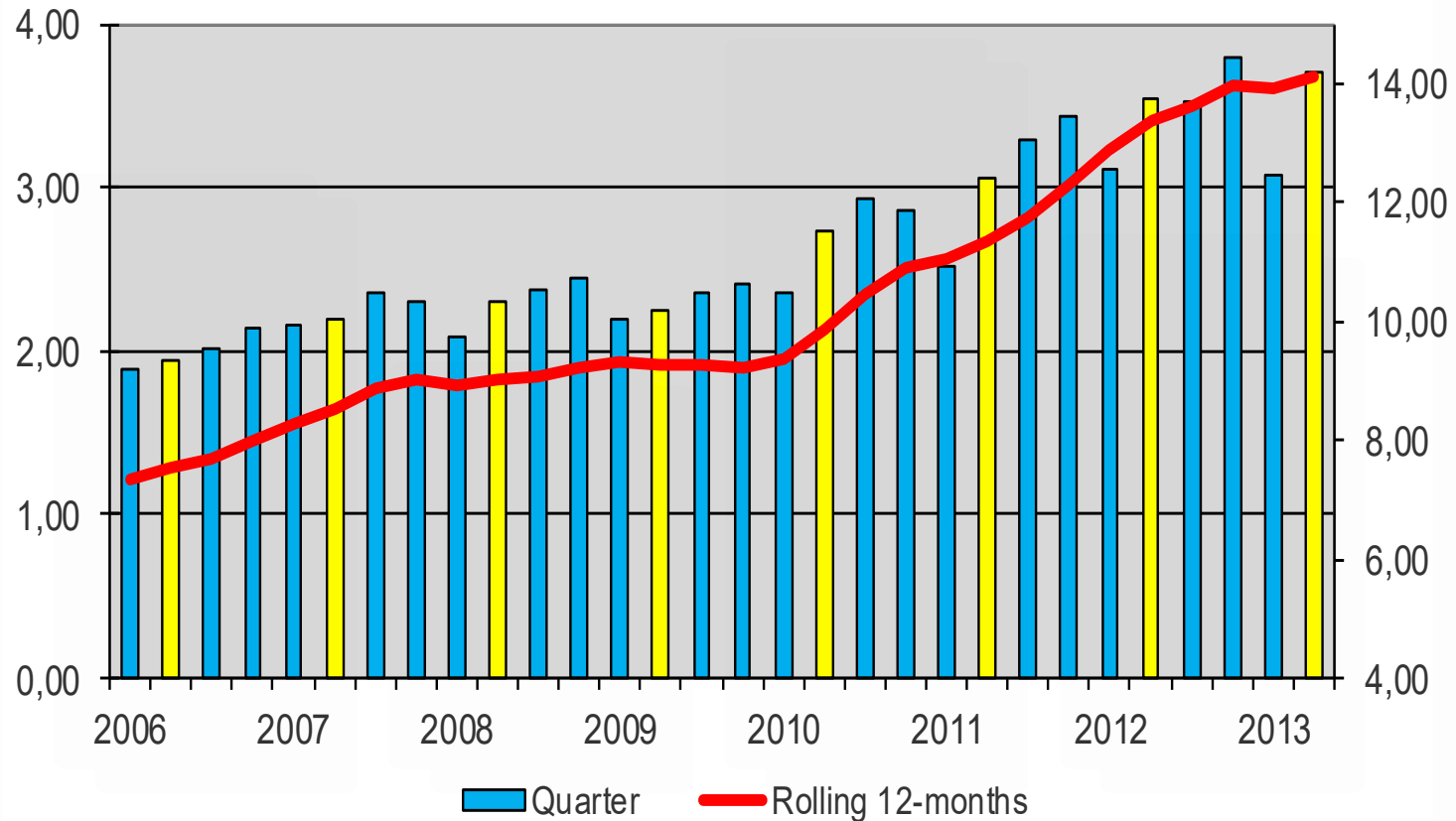


*) 2006-2011 Not restated for changed pension accounting principles.

Earnings per share, MSEK

Quarter SEK

12-months



*) Excluding restructuring costs.

**) 2006-2011 Not restated for changed pension accounting principles.





Conclusions Q2 2013

- Back to growth despite weak Europe
 - Strong growth in Americas and Global Tech
 - Growth in APAC
 - EMEA and ESD suffering from weak Europe
 - Strong efficiency improvements supports profit
 - Good sales from new products
 - Good increase of EBIT by 5% to 1,970 MSEK
- 