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ASSA ABLOY

Q4 interim report 2024

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Margin target reached for year 2024

- **Stable organic sales**

- Strong sales growth in Global Technologies
- Good sales growth in Americas
- Stable sales growth in EMEIA
- Sales decline in Entrance Systems and significant sales decline in APAC

- **Strong operating margin and record operating income**

- **Excellent cash conversion**

- 141% cash conversion

- **Continued high acquisition pace**

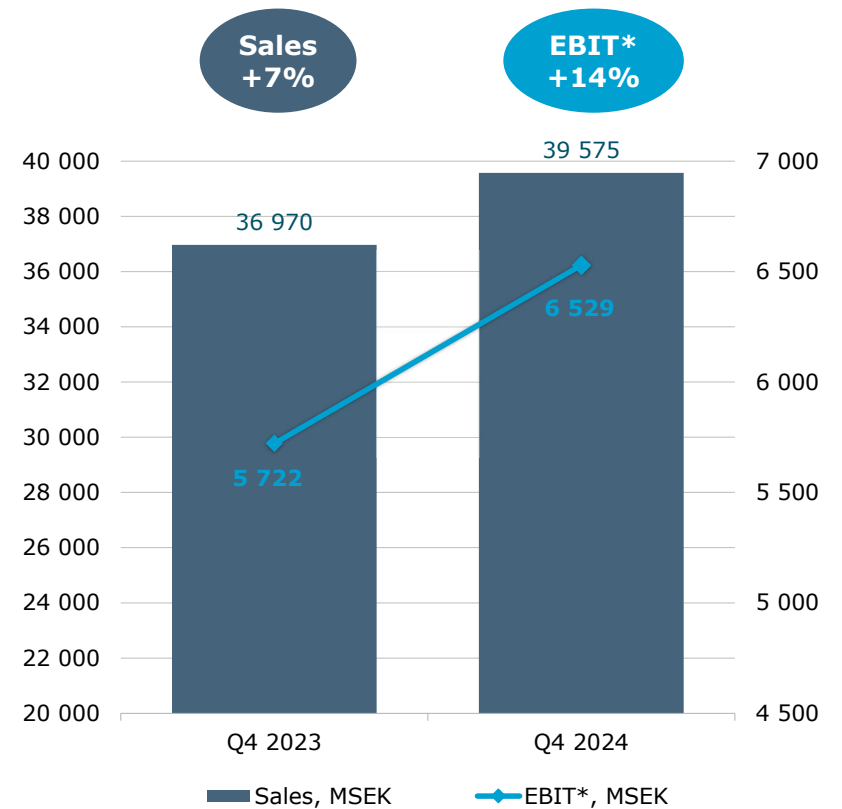
- 8 acquisitions completed in the fourth quarter



Q4 2024 figures in summary

- **Sales MSEK 39,575** **+7%**
 - Stable organic sales
 - +6% acquired and divested
 - +1% currency
- **EBITA-margin* 17.4% (16.2%)**
- **EBIT-margin* 16.5% (15.5%)**
- **EBIT* MSEK 6,529** **+14%**
- **EPS* SEK 3.81** **+7%**

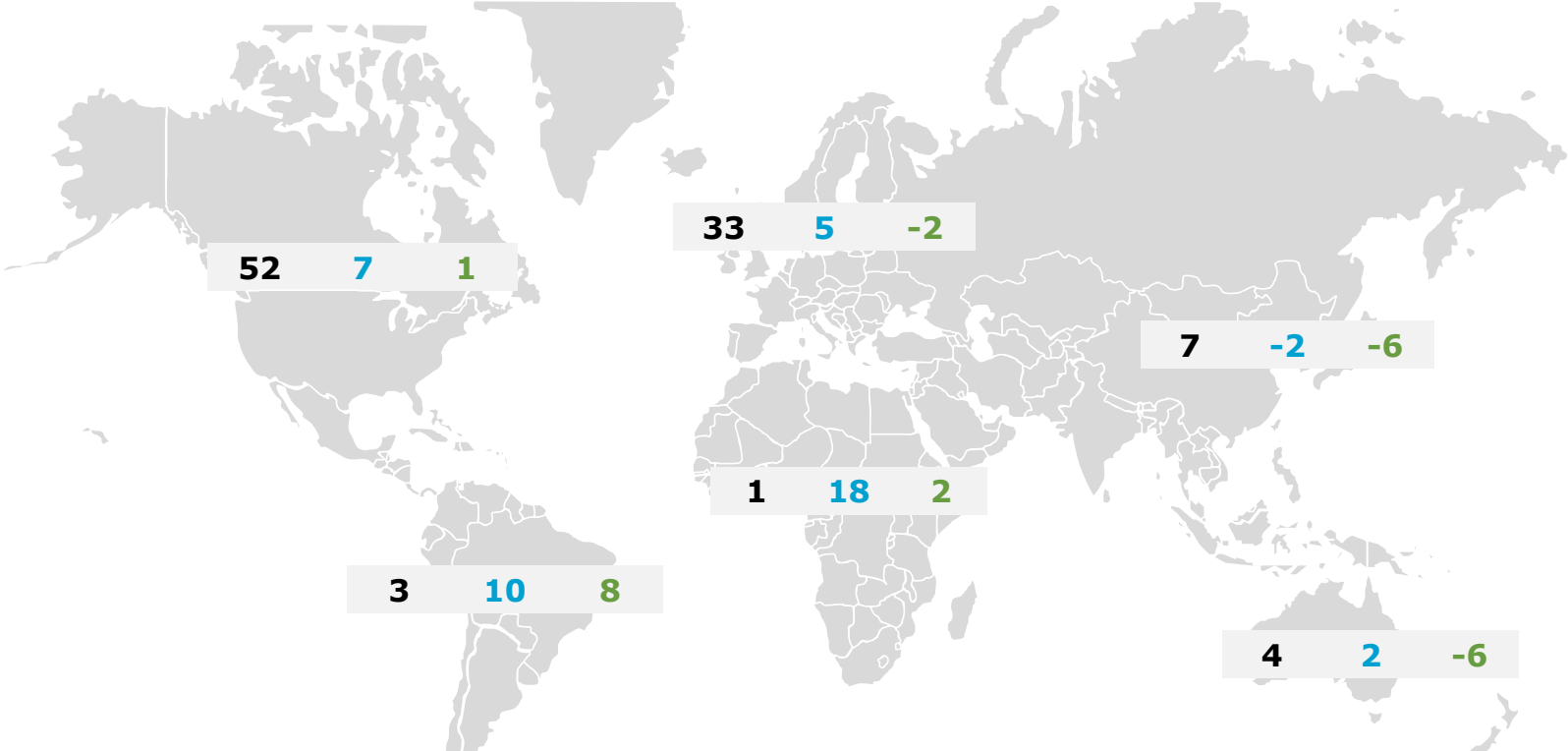
*Excluding items affecting comparability



Sales by region

Oct-Dec 2024

ASSA ABLOY	100	6	0
Emerging markets	14	4	-1



Share of sales, %	Change in local currencies QTD 2024 vs. QTD 2023, %	Organic change QTD 2024 vs. QTD 2023, %
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Emerging markets follow IMF's definition as per 2018-12-31

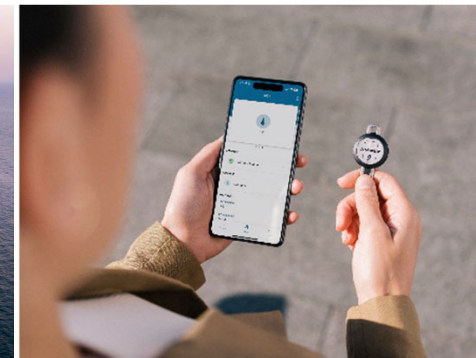
Q4 2024 Market highlights

Project wins and achievements

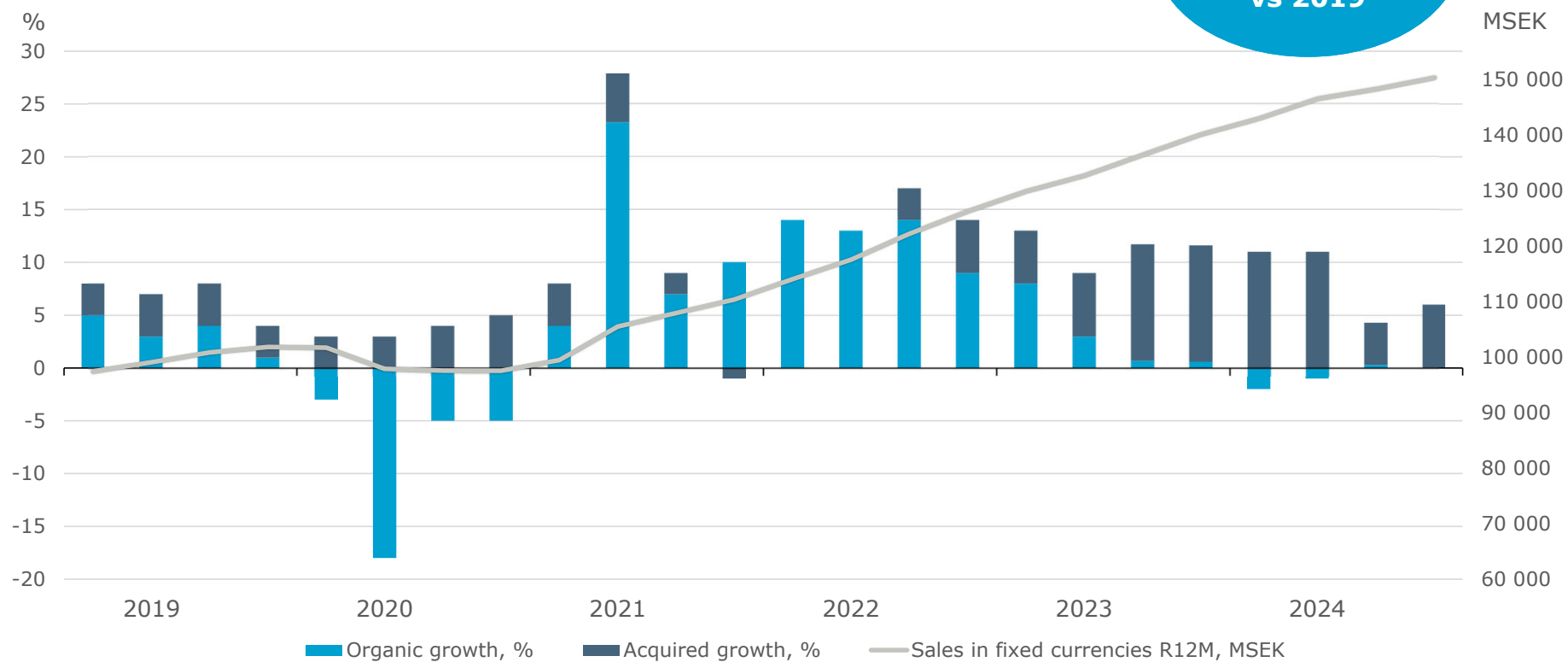
- Upgrade of 100,000 mechanical cylinders to eCLIQ for German high voltage grid operator
- Loading docks and levelers to distribution centers in Mexico and Belgium
- Complete locking systems and RFID upgrades to large cruise ships
- Fraud prevention fingerprint readers for bank teller terminals to major South American bank
- Large project wins for locks and hardware in Dubai

Product launches

- Record number of more than 550 product launches in 2024
- New smart lock launches: Kwikset Halo Select in the US, YaleByYou Mortise in the SAARC region and Unity Slim lock in Australia
- HID has deployed integration with Microsoft Entra ID allowing physical access cards to use multi-factor authentication

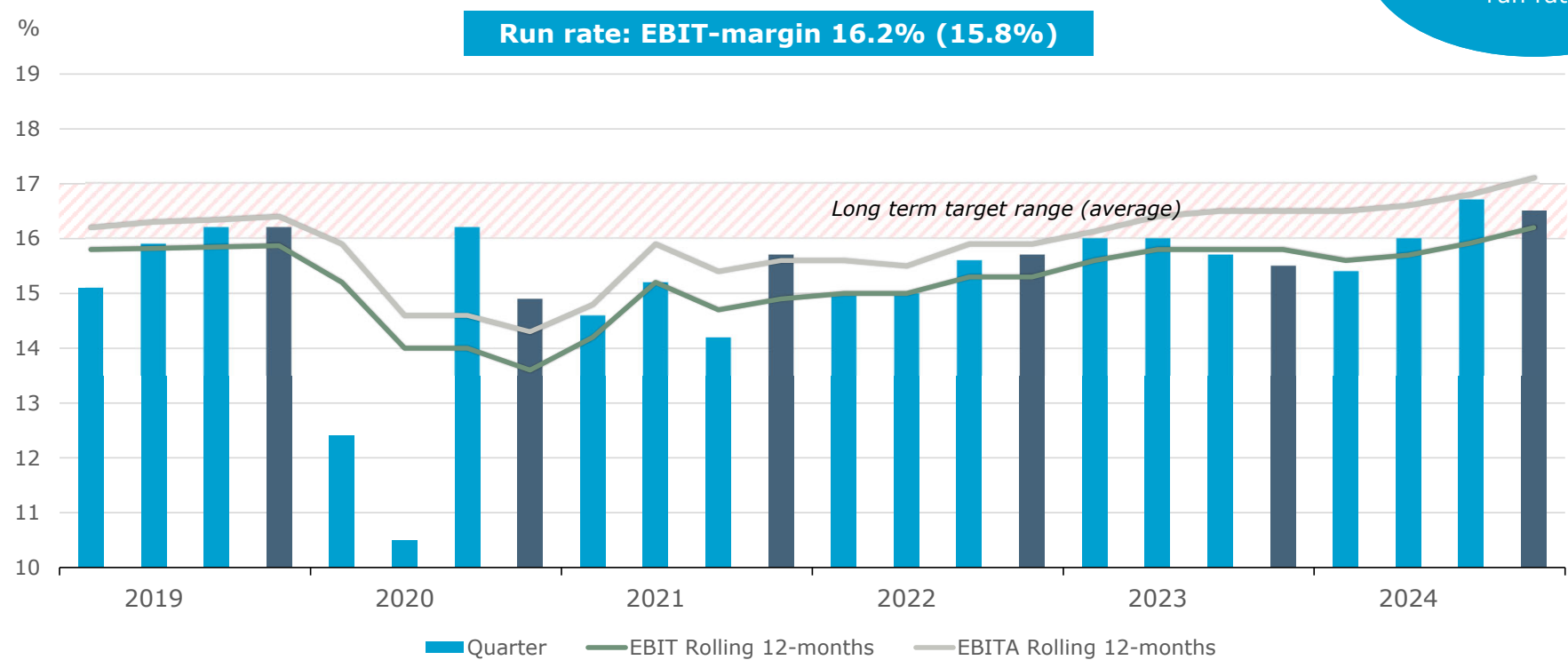


FX adjusted sales growth



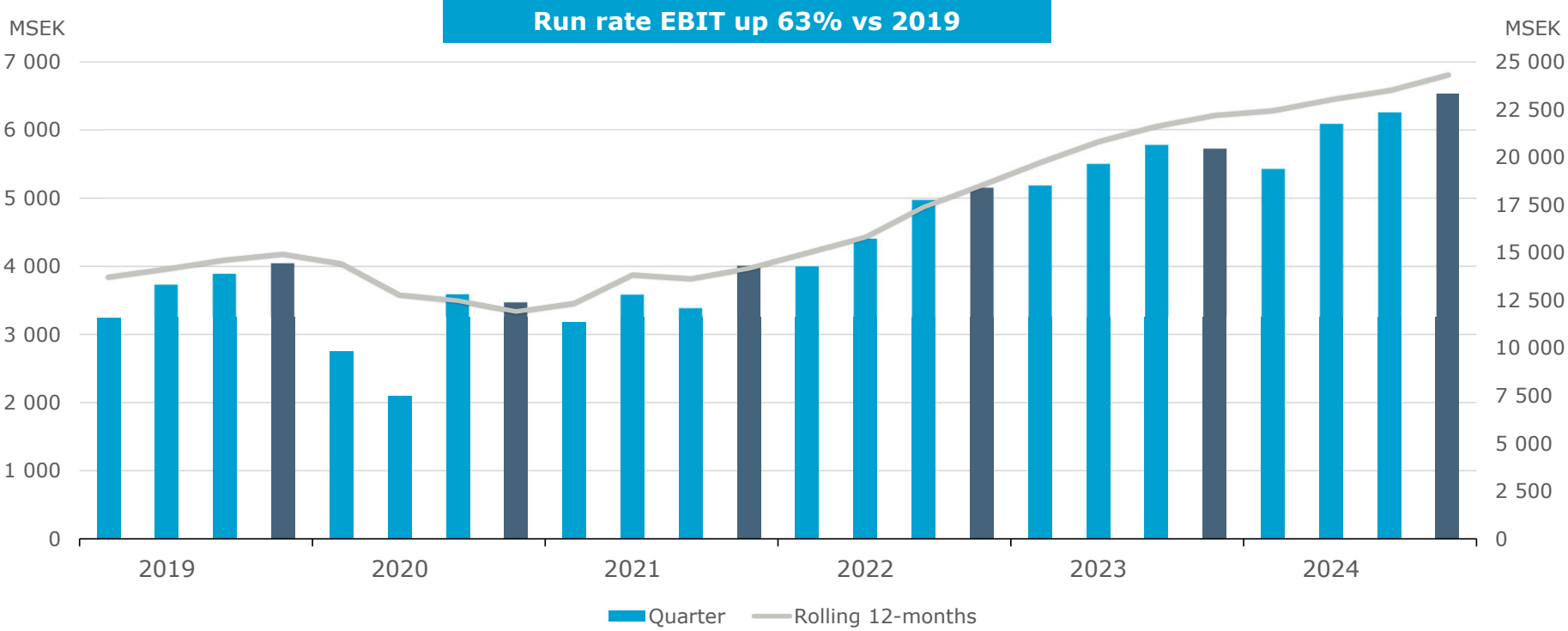
Operating margin

17.1%
EBITA-margin
run rate



Excluding items affecting comparability, restructuring items and impairment of intangible assets.

Operating profit



Excluding items affecting comparability, restructuring items and impairment of intangible assets.

Acquisitions

▪ Active pipeline

- 8 acquisitions completed in Q4
- 26 acquisitions completed in 2024
 - Representing annualized sales of close to SEK 8 bn

▪ Divestment of Citizen ID

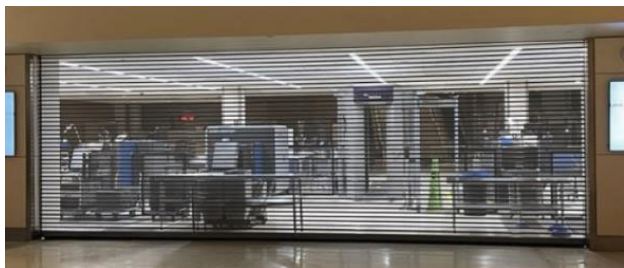
- Most of Citizen ID divested at the end of January 2025
- Divested annualized sales of MSEK 1,400



Lawrence Doors



- US manufacturer of coiling steel doors, grilles and counter shutters
- Adds complementary products to our core business
- Sales of MSEK 310 in 2024
- Accretive to EPS from the start



Premier Steel Doors and Frames



- US manufacturer of hollow metal doors and frames and metal building door systems
- Complements current product portfolio and enhances expertise in solutions for metal buildings
- Sales of MSEK 380 in 2024
- Accretive to EPS from the start

Opening Solutions EMEIA

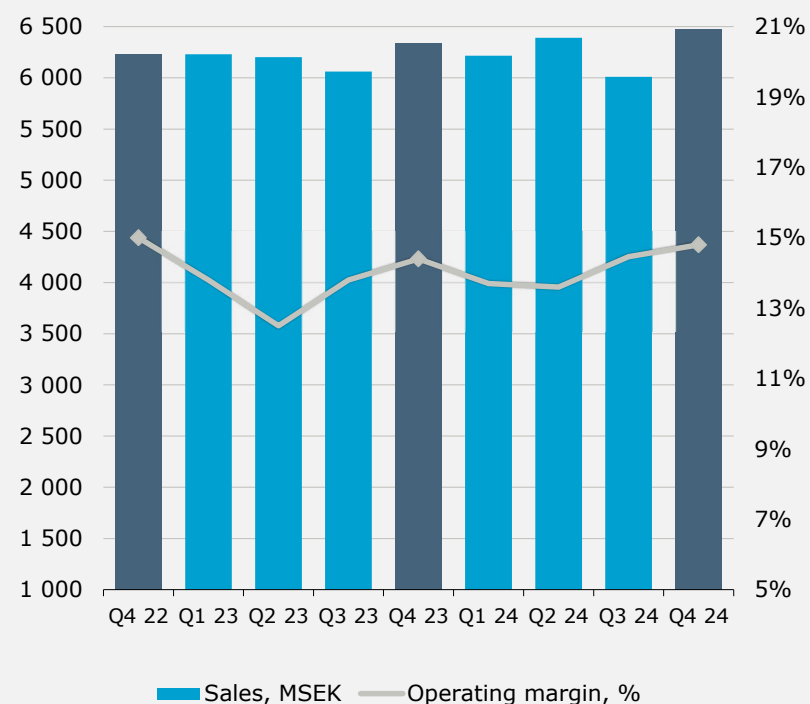
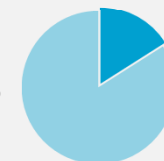
▪ Stable organic sales

- Good sales growth in the Middle East/India/Africa and in Central Europe
- Stable sales growth in the Nordics
- Sales decline in South Europe and the UK/Ireland

▪ Operating margin* 14.8% (14.4%)

- Strong operating leverage (+80bps) due to strong operational efficiencies, price realization, and positive mix
- FX -40bps
 - Weaker SEK
- M&A stable

16%
of Group
sales



*Excluding non-recurring items

Excluding MFP and non-recurring items.

Opening Solutions Americas

▪ Organic sales 2%

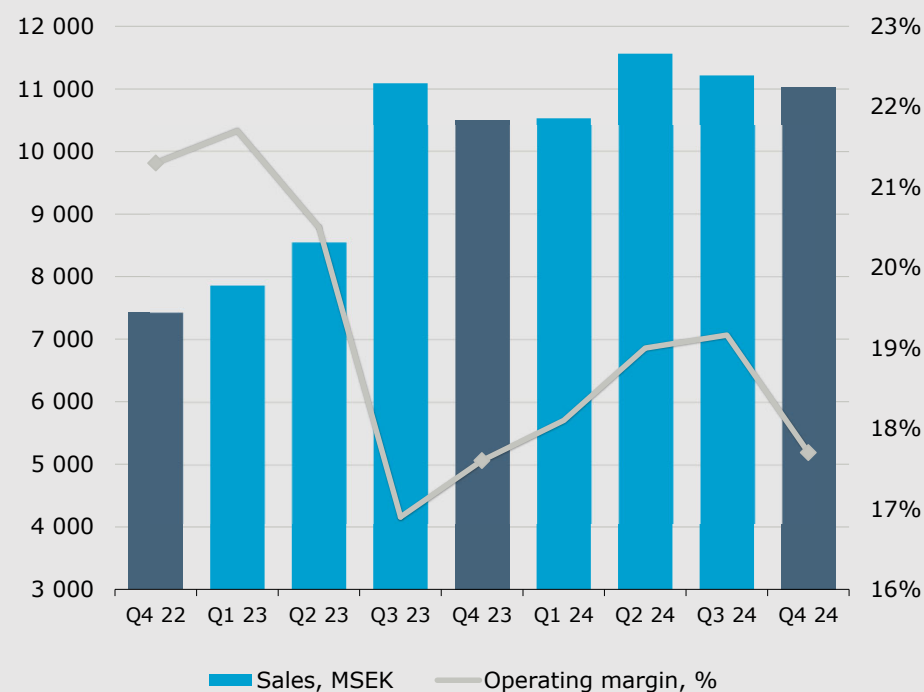
- Strong sales growth in Latin America and North America Non-Residential segment
- Sales decline in North America Residential segment

▪ Operating margin* 17.7% (17.6%)

- Good operating leverage due to good operational efficiencies
- FX -30 bps
- M&A +40 bps
 - Positive year-over-year effects from HHI
 - Dilution of 100 bps from Level Lock (integration costs and investments in R&D)

*Excluding non-recurring items

28% of
Group
sales



Excluding MFP restructuring items and costs related to inventory valuation in HHI, amounting to MSEK 350 in Q3 2023 and MSEK 116 in Q4 2023 as well as gains and exit costs related to the divestment of Emtek and the Smart Residential business in the US and Canada.

Opening Solutions Asia Pacific

▪ Organic sales -11%

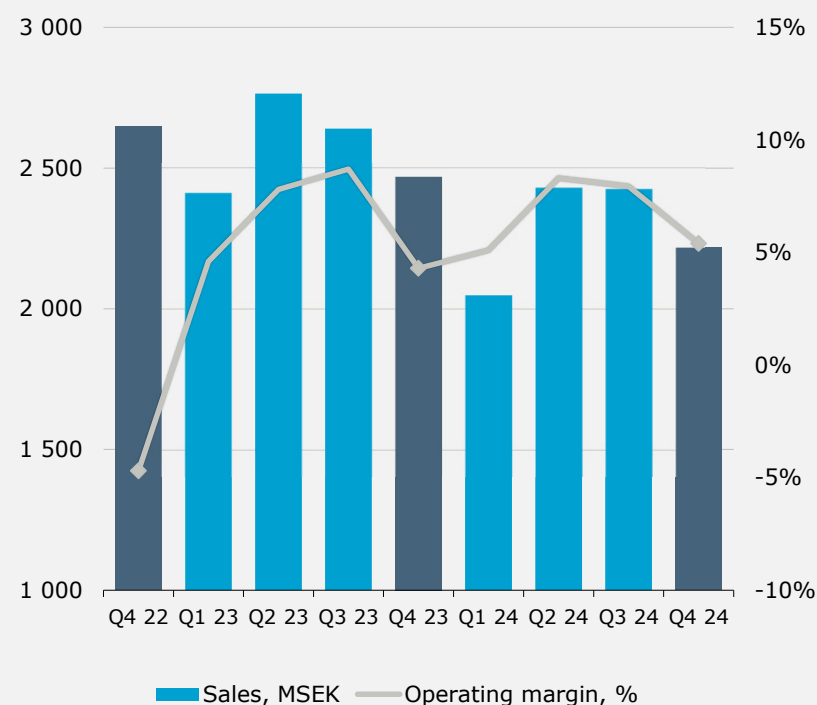
- Strong sales growth in South Korea
- Sales decline in Pacific
- Significant sales decline in China and South-East Asia

▪ Operating margin* 5.4% (4.3%)

- Very strong operating leverage of +140 bps due to pricing, lower material cost and cost efficiencies
- FX -30bps
- M&A stable

*Excluding non-recurring items

5%
of Group
sales



Excluding MFP and non-recurring items.

Global Technologies

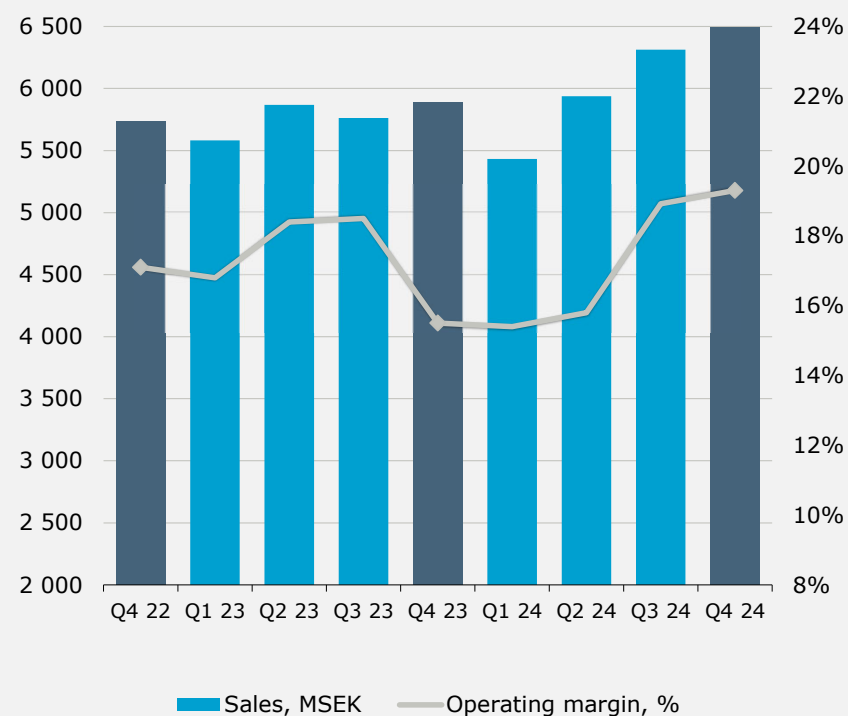
■ Organic sales +5%

- Very strong sales growth in Physical Access Control
- Sales decline in the other HID business areas
- Very strong sales growth in Global Solutions

■ Operating margin 19.3% (15.5%)

- Very strong operating leverage (+400bps) driven by positive mix, price/cost and strong operational efficiencies
- FX +20bps
- M&A -40bps

16%
of Group
sales



Excluding MFP restructuring items and in Q2 2023 impairment of goodwill and intangible assets

Entrance Systems

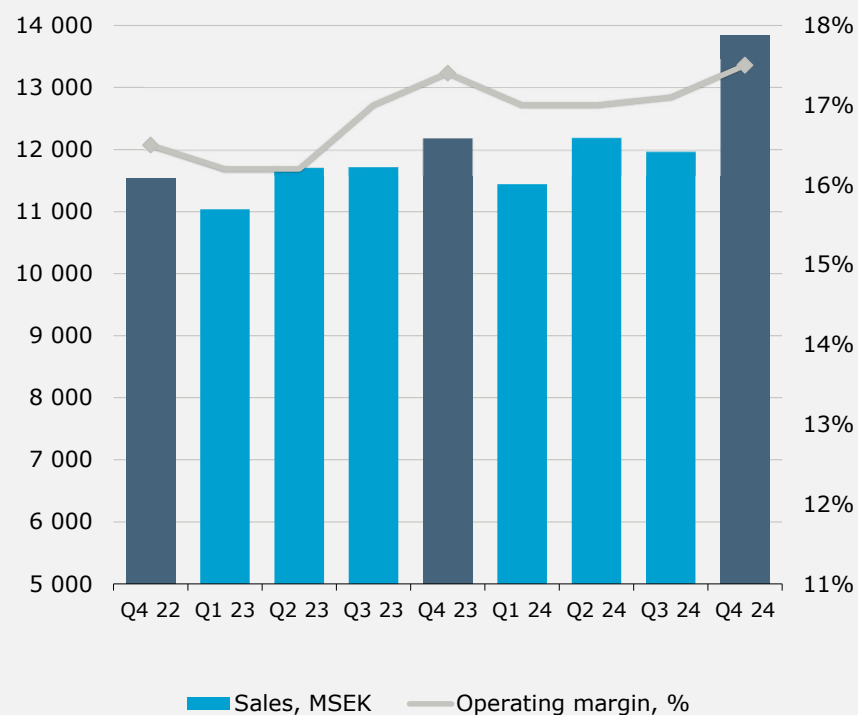
▪ Organic sales -2%

- Strong sales growth in Pedestrian
- Stable sales in Perimeter Security
- Sales decline in Residential and Industrial
- Good sales growth in service

▪ Operating margin 17.5% (17.4%)

- Strong operating leverage (+50bps) driven by positive mix, price/cost, and operational efficiencies
- FX +20bps
- M&A -60bps
 - SKIDATA

35%
of Group
sales



Excluding MFP restructuring items.

Financial summary

**FX & acquisition
'run-rate' effects in Q1 2025
(31 Dec 2024):**
SALES
 FX: 4%
 M&A: 4%

	October-December*			January-December*		
	2023	2024	Change	2023	2024	Change
Sales	36,970	39,575	7%	140,716	150,162	7%
- Organic growth	133	-112	0%	3,393	-1,132	-1%
- Acquired net growth	3,572	2,215	6%	10,651	11,326	8%
- FX-differences	349	502	1%	5,879	-748	0%
Operating income (EBIT)	5,722	6,529	14%	22,185	24,296	10%
EBITA-margin	16.2%	17.4%	1.2 pts	16.5%	17.1%	0.6 pts
EBIT-margin	15.5%	16.5%	1.0 pts	15.8%	16.2%	0.4 pts
Income before tax	4,879	5,684	16%	19,654	20,914	6%
Net income	3,969	4,214	6%	15,049	15,636	4%
EPS, SEK	3.56	3.81	7%	13.54	14.09	4%
Operating cash flow	7,315	8,010	10%	25,232	23,052	-9%
ROCE (12 months)				15.6%	14.4%	-1.2 pts

*Excluding items affecting comparability

Bridge analysis – Q4 2024

MSEK	Q4 2023	Organic	Currency	Acq/div	Q4 2024
Growth	12%	0%	1%	6%	7%
Sales	36,970	-112	502	2,215	39,575
Operating income*	5,722	448	28	331	6,529
Operating margin, %*	15.5%	-401%	5.6%	14.9%	16.5%
Dilution/accretion		1.2 pts	-0.1 pts	-0.1 pts	

*Excluding items affecting comparability

Sales drivers

- Price +1% and volume -1%

Margin drivers

- Organic – strong accretive effect driven by price realization, lower material costs, MFP, cost control and operational efficiencies
- M&A – positive year-over-year effects from the HHI transaction offset by dilution from SKIDATA, Level Lock and other acquisitions

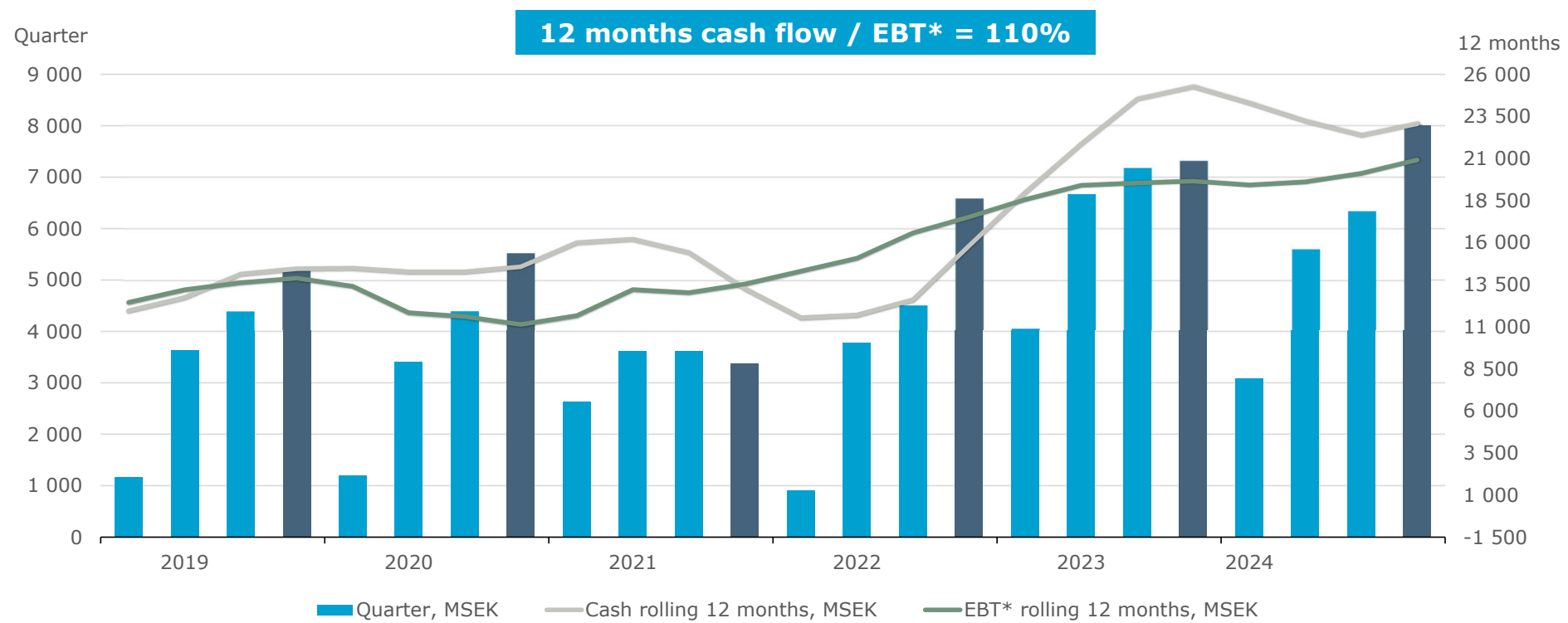
Cost breakdown as % of sales – Q4 2024

%	QTD 2023	QTD 2024 excl. acq/div	Δ	QTD 2024
Direct material	-35.5%	-33.2%	+2.3 pts	-33.4%
Conversion cost	-23.9%	-24.8%	-0.9 pts	-24.7%
Gross margin	40.6%	42.0%	+1.4 pts	41.9%
S, G & A	-25.1%	-25.4%	-0.3 pts	-25.4%
EBIT*	15.5%	16.6%	+1.1 pts	16.5%

*Excluding items affecting comparability.

- Direct material – strong positive mix effect (~100bps), lower material costs and price realization
- Conversion cost – inflation and higher wage costs
- S, G & A – inflation and investments in R&D and the sales organization

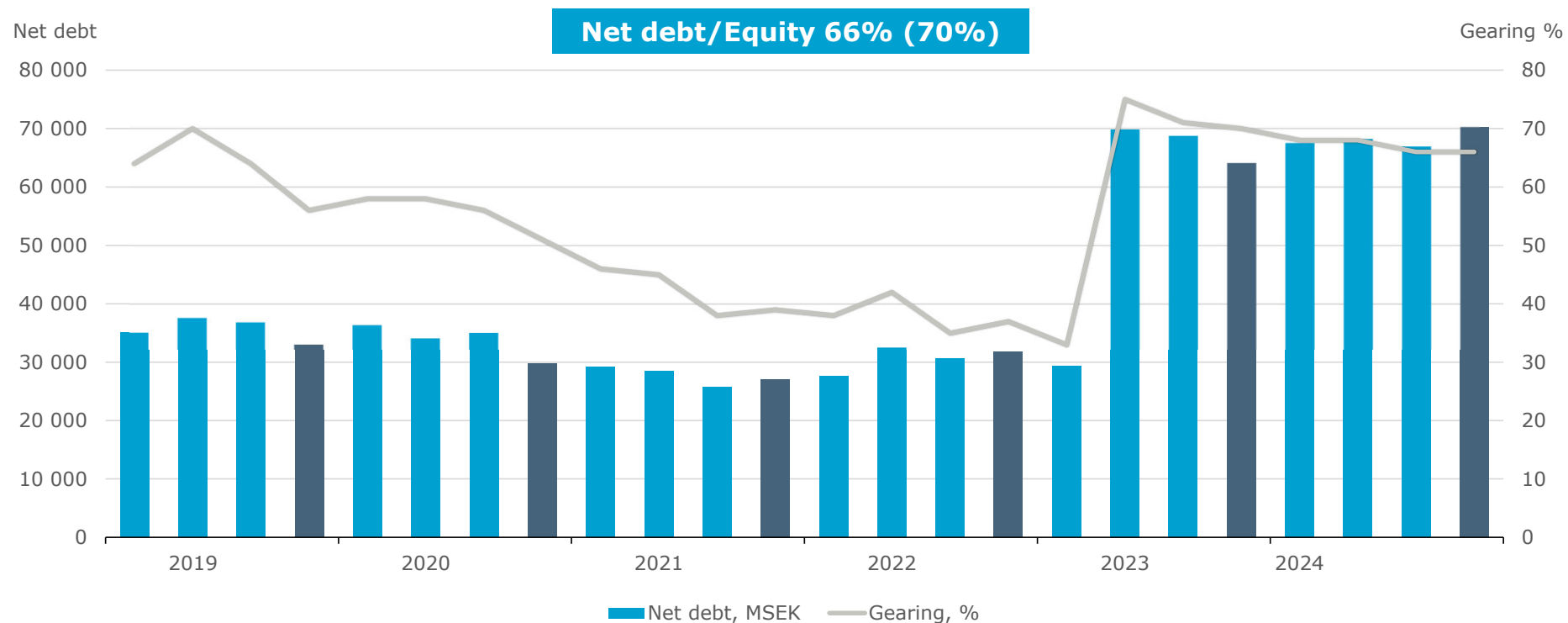
Operating cash flow, MSEK



*Excluding items affecting comparability.

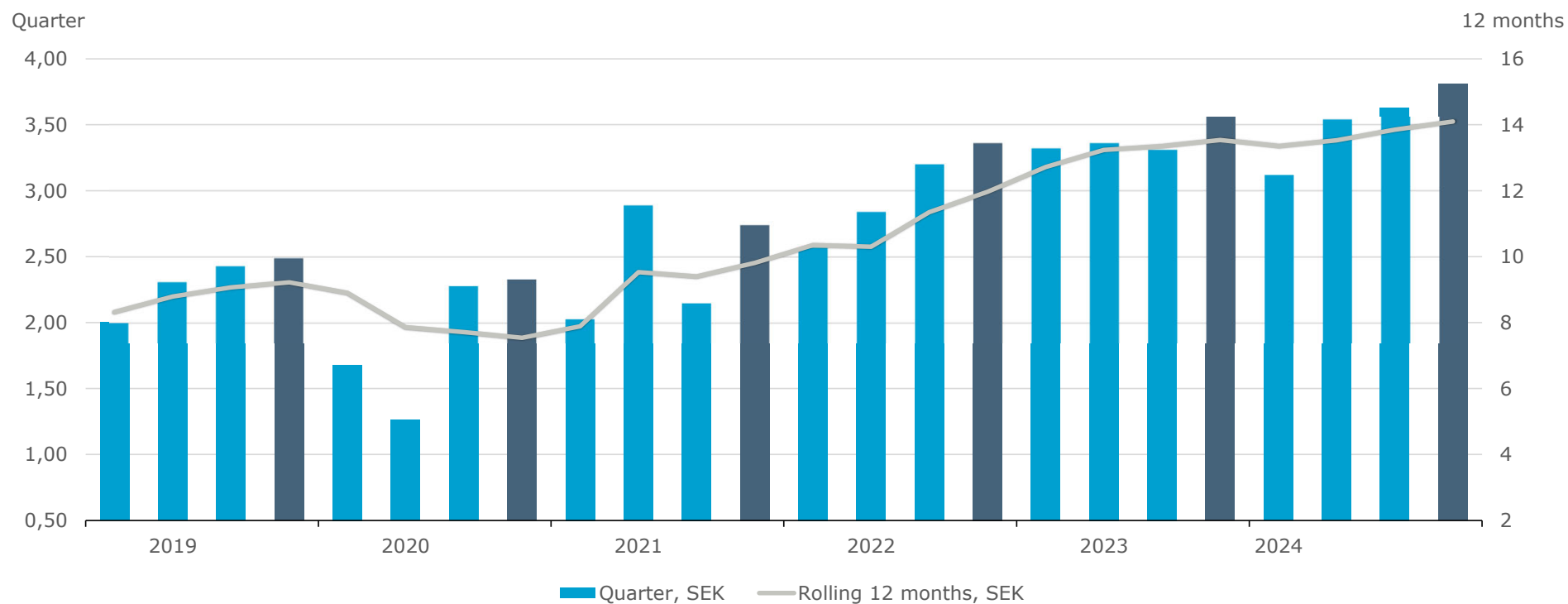
Gearing % and net debt, MSEK

Net debt/EBITDA*
2.3 (2.3)



*Excluding items affecting comparability.

Earnings per share, SEK



Excluding items affecting comparability



Conclusions

- **Strong sales growth of 7%**
- **Strong operating margin and record operating income**
- **Record operating cash flow**
- **Uncertain economic climate**
- **The Board proposes a dividend of SEK 5.90 (5.40) per share, split between two equal tranches**
- **Sustainability seminar February 6, 2025**
- **Capital Markets Day November 19, 2025**



Q&A

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Appendix

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Cost breakdown as % of sales

%	QTD 2023	QTD 2024 excl. acquisitions	Δ	QTD 2024	YTD 2023	YTD 2024 excl. acquisitions	Δ	YTD 2024
Direct material	-35.5%	-33.2%	+2.3 pts	-33.4%	-35.5%	-33.0%	+2.5 pts	-33.7%
Conversion cost	-23.9%	-24.8%	-0.9 pts	-24.7%	-23.4%	-24.7%	-1.3 pts	-24.5%
Gross margin	40.6%	42.0%	+1.4 pts	41.9%	41.1%	42.3%	+1.2 pts	41.8%
S, G & A	-25.1%	-25.4%	-0.3 pts	-25.4%	-25.3%	-25.9%	-0.6 pts	-25.6%
EBIT*	15.5%	16.6%	+1.1 pts	16.5%	15.8%	16.4%	+0.6 pts	16.2%

*Excluding items affecting comparability.

Opening Solutions EMEIA's bridge

MSEK	Q4 2023	Organic	Currency	Acq/Div	Q4 2024
Growth	2%	0%	1%	1%	2%
Sales	6,339	12	82	48	6,481
Operating income*	915	56	-17	7	962
Operating margin, %*	14.4%	450%	-20.1%	14.4%	14.8%
Dilution/accretion		0.8pts	-0.4pts	0.0pts	

12 months figures

Sales	24,831			25,098
EBIT*	3,388			3,552
Operating cash flow before paid interest	4,183			3,872
Cash flow/EBIT*	123%			109%

* Excluding items affecting comparability

Opening Solutions Americas' bridge

MSEK	Q4 2023	Organic	Currency	Acq/Div	Q4 2024
Growth	41%	2%	1%	2%	5%
Sales	10,508	209	114	202	11,033
Operating income*	1,854	39	-22	79	1,950
Operating margin, %*	17.6%	18.6%	-19.5%	39.4%	17.7%
Dilution/accretion		0.0pts	-0.3pts	0.4pts	

12 months figures

Sales	38,009			44,340
EBIT*	7,186			8,207
Operating cash flow before paid interest	8,181			7,581
Cash flow/EBIT*	114%			92%

* Excluding items affecting comparability

Opening Solutions Asia Pacific's bridge

MSEK	Q4 2023	Organic	Currency	Acq/Div	Q4 2024
Growth	-7%	-11%	1%	0%	-10%
Sales	2,468	-276	27	-2	2,217
Operating income*	107	19	-7	0	119
Operating margin, %*	4.3%	-6.9%	-25.0%	10.3%	5.4%
Dilution/accretion		1.4pts	-0.3pts	0.0pts	

12 months figures

Sales	10,284			9,120
EBIT*	662			619
Operating cash flow before paid interest	1,213			997
Cash flow/EBIT*	183%			161%

* Excluding items affecting comparability

Global Technologies' bridge

MSEK	Q4 2023	Organic	Currency	Acq/Div	Q4 2024
Growth	3%	5%	2%	3%	10%
Sales	5,885	294	119	195	6,493
Operating income*	910	303	27	13	1,253
Operating margin, %*	15.5%	103.0%	22.6%	6.7%	19.3%
Dilution/accretion		4.0pts	0.2pts	-0.4pts	

12 months figures

Sales	23,099			24,179
EBIT*	3,996			4,224
Operating cash flow before paid interest	4,145			4,585
Cash flow/EBIT*	104%			109%

*) Excluding MFP restructuring items and impairment of goodwill and intangible assets.

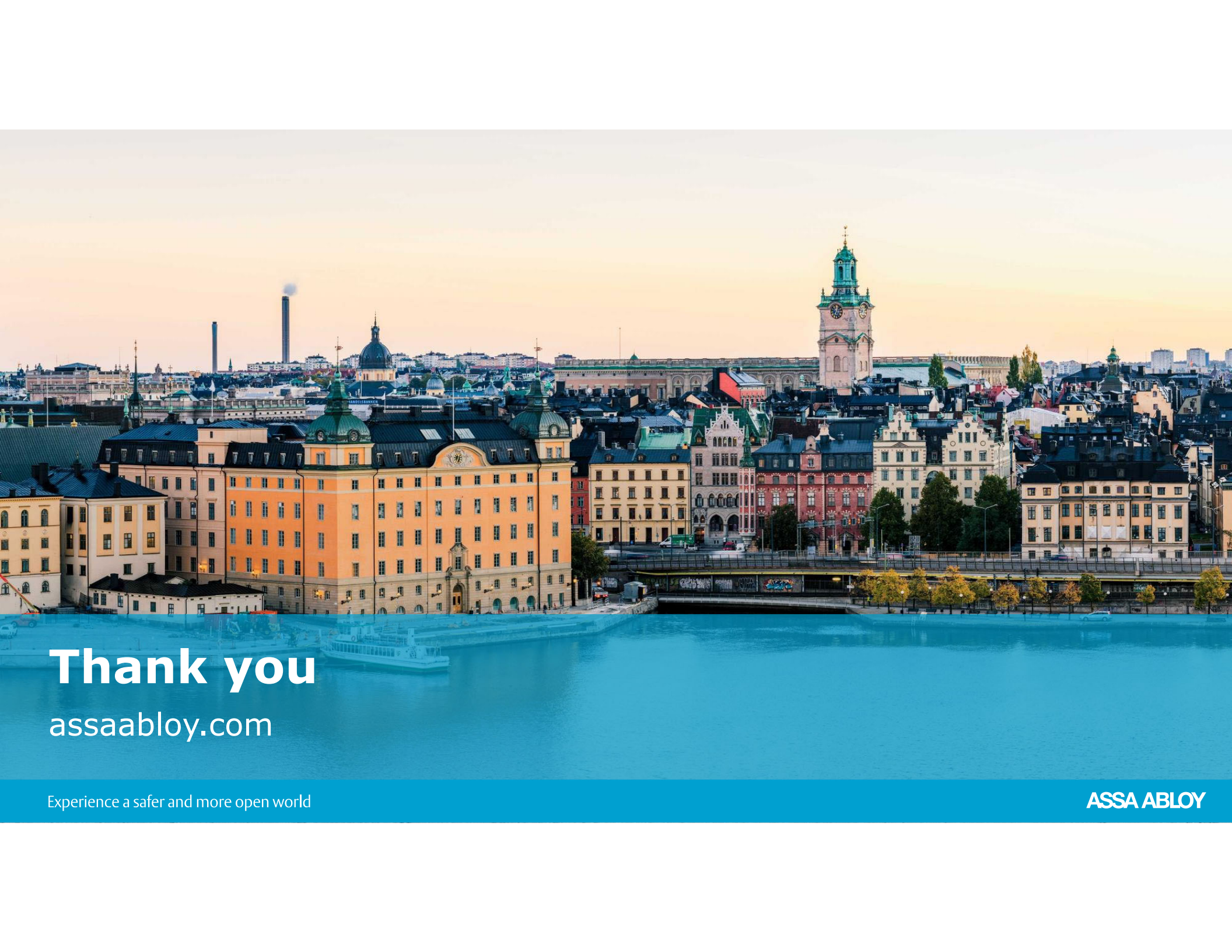
Entrance Systems' bridge

MSEK	Q4 2023	Organic	Currency	Acq/Div	Q4 2024
Growth	6%	-2%	2%	14%	14%
Sales	12,189	-293	173	1 771	13 839
Operating income*	2,126	20	46	232	2 424
Operating margin, %*	17.4%	-7.0%	26.7%	13.1%	17.5%
Dilution/accretion		0.5pts	0.2pts	-0.6pts	

12 months figures

Sales	46,665			49 451
EBIT*	7,807			8 493
Operating cash flow before paid interest	10,391			10,017
Cash flow/EBIT*	133%			118%

* Excluding items affecting comparability



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