ASSA ABLOY

Press Release

29 April 2014
No. 07/14

Continued good progress for ASSA ABLOY

- Sales increased by 13% in the quarter, with 4% organic growth, and totaled SEK 12,305 M (10,868).
- Strong growth in EMEA and good growth in Entrance Systems.
- Global Technologies, Asia Pacific and Americas showed growth.
- Four minor acquisitions made this year, with expected annual sales totaling about SEK 400 M.
- Operating income (EBIT) amounted to SEK 1,857 M (1,662). The operating margin was 15.1% (15.3).
- Net income amounted to SEK 1,264 M (1,138).
- Earnings per share rose by 11% to SEK 3.41 (3.07).
- Cash flow was normal for the season and amounted to SEK 557 M (498).

SALES AND INCOME

	Full year			First quarter		
	2012	**2013**	**Change**	**2013**	**2014**	**Change**
Sales, SEK M	**46,619**	**48,481**	**+4%**	**10,868**	**12,305**	**+13%**
of which,						
Organic growth			+2%			+4%
Acquisitions			+4%			+8%
Exchange-rate effects	+290	-1,156	-2%	-379	+109	+1%
Operating income (EBIT), SEK M	**7,501**	**7,923 1)**	**+6%**	**1,662**	**1,857**	**+12%**
Operating margin (EBIT), %	16.1	16.3 1)		15.3	15.1	
Income before tax, SEK M	6,784	7,381 1)	+9% 1)	1,533	1,709	+11%
Net income, SEK)	5,172	5,496 2)	+6% 2)	1,138	1,264	+11%
Operating cash flow, SEK M	7,044	6,803	-3%	498	557	+12%
Earnings per share (EPS), SEK	**13.97**	**14.84 2)**	**+6% 2)**	**3.07**	**3.41**	**+11%**

1) Excluding items affecting comparability in 2013 amounting to SEK -1,000 M for the full year.
2) Excluding items affecting comparability in 2013 amounting after tax to SEK -721 M for the full year.

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COMMENTS BY THE PRESIDENT AND CEO

"The first quarter showed a continued very good performance for ASSA ABLOY, with an increase in sales of 13% and an improvement of a full 12% in operating income," says Johan Molin, President and CEO.

"The global economy remains uncertain. The first quarter was characterized by a clear improvement in Europe, helped to some extent by the effect of Easter, but some weakening in the USA, probably due to the very cold weather. The performance of the emerging markets continued to be very good in South America and Africa, while Asia showed lower growth.

"The Group's organic growth was a good 4%, while acquired sales rose by 8%, mainly through the acquisitions of Ameristar, Amarr and Mercor.

"The acquisition activity has continued at a high level in 2014, with four new minor acquisitions which add a further SEK 400 M to sales. Particularly exciting was the acquisition of Lumidigm in America, which brings us unique expertise and patented technology in biometry.

"Operating income continued to improve, by a full 12%. This was due to increased efficiency, good sales of new products and positive savings from the restructuring programs we have carried out. The improvement was very pleasing considering that several acquired units with low profitability were consolidated during the quarter.

"The successes of our new products continued and the Group won several prizes at the USA's largest security exhibition, ISC West. We are also seeing a strong trend on the hotel side towards lock systems controlled by virtual keys – a field in which ASSA ABLOY has taken the lead in innovation.

"My judgment is that the world economy is slowly on the way to improving, although still affected by the budget cutbacks that many countries are making. Our strategy therefore remains unchanged, to reduce our dependence on mature markets and to expand strongly in the emerging markets, which are expected to go on growing well. Another continuing priority will be investments in new products, especially in the growth area of electromechanics."

FIRST QUARTER

The Group's sales totaled SEK 12,305 M (10,868). Organic growth for comparable units was 4% (-1). Acquired units contributed 8% (5). Exchange-rate effects had a positive impact of SEK 109 M on sales, that is 1% (-4). Operating income before depreciation, EBITDA, amounted to SEK 2,135 M (1,911). The corresponding EBITDA margin was 17.3% (17.6). The Group's operating income, EBIT, amounted to SEK 1,857 M (1,662). The operating margin was 15.1% (15.3).

Net financial items amounted to SEK -148 M (-129). The Group's income before tax amounted to SEK 1,709 M (1,533), an improvement of 11% compared with the previous

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year. Exchange-rate effects had an impact of SEK 13 M (-59) on the Group's income before tax.

The profit margin was 13.9% (14.1). The underlying effective tax rate on an annual basis amounted to 26% (25). Earnings per share amounted to SEK 3.41 (3.07).

RESTRUCTURING MEASURES

Payments related to all existing restructuring programs amounted to SEK 87 M in the quarter. The restructuring programs proceeded according to plan and led to a reduction in personnel of 123 people during the quarter and 8,481 people since the projects began.

At the end of the quarter provisions of SEK 1,279 M remained in the balance sheet for carrying out the programs.

COMMENTS BY DIVISION

EMEA

Sales for the quarter in EMEA division totaled SEK 3,511 M (3,171), with organic growth of 5% (-6). The markets in Scandinavia, Germany, Africa and eastern Europe showed strong growth. Britain, Benelux, France and Iberia showed good growth. Sales were stable in Italy and Finland but the trend was negative in Israel. Acquired growth amounted to 3% (2). Operating income totaled SEK 565 M (509), which represented an operating margin (EBIT) of 16.1% (16.1). Return on capital employed amounted to 19.8% (19.3). Operating cash flow before interest paid totaled SEK 261 M (105).

AMERICAS

Sales for the quarter in Americas division totaled SEK 2,673 M (2,353), with organic growth of 2% (5). The sales trends for the residential market and Latin America were strong, while electromechanical products and security doors had good growth. Sales were also stable for traditional lock products, but slightly down for high-security products and Canada. Acquired growth amounted to 12% (2). Operating income totaled SEK 563 M (494) and the operating margin was 21.1% (21.0). Return on capital employed amounted to 20.9% (23.5). Operating cash flow before interest paid totaled SEK 116 M (148).

ASIA PACIFIC

Sales for the quarter in Asia Pacific division totaled SEK 1,420 M (1,355), with organic growth of 3% (2). Australia and New Zealand showed strong growth. The market in China showed a stable trend, with good growth in fire and security doors, while South Korea showed good growth. South-East Asia showed a negative trend. Acquired growth amounted to 3% (4). Operating income totaled SEK 151 M (151), giving an operating margin (EBIT) of 10.6% (11.1). The quarter's return on capital employed amounted to 7.7% (11.7). Operating cash flow before interest paid totaled SEK -138 M (-59).

GLOBAL TECHNOLOGIES

Sales for the quarter in Global Technologies division totaled SEK 1,519 M (1,426), with organic growth of 3% (0). HID had good growth in access control, logical access and in identification technology. Government ID and project orders showed a negative trend. Hospitality showed continued strong growth, mainly from the important renovation market. Acquired growth amounted to 2% (0). The division's operating income amounted to SEK 260 M (242), with an operating margin (EBIT) of 17.1% (17.0). Return on capital employed amounted to 15.7% (16.4). Operating cash flow before interest paid totaled SEK 67 M (23).

ENTRANCE SYSTEMS

Sales for the quarter in Entrance Systems division totaled SEK 3,405 M (2,762), with organic growth of 4% (-3). There was strong growth for the industrial and high-speed door segments and for Flexiforce. Growth was good for door automation and docking systems, but there was a slightly negative sales trend for doors for the private residential segment and at Ditec. Acquired growth amounted to 17% (16). Operating income totaled SEK 394 M (341), giving an operating margin of 11.6% (12.4). Acquisition dilution affected the operating margin by a net -1.4 percentage points (-0.1). Return on capital employed amounted to 10.4% (10.0). Operating cash flow before interest paid totaled SEK 403 M (419).

ACQUISITIONS AND DIVESTMENTS

During the quarter a total of six acquisitions were consolidated. The combined acquisition price for the six companies acquired this year amounted to SEK 1,527 M, and preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amount to SEK 1,384 M. The acquisition price is adjusted for acquired net debt and estimated earn-outs. Estimated earn-outs amount to SEK 486 M.

SUSTAINABLE DEVELOPMENT

ASSA ABLOY's Sustainability Report for 2013 was published on 26 March 2014. The Report showed that the majority of the key indicators are continuing to move in a positive direction, not least in the area of health and safety.

Evaluation of the Group's suppliers in low-cost countries remains a prioritized area. In 2013, 885 (795) assessments of suppliers in these countries were carried out, an increase of 11 percent. From having mainly concentrated on China, the assessments have now progressively broadened out to cover several low-cost countries.

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72 internal assessors were trained in the Group in 2013, which is nearly double the figure for 2012. The number of reporting units involved in the sustainability reporting has risen to 327 (293), and a new Group-wide reporting system for sustainable development was introduced during 2013.

PARENT COMPANY

Other operating income for the Parent company ASSA ABLOY AB totaled SEK 299 M (367) for the first quarter. Income before tax amounted to SEK -119 M (174). Investments in tangible and intangible assets totaled SEK 0 M (0). Liquidity is good and the equity ratio was 42.1% (49.0).

ACCOUNTING PRINCIPLES

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are detailed on pages 90-95 of the 2013 Annual Report.

This Interim Report was prepared in accordance with IAS 34 'Interim Financial Reporting' and the Annual Accounts Act. The Interim Report for the Parent company was prepared in accordance with the Annual Accounts Act and RFR 2 'Reporting by a Legal Entity'.

TRANSACTIONS WITH RELATED PARTIES

No transactions that significantly affected the company's position and income have taken place between ASSA ABLOY and related parties.

RISKS AND UNCERTAINTY FACTORS

As an international Group with a wide geographic spread, ASSA ABLOY is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity, the giving of credit, raw materials and financial instruments. Risk management in ASSA ABLOY aims to identify, control and reduce risks. This work begins with an assessment of the probability of risks occurring and their potential effect on the Group. For a more detailed description of risks and risk management, see the 2013 Annual Report. No significant risks other than the risks described there are judged to have occurred.

AUDIT

The Company's Auditor has not carried out any review of this Interim Report.

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OUTLOOK*

Long-term outlook
Long term, ASSA ABLOY expects an increase in security-driven demand. Focus on end-user value and innovation as well as leverage on ASSA ABLOY's strong position will accelerate growth and increase profitability.

Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well.

** Outlook published on 7 February 2014:*

Long-term outlook
Long term, ASSA ABLOY expects an increase in security-driven demand. Focus on end-user value and innovation as well as leverage on ASSA ABLOY's strong position will accelerate growth and increase profitability.

Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well.

Stockholm, 29 April 2014

Johan Molin

President and CEO

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FINANCIAL INFORMATION

The Interim Report for the second quarter will be published on 18 July 2014.

The Interim Report for the third quarter will be published on 23 October 2014.

The Capital Markets Day will be held on 18 November 2014 in New Haven, Connecticut, at the Americas divisions Headquarter.

FURTHER INFORMATION CAN BE OBTAINED FROM:

Johan Molin, President and CEO, Tel: +46 8 506 485 42
Carolina Dybeck Happe, Chief Financial Officer, Tel: +46 8 506 485 72

ASSA ABLOY is holding an **analysts' meeting at 13.00 today** at Operaterrassen in Stockholm.

The analysts' meeting can also be followed on the Internet at www.assaabloy.com.

It is possible to submit questions by telephone on **+46 8 5055 6476, +44 203 364 5371 or +1 877 679 2993**.

This information is that which ASSA ABLOY is required to disclose under the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act.
The information is released for publication at 12.00 on 29 April.

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FINANCIAL INFORMATION - GROUP

CONSOLIDATED INCOME STATEMENT

SEK M	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Sales	48,481	10,868	12,305
Cost of goods sold	-30,082	-6,510	-7,514
Gross income	**18,399**	**4,358**	**4,791**
Selling, administrative and RnD costs	-11,569	-2,712	-2,952
Share of earnings in associates	94	15	18
Operating income	**6,924**	**1,662**	**1,857**
Financial items	-542	-129	-148
Income before tax	**6,381**	**1,533**	**1,709**
Tax on income	-1,595	-383	-444
Net income of disposal group classified as held for sale and discontinued operations	-11	-11	-
Net income	**4,775**	**1,138**	**1,264**
Net income attributable to:			
Parent company's shareholders	4,772	1,138	1,264
Non-controlling interest	2	1	0
Earnings per share			
before dilution, SEK	12.89	3.07	3.41
after dilution, SEK	12.89	3.07	3.41
after dilution excluding items affecting comparability, SEK	14.84	3.07	3.41

STATEMENT OF COMPREHENSIVE INCOME

SEK M	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Net income	**4,775**	**1,138**	**1,264**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Actuarial gain/loss on post employment benefit obligations, net after tax	225	202	-67
Total	**225**	**202**	**-67**
Items that may be reclassified subsequently to profit or loss			
Share of other comprehensive income of associates	-18	-66	0
Net investment and cashflow hedges	9	58	-3
Exchange rate differences	143	-364	-193
Total	**134**	**-372**	**-196**
Total comprehensive income	**5,133**	**968**	**1,001**
Total comprehensive income attributable to:			
Parent company's shareholders	5,129	967	1,001
Non-controlling interest	4	1	0

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FINANCIAL INFORMATION - GROUP

CONSOLIDATED BALANCE SHEET

SEK M	31 Dec 2013	31 Mar 2013	31 Mar 2014
ASSETS			
Non-current assets			
Intangible assets	38,280	34,170	39,380
Tangible assets	6,390	5,509	6,491
Investments in associates	1,675	1,466	1,696
Other financial assets	86	94	74
Deferred tax assets	1,677	1,574	1,657
Total non-current assets	**48,109**	**42,814**	**49,298**
Current assets			
Inventories	6,498	6,088	6,901
Trade receivables	8,531	7,495	8,699
Other current receivables and investments	2,263	2,201	2,294
Cash and cash equivalents	362	870	498
Total current assets	**17,654**	**16,654**	**18,392**
TOTAL ASSETS	**65,763**	**59,467**	**67,690**
EQUITY AND LIABILITIES			
Equity			
Parent company's shareholders	28,812	26,738	29,766
Non-controlling interest	0	68	0
Total equity	**28,813**	**26,806**	**29,766**
Non-current liabilities			
Long-term loans	13,329	12,265	14,627
Deferred tax liabilities	1,416	1,305	1,360
Other non-current liabilities and provisions	5,364	4,495	5,349
Total non-current liabilities	**20,109**	**18,065**	**21,336**
Current liabilities			
Short-term loans	4,875	2,256	5,202
Trade payables	4,393	3,416	4,075
Other current liabilities and provisions	7,574	8,925	7,311
Total current liabilities	**16,842**	**14,597**	**16,587**
TOTAL EQUITY AND LIABILITIES	**65,763**	**59,467**	**67,690**

CHANGES IN CONSOLIDATED EQUITY

	Equity attributable to:		
SEK M	Parent company's shareholders	Non-controlling interest	Total equity
Opening balance 1 January 2013	**25,819**	**183**	**26,001**
Net income	1,138	1	1,138
Other comprehensive income	-170	0	-170
Total comprehensive income	**967**	**1**	**968**
Dividend	-	-37	-37
Stock purchase plans	-48	-	-48
Change in non-controlling interest	-	-79	-79
Total transactions with parent company's shareholders	**-48**	**-115**	**-163**
Closing balance 31 March 2013	**26,738**	**68**	**26,806**
Opening balance 1 January 2014	**28,812**	**0**	**28,813**
Net income	1,264	0	1,264
Other comprehensive income	-263	0	-263
Total comprehensive income	**1,001**	**0**	**1,001**
Stock purchase plans	-48	-	-48
Total transactions with parent company's shareholders	**-48**	**0**	**-48**
Closing balance 31 March 2014	**29,766**	**0**	**29,766**

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FINANCIAL INFORMATION - GROUP

CONSOLIDATED CASH FLOW STATEMENT

SEK M	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
OPERATING ACTIVITIES			
Operating income	6,924	1,662	1,857
Depreciation	993	250	278
Reversal of restructuring costs	1,000	-	-
Restructuring payments	-647	-190	-87
Other non-cash items	17	-2	8
Cash flow before interest and tax	**8,286**	**1,720**	**2,055**
Interest paid and received	-431	-73	-52
Tax paid on income	-1,134	-357	-1,005
Cash flow before changes in working capital	**6,721**	**1,290**	**998**
Changes in working capital	-497	-1,110	-1,268
Cash flow from operating activities	**6,224**	**180**	**-270**
INVESTING ACTIVITIES			
Net investments in tangible and intangible assets	-1,202	-228	-266
Investments in subsidiaries	-4,783	-174	-952
Investments in associates	-131	-	-
Disposals of subsidiaries	85	85	180
Other investments and disposals	1	-7	-
Cash flow from investing activities	**-6,030**	**-323**	**-1,037**
FINANCING ACTIVITIES			
Dividends	-2,007	-	-
Acquisition of non-controlling interest	-2,155	-	-
Net cash effect of changes in borrowings	3,431	118	1,450
Cash flow from financing activities	**-731**	**118**	**1,450**
CASH FLOW	**-537**	**-25**	**143**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of period	**907**	**907**	**362**
Cash flow	-537	-25	143
Effect of exchange rate differences	-9	-12	-6
Cash and cash equivalents at end of period	**362**	**870**	**498**

KEY RATIOS	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Return on capital employed excluding items affecting comparability, %	17.1	15.6	14.4
Return on capital employed including items affecting comparability, %	14.9	15.6	14.4
Return on shareholders' equity, %	17.5	17.3	17.3
Equity ratio, %	43.8	45.1	44.0
Interest coverage ratio, times	13.5	12.1	14.4
Number of shares outstanding at the end of period, thousands	370,259	370,259	370,259
Weighted average number of shares, thousands	370,259	370,259	370,259
Weighted average number of shares after dilution, thousands	370,259	370,259	370,259
Average number of employees	42,556	42,688	43,735

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FINANCIAL INFORMATION - PARENT COMPANY

INCOME STATEMENT

SEK M	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Operating income	826	65	-114
Income before tax	2,896	174	-119
Net income	2,731	174	-119

BALANCE SHEET

SEK M	31 Dec 2013	31 Mar 2013	31 Mar 2014
Non-current assets	32,781	30,499	33,894
Current assets	5,695	3,606	6,943
Total assets	**38,476**	**34,105**	**40,837**
Equity	17,365	16,701	17,199
Provisions	9	0	6
Non-current liabilities	5,973	6,868	7,248
Current liabilities	15,129	10,536	16,384
Total equity and liabilities	**38,476**	**34,105**	**40,837**

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QUARTERLY INFORMATION - GROUP

THE GROUP IN SUMMARY

SEK M	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Full Year 2013	Q1 2014	Last 12 months
Sales	10,868	12,239	12,131	13,242	48,481	12,305	49,917
Organic growth [2)]	-1%	3%	3%	4%	2%	4%	
Gross income excluding items affecting comparability	**4,358**	**4,786**	**4,839**	**5,176**	**19,159**	**4,791**	**19,592**
Gross margin	40.1%	39.1%	39.9%	39.1%	39.5%	38.9%	39.2%
Operating income before depreciation (EBITDA) excluding items affecting comparability	**1,911**	**2,226**	**2,339**	**2,440**	**8,917**	**2,135**	**9,140**
Operating margin (EBITDA)	17.6%	18.2%	19.3%	18.4%	18.4%	17.3%	18.3%
Depreciation and amortization	-250	-256	-249	-238	-993	-278	-1,022
Operating income (EBIT) excluding items affecting comparability	**1,662**	**1,970**	**2,090**	**2,202**	**7,923**	**1,857**	**8,118**
Operating margin (EBIT)	15.3%	16.1%	17.2%	16.6%	16.3%	15.1%	16.3%
Items affecting comparability [3)]	-	-	-	-1,000	-1,000	-	-1,000
Operating income (EBIT)	**1,662**	**1,970**	**2,090**	**1,202**	**6,924**	**1,857**	**7,119**
Operating margin (EBIT)	15.3%	16.1%	17.2%	9.1%	14.3%	15.1%	14.3%
Net financial items	-129	-138	-124	-152	-542	-148	-561
Income before tax	**1,533**	**1,832**	**1,966**	**1,050**	**6,381**	**1,709**	**6,557**
Profit margin (EBT)	14.1%	15.0%	16.2%	7.9%	13.2%	13.9%	13.1%
Tax on income	-383	-458	-492	-262	-1,595	-444	-1,656
Net income of disposal group classified as held for sale and discontinued operations	-11	-	-	-	-11	-	-
Net income	**1,138**	**1,374**	**1,474**	**788**	**4,775**	**1,264**	**4,901**
Net income attributable to:							
Parent company's shareholders	1,138	1,372	1,474	788	4,772	1,264	4,899
Non-controlling interest	1	2	0	0	2	0	2

OPERATING CASH FLOW

SEK M	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Full Year 2013	Q1 2014	Last 12 months
Operating income (EBIT)	1,662	1,970	2,090	1,202	6,924	1,857	7,119
Restructuring costs	-	-	-	1,000	1,000	-	1,000
Depreciation	250	256	249	238	993	278	1,022
Net capital expenditure	-228	-233	-280	-461	-1,202	-266	-1,240
Change in working capital	-1,110	-234	232	615	-497	-1,268	-654
Interest paid and received	-73	-165	-53	-139	-431	-52	-410
Non-cash items	-2	-6	-63	86	17	8	26
Operating cash flow [4)]	**498**	**1,589**	**2,175**	**2,541**	**6,803**	**557**	**6,861**
Operating cash flow / Income before tax [4)]	0.33	0.87	1.11	1.24	0.92	0.33	0.91

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QUARTERLY INFORMATION - GROUP

THE GROUP IN SUMMARY

CHANGE IN NET DEBT

SEK M	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Full Year 2013	Q1 2014
Net debt at beginning of period	15,805	15,364	16,628	17,356	15,805	19,595
Operating cash flow	-498	-1,589	-2,175	-2,541	-6,803	-557
Restructuring payments	190	109	118	230	647	87
Tax paid	357	353	154	271	1,134	1,005
Impact on net debt from acquistions and disposals	-104	385	2,545	3,957	6,784	952
Dividend	-	1,888	89	29	2,007	-
Actuarial gain/loss on post employment benefit obligations	-300	-148	80	7	-361	97
Exchange rate differences and other	-86	265	-83	286	382	195
Net debt at end of period	**15,364**	**16,628**	**17,356**	**19,595**	**19,595**	**21,375**
Net debt/Equity ratio	0.57	0.62	0.63	0.68	0.68	0.72

NET DEBT

SEK M	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Non-current interest-bearing receivables	-29	-24	-27	-27	-26
Short-term interest-bearing investments including derivatives	-375	-384	-339	-342	-148
Cash and cash equivalents	-870	-940	-619	-362	-498
Pension provisions	1,972	1,908	1,941	2,015	2,110
Other non-current interest-bearing liabilities	12,265	11,262	11,045	13,329	14,627
Current interest-bearing liabilities including derivatives	2,401	4,806	5,356	4,983	5,311
Total	**15,364**	**16,628**	**17,356**	**19,595**	**21,375**

CAPITAL EMPLOYED AND FINANCING

SEK M	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Capital employed	42,170	43,433	44,884	48,408	51,141
- of which goodwill	28,742	29,446	28,841	31,817	32,930
- of which other intangible and tangible assets	10,937	11,302	11,094	12,854	12,941
- of which investments in associates	1,466	1,532	1,613	1,675	1,696
Net debt	15,364	16,628	17,356	19,595	21,375
Non-controlling interest	68	0	0	0	0
Shareholders' equity	26,738	26,805	27,527	28,812	29,766

DATA PER SHARE

SEK	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Full Year 2013	Q1 2014
Earnings per share after tax and before dilution	3.07	3.71	3.98	2.13	12.89	3.41
Earnings per share after tax and dilution	3.07	3.71	3.98	2.13	12.89	3.41
Earnings per share after tax and dilution excluding items affecting comparability [3)]	3.07	3.71	3.98	4.08	14.84	3.41
Shareholders' equity per share after dilution	72.21	72.39	74.35	77.83	77.83	80.39

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RESULTS BY DIVISION

Jan-Mar and 31 Mar

SEK M	EMEA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
	2013	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**
Sales, external	3,123	3,458	2,344	2,660	1,250	1,297	1,408	1,505	2,744	3,385			10,868 [1]	12,305 [1]
Sales, internal	48	52	9	13	105	123	18	14	18	20	-198	-222	-	-
Sales	**3,171**	**3,511**	**2,353**	**2,673**	**1,355**	**1,420**	**1,426**	**1,519**	**2,762**	**3,405**	**-198**	**-222**	**10,868**	**12,305**
Organic growth [2]	-6%	5%	5%	2%	2%	3%	0%	3%	-3%	4%			-1%	4%
Operating income (EBIT)	**509**	**565**	**494**	**563**	**151**	**151**	**242**	**260**	**341**	**394**	**-75**	**-76**	**1,662**	**1,857**
Operating margin (EBIT)	16.1%	16.1%	21.0%	21.1%	11.1%	10.6%	17.0%	17.1%	12.4%	11.6%			15.3%	15.1%
Capital employed	9,309	10,889	8,866	11,054	5,333	7,951	5,946	6,878	13,094	14,535	-379	-166	42,170	51,141
- of which goodwill	5,655	6,655	5,927	7,259	4,296	4,789	4,489	5,096	8,338	9,131	37	-	28,742	32,930
- of which other intangible and tangible assets	2,459	2,755	1,447	2,372	2,484	2,556	1,155	1,357	3,297	3,826	96	75	10,937	12,941
- of which investments in associates	22	8	-	-	291	383	-	-	1,153	1,305	-	-	1,466	1,696
Return on capital employed	19.3%	19.8%	23.5%	20.9%	11.7%	7.7%	16.4%	15.7%	10.0%	10.4%			15.6%	14.4%
Operating income (EBIT)	509	565	494	563	151	151	242	260	341	394	-75	-76	1,662	1,857
Depreciation and amortization	85	87	42	55	38	41	39	45	44	51	1	-1	250	278
Net capital expenditure	-78	-78	-41	-47	-30	-48	-70	-59	-9	-34	0	-1	-228	-266
Change in working capital	-412	-314	-347	-455	-218	-282	-188	-179	43	-8	12	-30	-1,110	-1,268
Cash flow [4]	**105**	**261**	**148**	**116**	**-59**	**-138**	**23**	**67**	**419**	**403**	**-63**	**-108**	**573**	**601**
Non-cash items											-2	8	-2	8
Interest paid and received											-73	-52	-73	-52
Operating cash flow [4]													**498**	**557**
Average number of employees	10,102	10,608	6,595	7,013	14,632	13,366	3,057	3,184	8,146	9,363	155	200	42,688	43,735

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RESULTS BY DIVISION

Jan-Dec and 31 Dec

	EMEA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**
Sales, external	13,177	12,957	9,623	10,074	6,705	6,879	6,191	6,406	10,923	12,166			46,619 1)	48,481 1)
Sales, internal	204	209	48	48	518	542	71	65	57	71	-898	-935	-	-
Sales	**13,382**	**13,165**	**9,671**	**10,121**	**7,224**	**7,420**	**6,262**	**6,472**	**10,979**	**12,237**	**-898**	**-935**	**46,619**	**48,481**
Organic growth 2)	1%	-1%	4%	6%	3%	4%	6%	6%	-2%	0%			2%	2%
Operating income (EBIT)	**2,279**	**2,197**	**2,007**	**2,140**	**978**	**1,032**	**1,073**	**1,184**	**1,546**	**1,733**	**-382**	**-363**	**7,501**	**7,923**
Operating margin (EBIT)	17.0%	16.7%	20.8%	21.1%	13.5%	13.9%	17.1%	18.3%	14.1%	14.2%			16.1%	16.3%
Items affecting comparability 3)	-	-300	-	-18	-	-183	-	-38	-	-313	-	-149	-	-1,000
Operating income (EBIT) incl. items affecting comparability	**2,279**	**1,897**	**2,007**	**2,121**	**978**	**850**	**1,073**	**1,146**	**1,546**	**1,420**	**-382**	**-512**	**7,501**	**6,924**
Capital employed	9,217	10,499	8,301	10,475	5,168	7,436	5,717	6,114	13,189	14,592	-169	-708	41,422	48,408
- of which goodwill	5,846	6,395	5,913	7,319	4,326	4,311	4,524	4,511	8,323	9,282	-	-	28,932	31,817
- of which other intangible and tangible assets	2,556	2,703	1,442	2,384	2,488	2,481	1,133	1,338	3,377	3,850	97	97	11,093	12,854
- of which investments in associates	22	8	-	-	315	371	-	-	1,182	1,296	-	-	1,519	1,675
Return on capital employed	22.6%	20.7%	23.6%	22.7%	20.7%	16.3%	17.3%	19.7%	12.3%	12.1%			18.1%	17.1%
Operating income (EBIT)	2,279	1,897	2,007	2,121	978	850	1,073	1,146	1,546	1,420	-382	-512	7,501	6,924
Restructuring costs	-	300	-	18	-	183	-	38	-	313	-	149	-	1,000
Depreciation and amortization	353	328	176	179	162	157	172	159	164	168	6	2	1,034	993
Net capital expenditure	-313	-337	-202	-182	71	-200	-112	-375	-4	-106	2	-2	-557	-1,202
Change in working capital	-79	-104	-185	-154	135	-57	8	-98	-59	-2	102	-82	-77	-497
Cash flow 4)	**2,241**	**2,084**	**1,797**	**1,983**	**1,348**	**932**	**1,140**	**870**	**1,648**	**1,792**	**-272**	**-445**	**7,902**	**7,218**
Non-cash items											-312	17	-312	17
Interest paid and received											-546	-431	-546	-431
Operating cash flow 4)													**7,044**	**6,803**
Average number of employees	10,260	10,089	6,620	6,726	15,284	14,243	3,029	3,136	7,429	8,191	140	171	42,762	42,556

1) Sales by Continent, SEK M.

	Jan-Dec 2012	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Europe	21,752	21,111	5,018	5,555
North America	13,503	15,483	3,517	4,321
Central and South America	911	957	218	233
Africa	645	663	142	162
Asia	7,619	8,189	1,487	1,556
Pacific	2,189	2,078	486	477

2) Organic growth concern comparable units after adjustment for acqusitions and currency effects.
3) Items affecting comparability consist of restructuring costs.
4) Excluding restructuring payments.

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FINANCIAL INFORMATION - NOTES

NOTE 1 BUSINESS COMBINATIONS

SEK M	Jan-Dec 2013	Jan-Mar 2013	Jan-Mar 2014
Purchase prices			
Cash paid for acquisitions during the period	3,991	54	1,053
Holdbacks and deferred considerations for acquisitions during the period	607	54	486
Adjustment of purchase prices for acquistions in prior years	0	-	-28
Fair value of investments in associates held before the business combination	45	-	-
Sum	**4,643**	**108**	**1,511**
Acquired net assets at fair value			
Intangible assets	914	-	73
Tangible assets	579	2	99
Financial assets	42	0	-31
Inventories	464	5	76
Current receivables and investments	499	12	80
Cash and cash equivalents	53	16	76
Non-current liabilities	-280	-	79
Current liabilities	-311	-13	-228
Sum	**1,959**	**23**	**224**
Goodwill	**2,684**	**85**	**1,287**
Change in cash and cash equivalents due to acquisitions			
Cash paid for acquisitions during the period	3,991	54	1,053
Cash and cash equivalents in acquired subsidiaries	-53	-16	-76
Paid holdbacks and deferred considerations for acquisitions in previous years	845	136	-26
Sum	**4,783**	**174**	**952**

Fair value adjustments of acquired net assets from acquisitions made in previous periods are included in the above table.

NOTE 2 FAIR VALUE AND CARRYING AMOUNT ON FINANCIAL ASSETS AND LIABILITIES

31 March 2014			Financial instruments at fair value		
SEK M	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Financial assets					
Financial assets at fair value through profit and loss	55	55		55	
Available-for-sale financial assets	4	4			
Loans and other receivables	10,917	10,917			
Derivative instruments - hedge accounting	70	70		70	
Financial liabilities					
Financial liabilities at fair value through profit and loss	1,457	1,457		73	1,383
Financial liabilities at amortized cost	23,429	23,628			
Derivative instruments - hedge accounting	35	35		35	

31 December 2013			Financial instruments at fair value		
SEK M	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Financial assets					
Financial assets at fair value through profit and loss	77	77		77	
Available-for-sale financial assets	4	4			
Loans and other receivables	10,772	10,772			
Derivative instruments - hedge accounting	62	62		62	
Financial liabilities					
Financial liabilities at fair value through profit and loss	995	995		58	937
Financial liabilities at amortized cost	22,597	22,759			
Derivative instruments - hedge accounting	50	50		50	