

Quarterly Report

Q2 2022

19 July 2022

ASSA ABLOY

Experience a safer and more open world

Strong growth and profit in turbulent times

Second quarter

- Net sales increased by 25% to SEK 29,466 M (23,648), with organic growth of 13% (23) and acquired net growth of 0% (5).
- Very strong organic growth in Americas and Entrance Systems and strong growth in EMEIA and Global Technologies, but organic sales declined in Asia Pacific.
- Three acquisitions with combined annual sales of about SEK 1,100 M were signed in the quarter.
- Operating income (EBIT) increased by 23% and amounted to SEK 4,406 M (3,589), corresponding to an operating margin of 15.0% (15.2).
- Net income amounted to SEK 3,156 M (3,212).
- Earnings per share amounted to SEK 2.84 (2.89).
- Operating cash flow amounted to SEK 3,787 M (3,627).

Organic growth

+13%

Operating income

+23%

Earnings per share

-2%¹⁾

Sales and income

	Second quarter			First half-year		
	2021	2022	Δ	2021	2022	Δ
Sales, SEK M	23,648	29,466	25%	45,454	56,057	23%
Of which:						
Organic growth	4,258	3,324	13%	5,085	6,610	14%
Acquisitions and divestments	856	-16	0%	1,721	-68	0%
Exchange-rate effects	-1,418	2,510	12%	-3,478	4,061	9%
Operating income (EBIT), SEK M	3,589	4,406	23%	6,776	8,407	24%
Operating margin (EBITA), %	15.8%	15.5%		15.6%	15.5%	
Operating margin (EBIT), %	15.2%	15.0%		14.9%	15.0%	
Income before tax, SEK M	3,441	4,208	22%	6,486	8,019	24%
Net income, SEK M	3,212	3,156	-2%	5,465	6,015	10%
Operating cash flow, SEK M	3,627	3,787	4%	6,262	4,699	-25%
Earnings per share, SEK	2.89	2.84	-2%	4.92	5.41	10%

¹ Adjusted for positive one-time tax effects from last year, the increase in earnings per share was 24% compared with last year.

Comments by the President and CEO

Strong growth and profit in turbulent times

Today we announce very strong sales growth and an improved operating result. This positive development is driven by continued strong demand for our products and solutions despite a turbulent operating environment with geopolitical uncertainties, lockdowns in China, high inflation and rising interest rates. I am proud of how our employees have applied a customer-centric focus to address supply-chain issues and other operational challenges.

Our organic sales grew by 13%, complemented by 12% positive currency effects, and with zero growth from M&A. Americas and Entrance Systems delivered very strong organic sales growth of 20% and 19% respectively. This was driven by a continued high demand in the US, strong price realization and excellent operational performance. EMEA reports strong organic growth of 8%, primarily driven by very strong growth in Scandinavia and the emerging markets. Despite component shortages, Global Technologies grew strongly by 6%, also helped by very strong growth in the new verticals in Global Solutions. Organic sales declined by 5% in Asia Pacific as demand in China continued to be very weak.

Our operating income increased by 23% to SEK 4,406 M and the operating margin was 15.0% (15.2). Our operating cash flow in the quarter improved by 4% to SEK 3,787 M. This corresponds to a cash conversion of 90%.

While demand remains positive, we stay alert

While we are continuing to see good demand for our products and solutions, it is crucial in turbulent and uncertain times that we remain vigilant and alert to potential signs of changes in the demand. During both the global financial crisis in 2008/09 and the pandemic we have proven that our decentralized operational model is flexible and that we have an agile cost-base. All our divisions have plans and tools in place to address potential changes in the demand and are well positioned to navigate through these uncertain times.

We continue to work on our growth-promoting and profitability improvement initiatives. Investment in product development is vital for staying relevant to our customers. Our focus on electromechanical product and solution development is paying off with a growth of 18% in this product segment in our regional divisions during the quarter.

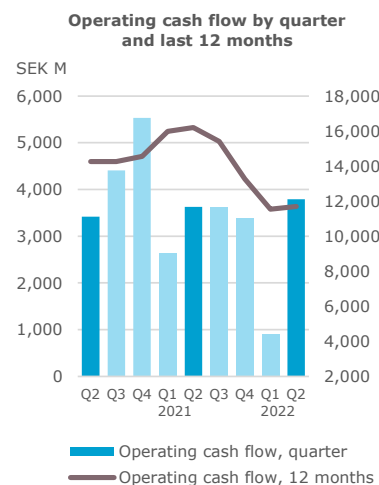
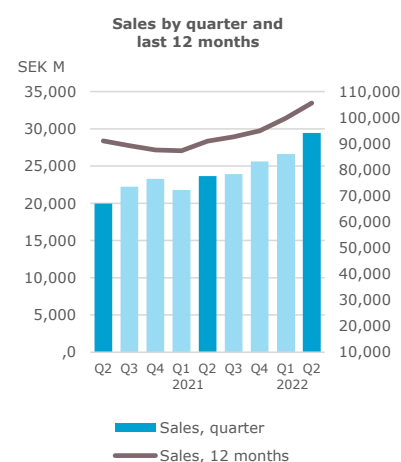
In parallel, we continue to acquire businesses and we have during the year consolidated seven businesses with annual sales of approximately SEK 2,800 M. Our pipeline remains strong, and the activity level is high.

Finally, I would like to wish all employees, shareholders, and other stakeholders a great second half of 2022.

Stockholm, 19 July 2022



Nico Delvaux
President and CEO



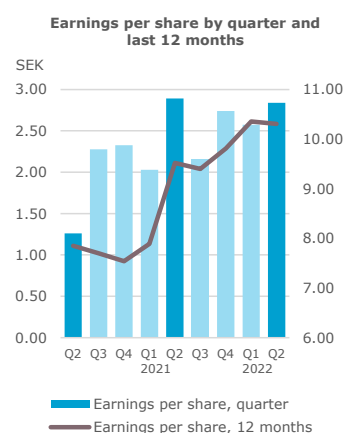
Second quarter

The Group's sales increased by 25% to SEK 29,466 M (23,648). Organic growth amounted to 13% (23). Growth from acquisitions and divestments was 0% (5), of which 1% (6) were acquisitions and -1% (-1) were divestments. Exchange-rates affected sales by 12% (-9).

The Group's operating income (EBIT) amounted to SEK 4,406 M (3,589), an increase of 23%. The corresponding operating margin was 15.0% (15.2). Exchange-rates had an impact of SEK 401 M (-213) on EBIT. Operating income before amortizations from acquisitions (EBITA) amounted to SEK 4,557 M (3,740). The corresponding EBITA margin was 15.5% (15.8).

Net financial items amounted to SEK -198 M (-148). The Group's income before tax was SEK 4,208 M (3,441), an increase of 22% compared with last year. Exchange-rates had an impact of SEK 390 M (-200) on income before tax. The profit margin was 14.3% (14.6).

The estimated effective income tax rate on an annual basis and excluding items affecting comparability was 25% (26). Earnings per share amounted to SEK 2.84 (2.89), a decrease of 2% compared with last year. Adjusted for positive one-time tax effects from last year, the increase in earnings per share was 24% compared with last year. Operating cash flow totaled SEK 3,787 M (3,627), which corresponds to a cash conversion of 0.90 (1.05). The net-debt/equity ratio at the end of the quarter was 0.42 (0.45).



First half-year

The Group's sales for the first half of 2022 totaled SEK 56,057 M (45,454), representing an increase of 23%. Organic growth was 14% (13). Growth from acquisitions and divestments was 0% (4), of which 1% (6) came from acquisitions and -1% (-1) from divestments. Exchange-rates affected sales by 9% (-9).

The Group's operating income (EBIT) amounted to SEK 8,407 M (6,776), an increase of 24% compared with last year. The corresponding operating margin was 15.0% (14.9). Operating income before amortizations from acquisitions (EBITA) amounted to SEK 8,710 M (7,082). The corresponding EBITA margin was 15.5% (15.6).

Earnings per share for the first half-year amounted to SEK 5.41 (4.92), an increase of 10% compared with last year. Operating cash flow totaled SEK 4,699 M (6,262), a decrease of 25% compared with last year.

Restructuring measures

Payments related to all restructuring programs amounted to SEK 84 M (129) during the quarter. The restructuring programs proceeded according to plan. At the end of the quarter provisions of SEK 537 M remained in the balance sheet for carrying out the programs.

Quarterly comments by division

Opening Solutions EMEA

Sales for the quarter in EMEA totaled SEK 5,561 M (5,235), with organic growth of 8% (39). Sales growth was very strong in Eastern Europe, Middle East, Africa, India and Scandinavia, with strong growth in France, DACH and Benelux, good growth in Finland and the UK, and stable sales in South Europe. Net sales growth from acquisitions, divestments and internal segment transfers was –5%. Operating income totaled SEK 801 M (782), which represents an operating margin (EBIT) of 14.4% (14.9). Return on capital employed, on an annualized basis, amounted to 16.1% (16.1). Operating cash flow before non-cash items and interest paid totaled SEK 662 M (801).

Opening Solutions Americas

Sales for the quarter in Americas totaled SEK 7,036 M (4,981), with organic growth of 20% (26). Sales growth was strong in Access & High Security and in Latin America and very strong in all other product areas and regions. Sales growth from acquisitions was 1%. Operating income totaled SEK 1,451 M (1,017), which represents an operating margin (EBIT) of 20.6% (20.4). Return on capital employed, on an annualized basis, amounted to 31.3% (28.1). Operating cash flow before non-cash items and interest paid totaled SEK 1,446 M (1,412).

Opening Solutions Asia Pacific

Sales for the quarter in Asia Pacific totaled SEK 2,379 M (2,244), with organic growth of –5% (0). Sales growth was very strong in South East Asia, with strong growth in Pacific and stable growth in South Korea, but sales declined significantly in China. Sales growth from acquisitions and internal segment transfers was 1%. Operating income totaled SEK 45 M (202), which represents an operating margin (EBIT) of 1.9% (9.0). Return on capital employed, on an annualized basis, amounted to 3.7% (7.8). Operating cash flow before non-cash items and interest paid totaled SEK 87 M (151).

Global Technologies

Sales for the quarter in Global Technologies totaled SEK 4,417 M (3,641), with organic growth of 6% (17). Sales growth was very strong in Citizen ID, Identification Technology and Secure Issuance, but sales declined in Physical Access Control, Identity & Access Solutions and Extended Access. Sales growth in Global Solutions was very strong. Sales growth from acquisitions and internal segment transfers was 2%. Operating income totaled SEK 677 M (573), which represents an operating margin (EBIT) of 15.3% (15.7). Return on capital employed, on an annualized basis, amounted to 10.6% (9.9). Operating cash flow before non-cash items and interest paid totaled SEK 545 M (804).

Entrance Systems

Sales for the quarter in Entrance Systems totaled SEK 10,673 M (8,007), with organic growth of 19% (21). Sales growth was very strong in Residential, Perimeter Security and Industrial and strong in Pedestrian. Sales growth from acquisitions was 1%. Operating income totaled SEK 1,651 M (1,196), which represents an operating margin (EBIT) of 15.5% (14.9). Return on capital employed, on an annualized basis, amounted to 17.7% (15.5). Operating cash flow before non-cash items and interest paid totaled SEK 1,261 M (923).

Acquisitions and divestments

Six acquisitions were consolidated during the quarter. The combined acquisition price for the businesses acquired during the year, including adjustments from prior-year acquisitions, amounted to SEK 3,240 M. The corresponding acquisition price on a cash and debt free basis totaled SEK 3,151 M. Preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amounted to SEK 2,088 M. Estimated deferred considerations for acquisitions made during the year amounted to SEK 139 M.

On July 15, 2022, it was announced that the US regulator continues to review the proposed acquisition of HHI and ASSA ABLOY is working to resolve its potential concerns. It can therefore not be ruled out that the closing of the transaction extends into 2023. ASSA ABLOY and Spectrum Brands have agreed to extend their agreement for ASSA ABLOY to acquire the HHI division of Spectrum Brands to June 30, 2023.

On June 22, 2022, it was announced that ASSA ABLOY has acquired Caldwell, a manufacturer of fenestration hardware for window manufacturers. Sales for 2021 amounted to about SEK 1,000 M.

On March 21, 2022, it was announced that ASSA ABLOY had entered into an agreement to acquire JOTEC, a leading regional industrial door distributor and service company in Germany. Sales for 2021 amounted to about SEK 200 M. The acquisition was completed in April 2022.

On September 27, 2021, it was announced that ASSA ABLOY had entered into an agreement to acquire Arran Isle, a leading designer, manufacturer and distributor of door and window hardware in the UK and Ireland. Sales in 2021 amounted to about SEK 1,450 M. The acquisition was completed in June 2022.

In April 2022, Finnlock, a smaller business in Russia, was divested. The capital loss from the divestment was not significant.

Sustainable development

ASSA ABLOY is continuously working towards executing our sustainability program and targets up to 2025, and we continuously drive improvement activities across all our sites. One example is our Guli factory in the Opening Solutions Asia Pacific division. The Guli factory is consuming 3% of the Group's total energy and 11% of its total water. Through the implementation of smart energy monitoring, significant opportunities to reduce energy waste were identified by optimizing machine scheduling and run times and installing new variable-speed air compressors.

The factory also reviewed its water footprint, identifying efficiency opportunities and upgrading its water infrastructure. This reduced the site's water footprint by 40% and the Group's water consumption by 4%.

Parent company

Other operating income for the Parent company ASSA ABLOY AB totaled SEK 2,924 M (2,492) for the first half-year of 2022. Operating income for the same period amounted to SEK 325 M (497). Investments in tangible and intangible assets totaled SEK 8 M (4,201). Liquidity is good and the equity ratio is 42.2% (42.0).

Accounting principles

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. The same accounting and valuation principles as in the previous Annual Report have been applied. No new or amended standards with material impact on the Group's financial reports have been applied for the first time in 2022.

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

ASSA ABLOY makes use of a number of financial performance measures that are not defined in the reporting rules that the company uses – so-called 'alternative performance measures'. For definitions of financial performance measures, refer to Page 19 of this Report. Information about how these measures have been calculated is available on the company's website www.assaabloy.com.

To check how the financial measurements have been calculated for current and earlier periods, refer to the tabulated figures in this Quarterly Report and to the company's Annual Report. The Annual Reports for the years 1994 to 2021 appear on the company's website.

Totals quoted in tables and statements may not always be the exact sum of the individual items because of rounding differences. The aim is that each line item should correspond to its source and rounding differences may therefore arise.

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

ASSA ABLOY is an international Group with a wide geographical spread, involving exposure to various forms of strategic, operational and financial risks. Strategic risks refer to changes in the business environment with potentially significant effects on ASSA ABLOY's operations and business objectives. Operational risks comprise risks directly attributable to business operations, entailing a potential impact on the Group's financial position and performance. Financial risks mainly comprise financing risk, currency risk, interest rate risk, credit risk, and risks associated with the Group's pension obligations.

Risk-taking in itself provides opportunities for continued economic growth, but naturally the risks may also have a negative impact on business operations and company goals. It is therefore essential to have a systematic and efficient risk assessment process and an effective risk management program in general. The purpose of risk management at ASSA ABLOY is not to avoid risks, but to take a controlled approach to identifying, managing and minimizing the effects of these risks. This work is based on an assessment of the probability of the risks and their potential impact on the Group.

The Covid-19 pandemic has had a substantial business impact on ASSA ABLOY. The continued impact of the pandemic on the business is difficult to predict due to the uncertainty of market conditions, but the health and safety of our employees remains our first priority.

ASSA ABLOY has limited direct business exposure to Russia, Ukraine, and Belarus, but indirect business effects continue to be monitored closely.

For a more detailed description of particular risks and risk management, please see the 2021 Annual Report.

M&A and FX guidance

The guidance below relating to two key figures is provided to facilitate financial modeling but should not be viewed as forecasting market outlooks or ASSA ABLOY's business performance.

Acquisitions and divestments

It is estimated that completed acquisitions and divestments, on a rolling 12-month basis at 30 June 2022, will have an effect of 3% on sales in the third quarter of 2022 versus the same period last year, while the effect on the operating margin is estimated to be highly accretive in the third quarter of 2022.

Exchange-rate effects

On the basis of the currency rates on 30 June 2022, it is estimated that the weighted currency effects on sales in the third quarter of 2022 versus the same period last year will be 13%, while the effect on the operating margin is estimated to be slightly accretive in the third quarter of 2022.

Certification

The Board of Directors and the President and CEO declare that this half-year report gives an accurate picture of the Parent Company's and the Group's operations, position and income and describes significant risks and uncertainty factors faced by the Parent Company and the companies making up the Group.

Stockholm, 19 July 2022

Lars Renström
Chairman

Carl Douglas
Vice Chairman

Nico Delvaux
President and CEO

Erik Ekudden
Board member

Johan Hjertonsson
Board member

Eva Karlsson
Board member

Lena Olving
Board member

Susanne Pahlén Åklundh
Board member

Sofia Schörling Högberg
Board member

Joakim Weidemanis
Board member

Rune Hjältn
Employee representative

Mats Persson
Employee representative

Review Report

ASSA ABLOY AB, org.no 556059-3575

Introduction

We have reviewed the condensed interim report for ASSA ABLOY AB as at June 30, 2022 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 19 July 2022

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

Financial information

The Quarterly Report for the third quarter of 2022 will be published on 26 October 2022.

A Capital Markets Day will be held on 16 November 2022 in London, UK.

The Year-end Report and Quarterly Report for the fourth quarter will be published on 3 February 2023.

Further information can be obtained from:

Nico Delvaux,
President and CEO, tel. no: +46 8 506 485 82

Erik Pieder,
Executive Vice President and CFO, tel.no: +46 8 506 485 72

ASSA ABLOY is holding a **telephone and web conference**
at 09.30 on 19 July 2022

which can be followed online at www.assaabloy.com.

It is possible to submit questions by telephone on:
08-505 583 59, +44 333 300 9265 or +1 631 913 1422

This is information that ASSA ABLOY AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CEST on 19 July 2022.

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Corporate identity number: 556059-3575

No.13/2022

Financial information - Group

CONDENSED INCOME STATEMENT

SEK M	Q2		Jan-Jun	
	2021	2022	2021	2022
Sales	23,648	29,466	45,454	56,057
Cost of goods sold	-14,210	-17,836	-27,294	-33,952
Gross income	9,438	11,630	18,159	22,106
Selling, administrative and R&D costs	-5,851	-7,228	-11,388	-13,708
Share of earnings in associates	3	4	5	10
Operating income	3,589	4,406	6,776	8,407
Finance net	-148	-198	-290	-388
Income before tax	3,441	4,208	6,486	8,019
Tax on income	-229	-1,052	-1,021	-2,005
Net income for the period	3,212	3,156	5,465	6,015
Net income for the period attributable to:				
Parent company's shareholders	3,212	3,153	5,465	6,012
Non-controlling interests	0	3	0	3
Earnings per share				
Before and after dilution, SEK	2.89	2.84	4.92	5.41
Before and after dilution and excluding items affecting comparability, SEK	2.89	2.84	4.92	5.41

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

SEK M	Q2		Jan-Jun	
	2021	2022	2021	2022
Net income for the period	3,212	3,156	5,465	6,015
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Actuarial gain/loss on post-employment benefit obligations, net after tax	33	-169	491	-179
Total	33	-169	491	-179
Items that may be reclassified subsequently to profit or loss				
Share of other comprehensive income of associates	-9	-10	-20	-36
Cashflow hedges and net investment hedges, net after tax	3	2	-10	9
Exchange rate differences	-782	4,140	1,351	5,345
Total	-788	4,132	1,321	5,318
Total comprehensive income for the period	2,456	7,119	7,277	11,153
Total comprehensive income for the period attributable to:				
Parent company's shareholders	2,457	7,115	7,277	11,150
Non-controlling interests	0	3	0	3

Financial information - Group

CONDENSED BALANCE SHEET

	31 Dec	30 Jun	
SEK M	2021	2021	2022
ASSETS			
Non-current assets			
Intangible assets	76,336	74,201	84,012
Property, plant and equipment	8,753	8,186	9,538
Right-of-use assets	3,436	3,466	3,601
Investments in associates	652	626	636
Other financial assets	267	259	320
Deferred tax assets	1,264	1,494	1,182
Total non-current assets	90,707	88,232	99,289
Current assets			
Inventories	13,933	11,381	18,272
Trade receivables	15,844	15,091	19,697
Other current receivables and investments	5,165	4,594	6,034
Cash and cash equivalents	4,325	3,544	1,707
Total current assets	39,267	34,611	45,710
TOTAL ASSETS	129,975	122,843	144,999
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent company's shareholders	69,582	63,953	78,365
Non-controlling interests	9	9	11
Total equity	69,592	63,962	78,376
Non-current liabilities			
Long-term loans	20,195	20,900	20,784
Non-current lease liabilities	2,433	2,197	2,535
Deferred tax liabilities	2,581	2,430	2,919
Other non-current liabilities and provisions	3,899	4,224	4,062
Total non-current liabilities	29,108	29,750	30,299
Current liabilities			
Short-term loans	5,042	4,876	7,046
Current lease liabilities	1,082	1,333	1,163
Trade payables	9,527	8,035	10,523
Other current liabilities and provisions	15,625	14,886	17,593
Total current liabilities	31,276	29,131	36,323
TOTAL EQUITY AND LIABILITIES	129,975	122,843	144,999

CHANGES IN EQUITY

	Equity attributable to:		
SEK M	Parent company's shareholders	Non-controlling interests	Total equity
Opening balance 1 January 2021	58,870	9	58,879
Net income for the period	5,465	0	5,465
Other comprehensive income	1,811	0	1,812
Total comprehensive income	7,277	0	7,277
Dividend	-2,166	-1	-2,167
Stock purchase plans	-28	-	-28
Total transactions with shareholders	-2,194	-1	-2,195
Closing balance 30 June 2021	63,953	9	63,962
Opening balance 1 January 2022	69,582	9	69,592
Net income for the period	6,012	3	6,015
Other comprehensive income	5,139	0	5,139
Total comprehensive income	11,150	3	11,153
Dividend	-2,333	-1	-2,333
Stock purchase plans	-35	-	-35
Total transactions with shareholders	-2,368	-1	-2,369
Closing balance 30 June 2022	78,365	11	78,376

Financial information - Group

CONDENSED STATEMENT OF CASH FLOWS

SEK M	Q2		Jan-Jun	
	2021	2022	2021	2022
OPERATING ACTIVITIES				
Operating income	3,589	4,406	6,776	8,407
Depreciation and amortization	963	961	1,892	1,900
Other non-cash items	-39	52	-95	65
Restructuring payments	-129	-84	-267	-152
Cash flow before interest and tax	4,385	5,335	8,305	10,221
Interest paid and received	-175	-257	-297	-390
Tax paid on income	-820	-1,278	-1,352	-1,876
Cash flow before changes in working capital	3,390	3,800	6,656	7,955
Changes in working capital	-9	-641	-710	-3,902
Cash flow from operating activities	3,381	3,159	5,947	4,053
INVESTING ACTIVITIES				
Net investments in intangible assets and property, plant and equipment	-388	-410	-677	-746
Investments in subsidiaries	-429	-3,013	-724	-3,060
Divestments of subsidiaries	12	3	46	5
Other investments and disposals	-42	0	-42	0
Cash flow from investing activities	-847	-3,420	-1,398	-3,800
FINANCING ACTIVITIES				
Dividends	-2,167	-2,333	-2,167	-2,333
Amortization of lease liabilities	-315	-324	-627	-635
Net cash effect of changes in borrowings	-115	502	-977	79
Cash flow from financing activities	-2,597	-2,156	-3,770	-2,889
CASH FLOW FOR THE PERIOD	-62	-2,417	779	-2,637
CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at beginning of period	3,610	4,113	2,756	4,325
Cash flow for the period	-62	-2,417	779	-2,637
Effect of exchange rate differences	-3	12	9	19
Cash and cash equivalents at end of period	3,544	1,707	3,544	1,707

Quarterly information - Group

THE GROUP IN SUMMARY										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Sales	19,953	22,225	23,298	21,805	23,648	23,930	25,623	26,591	29,466	45,454	56,057	95,007	105,611
Organic growth	-18%	-5%	-5%	4%	23%	7%	10%	14%	13%	13%	14%	11%	-
Gross income ¹	7,648	9,026	9,278	8,722	9,438	9,535	10,082	10,476	11,630	18,159	22,106	37,777	41,723
Gross margin ¹	38.3%	40.6%	39.8%	40.0%	39.9%	39.8%	39.3%	39.4%	39.5%	40.0%	39.4%	39.8%	39.5%
EBITDA ¹	3,024	4,505	4,487	4,115	4,552	4,373	4,982	4,941	5,367	8,668	10,308	18,023	19,662
EBITDA margin ¹	15.2%	20.3%	19.3%	18.9%	19.3%	18.3%	19.4%	18.6%	18.2%	19.1%	18.4%	19.0%	18.6%
Depreciation, excl attrib. to business combinations	-787	-771	-853	-774	-812	-833	-821	-788	-810	-1,586	-1,598	-3,241	-3,252
EBITA ¹	2,237	3,734	3,634	3,341	3,740	3,539	4,161	4,153	4,557	7,082	8,710	14,782	16,410
EBITA margin ¹	11.2%	16.8%	15.6%	15.3%	15.8%	14.8%	16.2%	15.6%	15.5%	15.6%	15.5%	15.6%	15.5%
Amortization attrib. to business combinations	-141	-142	-159	-154	-151	-147	-148	-151	-152	-305	-303	-601	-598
Operating income (EBIT) ¹	2,097	3,593	3,475	3,187	3,589	3,392	4,013	4,001	4,406	6,776	8,407	14,181	15,812
Operating margin (EBIT) ¹	10.5%	16.2%	14.9%	14.6%	15.2%	14.2%	15.7%	15.0%	15.0%	14.9%	15.0%	14.9%	15.0%
Items affecting comparability	-	1 910	-1,367	-	-	-	-	-	-	-	-	-	-
Operating income (EBIT)	2,097	5,502	2,108	3,187	3,589	3,392	4,013	4,001	4,406	6,776	8,407	14,181	15,812
Operating margin (EBIT)	10.5%	24.8%	9.0%	14.6%	15.2%	14.2%	15.7%	15.0%	15.0%	14.9%	15.0%	14.9%	15.0%
Net financial items	-205	-176	-169	-142	-148	-159	-194	-190	-198	-290	-388	-643	-741
Income before tax	1,892	5,326	1,938	3,045	3,441	3,233	3,819	3,811	4,208	6,486	8,019	13,538	15,071
Profit margin	9.5%	24.0%	8.3%	14.0%	14.6%	13.5%	14.9%	14.3%	14.3%	14.3%	14.3%	14.2%	14.3%
Tax on income	-492	-888	-469	-792	-229	-841	-776	-953	-1,052	-1,021	-2,005	-2,638	-3,621
Net income for the period	1,400	4,438	1,470	2,253	3,212	2,392	3,043	2,859	3,156	5,465	6,015	10,901	11,450
Net income attributable to:													
Parent company's shareholders	1,399	4,437	1,471	2,253	3,212	2,393	3,042	2,858	3,153	5,465	6,012	10,900	11,446
Non-controlling interests	1	1	-1	0	0	0	1	0	3	0	3	1	4
OPERATING CASH FLOW										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Operating income (EBIT)	2,097	5,502	2,108	3,187	3,589	3,392	4,013	4,001	4,406	6,776	8,407	14,181	15,812
Reversal items affecting comparability	-	-1 910	1,367	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	927	912	1,012	929	963	980	969	939	961	1,892	1,900	3,841	3,850
Net capital expenditure	-442	-301	-439	-289	-388	-407	-545	-336	-410	-677	-746	-1,629	-1,697
Change in working capital	1,460	820	1,811	-701	-9	-157	-629	-3,261	-641	-710	-3,902	-1,496	-4,688
Interest paid and received	-244	-90	-189	-122	-175	-110	-162	-133	-257	-297	-390	-569	-662
Repayment of lease liabilities	-322	-308	-319	-311	-315	-313	-303	-312	-324	-627	-635	-1,242	-1,251
Non-cash items	-58	-219	178	-57	-39	233	41	13	52	-95	65	178	339
Operating cash flow	3,418	4,407	5,529	2,636	3,627	3,619	3,384	912	3,787	6,262	4,699	13,265	11,702
Cash conversion	1.81	1.29	1.67	0.87	1.05	1.12	0.89	0.24	0.90	0.97	0.59	0.98	0.78
CHANGE IN NET DEBT										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Net debt at beginning of period	36,371	34,112	35,059	29,755	29,160	28,509	25,732	27,071	27,617	29,755	27,071	29,755	28,509
Operating cash flow	-3,418	-4,407	-5,529	-2,636	-3,627	-3,619	-3,384	-912	-3,787	-6,262	-4,699	-13,265	-11,702
Restructuring payments	173	155	337	138	129	130	166	68	84	267	152	563	448
Tax paid on income	474	1,104	648	532	820	805	960	597	1,278	1,352	1,876	3,117	3,641
Acquisitions and divestments	86	4,331	-497	385	472	-632	975	67	3,039	858	3,106	1,201	3,449
Dividend	2,222	-	2,055	-	2,167	1	2,166	-	2,333	2,167	2,333	4,333	4,500
Actuarial gain/loss on post-employment benefit oblig.	407	94	-321	-619	-44	-37	-216	11	191	-663	202	-917	-51
Change to lease liabilities	-110	98	-93	-29	-97	7	33	-76	-51	-126	-127	-86	-87
Exchange rate differences, etc.	-2,093	-428	-1,904	1,633	-471	568	639	791	1,860	1,163	2,651	2,370	3,858
Net debt at end of period	34,112	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	28,509	32,565	27,071	32,565
Net debt/Equity	0.58	0.56	0.51	0.46	0.45	0.38	0.39	0.38	0.42				
NET DEBT										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Interest-bearing assets	-76	-47	-205	-189	-176	-177	-177	-177	-199	-	-	-	-
Cash and cash equivalents	-3,726	-4,906	-2,756	-3,610	-3,544	-5,995	-4,325	-4,113	-1,707	-6,262	-4,699	-13,265	-11,702
Derivative financial instruments, net	-441	-350	-255	83	1	62	86	283	141	267	152	563	448
Pension provisions	3,887	4,164	3,514	2,995	2,922	2,949	2,736	2,715	2,803	858	3,106	1,201	3,449
Lease liabilities	3,614	3,818	3,562	3,678	3,530	3,401	3,515	3,534	3,697	2,167	2,333	4,333	4,500
Interest-bearing liabilities	30,853	32,379	25,895	26,202	25,776	25,492	25,237	25,374	27,829	-663	202	-917	-51
Total	34,112	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	-126	-127	-86	-87
CAPITAL EMPLOYED AND FINANCING										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Goodwill	58,243	64,013	58,344	60,822	60,198	60,604	62,502	63,600	69,536				
Other intangible assets	12,502	12,716	14,108	14,446	14,004	13,920	13,834	13,877	14,476				
Property, plant and equipment	8,562	8,897	8,026	8,329	8,186	8,325	8,753	8,934	9,538				
Right-of-use assets	3,592	3,779	3,513	3,619	3,466	3,330	3,436	3,450	3,601				
Other capital employed	10,726	8,190	5,867	6,721	7,588	7,623	8,796	11,932	14,327				
Restructuring reserve	-522	-363	-1,224	-1,119	-971	-848	-658	-600	-537				
Capital employed	93,103	97,232	88,634	92,818	92,471	92,954	96,663	101,193	110,941				
Net debt	34,112	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565				
Non-controlling interests	12	12	9	10	9	8	9	9	11				
Equity attributable to Parent company's shareholders	58,980	62,161	58,870	63,649	63,953	67,214	69,582	73,568	78,365				
OTHER KEY RATIOS ETC										Jan-jun	Jan-jun	Year	Last 12
SEK M	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	2021	2022	2021	months
Earnings per share, SEK	1.26	3.99	1.32	2.03	2.89	2.15	2.74	2.57	2.84				
Earnings per share, excl IAC, SEK	1.26	2.28	2.33	2.03	2.89	2.15	2.74	2.57	2.84				
Shareholders' equity per share, SEK	53.10	55.96	53.00	57.30	57.57	60.51	62.64	66.23	70.55				
Return on capital employed	13.4%	13.1%	12.5%	13.1%	14.9%	14.6%	15.2%	15.7%	16.0%				
Return on equity	15.0%	17.0%	15.5%	15.1%	18.5%	14.4%	17.0%	16.8%	16.1%				
Net debt/EBITDA	2.1	2.2	1.9	1.8	1.6	1.5	1.5	1.5	1.7				
Average number of employees	46,979	47,553	48,471	49,685	50,727	50,946	50,934	50,984	51,545				
Average adjusted capital employed	95,340	95,452	95,002	94,230	93,076	93,287	93,199	95,766	99,074				
Average number of shares, thousands	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776				
Items affecting comparability, net of tax	-	1,910	-1,112	-	-	-	-	-	-				

¹⁾ Excluding items affecting comparability (IAC)

Reporting by division

Q2 and 30 Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Sales, external	5,126	5,429	4,947	6,994	1,989	2,014	3,610	4,379	7,976	10,650	-	-	23,648	29,466
Sales, internal	109	132	34	42	254	365	31	38	31	23	-458	-600	-	-
Sales	5,235	5,561	4,981	7,036	2,244	2,379	3,641	4,417	8,007	10,673	-458	-600	23,648	29,466
Organic growth	39%	8%	26%	20%	0%	-5%	17%	6%	21%	19%	-	-	23%	13%
Acquisitions and divestments	0%	-5%	1%	1%	-1%	1%	4%	2%	12%	1%	-	-	5%	0%
Exchange-rate effects	-4%	3%	-14%	20%	-4%	10%	-9%	13%	-11%	13%	-	-	-9%	12%
Operating income (EBIT)	782	801	1,017	1,451	202	45	573	677	1,196	1,651	-181	-219	3,589	4,406
Operating margin (EBIT)	14.9%	14.4%	20.4%	20.6%	9.0%	1.9%	15.7%	15.3%	14.9%	15.5%	-	-	15.2%	15.0%
OPERATING CASH FLOW														
SEK M														
Operating income (EBIT)	782	801	1,017	1,451	202	45	573	677	1,196	1,651	-181	-219	3,589	4,406
Depreciation and amortization	230	212	149	135	76	83	226	240	273	282	9	10	963	961
Net capital expenditure	-123	-127	-101	-104	-25	-28	-54	-39	-85	-105	0	-7	-388	-410
Amortization of lease liabilities	-87	-64	-37	-45	-24	-27	-35	-41	-128	-142	-4	-4	-315	-324
Change in working capital	-1	-160	383	8	-77	14	94	-293	-333	-425	-75	213	-9	-641
Operating cash flow by division	801	662	1,412	1,446	151	87	804	545	923	1,261	-251	-8	3,840	3,992
Non-cash items											-39	52	-39	52
Interest paid and received											-175	-257	-175	-257
Operating cash flow													3,627	3,787

Jan-Jun and 30 Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Sales, external	10,082	10,604	9,506	13,203	3,533	3,575	6,885	8,397	15,448	20,278	-	-	45,454	56,057
Sales, internal	210	266	79	73	483	684	57	71	58	48	-888	-1,142	-	-
Sales	10,292	10,870	9,585	13,276	4,017	4,259	6,942	8,468	15,506	20,326	-888	-1,142	45,454	56,057
Organic growth	20%	7%	12%	21%	9%	-4%	3%	9%	16%	20%	-	-	13%	14%
Acquisitions and divestments	1%	-5%	1%	1%	-2%	1%	3%	2%	12%	1%	-	-	4%	0%
Exchange-rate effects	-6%	4%	-14%	17%	-5%	9%	-9%	11%	-11%	10%	-	-	-9%	9%
Operating income (EBIT)	1,537	1,577	1,971	2,716	280	111	1,045	1,193	2,292	3,206	-349	-396	6,776	8,407
Operating margin (EBIT)	14.9%	14.5%	20.6%	20.5%	7.0%	2.6%	15.1%	14.1%	14.8%	15.8%	-	-	14.9%	15.0%
OPERATING CASH FLOW														
SEK M														
Operating income (EBIT)	1,537	1,577	1,971	2,716	280	111	1,045	1,193	2,292	3,206	-349	-396	6,776	8,407
Depreciation and amortization	461	418	261	262	154	162	453	479	544	560	19	19	1,892	1,900
Net capital expenditure	-205	-214	-167	-187	-65	-52	-92	-85	-147	-197	-1	-11	-677	-746
Amortization of lease liabilities	-168	-126	-71	-86	-48	-53	-71	-76	-262	-285	-6	-9	-627	-635
Change in working capital	-237	-970	144	-707	-264	-307	98	-613	-445	-1,402	-6	97	-710	-3,902
Operating cash flow by division	1,388	685	2,139	1,997	57	-139	1,434	897	1,981	1,882	-344	-299	6,655	5,025
Non-cash items											-95	65	-95	65
Interest paid and received											-297	-390	-297	-390
Operating cash flow													6,262	4,699
CAPITAL EMPLOYED														
SEK M														
Goodwill	11,168	12,023	11,133	13,327	3,811	5,448	15,370	17,824	18,716	20,914	-	-	60,198	69,536
Other intangible assets	1,312	1,050	1,194	1,378	965	1,225	3,990	3,868	6,502	6,915	90	40	14,053	14,476
Property, plant and equipment	2,204	2,627	1,609	2,021	1,386	1,468	1,083	1,283	1,853	2,088	-	51	8,136	9,538
Right-of-use assets	947	913	389	487	255	230	516	525	1,311	1,407	47	40	3,466	3,601
Other capital employed	2,840	3,817	-148	1,569	1,748	2,483	786	1,368	2,830	5,154	-468	-64	7,588	14,327
Adjusted capital employed	18,471	20,430	14,178	18,782	8,165	10,854	21,746	24,868	31,213	36,478	-331	67	93,441	111,478
Restructuring reserve	-367	-217	-7	-1	-164	-92	-137	-105	-174	-100	-121	-23	-971	-537
Capital employed	18,104	20,213	14,171	18,781	8,000	10,763	21,609	24,763	31,039	36,378	-452	44	92,471	110,941
Return on capital employed	16.1%	16.1%	28.1%	31.3%	7.8%	3.7%	9.9%	10.6%	15.5%	17.7%	-	-	14.9%	16.0%
Average adjusted capital employed	18,456	18,370	13,724	15,798	8,465	9,055	21,974	22,663	30,936	33,383	-	-	93,076	99,074
Average number of employees	12,235	11,771	8,963	9,416	8,419	7,712	6,438	6,926	14,413	15,292	260	428	50,727	51,545

Reporting by division

Jan-Dec and 31 Dec														
	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Sales, external	18,563	20,040	18,907	20,356	7,916	7,549	14,054	14,495	28,210	32,568	-	-	87,649	95,007
Sales, internal	418	483	107	151	926	1,170	105	109	113	123	-1,668	-2,036	-	-
Sales	18,982	20,522	19,013	20,507	8,841	8,719	14,158	14,604	28,323	32,690	-1,668	-2,036	87,649	95,007
Organic growth	-8%	13%	-7%	14%	-16%	2%	-15%	5%	-2%	14%	-	-	-8%	11%
Acquisitions and divestments	-1%	-2%	-9%	1%	1%	-2%	10%	3%	15%	7%	-	-	4%	2%
Exchange-rate effects	-1%	-3%	-2%	-7%	-2%	-1%	-3%	-5%	-2%	-6%	-	-	-3%	-5%
Share of earnings in associates	-	-	-	-	9	18	9	1	239	-1	-	-	257	19
EBIT, excl items affecting comparability	2,263	2,916	3,698	4,200	396	499	2,023	2,253	4,083	4,988	-547	-675	11,916	14,181
EBIT margin, excl items affecting comparability	11,9%	14,2%	19,4%	20,5%	4,5%	5,7%	14,3%	15,4%	14,4%	15,3%	-	-	13,6%	14,9%
Restructuring costs	-448	-	-51	-	-303	-	-195	-	-220	-	-150	-	-1,366	-
Revaluation of associate shareholding	-	-	-	-	-	-	-	-	1,909	-	-	-	1,909	-
Operating income (EBIT)	1,815	2,916	3,647	4,200	93	499	1,828	2,253	5,772	4,988	-697	-675	12,458	14,181
Operating margin (EBIT)	9,6%	14,2%	19,2%	20,5%	1,1%	5,7%	12,9%	15,4%	20,4%	15,3%	-	-	14,2%	14,9%
Operating income (EBIT)	1,815	2,916	3,647	4,200	93	499	1,828	2,253	5,772	4,988	-697	-675	12,458	14,181
Revaluation of associate shareholding	448	-	51	-	303	-	195	-	-1,689	-	150	-	-542	-
Depreciation and amortization	925	969	471	493	355	306	917	923	1,078	1,114	30	37	3,776	3,841
Net capital expenditure	-407	-475	-267	-351	-192	-182	-430	-250	-330	-361	-47	-10	-1,674	-1,629
Amortization of lease liabilities	-318	-306	-132	-148	-108	-92	-144	-144	-559	-537	-14	-15	-1,275	-1,242
Change in working capital	476	-14	1,067	-471	311	-247	144	397	702	-1,233	-94	73	2,606	-1,496
Operating cash flow by division	2,939	3,089	4,837	3,722	762	285	2,509	3,179	4,974	3,971	-673	-591	15,349	13,656
Non-cash items											-95	178	-95	178
Interest paid and received											-694	-569	-694	-569
Operating cash flow													14,560	13,265
Capital employed	16,849	17,063	13,201	15,908	8,191	8,653	21,044	22,326	30,231	32,787	-883	-74	88,634	96,663
- of which goodwill	10,475	10,949	10,444	11,700	3,884	4,028	14,881	16,164	18,660	19,662	-	-	58,344	62,502
- of which other intangible assets and PPE	3,485	3,516	2,713	2,977	2,375	2,483	5,100	5,059	8,362	8,461	99	90	22,134	22,587
- of which right-of-use assets	998	937	387	430	264	243	457	512	1,390	1,270	17	44	3,513	3,436
- of which investments in associates	1	1	-	-	589	602	28	32	20	17	-	-	637	652
Return on capital employed	11,9%	16,2%	24,4%	30,0%	4,4%	5,9%	8,9%	10,4%	13,9%	15,8%	-	-	12,5%	15,2%
Average adjusted capital employed	19,050	17,991	15,186	13,986	8,910	8,498	22,757	21,751	29,352	31,525	-	-	95,002	93,199
Average number of employees	10,281	11,848	8,787	9,298	9,892	8,259	6,374	6,556	12,883	14,604	254	369	48,471	50,934

Financial information - Notes

NOTE 1 DISAGGREGATION OF REVENUE

Sales by continent Q2

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Europe	4,542	4,718	19	41	144	171	1,033	1,242	3,614	4,115	-203	-246	9,150	10,040
North America	110	137	4,433	6,340	243	427	1,747	2,068	3,860	5,978	-156	-251	10,238	14,700
Central- and South America	19	25	489	615	8	6	89	166	18	22	-12	-5	611	828
Africa	272	290	3	4	4	2	60	113	8	13	-9	-9	337	412
Asia	263	355	35	34	1,235	1,078	507	591	256	268	-49	-54	2,247	2,273
Oceania	29	36	2	2	609	695	204	237	251	278	-30	-35	1,065	1,213
Total	5,235	5,561	4,981	7,036	2,244	2,379	3,641	4,417	8,007	10,673	-458	-600	23,648	29,466

Sales by continent Jan-Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Europe	8,998	9,298	48	65	288	319	1,982	2,446	7,124	8,085	-417	-466	18,022	19,746
North America	201	251	8,531	11,970	442	730	3,362	3,891	7,357	11,145	-285	-476	19,608	27,512
Central- and South America	34	49	930	1,167	19	17	164	313	34	42	-22	-12	1,160	1,576
Africa	468	505	5	12	5	4	125	236	25	24	-18	-17	611	763
Asia	537	699	67	57	2,104	1,838	936	1,141	494	520	-90	-102	4,048	4,153
Oceania	54	68	4	5	1,159	1,351	372	443	472	511	-57	-70	2,005	2,308
Total	10,292	10,870	9,585	13,276	4,017	4,259	6,942	8,468	15,506	20,326	-888	-1,142	45,454	56,057

Sales by product group Q2

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Mechanical locks, lock systems and fittings	2,515	2,723	2,146	2,756	1,120	1,182	87	97	2	2	-162	-205	5,707	6,555
Electromechanical and electronic locks	1,692	1,691	1,242	1,819	505	584	3,529	4,316	230	303	-235	-335	6,962	8,379
Security doors and hardware	866	1,021	1,584	2,440	596	561	25	4	709	1,060	-26	-34	3,755	5,052
Entrance automation	161	126	8	20	23	53	-	-	7,066	9,308	-35	-25	7,223	9,481
Total	5,235	5,561	4,981	7,036	2,244	2,379	3,641	4,417	8,007	10,673	-458	-600	23,648	29,466

Sales by product group Jan-Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Mechanical locks, lock systems and fittings	4,958	5,357	4,120	5,239	2,037	2,196	165	170	4	4	-324	-398	10,959	12,568
Electromechanical and electronic locks	3,357	3,337	2,378	3,463	888	1,030	6,740	8,292	501	570	-445	-620	13,419	16,071
Security doors and hardware	1,686	1,927	3,072	4,539	1,052	936	37	6	1,399	1,998	-51	-69	7,195	9,338
Entrance automation	291	249	15	35	40	97	-	-	13,602	17,754	-67	-55	13,880	18,080
Total	10,292	10,870	9,585	13,276	4,017	4,259	6,942	8,468	15,506	20,326	-888	-1,142	45,454	56,057

NOTE 2 BUSINESS COMBINATIONS

Consolidated acquisitions 2022

Acquisition	Division	Country	Number of employees	Approx. sales in 2021	Month of consolidation
Keytechnik	Global Technologies	Belgium	<50	<50 MSEK	2022-03
Jotec	Entrance Systems	Germany	100	200 MSEK	2022-04
Vigil Health Solutions	Global Technologies	Canada	<50	<50 MSEK	2022-04
Vizinex	Global Technologies	USA	<50	<50 MSEK	2022-05
Arran Isle	EMEIA	UK	556	1,450 MSEK	2022-06
Acura	Global Technologies	Brazil	70	60 MSEK	2022-06
Caldwell	Asia Pacific/EMEIA	USA	415	1,000 MSEK	2022-06

	Q2		Jan-Jun	
SEK M	2021	2022	2021	2022
Purchase prices				
Cash paid for acquisitions during the year	258	3,085	408	3,092
Holdbacks and deferred considerations for acquisitions during the year	21	137	74	139
Adjustment of purchase prices for acquisitions in prior years	0	0	-7	8
Total	279	3,221	475	3,240
Acquired assets and liabilities at fair value				
Intangible assets	-5	15	128	115
Property, plant and equipment and right-of-use assets	1	219	9	242
Other non-current assets	1	27	2	28
Inventories	36	748	64	759
Current receivables and investments	22	503	75	465
Cash and cash equivalents	8	114	88	116
Non-current liabilities	96	6	-20	-13
Current liabilities	-111	-547	-173	-560
Total	48	1,085	174	1,151
Goodwill	231	2,136	301	2,088
Change in cash and cash equivalents due to acquisitions				
Cash paid for acquisitions during the year	258	3,085	408	3,092
Cash and cash equivalents in acquired subsidiaries	-8	-114	-88	-116
Paid considerations for acquisitions in prior years	178	43	405	83
Total	429	3,013	724	3,060

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

Financial information - Notes

NOTE 3 FAIR VALUE AND CARRYING AMOUNT ON FINANCIAL ASSETS AND LIABILITIES

30 June 2022

SEK M	Carrying amount	Fair value	Financial instruments at fair value		
			Level 1	Level 2	Level 3
Financial assets					
Financial assets at amortized cost	21,665	21,665			
Financial assets at fair value through profit and loss	60	60			
Derivatives - hedge accounting	35	35		35	
Derivatives - held for trading	527	527		527	
Financial liabilities					
Financial liabilities at amortized cost	38,352	37,695			
Financial liabilities at fair value through profit and loss	465	465			465
Lease liabilities	3,697	3,697			
Derivatives - hedge accounting	156	156		156	
Derivatives - held for trading	547	547		547	

31 December 2021

SEK M	Carrying amount	Fair value	Financial instruments at fair value		
			Level 1	Level 2	Level 3
Financial assets					
Loans and other receivables	20,393	20,393			
Financial assets at fair value through profit and loss	52	52			
Available-for-sale financial assets	85	85		85	
Derivative instruments - hedge accounting	177	177		177	
Financial liabilities					
Financial liabilities at amortized cost	34,763	34,960			
Financial liabilities at fair value through profit and loss	403	403			403
Lease liabilities	3,515	3,515			
Derivatives - hedge accounting	3	3		3	
Derivatives - held for trading	344	344		344	

Financial liabilities at fair value through profit and loss pertains to deferred considerations, i.e. additional payments for acquired companies. The size of a deferred consideration is usually linked to the earnings and sales performance in an acquired company during a specific period of time.

Deferred considerations are initially measured on the day of acquisition based on management's best estimate regarding future outcomes and belong to level 3 in the hierarchy.

Financial information - Parent company

CONDENSED INCOME STATEMENT

SEK M

	Year	Jan-Jun	
	2021	2021	2022
Operating income	1,053	497	325
Income before appropriations and tax	6,721	3,068	1,190
Net income for the period	6,631	2,979	1,151

CONDENSED BALANCE SHEET

SEK M

	31 Dec	30 Jun	
	2021	2021	2022
Non-current assets	46,435	43,437	47,030
Current assets	18,231	20,832	17,550
Total assets	64,666	64,269	64,580
Equity	28,481	26,971	27,264
Untaxed reserves	1,606	1,125	1,606
Non-current liabilities	14,577	14,192	14,988
Current liabilities	20,002	21,980	20,722
Total equity and liabilities	64,666	64,269	64,580

Definitions of financial performance measures

Organic growth

Change in sales for comparable units after adjustments for acquisitions, divestments and exchange rate effects.

Operating margin (EBITDA)

Operating income before depreciation and amortization as a percentage of sales.

Operating margin (EBITA)

Operating income before amortization of intangible assets recognized in business combinations, as a percentage of sales.

Operating margin (EBIT)

Operating income as a percentage of sales.

Profit margin (EBT)

Income before tax as a percentage of sales.

Items affecting comparability

Restructuring costs and significant non-recurring operating expenses such as revaluation of previously owned shares in associates and goodwill impairment.

Operating cash flow

Cash Flow from operating activities excluding restructuring payments and tax paid on income minus net capital expenditure and repayment of lease liabilities.

Cash conversion

Operating cash flow in relation to income before tax excluding items affecting comparability.

Net capital expenditure

Investments in, less disposals of, intangible assets and property, plant and equipment.

Depreciation and amortization

Depreciation, amortization and impairment of intangible assets, property, plant and equipment and right-of-use assets.

Capital employed

Total assets less interest-bearing assets and non-interest-bearing liabilities including deferred tax liability.

Average adjusted capital employed

Average capital employed excluding restructuring reserves for the last twelve months.

Net debt

Interest-bearing liabilities less interest-bearing assets. See the table on net debt for detailed information.

Net debt/EBITDA

Net debt at the end of the period in relation to EBITDA for the last twelve months.

Net debt/Equity ratio

Net debt in relation to equity.

Equity ratio

Shareholders' equity as a percentage of total assets.

Shareholders' equity per share

Equity excluding non-controlling interests in relation to number of outstanding shares after any potential dilution.

Return on capital employed

Operating Income (EBIT), excluding Items Affecting Comparability, for the last twelve months as a percentage of average adjusted capital employed.

Return on equity

Net income attributable to parent company's shareholders for the last twelve months as a percentage of average equity attributable to parent company's shareholders for the same period.

Earnings per share before and after dilution

Net income attributable to parent company's shareholders divided by weighted average number of outstanding shares. None of the Group's outstanding long-term incentive programs are expected to result in significant dilution in the future.

Earnings per share before and after dilution and excluding items affecting comparability

Net income attributable to parent company's shareholders excluding items affecting comparability, net of tax, divided by weighted average number of outstanding shares. None of the Group's outstanding long-term incentive programs are expected to result in significant dilution in the future.