

Quarterly Report

Q3 2022

26 October 2022

ASSA ABLOY

Experience a safer and more open world

Very strong performance in the quarter

Third quarter

- Net sales increased by 33% to SEK 31,820 M (23,930), with organic growth of 14% (7) and acquired net growth of 3% (2). Exchange-rates affected sales by 16% (-1).
- Very strong organic growth in Entrance Systems, Global Technologies and Americas, good growth in EMEA, but organic sales declined in Asia Pacific.
- Six acquisitions with combined annual sales of about SEK 1,000 M were signed in the quarter.
- The US regulator will seek to block ASSA ABLOY's proposed acquisition of the HHI division of Spectrum Brands. ASSA ABLOY and Spectrum Brands will contest in court this effort to oppose the transaction.
- Operating income (EBIT) increased by 47% and amounted to SEK 4,973 M (3,392), with an operating margin of 15.6% (14.2). Excluding an operating loss of SEK 196 M for the CERTEGO divestment, the operating margin last year was 15.0%.
- Net income amounted to SEK 3,552 M (2,392).
- Earnings per share amounted to SEK 3.20 (2.15).
- Operating cash flow amounted to SEK 4,520 M (3,619).

Organic growth

+14%

Operating income

+47%

Earnings per share

+48%

Sales and income

	Third quarter			January-September		
	2021	2022	Δ	2021	2022	Δ
Sales, SEK M	23,930	31,820	33%	69,384	87,878	27%
Of which:						
Organic growth	1,576	3,741	14%	6,661	10,351	14%
Acquisitions and divestments	490	857	3%	2,211	790	1%
Exchange-rate effects	-361	3,292	16%	-3,839	7,353	12%
Operating income (EBIT), SEK M	3,392	4,973	47%	10,168	13,380	32%
Operating margin (EBITA), %	14.8%	16.2%		15.3%	15.8%	
Operating margin (EBIT), %	14.2%	15.6%		14.7%	15.2%	
Income before tax, SEK M	3,233	4,736	47%	9,719	12,756	31%
Net income, SEK M	2,392	3,552	48%	7,858	9,567	22%
Operating cash flow, SEK M	3,619	4,520	25%	9,881	9,219	-7%
Earnings per share, SEK	2.15	3.20	48%	7.07	8.61	22%

Comments by the President and CEO

Very strong performance in the quarter

Following a very strong sales development during the first half of 2022, the momentum continued during the third quarter with double-digit organic sales growth in most of our markets.

Our organic sales grew by 14%, complemented with 16% positive currency effects and 3% growth from M&A. Entrance Systems and Americas delivered very strong sales growth of 20% and 17% respectively, driven predominantly by a continued strong US market and price realization. Despite continued component shortages, Global Technologies achieved a very strong organic growth of 19% due to our launch of redesigned products and our continued recovery in the travel-related segments. EMEIA reported good organic growth of 4%, driven by very strong demand in Scandinavia and in most emerging markets. Although demand has improved in Southeast Asia and remained very strong in Pacific, organic sales in Asia Pacific were down by 2% as demand in China continued to be very weak.

Excluding an operating loss from divestments in 2021, our EBIT increased by 39% to SEK 4,973 M and the margin improved to 15.6% (15.0), driven by lower material headwind, continued operational efficiencies as well as a significant margin improvement in Global Technologies. Our operating cash flow in the quarter continued to improve, up 25% to SEK 4,520 M.

Delivering on our strategic activities

To accelerate our profitable growth, we are working with a number of strategic activities. One key activity is actively upgrading our installed base from mechanical to electromechanical solutions. We are leading this transition and are investing in new platforms and partner collaborations that, over time, will further strengthen our position in the industry. Our innovation efforts are paying off, and for the fourth consecutive quarter our sales of electromechanical products and solutions grew organically at double-digit rates and were up 16% in the quarter. This transition will also further improve the resilience of our business through more recurring sales and service, both of which achieved double-digit growth in the quarter.

We are continuing to execute our acquisition strategy, with six further acquisitions signed during the quarter, bringing the number of acquisitions closed this year to eleven by the end of September. In September, the U.S. Department of Justice (DoJ) announced that it will seek to block our proposed acquisition of the HHI division of Spectrum Brands. We strongly disagree with the DoJ's characterization of the acquisition and will vigorously contest in court this effort to oppose the transaction.

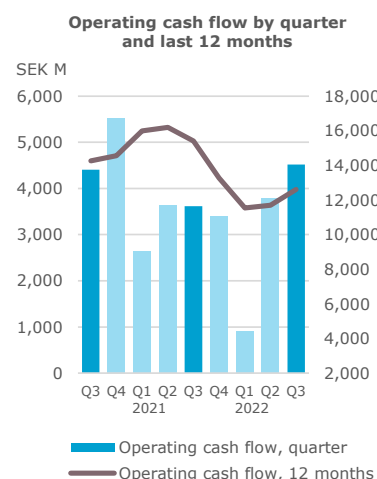
While growth-generating activities create value, focus on costs is critical. The demand remains strong in most markets, but due to weaker demand in some European markets in the quarter (mainly the UK, France and Benelux), some local organizations have initiated cost-reduction actions to protect their profitability. We have a strong track record of being agile, and we will continue to act in response to possible changes in market conditions.

Lastly, I would like to note that we will host our Capital Markets Day on 16 November 2022 in London, where we will provide an update on our strategy and will display exciting new products and solutions such as mobile credentials and connected doors.

Stockholm, 26 October 2022



Nico Delvaux
President and CEO



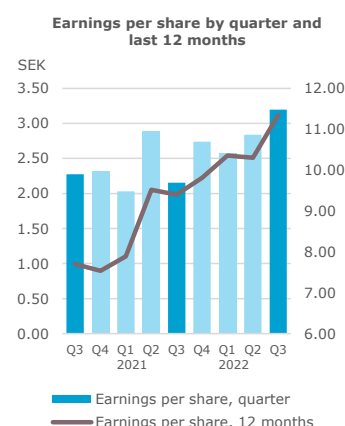
Third quarter

The Group's sales increased by 33% to SEK 31,820 M (23,930). Organic growth amounted to 14% (7). Growth from acquisitions and divestments was 3% (2), of which 4% (4) were acquisitions and -1% (-1) were divestments. Exchange-rates affected sales by 16% (-1).

The Group's operating income (EBIT) amounted to SEK 4,973 M (3,392), an increase of 47%. The corresponding operating margin was 15.6% (14.2). Excluding an operating loss of SEK 196 M for the CERTEGO divestment, the operating margin last year was 15.0%. Exchange-rates had an impact of SEK 538 M (-120) on EBIT. Operating income before amortizations from acquisitions (EBITA) amounted to SEK 5,139 M (3,539). The corresponding EBITA margin was 16.2% (14.8).

Net financial items amounted to SEK -237 M (-159). The Group's income before tax was SEK 4,736 M (3,233), an increase of 47% compared with last year. Exchange-rates had an impact of SEK 526 M (-109) on income before tax. The profit margin was 14.9% (13.5).

The estimated effective income tax rate on an annual basis and excluding items affecting comparability was 25% (26). Earnings per share amounted to SEK 3.20 (2.15), an increase of 48% compared with last year. Operating cash flow totaled SEK 4,520 M (3,619), which corresponds to a cash conversion of 0.95 (1.12). The net-debt/equity ratio at the end of the quarter was 0.35 (0.38).



First nine months of the year

The Group's sales for the first nine months of 2022 totaled SEK 87,878 M (69,384), representing an increase of 27%. Organic growth was 14% (11). Growth from acquisitions and divestments was 1% (4), of which 2% (5) came from acquisitions and -1% (-1) from divestments. Exchange-rates affected sales by 12% (-7).

The Group's operating income (EBIT) amounted to SEK 13,380 M (10,168), an increase of 32% compared with last year. The corresponding operating margin was 15.2% (14.7). Operating income before amortizations from acquisitions (EBITA) amounted to SEK 13,849 M (10,621). The corresponding EBITA margin was 15.8% (15.3).

Earnings per share amounted to SEK 8.61 (7.07), an increase of 22% compared with last year. Operating cash flow totaled SEK 9,219 M (9,881), which corresponds to a cash conversion of 0.72 (1.02).

Restructuring measures

A new manufacturing footprint program will be launched at the end of the first quarter of 2023. The closure of factories and offices in the restructuring program is expected to take place over a period of around two years.

Payments related to all restructuring programs amounted to SEK 81 M (130) during the quarter. The restructuring programs proceeded according to plan. At the end of the quarter provisions of SEK 469 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 5,758 M (5,044), with organic growth of 4% (7). Sales growth was very strong in Scandinavia and Middle East/Africa/India, with strong growth in East Europe, good growth in DACH and stable development in Finland and South Europe. Sales declined in the UK, France and Benelux. Net sales growth from acquisitions and divestments was 5%. Operating income totaled SEK 825 M (572), which represents an operating margin (EBIT) of 14.3% (11.3). Excluding the operating loss of SEK 196 M for the CERTEGO divestment, the operating margin last year was 15.2%. Return on capital employed, on an annualized basis, amounted to 17.0% (15.2). Operating cash flow before non-cash items and interest paid totaled SEK 773 M (560).

Opening Solutions Americas

Sales for the quarter in Americas totaled SEK 7,640 M (5,400), with organic growth of 17% (14). Sales growth was very strong in Access & High Security, Architectural Hardware, Electromechanical Solutions, Security Doors and US Residential and strong in US Smart Residential, Canada and Latin America. Sales growth from acquisitions was 0%. Operating income totaled SEK 1,600 M (1,112), which represents an operating margin (EBIT) of 20.9% (20.6). Return on capital employed, on an annualized basis, amounted to 32.1% (29.2). Operating cash flow before non-cash items and interest paid totaled SEK 1,612 M (997).

Opening Solutions Asia Pacific

Sales for the quarter in Asia Pacific totaled SEK 2,918 M (2,271), with organic growth of -2% (-7). Sales growth was very strong in South East Asia, South Korea and Pacific, but declined significantly in China. Sales growth from acquisitions was 15%. Operating income totaled SEK 132 M (132), which represents an operating margin (EBIT) of 4.5% (5.8). Return on capital employed, on an annualized basis, amounted to 3.5% (7.2). Operating cash flow before non-cash items and interest paid totaled SEK 190 M (122).

Global Technologies

Sales for the quarter in Global Technologies totaled SEK 5,142 M (3,705), with organic growth of 19% (7). Sales growth was very strong in Citizen ID, Identification Technology and Physical and Access Control, strong in Identity & Access Solutions and Extended Access and good in Secure Issuance. Sales growth in Global Solutions was very strong. Sales growth from acquisitions was 2%. Operating income totaled SEK 890 M (585), which represents an operating margin (EBIT) of 17.3% (15.8). Return on capital employed, on an annualized basis, amounted to 11.4% (10.1). Operating cash flow before non-cash items and interest paid totaled SEK 702 M (864).

Entrance Systems

Sales for the quarter in Entrance Systems totaled SEK 11,066 M (8,058), with organic growth of 20% (10). Sales growth was very strong in Residential, Industrial and Pedestrian and strong in Perimeter Security. Sales growth from acquisitions was 1%. Operating income totaled SEK 1,735 M (1,191), which represents an operating margin (EBIT) of 15.7% (14.8). Return on capital employed, on an annualized basis, amounted to 18.5% (15.0). Operating cash flow before non-cash items and interest paid totaled SEK 1,424 M (1,023).

Acquisitions and divestments

Four 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 4,085 M. The corresponding acquisition price on a cash and debt free basis totaled SEK 4,114 M. Preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amounted to SEK 2,799 M. Estimated deferred considerations for acquisitions made during the year amounted to SEK 363 M.

On September 15, 2022, it was announced by ASSA ABLOY that the US Department of Justice filed a complaint seeking to enjoin ASSA ABLOY's proposed acquisition of the HHI division of Spectrum Brands. ASSA ABLOY and Spectrum Brands strongly disagree with the US regulator's characterization of the proposed transaction and will vigorously contest in court this effort to oppose the transaction. As earlier announced, 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 October 14, 2022, it was announced that ASSA ABLOY had formally filed its response to the U.S. Department of Justice's ("DOJ") complaint to block the proposed acquisition of the Hardware and Home Improvement division ("HHI") of Spectrum Brands. In its formal response, the following can be noted: to fully resolve all the alleged competitive concerns surrounding the acquisition of HHI, ASSA ABLOY has initiated a sales process of Emtek and Smart Residential businesses in the U.S. and Canada. These businesses represented sales of about USD 350 M in 2021. Residential businesses outside the U.S. and Canada are not in scope to be divested. The proposed divestitures are dependent on our successful defense against the DOJ regarding the planned acquisition of HHI. ASSA ABLOY will remain fully committed to these excellent businesses during the process and all the businesses will continue to operate as normal.

On September 5, 2022, it was announced that ASSA ABLOY has signed an agreement to acquire Control iD, a leading developer of hardware and software solutions for access control and time & attendance in Brazil. Sales for 2021 amounted to about SEK 250 M. The acquisition is subject to regulatory approval and customary closing conditions and is expected to close during the fourth quarter of 2022.

On September 1, 2022, it was announced that ASSA ABLOY has signed an agreement to acquire VHS Plastik Metal, a leading manufacturer of hardware systems for windows and doors based in Turkey. Sales for 2021 amounted to about SEK 150 M. The acquisition was completed at the end of September.

On August 9, 2022, it was announced that ASSA ABLOY has acquired J Newton Enterprises Inc, a leading pedestrian door distributor and service company in Florida, USA. Sales for 2021 amounted to about SEK 150 M.

On August 3, 2022, it was announced that ASSA ABLOY has signed an agreement to acquire Alcea, a French provider of security supervision software and associated access control hardware that together with system partners provides total access management solutions. Sales for 2021 amounted to about SEK 200 M. The acquisition was completed in October.

Sustainable development

ASSA ABLOY is accelerating efforts to reduce energy related carbon emissions. This complements our commitment to Science Based Targets, while also helping to mitigate the effects of surging energy prices. We are focusing on reducing energy consumption, as well as installing onsite-renewable energy generation.

We continue to focus on delivering our Sustainability Program running through to 2025. At our site in Salvador in Brazil, we have installed a new electroplating process with a focus on water efficiency. The installation saves over 36 million liters of water per year and reduces the site's water use by 78%.

Parent company

Other operating income for the Parent company ASSA ABLOY AB totaled SEK 3,837 M (3,234) for the first nine months of the year. Operating income for the same period amounted to SEK -115 M (-30). Investments in tangible and intangible assets totaled SEK 10 M (4,220). Liquidity is good and the equity ratio is 41.0% (43.0).

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 last 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 18 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 September 2022, will have an effect of 3% on sales in the fourth quarter of 2022 versus the same period last year, while the effect on the operating margin is estimated to be dilutive in the fourth quarter of 2022.

Exchange-rate effects

On the basis of the currency rates on 30 September 2022, it is estimated that the weighted currency effects on sales in the fourth quarter of 2022 versus the same period last year will be 17%, while the effect on the operating margin is estimated to be accretive in the fourth quarter of 2022.

Review

The Company's Auditors have not carried out any review of this Report for the third quarter of 2022.

Stockholm, 26 October 2022

A handwritten signature in black ink, appearing to read 'Nico Delvaux', written in a cursive style.

Nico Delvaux
President and CEO

Financial information

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:

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ASSA ABLOY is holding a **telephone and web conference**
at 09.30 on 26 October 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 information is information that ASSA ABLOY AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CEST on 26 October 2022.

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No.21/2022

Financial information - Group

CONDENSED INCOME STATEMENT

	Q3		Jan-Sep	
	2021	2022	2021	2022
SEK M				
Sales	23,930	31,820	69,384	87,878
Cost of goods sold	-14,395	-19,194	-41,689	-53,146
Gross income	9,535	12,626	27,695	34,732
Selling, administrative and R&D costs	-6,143	-7,657	-17,532	-21,366
Share of earnings in associates	0	4	5	14
Operating income	3,392	4,973	10,168	13,380
Finance net	-159	-237	-449	-624
Income before tax	3,233	4,736	9,719	12,756
Tax on income	-841	-1,184	-1,862	-3,189
Net income for the period	2,392	3,552	7,858	9,567
Net income for the period attributable to:				
Parent company's shareholders	2,393	3,551	7,858	9,563
Non-controlling interests	0	1	0	4
Earnings per share				
Before and after dilution, SEK	2.15	3.20	7.07	8.61
Before and after dilution and excluding items affecting comparability, SEK	2.15	3.20	7.07	8.61

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Q3		Jan-Sep	
	2021	2022	2021	2022
SEK M				
Net income for the period	2,392	3,552	7,858	9,567
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Actuarial gain/loss on post-employment benefit obligations, net after tax	27	430	518	250
Total	27	430	518	250
Items that may be reclassified subsequently to profit or loss				
Share of other comprehensive income of associates	11	8	-9	-28
Cashflow hedges and net investment hedges, net after tax	-5	-15	-15	-6
Exchange rate differences	823	3,930	2,174	9,275
Total	830	3,924	2,151	9,242
Total comprehensive income for the period	3,250	7,905	10,527	19,059
Total comprehensive income for the period attributable to:				
Parent company's shareholders	3,250	7,904	10,526	19,054
Non-controlling interests	0	2	0	5

Financial information - Group

CONDENSED BALANCE SHEET

	31 Dec	30 Sep	
SEK M	2021	2021	2022
ASSETS			
Non-current assets			
Intangible assets	76,336	74,524	88,314
Property, plant and equipment	8,753	8,325	10,079
Right-of-use assets	3,436	3,330	3,735
Investments in associates	652	636	652
Other financial assets	267	259	326
Deferred tax assets	1,264	1,363	1,200
Total non-current assets	90,707	88,438	104,305
Current assets			
Inventories	13,933	12,594	19,944
Trade receivables	15,844	15,163	21,009
Other current receivables and investments	5,165	5,074	6,523
Cash and cash equivalents	4,325	5,995	2,978
Total current assets	39,267	38,826	50,454
TOTAL ASSETS	129,975	127,264	154,759
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent company's shareholders	69,582	67,214	86,285
Non-controlling interests	9	8	13
Total equity	69,592	67,222	86,298
Non-current liabilities			
Long-term loans	20,195	19,887	21,629
Non-current lease liabilities	2,433	2,320	2,631
Deferred tax liabilities	2,581	2,457	3,094
Other non-current liabilities and provisions	3,899	4,161	3,881
Total non-current liabilities	29,108	28,825	31,235
Current liabilities			
Short-term loans	5,042	5,605	5,715
Current lease liabilities	1,082	1,081	1,209
Trade payables	9,527	8,547	10,582
Other current liabilities and provisions	15,625	15,985	19,721
Total current liabilities	31,276	31,217	37,226
TOTAL EQUITY AND LIABILITIES	129,975	127,264	154,759

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	7,858	0	7,858
Other comprehensive income	2,668	0	2,669
Total comprehensive income	10,526	0	10,527
Dividend	-2,166	-2	-2,168
Stock purchase plans	-16	-	-16
Total transactions with shareholders	-2,182	-2	-2,184
Closing balance 30 September 2021	67,214	8	67,222
Opening balance 1 January 2022	69,582	9	69,592
Net income for the period	9,563	4	9,567
Other comprehensive income	9,491	1	9,492
Total comprehensive income	19,054	5	19,059
Dividend	-2,333	-1	-2,333
Stock purchase plans	-18	-	-18
Total transactions with shareholders	-2,351	-1	-2,352
Closing balance 30 September 2022	86,285	13	86,298

Financial information - Group

CONDENSED STATEMENT OF CASH FLOWS

SEK M	Q3		Jan-Sep	
	2021	2022	2021	2022
OPERATING ACTIVITIES				
Operating income	3,392	4,973	10,168	13,380
Depreciation and amortization	980	1,041	2,872	2,942
Other non-cash items	233	44	137	109
Restructuring payments	-130	-81	-397	-233
Cash flow before interest and tax	4,476	5,977	12,781	16,197
Interest paid and received	-110	-217	-407	-607
Tax paid on income	-805	-1,038	-2,157	-2,914
Cash flow before changes in working capital	3,560	4,722	10,217	12,677
Changes in working capital	-157	-477	-866	-4,379
Cash flow from operating activities	3,404	4,245	9,350	8,298
INVESTING ACTIVITIES				
Net investments in intangible assets and property, plant and equipment	-407	-509	-1,084	-1,254
Investments in subsidiaries	-434	-674	-1,158	-3,733
Divestments of subsidiaries	648	1	694	6
Other investments and disposals	0	0	-42	-1
Cash flow from investing activities	-192	-1,182	-1,590	-4,982
FINANCING ACTIVITIES				
Dividends	-1	-	-2,168	-2,333
Acquisition of non-controlling interests	-	-55	-	-55
Amortization of lease liabilities	-313	-335	-939	-970
Net cash effect of changes in borrowings	-451	-1,416	-1,428	-1,336
Cash flow from financing activities	-764	-1,806	-4,535	-4,696
CASH FLOW FOR THE PERIOD	2,447	1,257	3,226	-1,380
CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at beginning of period	3,544	1,707	2,756	4,325
Cash flow for the period	2,447	1,257	3,226	-1,380
Effect of exchange rate differences	3	14	13	33
Cash and cash equivalents at end of period	5,995	2,978	5,995	2,978

Quarterly information - Group

THE GROUP IN SUMMARY										Jan-sep	Jan-sep	Year	Last 12
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	2021	2022	2021	months
Sales	22,225	23,298	21,805	23,648	23,930	25,623	26,591	29,466	31,820	69,384	87,878	95,007	113,501
Organic growth	-5%	-5%	4%	23%	7%	10%	14%	13%	14%	11%	14%	11%	-
Gross income ¹	9,026	9,278	8,722	9,438	9,535	10,082	10,476	11,630	12,626	27,695	34,732	37,777	44,814
Gross margin ¹	40.6%	39.8%	40.0%	39.9%	39.8%	39.3%	39.4%	39.5%	39.7%	39.9%	39.5%	39.8%	39.5%
EBITDA ¹	4,505	4,487	4,115	4,552	4,373	4,982	4,941	5,367	6,014	13,041	16,322	18,023	21,304
EBITDA margin ¹	20.3%	19.3%	18.9%	19.3%	18.3%	19.4%	18.6%	18.2%	18.9%	18.8%	18.6%	19.0%	18.8%
Depreciation, excl attrib. to business combinations	-771	-853	-774	-812	-833	-821	-788	-810	-875	-2,420	-2,472	-3,241	-3,293
EBITA ¹	3,734	3,634	3,341	3,740	3,539	4,161	4,153	4,557	5,139	10,621	13,849	14,782	18,010
EBITA margin ¹	16.8%	15.6%	15.3%	15.8%	14.8%	16.2%	15.6%	15.5%	16.2%	15.3%	15.8%	15.6%	15.9%
Amortization attrib. to business combinations	-142	-159	-154	-151	-147	-148	-151	-152	-166	-452	-469	-601	-618
Operating income (EBIT) ¹	3,593	3,475	3,187	3,589	3,392	4,013	4,001	4,406	4,973	10,168	13,380	14,181	17,393
Operating margin (EBIT) ¹	16.2%	14.9%	14.6%	15.2%	14.2%	15.7%	15.0%	15.0%	15.6%	14.7%	15.2%	14.9%	15.3%
Items affecting comparability	1 910	-1 367	-	-	-	-	-	-	-	-	-	-	-
Operating income (EBIT)	5,502	2,108	3,187	3,589	3,392	4,013	4,001	4,406	4,973	10,168	13,380	14,181	17,393
Operating margin (EBIT)	24.8%	9.0%	14.6%	15.2%	14.2%	15.7%	15.0%	15.0%	15.6%	14.7%	15.2%	14.9%	15.3%
Net financial items	-176	-169	-142	-148	-159	-194	-190	-198	-237	-449	-624	-643	-818
Income before tax	5,326	1,938	3,045	3,441	3,233	3,819	3,811	4,208	4,736	9,719	12,756	13,538	16,574
Profit margin	24.0%	8.3%	14.0%	14.6%	13.5%	14.9%	14.3%	14.3%	14.9%	14.0%	14.5%	14.2%	14.6%
Tax on income	-888	-469	-792	-229	-841	-776	-953	-1,052	-1,184	-1,862	-3,189	-2,638	-3,965
Net income for the period	4,438	1,470	2,253	3,212	2,392	3,043	2,859	3,156	3,552	7,858	9,567	10,901	12,610
Net income attributable to:													
Parent company's shareholders	4,437	1,471	2,253	3,212	2,393	3,042	2,858	3,153	3,551	7,858	9,563	10,900	12,605
Non-controlling interests	1	-1	0	0	0	1	0	3	1	0	4	1	5
OPERATING CASH FLOW										Jan-sep	Jan-sep	Year	Last 12
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	2021	2022	2021	months
Operating income (EBIT)	5,502	2,108	3,187	3,589	3,392	4,013	4,001	4,406	4,973	10,168	13,380	14,181	17,393
Reversal items affecting comparability	-1 910	1 367	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	912	1,012	929	963	980	969	939	961	1,041	2,872	2,942	3,841	3,911
Net capital expenditure	-301	-439	-289	-388	-407	-545	-336	-410	-509	-1,084	-1,254	-1,629	-1,800
Change in working capital	820	1,811	-701	-9	-157	-629	-3,261	-641	-477	-866	-4,379	-1,496	-5,008
Interest paid and received	-90	-189	-122	-175	-110	-162	-133	-257	-217	-407	-607	-569	-769
Repayment of lease liabilities	-308	-319	-311	-315	-313	-303	-312	-324	-335	-939	-970	-1,242	-1,273
Non-cash items	-219	178	-57	-39	233	41	13	52	44	137	109	178	150
Operating cash flow	4,407	5,529	2,636	3,627	3,619	3,384	912	3,787	4,520	9,881	9,219	13,265	12,603
Cash conversion	1.29	1.67	0.87	1.05	1.12	0.89	0.24	0.90	0.95	1.02	0.72	0.98	0.76
CHANGE IN NET DEBT										Jan-sep	Jan-sep	Year	Last 12
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	2021	2022	2021	months
Net debt at beginning of period	34,112	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	29,755	27,071	29,755	25,732
Operating cash flow	-4,407	-5,529	-2,636	-3,627	-3,619	-3,384	-912	-3,787	-4,520	-9,881	-9,219	-13,265	-12,603
Restructuring payments	155	337	138	129	130	166	68	84	81	397	233	563	399
Tax paid on income	1,104	648	532	820	805	960	597	1,278	1,038	2,157	2,914	3,117	3,874
Acquisitions and divestments	4,331	-497	385	472	-632	975	67	3,039	826	226	3,932	1,201	4,907
Dividend	-	2,055	-	2,167	1	2,166	-	2,333	-	2,168	2,333	4,333	4,499
Actuarial gain/loss on post-employment benefit oblig.	94	-321	-619	-44	-37	-216	11	191	-538	-700	-336	-917	-552
Change to lease liabilities	98	-93	-29	-97	7	33	-76	-51	-53	-119	-180	-86	-147
Exchange rate differences, etc.	-428	-1,904	1,633	-471	568	639	791	1,860	1,219	1,731	3,870	2,370	4,509
Net debt at end of period	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	30,618	25,732	30,618	27,071	30,618
Net debt/Equity	0.56	0.51	0.46	0.45	0.38	0.39	0.38	0.42	0.35				
NET DEBT													
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022				
Interest-bearing assets	-47	-205	-189	-176	-177	-177	-177	-199	-207				
Cash and cash equivalents	-4,906	-2,756	-3,610	-3,544	-5,995	-4,325	-4,113	-1,707	-2,978				
Derivative financial instruments, net	-350	-255	83	1	62	86	283	141	231				
Pension provisions	4,164	3,514	2,995	2,922	2,949	2,736	2,715	2,803	2,389				
Lease liabilities	3,818	3,562	3,678	3,530	3,401	3,515	3,534	3,697	3,840				
Interest-bearing liabilities	32,379	25,895	26,202	25,776	25,492	25,237	25,374	27,829	27,344				
Total	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	30,618				
CAPITAL EMPLOYED AND FINANCING													
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022				
Goodwill	64,013	58,344	60,822	60,198	60,604	62,502	63,600	69,536	73,540				
Other intangible assets	12,716	14,108	14,446	14,004	13,920	13,834	13,877	14,476	14,774				
Property, plant and equipment	8,897	8,026	8,329	8,186	8,325	8,753	8,934	9,538	10,079				
Right-of-use assets	3,779	3,513	3,619	3,466	3,330	3,436	3,450	3,601	3,735				
Other capital employed	8,190	5,867	6,721	7,588	7,623	8,796	11,932	14,327	15,257				
Restructuring reserve	-363	-1,224	-1,119	-971	-848	-658	-600	-537	-469				
Capital employed	97,232	88,634	92,818	92,471	92,954	96,663	101,193	110,941	116,916				
Net debt	35,059	29,755	29,160	28,509	25,732	27,071	27,617	32,565	30,618				
Non-controlling interests	12	9	10	9	8	9	9	11	13				
Equity attributable to Parent company´s shareholders	62,161	58,870	63,649	63,953	67,214	69,582	73,568	78,365	86,285				
OTHER KEY RATIOS ETC													
SEK M	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022				
Earnings per share, SEK	3.99	1.32	2.03	2.89	2.15	2.74	2.57	2.84	3.20				
Earnings per share, excl IAC, SEK	2.28	2.33	2.03	2.89	2.15	2.74	2.57	2.84	3.20				
Shareholders' equity per share, SEK	55.96	53.00	57.30	57.57	60.51	62.64	66.23	70.55	77.68				
Return on capital employed	13.1%	12.5%	13.1%	14.9%	14.6%	15.2%	15.7%	16.0%	16.8%				
Return on equity	17.0%	15.5%	15.1%	18.5%	14.4%	17.0%	16.8%	16.1%	16.4%				
Net debt/EBITDA	2.2	1.9	1.8	1.6	1.5	1.5	1.5	1.7	1.4				
Average number of employees	47,553	48,471	49,685	50,727	50,946	50,934	50,984	51,545	51,937				
Average adjusted capital employed	95,452	95,002	94,230	93,076	93,287	93,199	95,766	99,074	103,663				
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

Q3 and 30 Sep

	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	4,908	5,603	5,363	7,598	1,947	2,481	3,678	5,101	8,033	11,037	-	-	23,930	31,820
Sales, internal	135	154	37	42	324	436	27	41	25	29	-548	-703	-	-
Sales	5,044	5,758	5,400	7,640	2,271	2,918	3,705	5,142	8,058	11,066	-548	-703	23,930	31,820
Organic growth	7%	4%	14%	17%	-7%	-2%	7%	19%	10%	20%	-	-	7%	14%
Acquisitions and divestments	-1%	5%	2%	0%	-2%	15%	3%	2%	6%	1%	-	-	2%	3%
Exchange-rate effects	-1%	5%	-3%	24%	1%	15%	-2%	18%	-3%	16%	-	-	-1%	16%
Operating income (EBIT)	572	825	1,112	1,600	132	132	585	890	1,191	1,735	-201	-210	3,392	4,973
Operating margin (EBIT)	11.3%	14.3%	20.6%	20.9%	5.8%	4.5%	15.8%	17.3%	14.8%	15.7%	-	-	14.2%	15.6%
OPERATING CASH FLOW														
SEK M														
Operating income (EBIT)	572	825	1,112	1,600	132	132	585	890	1,191	1,735	-201	-210	3,392	4,973
Depreciation and amortization	277	211	116	174	77	96	232	254	271	298	8	9	980	1,041
Net capital expenditure	-134	-100	-81	-124	-30	-49	-74	-95	-87	-139	-2	-2	-407	-509
Amortization of lease liabilities	-76	-66	-38	-46	-21	-26	-35	-40	-138	-153	-4	-4	-313	-335
Change in working capital	-80	-97	-112	8	-37	37	157	-307	-214	-317	128	198	-157	-477
Operating cash flow by division	560	773	997	1,612	122	190	864	702	1,023	1,424	-69	-8	3,496	4,693
Non-cash items											233	44	233	44
Interest paid and received											-110	-217	-110	-217
Operating cash flow													3,619	4,520

Jan-Sep and 30 Sep

	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	14,990	16,207	14,869	20,801	5,481	6,056	10,563	13,499	23,481	31,315	-	-	69,384	87,878
Sales, internal	346	421	116	116	807	1,120	83	112	83	77	-1,436	-1,845	-	-
Sales	15,336	16,628	14,986	20,916	6,288	7,176	10,647	13,610	23,564	31,392	-1,436	-1,845	69,384	87,878
Organic growth	15%	6%	13%	19%	3%	-3%	4%	12%	14%	20%	-	-	11%	14%
Acquisitions and divestments	0%	-2%	1%	1%	-2%	6%	3%	2%	10%	1%	-	-	4%	1%
Exchange-rate effects	-3%	4%	-10%	20%	-3%	11%	-7%	14%	-8%	12%	-	-	-7%	12%
Operating income (EBIT)	2,110	2,402	3,084	4,316	411	243	1,630	2,083	3,483	4,941	-550	-605	10,168	13,380
Operating margin (EBIT)	13.8%	14.4%	20.6%	20.6%	6.5%	3.4%	15.3%	15.3%	14.8%	15.7%	-	-	14.7%	15.2%
OPERATING CASH FLOW														
SEK M														
Operating income (EBIT)	2,110	2,402	3,084	4,316	411	243	1,630	2,083	3,483	4,941	-550	-605	10,168	13,380
Depreciation and amortization	738	629	377	435	231	258	685	733	814	858	27	28	2,872	2,942
Net capital expenditure	-339	-314	-249	-311	-95	-101	-165	-180	-234	-336	-2	-13	-1,084	-1,254
Amortization of lease liabilities	-245	-193	-109	-132	-68	-79	-107	-116	-401	-438	-10	-13	-939	-970
Change in working capital	-317	-1,067	33	-699	-301	-270	255	-920	-659	-1,719	123	296	-866	-4,379
Operating cash flow by division	1,947	1,458	3,136	3,609	178	51	2,298	1,599	3,004	3,307	-412	-307	10,151	9,718
Non-cash items											137	109	137	109
Interest paid and received											-407	-607	-407	-607
Operating cash flow													9,881	9,219
CAPITAL EMPLOYED														
SEK M														
Goodwill	10,491	12,390	11,407	14,435	3,881	5,660	15,758	18,811	19,068	22,245	-	-	60,604	73,540
Other intangible assets	1,216	1,029	1,223	1,477	976	1,233	3,942	3,912	6,524	7,085	39	39	13,920	14,774
Property, plant and equipment	2,229	2,711	1,659	2,182	1,392	1,508	1,129	1,381	1,870	2,248	47	49	8,325	10,079
Right-of-use assets	854	930	372	487	245	216	526	497	1,291	1,570	43	35	3,330	3,735
Other capital employed	2,583	4,130	-255	1,046	1,952	1,971	686	2,726	3,187	6,317	-530	-933	7,623	15,257
Adjusted capital employed	17,372	21,191	14,405	19,626	8,445	10,587	22,041	27,326	31,939	39,464	-401	-810	93,802	117,385
Restructuring reserve	-386	-186	-7	-2	-139	-72	-119	-92	-144	-94	-54	-23	-848	-469
Capital employed	16,986	21,005	14,398	19,624	8,306	10,516	21,923	27,234	31,796	39,370	-455	-833	92,954	116,916
Return on capital employed	15.2%	17.0%	29.2%	32.1%	7.2%	3.5%	10.1%	11.4%	15.0%	18.5%	-	-	14.6%	16.8%
Average adjusted capital employed	18,293	18,846	13,703	16,907	8,482	9,568	21,856	23,636	31,491	34,891	-	-	93,287	103,663
Average number of employees	12,185	11,922	9,257	9,454	8,328	7,888	6,439	7,022	14,375	15,224	363	427	50,946	51,937

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 Q3

	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	4,326	4,802	24	22	167	193	1,021	1,289	3,541	3,993	-233	-232	8,845	10,068
North America	105	157	4,830	6,944	265	826	1,771	2,502	4,010	6,414	-205	-341	10,778	16,503
Central- and South America	19	23	522	638	19	19	109	226	17	22	-5	-12	681	917
Africa	228	317	3	1	3	4	73	105	9	9	-8	-13	308	422
Asia	325	417	19	33	1,224	1,138	525	740	251	325	-54	-64	2,290	2,589
Oceania	41	41	2	2	594	738	206	280	230	303	-44	-41	1,028	1,323
Total	5,044	5,758	5,400	7,640	2,271	2,918	3,705	5,142	8,058	11,066	-548	-703	23,930	31,820

Sales by continent Jan-Sep

	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	13,323	14,100	71	86	455	512	3,003	3,735	10,665	12,078	-650	-697	26,867	29,813
North America	306	409	13,361	18,914	707	1,556	5,134	6,393	11,367	17,559	-489	-817	30,385	44,014
Central- and South America	53	72	1,452	1,806	38	36	273	539	51	64	-26	-24	1,841	2,493
Africa	696	822	9	12	8	7	199	341	34	33	-26	-31	919	1,184
Asia	862	1,116	86	90	3,327	2,976	1,461	1,881	745	844	-144	-166	6,338	6,741
Oceania	95	109	6	7	1,753	2,089	578	722	702	814	-101	-111	3,033	3,631
Total	15,336	16,628	14,986	20,916	6,288	7,176	10,647	13,610	23,564	31,392	-1,436	-1,845	69,384	87,878

Sales by product group Q3

	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	2,418	2,732	2,238	2,939	1,085	1,565	73	99	2	2	-187	-216	5,628	7,121
Electromechanical and electronic locks	1,661	1,739	1,432	1,949	549	715	3,649	5,038	277	314	-292	-409	7,276	9,345
Security doors and hardware	824	1,142	1,718	2,732	610	592	-17	4	754	1,003	-39	-40	3,851	5,433
Entrance automation	140	145	13	20	27	46	-	-	7,025	9,748	-29	-37	7,176	9,921
Total	5,044	5,758	5,400	7,640	2,271	2,918	3,705	5,142	8,058	11,066	-548	-703	23,930	31,820

Sales by product group Jan-Sep

	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	7,376	8,089	6,358	8,178	3,122	3,761	238	269	6	6	-511	-614	16,587	19,690
Electromechanical and electronic locks	5,019	5,076	3,810	5,412	1,438	1,744	10,389	13,330	778	884	-738	-1,029	20,695	25,416
Security doors and hardware	2,510	3,069	4,790	7,271	1,662	1,529	20	10	2,153	3,001	-90	-109	11,046	14,771
Entrance automation	431	394	28	56	67	142	-	-	20,627	27,502	-97	-92	21,056	28,001
Total	15,336	16,628	14,986	20,916	6,288	7,176	10,647	13,610	23,564	31,392	-1,436	-1,845	69,384	87,878

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	United Kingdom	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
J. Newton Enterprises	Entrance Systems	USA	60	150 MSEK	2022-08
ASA Fermetures	Entrance Systems	France	<50	120 MSEK	2022-09
Go Doors	Entrance Systems	Australia	<50	<50 MSEK	2022-09
VHS	EMEIA	Turkey	440	150 MSEK	2022-09

	Q3		Jan-Sep	
SEK M	2021	2022	2021	2022
Purchase prices				
Cash paid for acquisitions during the year	353	628	761	3,720
Holdbacks and deferred considerations for acquisitions during the year	39	223	113	363
Adjustment of purchase prices for acquisitions in prior years	0	-6	-6	2
Total	393	845	868	4,085
Acquired assets and liabilities at fair value				
Intangible assets	23	6	151	120
Property, plant and equipment and right-of-use assets	16	67	25	309
Other non-current assets	-4	14	-1	42
Inventories	58	85	122	844
Current receivables and investments	56	68	131	533
Cash and cash equivalents	30	-4	118	112
Non-current liabilities	-2	-59	-21	-72
Current liabilities	-60	-43	-233	-602
Total	118	134	292	1,285
Goodwill	275	711	576	2,799
Change in cash and cash equivalents due to acquisitions				
Cash paid for acquisitions during the year	353	628	761	3,720
Cash and cash equivalents in acquired subsidiaries	-30	4	-118	-112
Paid considerations for acquisitions in prior years	110	42	515	125
Total	434	674	1,158	3,733

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 September 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	24,261	24,261			
Financial assets at fair value through profit and loss	66	66			
Derivatives - hedge accounting	18	18		18	
Derivatives - held for trading	598	598		598	
Financial liabilities					
Financial liabilities at amortized cost	37,926	36,780			
Financial liabilities at fair value through profit and loss	600	600			600
Lease liabilities	3,840	3,840			
Derivatives - hedge accounting	257	257		257	
Derivatives - held for trading	590	590		590	

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

	Year	Jan-Sep	
SEK M	2021	2021	2022
Operating income	1,053	-30	-115
Income before appropriations and tax	6,721	2,775	730
Net income for the period	6,631	2,820	814

CONDENSED BALANCE SHEET

	31 Dec	30 Sep	
SEK M	2021	2021	2022
Non-current assets	46,435	43,067	47,779
Current assets	18,231	19,312	17,895
Total assets	64,666	62,379	65,673
Equity	28,481	26,824	26,944
Untaxed reserves	1,606	1,125	1,606
Non-current liabilities	14,577	14,370	15,711
Current liabilities	20,002	20,060	21,413
Total equity and liabilities	64,666	62,379	65,673

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.