

# Quarterly Report

## Q2 2024

July 17, 2024

ASSA ABLOY

Experience a safer and  
more open world

## Strong performance

### Second quarter

- Net sales increased by 10% to SEK 37,968 M (34,474), with organic growth of -1% (3) and acquired net growth of 11% (6). Exchange- rates affected sales by 0% (8).
- Organic sales growth was good in Americas and EMEIA, stable in Entrance Systems, but declined in Asia Pacific and Global Technologies.
- Eight acquisitions with combined annual sales of about SEK 1,000 M were completed in the quarter.
- Operating income<sup>1</sup> (EBIT) increased by 11% and amounted to SEK 6,085 M (5,500), with an operating margin of 16.0% (16.0).
- Net income<sup>1</sup> amounted to SEK 3,927 M (3,731).
- Earnings per share<sup>1</sup> amounted to SEK 3.54 (3.36).
- Operating cash flow amounted to SEK 5,604 M (6,671).

Organic growth

-1%

Acquired net growth

+11%

Operating income<sup>1</sup>

+11%

Earnings per share<sup>1</sup>

+5%

### Sales and income

	Second quarter			First half-year		
	2023	2024	Δ	2023	2024	Δ
<b>Sales, SEK M</b>	<b>34,474</b>	<b>37,968</b>	<b>10%</b>	<b>66,865</b>	<b>73,168</b>	<b>9%</b>
Of which:						
Organic growth	897	-349	-1%	3,115	-1,111	-2%
Acquisitions and divestments	2,002	3,925	11%	3,346	7,532	11%
Exchange-rate effects	2,109	-83	0%	4,346	-118	0%
<b>Operating income (EBIT)<sup>1</sup>, SEK M</b>	<b>5,500</b>	<b>6,085</b>	<b>11%</b>	<b>10,686</b>	<b>11,512</b>	<b>8%</b>
Operating margin (EBITA) <sup>1</sup> , %	16.6%	16.9%		16.6%	16.6%	
<b>Operating margin (EBIT)<sup>1</sup>, %</b>	<b>16.0%</b>	<b>16.0%</b>		<b>16.0%</b>	<b>15.7%</b>	
Income before tax <sup>1</sup> , SEK M	5,054	5,236	4%	9,898	9,852	0%
Net income <sup>1</sup> , SEK M	3,731	3,927	5%	7,423	7,389	0%
Operating cash flow, SEK M	6,671	5,604	-16%	10,741	8,701	-19%
<b>Earnings per share<sup>1</sup>, SEK</b>	<b>3.36</b>	<b>3.54</b>	<b>5%</b>	<b>6.68</b>	<b>6.65</b>	<b>0%</b>

<sup>1</sup> Excluding items affecting comparability. Please see the "Items affecting comparability" section in the report for further details about the financial effects in 2024. For information about items affecting comparability in 2023, please see the Year-end report 2023, available at [assaabloy.com](https://assaabloy.com).

## Comments by the President and CEO

### Strong performance

Today we announce strong results in a challenging market environment. Our sales grew 10%, driven by very strong acquired net growth of 11%, while organic sales declined 1% and the operating margin was strong at 16.0%. The continued solid non-residential development in the US contributed to good organic sales growth of 3% in the Americas division while EMEIA's organic sales grew 1%. In Entrance Systems, organic sales were flat, where much lower demand for loading docks in the US were offset by strong growth in Pedestrian. Organic sales in Asia Pacific and Global Technologies declined by 5% and 7% respectively. The decline in Asia Pacific was mainly because of continued low construction activity in China, while high comparable sales figures last year due to the backlog catchup in Physical Access Control remained a challenge for Global Technologies.

The operating profit increased by 11% to SEK 6,085 M, corresponding to an operating margin of 16.0%. Strong operational execution through implementation of cost actions of about SEK 300 M, continued strong price realization, lower direct material costs and HHI contributed to the strong bottom line performance. The operating cash flow was excellent in the quarter, SEK 5,604 M, with a cash conversion of 107%.

### Acquired growth is a key pillar for our growth strategy

To deliver on our 10% annual growth target we work with strategic activities shared across our divisions. One of these activities is to continue our acquisition journey. This has been a vital part of our strategy since the foundation, and it is further underscored by the strong growth in the first half of 2024. After a record of 24 acquisitions in 2023, we have closed another 11 acquisitions in the first six months of 2024. Given our robust pipeline and strong financial performance, we can continue our successful acquisition strategy. We are also convinced that the combination of our well-structured M&A process, our local knowledge and clear-cut investment criteria, provide a solid base for continued synergy realization while also enabling accelerated organic growth over time.

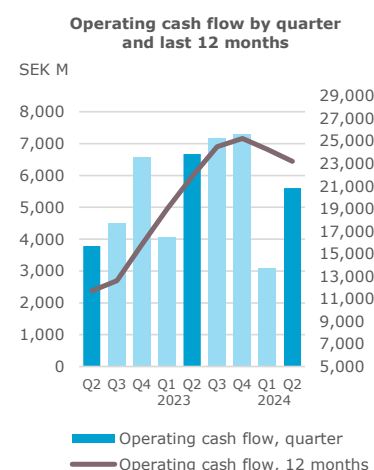
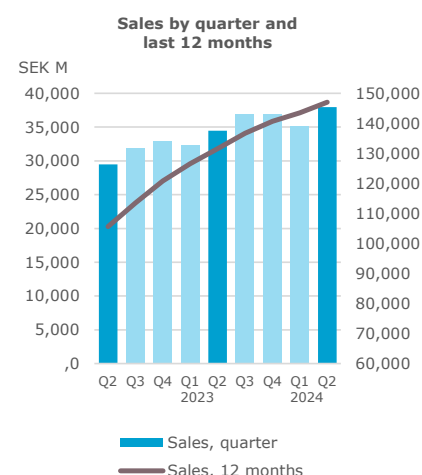
This report marks the one-year anniversary of ASSA ABLOY becoming the proud owner of HHI. Since the consolidation last year, I've had the opportunity to visit most of HHI's facilities and factories. This has left me with a very good impression of the operations, the HHI team and all the opportunities going forward. The integration of HHI continues according to plan and we are even more confident than a year ago that we will be able to realize USD 100 M in synergies. It is also encouraging that HHI, on a standalone basis in the quarter, delivered a high-single digit sales growth with a sequentially improved operating margin. We are confident that this positive trend will continue.

We can look back on a strong financial performance in the first half of 2024 and I am convinced that the Group is in an excellent position to continue to lead the industry and generate significant value for all our stakeholders.

Stockholm, July 17, 2024



Nico Delvaux  
President and CEO



## Second quarter

The Group's sales increased by 10% to SEK 37,968 M (34,474). Organic growth amounted to -1% (3). Net growth from acquisitions and divestments was 11% (6), of which 14% (7) were acquisitions and -3% (-1) were divestments. Exchange rates affected sales by 0% (8).

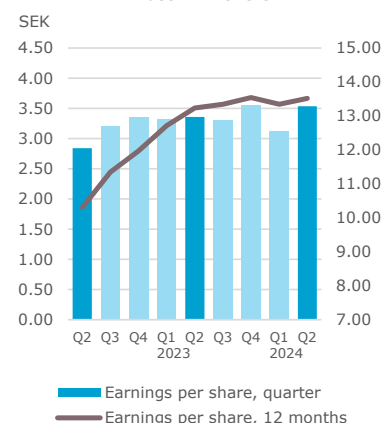
The Group's operating income<sup>2</sup> (EBIT) amounted to SEK 6,085 M (5,500), an increase of 11%. The corresponding operating margin was 16.0% (16.0). Exchange-rates had an impact of SEK 38 M (355) on EBIT. Operating income before amortizations from acquisitions<sup>2</sup> (EBITA) amounted to SEK 6,434 M (5,722). The corresponding EBITA margin was 16.9% (16.6).

Net financial items amounted to SEK -849 M (-445), primarily due to higher net interest costs compared to last year. The Group's income before tax<sup>2</sup> was SEK 5,236 M (5,054), an increase of 4% compared to last year. Exchange-rates had an impact of SEK 41 M (335) on income before tax<sup>2</sup>. The corresponding profit margin was 13.8% (14.7). The estimated effective income tax rate in 2024, on an annualized basis and excluding items affecting comparability, is 25.0% (23.4% for the full year 2023).

Earnings per share before and after dilution<sup>2</sup> amounted to SEK 3.54 (3.36), an increase of 5% compared to last year. Operating cash flow totaled SEK 5,604 M (6,671), which corresponds to a cash conversion<sup>2</sup> of 1.07 (1.32).

The net-debt/equity ratio amounted to 0.68 (0.70) at the end of the quarter. Financial net debt totaled SEK 68,198 M (64,109). New bonds were issued during the quarter for a total value of SEK 2,049 M while SEK 968 M in maturing long-term loans were repaid. The Group's long-term borrowing totaled SEK 51,414 M (49,917) while the short-term borrowing totaled SEK 13,333 M (9,833).

Earnings per share by quarter and last 12 months



## First half-year

The Group's sales for the first half of 2024 totaled SEK 73,168 M (66,865), representing an increase of 9%. Organic growth was -2% (5). Growth from acquisitions and divestments was 11% (6), of which 14% (6) came from acquisitions and -3% (0) from divestments. Exchange-rates affected sales by 0% (8).

The Group's operating income (EBIT)<sup>2</sup> amounted to SEK 11,512 M (10,686), an increase of 8% compared to last year. The corresponding operating margin was 15.7% (16.0). Operating income before amortizations from acquisitions<sup>2</sup> (EBITA) amounted to SEK 12,174 M (11,101). The corresponding EBITA margin was 16.6% (16.6).

Earnings per share before and after dilution<sup>2</sup> for the first half-year amounted to SEK 6.65 (6.68). Operating cash flow totaled SEK 8,701 M (10,741), which corresponds to a cash conversion<sup>2</sup> of 0.88 (1.09).

<sup>2</sup> Excluding items affecting comparability. Please see the "Items affecting comparability" section in the report for further details about the financial effects in 2024. For information about items affecting comparability in 2023, please see the Year-end report 2023, available at [assaabloy.com](https://assaabloy.com).

## Items affecting comparability, first half-year

### Smart Residential divestment

Costs related to last year's divestment of the Smart Residential in the U.S. and Canada totaled SEK 31 M for the first half-year. The corresponding cost after income tax was SEK 24 M.

## Restructuring measures

Restructuring payments totaled SEK 138 M (146) for the second quarter. The programs proceeded according to plan. At the end of the quarter provisions of SEK 514 M remained in the balance sheet for carrying out these programs.

## Quarterly comments by division

### Opening Solutions EMEIA

Sales for the quarter in EMEIA totaled SEK 6,391 M (6,202), with an organic sales growth of 1% (-5). Organic sales growth was strong in Central Europe, good in the Nordics and stable in South Europe, Middle East/Africa/India and UK/Ireland. Sales growth from acquisitions was 2%. Operating income excluding items affecting comparability totaled SEK 872 M (777), which represents an operating margin (EBIT) of 13.6% (12.5). Return on capital employed, on an annualized basis and excluding items affecting comparability, amounted to 15.5% (15.3). Operating cash flow before non-cash items and interest paid totaled SEK 899 M (841).

### Opening Solutions Americas

Sales for the quarter in the Americas totaled SEK 11,562 M (8,549), with an organic sales growth of 3% (4). Organic sales growth was strong in both North America's non-residential segment and in the Latin America segment. Net sales growth from acquisitions and divestments was 33%. Operating income excluding items affecting comparability totaled SEK 2,198 M (1,755), which represents an operating margin (EBIT) of 19.0% (20.5). Return on capital employed, on an annualized basis and excluding items affecting comparability, amounted to 12.2% (28.1). Operating cash flow before non-cash items and interest paid totaled SEK 2,344 M (2,229).

### Opening Solutions Asia Pacific

Sales for the quarter in Asia Pacific totaled SEK 2,430 M (2,765), with an organic sales growth of -5% (-2). Organic sales declined in Pacific, South Korea and China and declined significantly in South-East Asia. Net sales growth from acquisitions and divestments was -5%. Operating income excluding items affecting comparability totaled SEK 203 M (215), which represents an operating margin (EBIT) of 8.3% (7.8). Return on capital employed, on an annualized basis and excluding items affecting comparability, amounted to 5.9% (2.9). Operating cash flow before non-cash items and interest paid totaled SEK 166 M (350).

## Global Technologies

Sales for the quarter in Global Technologies totaled SEK 5,939 M (5,869), with an organic sales growth of –7% (20). Organic sales growth was very strong in Citizen ID, strong in Identity & Access Solutions, but declined in Secure Issuance and Identification Technology and declined significantly in Extended Access and Physical Access Control. Sales growth in Global Solutions was strong. Sales growth from acquisitions was 9%. Operating income excluding items affecting comparability totaled SEK 937 M (1,082), which represents an operating margin (EBIT) of 15.8% (18.4). Return on capital employed, on an annualized basis and excluding items affecting comparability, amounted to 13.8% (14.9). Operating cash flow before non-cash items and interest paid totaled SEK 831 M (1,253).

## Entrance Systems

Sales for the quarter in Entrance Systems totaled SEK 12,196 M (11,715), with an organic sales growth of 0% (0). Organic sales growth was strong in Pedestrian, but declined in Perimeter Security, Residential and Industrial. Net sales growth from acquisitions and divestments was 4%. Operating income excluding items affecting comparability totaled SEK 2,077 M (1,899), which represents an operating margin (EBIT) of 17.0% (16.2). Return on capital employed, on an annualized basis and excluding items affecting comparability, amounted to 20.4% (19.2). Operating cash flow before non-cash items and interest paid totaled SEK 2,330 M (2,473).

## Acquisitions and divestments

### Acquisitions

Eight acquisitions were completed during the quarter. The combined acquisition price for all the businesses acquired during the year, including adjustments from prior-year acquisitions, totaled SEK 4,364 M. The corresponding acquisition price on a cash- and debt- free basis totaled SEK 4,656 M. Preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life totaled SEK 3,126 M. Estimated deferred considerations for acquisitions made during the year totaled SEK 318 M.

On June 25, 2024, it was announced that ASSA ABLOY had acquired Wesko Locks, a Canadian manufacturer and supplier of electronic and specialty locks. Sales for 2023 amounted to about SEK 170 M.

On April 3, 2024, it was announced that ASSA ABLOY had acquired Messerschmitt Systems, a well-established German developer and manufacturer of access control hardware and software solutions for the hospitality market, including products for access control and in-room control. Sales for 2023 amounted to about SEK 130 M.

On January 23, 2024, it was announced that ASSA ABLOY had signed an agreement to acquire Amecor, a South African manufacturer of security communication equipment in the South African security market. The acquisition was subject to regulatory approval and customary closing conditions and was completed during the second quarter of 2024.

## Sustainable development

ASSA ABLOY' long-term climate target of being net-zero no later than 2050 has been ratified by the Science Based Targets initiative. This further demonstrates our commitment and willingness to lead our industry to a more sustainable future.

Energy consumption continues to be the key driver of our Scope 1 and 2 carbon emissions. We remain focused on improving our energy effectiveness and efficiency. One example is installing electrical, compressed air and temperature sub-meters to better understand energy waste hotspots in our manufacturing sites and identify dedicated energy reduction projects. To further reduce our carbon footprint, we are continuing to roll out solar PV installations across our sites. In 2024, we installed a 1.1 MWp solar PV array at our HID manufacturing facility in Malaysia. The installation includes over 2,000 solar panels, which will reduce carbon emissions at the site by 815 tons per year. The project provides a significant energy cost saving and helps us to meet our science-based targets climate commitment.

## Parent company

Other operating income for the parent company ASSA ABLOY AB totaled SEK 3,491 M (4,319) for the first half-year of 2024. Operating income for the same period totaled SEK 848 M (1,530). Investments in tangible and intangible assets totaled SEK 14 M (3). Liquidity is good and the equity ratio is 23.4% (26.9).

## Accounting principles

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. The same accounting and valuation principles have been applied as in the last Annual Report. No new or amended standards with material impact on the Group's financial reports have been applied for the first time in 2024.

This Report was prepared in accordance with IAS 34 "Interim Financial Reporting" and the Swedish 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 described as "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](http://www.assaabloy.com).

To reconcile 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 2023 appear on the company's website.

All comparative numbers for income statement and cash flow items relate to the corresponding period last year, unless otherwise indicated. Comparative numbers for the balance sheet relate to the most recent year-end, unless otherwise indicated.

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, except for matters in the normal course of business such as paying dividends to shareholders.

## 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 war in Ukraine and the conflict in the Middle East may have a negative business impact on ASSA ABLOY in both the short- and long-term, but the direct business effects are currently seen as limited. For a more detailed description of particular risks and risk management, please see the 2023 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 as of June 30, 2024, will have an effect of 4% on sales in the third quarter of 2024 versus the same period last year, while the effect on the operating margin is estimated to be accretive in the third quarter of 2024.

### Exchange-rate effects

On the basis of the currency rates on June 30, 2024, it is estimated that the weighted currency effects on sales in the third quarter of 2024 versus the same period last year will be -2%, while the effect on the operating margin is estimated to be neutral in the third quarter of 2024.



## 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, July 17, 2024

Johan Hjertonsson  
Chairman

Carl Douglas  
Vice Chairman

Nico Delvaux  
President and CEO

Victoria Van Camp  
Board member

Erik Ekudden  
Board member

Lena Olving  
Board member

Susanne Pahlén Åklundh  
Board member

Sofia Schörling Högberg  
Board member

Joakim Weidemanis  
Board member

Rune Hjälms  
Employee representative

Bjarne Johansson  
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, 2024 and for the six months period then ended. The Board of Directors and President and CEO 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, July 17, 2024

Ernst & Young AB

Hamish Mabon  
Authorized Public Accountant

## Financial information

The Quarterly Report for the third quarter of 2024 will be published on October 23, 2024.

The Year-end Report and Quarterly Report for the fourth quarter of 2024 will be published on February 5, 2025.

## Further information can be obtained from:

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Björn Tibell,  
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e-mail: bjorn.tibell@assaabloy.com

ASSA ABLOY is holding a **telephone and web conference**  
**at 09.00 on July 17, 2024**  
which can be followed online at [assaabloy.com/investors](https://assaabloy.com/investors).

It is possible to submit questions by telephone on:  
08-505 100 31, +44 207 107 0613 or +1 631 570 5613

*This information 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 July 17, 2024.*

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Corporate identity number: 556059-3575

No.14/2024

## Financial information – Group

### CONDENSED INCOME STATEMENT

SEK M	Q2		Jan-Jun	
	2023	2024	2023	2024
Sales	34,474	37,968	66,865	73,168
Cost of goods sold	-20,255	-22,110	-40,036	-42,780
<b>Gross income</b>	<b>14,219</b>	<b>15,858</b>	<b>26,829</b>	<b>30,388</b>
Selling, administrative and R&D costs and other operating income & expenses	-8,741	-9,775	-17,394	-18,879
Capital gain from divestment of subsidiaries, incl. exit costs	3,661	-13	3,661	-31
Impairment of goodwill and other intangible assets from business combinations	-2,268	-	-2,268	-
Share of earnings in associates	4	1	9	3
<b>Operating income</b>	<b>6,875</b>	<b>6,071</b>	<b>10,836</b>	<b>11,481</b>
Finance net	-445	-849	-788	-1,659
<b>Income before tax</b>	<b>6,430</b>	<b>5,223</b>	<b>10,049</b>	<b>9,821</b>
Tax on income	-2,854	-1,306	-3,759	-2,455
<b>Net income for the period</b>	<b>3,576</b>	<b>3,917</b>	<b>6,290</b>	<b>7,366</b>
<b>Net income for the period attributable to:</b>				
Parent company's shareholders	3,574	3,917	6,288	7,368
Non-controlling interests	1	0	2	-2
<b>Earnings per share</b>				
Before and after dilution, SEK	3.22	3.53	5.66	6.63
Before and after dilution and excluding items affecting comparability, SEK	3.36	3.54	6.68	6.65

### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

SEK M	Q2		Jan-Jun	
	2023	2024	2023	2024
<b>Net income for the period</b>	<b>3,576</b>	<b>3,917</b>	<b>6,290</b>	<b>7,366</b>
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Actuarial gain/loss on post-employment benefit obligations, net after tax	68	72	33	178
<b>Total</b>	<b>68</b>	<b>72</b>	<b>33</b>	<b>178</b>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Share of other comprehensive income of associates	-24	-35	-45	-38
Cashflow hedges and net investment hedges, net after tax	7	-3	5	96
Cost of hedging	-	9	-	0
Exchange rate differences	4,220	-863	4,107	3,924
Tax attributable to items that may be reclassified subsequently to profit or loss	-	0	-	-2
<b>Total</b>	<b>4,203</b>	<b>-891</b>	<b>4,067</b>	<b>3,981</b>
<b>Total other comprehensive income</b>	<b>4,271</b>	<b>-820</b>	<b>4,100</b>	<b>4,158</b>
<b>Total comprehensive income for the period</b>	<b>7,847</b>	<b>3,097</b>	<b>10,390</b>	<b>11,524</b>
<b>Total comprehensive income for the period attributable to:</b>				
Parent company's shareholders	7,848	3,097	10,392	11,527
Non-controlling interests	-1	0	-2	-4

## Financial information - Group

### CONDENSED BALANCE SHEET

	31 Dec	30 Jun	
SEK M	2023	2023	2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	127,704	133,060	136,286
Property, plant and equipment	11,460	11,885	12,134
Right-of-use assets	5,296	5,476	5,789
Investments in associates	622	644	590
Other financial assets	412	552	491
Deferred tax assets	1,863	1,686	1,773
<b>Total non-current assets</b>	<b>147,357</b>	<b>153,303</b>	<b>157,065</b>
<b>Current assets</b>			
Inventories	18,603	21,487	20,065
Trade receivables	20,934	22,179	23,309
Other current receivables and investments	7,991	6,991	7,081
Cash and cash equivalents	1,466	6,665	3,605
<b>Total current assets</b>	<b>48,994</b>	<b>57,323</b>	<b>54,060</b>
<b>TOTAL ASSETS</b>	<b>196,351</b>	<b>210,625</b>	<b>211,125</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to Parent company's shareholders	91,629	93,696	100,090
Non-controlling interests	16	10	12
<b>Total equity</b>	<b>91,644</b>	<b>93,706</b>	<b>100,102</b>
<b>Non-current liabilities</b>			
Long-term loans	49,917	58,367	51,414
Non-current lease liabilities	4,001	4,178	4,261
Deferred tax liabilities	2,991	3,076	3,272
Other non-current liabilities and provisions	3,222	3,391	2,786
<b>Total non-current liabilities</b>	<b>60,131</b>	<b>69,012</b>	<b>61,734</b>
<b>Current liabilities</b>			
Short-term loans	9,833	11,598	13,333
Current lease liabilities	1,443	1,429	1,740
Trade payables	11,320	11,849	11,990
Other current liabilities and provisions	21,980	23,031	22,227
<b>Total current liabilities</b>	<b>44,576</b>	<b>47,907</b>	<b>49,290</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>196,351</b>	<b>210,625</b>	<b>211,125</b>

### CHANGES IN EQUITY

	Equity attributable to:		
SEK M	Parent company's shareholders	Non-controlling interests	Total equity
<b>Opening balance 1 January 2023</b>	<b>86,014</b>	<b>12</b>	<b>86,026</b>
Net income for the period	6,288	2	6,290
Other comprehensive income	4,105	-4	4,100
<b>Total comprehensive income</b>	<b>10,392</b>	<b>-2</b>	<b>10,390</b>
Dividend	-2,666	-	-2,666
Share-based incentive programs	-44	-	-44
<b>Total transactions with shareholders</b>	<b>-2,710</b>	<b>-</b>	<b>-2,710</b>
<b>Closing balance 30 June 2023</b>	<b>93,696</b>	<b>10</b>	<b>93,706</b>
<b>Opening balance 1 January 2024</b>	<b>91,629</b>	<b>16</b>	<b>91,644</b>
Net income for the period	7,368	-2	7,366
Other comprehensive income	4,159	-1	4,158
<b>Total comprehensive income</b>	<b>11,527</b>	<b>-4</b>	<b>11,524</b>
Dividend	-2,999	0	-2,999
Share-based incentive programs	-67	-	-67
Change in non-controlling interest	-	0	0
<b>Total transactions with shareholders</b>	<b>-3,066</b>	<b>0</b>	<b>-3,067</b>
<b>Closing balance 30 June 2024</b>	<b>100,090</b>	<b>12</b>	<b>100,102</b>

## Financial information - Group

### CONDENSED STATEMENT OF CASH FLOWS

SEK M	Q2		Jan-Jun	
	2023	2024	2023	2024
<b>OPERATING ACTIVITIES</b>				
Operating income	6,875	6,071	10,836	11,481
Add back of				
Depreciation/amortization	1,158	1,400	2,213	2,702
Items affecting comparability	-1,376	13	-151	31
Other non-cash items	45	55	96	-4
Restructuring payments	-146	-138	-255	-275
Changes in working capital	1,267	-111	156	-2,203
<b>Cash flow before interest and tax</b>	<b>7,824</b>	<b>7,291</b>	<b>12,895</b>	<b>11,732</b>
Interest paid and received	-364	-772	-606	-1,422
Tax paid on income	-2,281	-1,490	-3,007	-2,202
<b>Cash flow from operating activities</b>	<b>5,179</b>	<b>5,029</b>	<b>9,281</b>	<b>8,107</b>
<b>INVESTING ACTIVITIES</b>				
Net investments in intangible assets and property, plant and equipment	-572	-596	-1,088	-1,025
Investments in subsidiaries	-47,957	-1,754	-48,295	-4,091
Divestments of subsidiaries	8,114	254	8,114	402
Other investments and disposals	-1	0	-1	1
<b>Cash flow from investing activities</b>	<b>-40,417</b>	<b>-2,096</b>	<b>-41,271</b>	<b>-4,714</b>
<b>FINANCING ACTIVITIES</b>				
Dividends	-2,666	-2,999	-2,666	-2,999
Repayment of lease liabilities	-363	-456	-715	-858
Net cash effect of changes in borrowings	42,096	1,697	38,615	2,594
<b>Cash flow from financing activities</b>	<b>39,068</b>	<b>-1,758</b>	<b>35,235</b>	<b>-1,264</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>3,830</b>	<b>1,174</b>	<b>3,245</b>	<b>2,130</b>
<b>CASH AND CASH EQUIVALENTS</b>				
<b>Cash and cash equivalents at beginning of period</b>	<b>2,811</b>	<b>2,437</b>	<b>3,417</b>	<b>1,466</b>
Cash flow for the period	3,830	1,174	3,245	2,130
Effect of exchange rate differences	25	-6	3	10
<b>Cash and cash equivalents at end of period</b>	<b>6,665</b>	<b>3,605</b>	<b>6,665</b>	<b>3,605</b>

# Quarterly information - Group

THE GROUP IN SUMMARY											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Sales	29,466	31,820	32,915	32,391	34,474	36,881	36,970	35,200	37,968		66,865	73,168	140,716	147,019
Organic growth	13%	14%	9%	8%	3%	1%	0%	-2%	-1%		5%	-2%	3%	-
Gross income <sup>1</sup>	11,630	12,626	13,199	13,393	14,231	15,123	15,024	14,530	15,858		27,624	30,388	57,771	60,535
Gross margin <sup>1</sup>	39.5%	39.7%	40.1%	41.3%	41.3%	41.0%	40.6%	41.3%	41.8%		41.3%	41.5%	41.1%	41.2%
EBITDA <sup>1</sup>	5,367	6,014	6,298	6,241	6,658	7,148	7,312	6,728	7,485		12,899	14,213	27,358	28,673
EBITDA margin <sup>1</sup>	18.2%	18.9%	19.1%	19.3%	19.3%	19.4%	19.8%	19.1%	19.7%		19.3%	19.4%	19.4%	19.5%
Depreciation, excl attrib. to business combinations	-810	-875	-961	-862	-936	-995	-1,304	-988	-1,051		-1,798	-2,039	-4,098	-4,339
EBITA <sup>1</sup>	4,557	5,139	5,338	5,379	5,722	6,152	6,008	5,740	6,434		11,101	12,174	23,261	24,334
EBITA margin <sup>1</sup>	15.5%	16.2%	16.2%	16.6%	16.6%	16.7%	16.2%	16.3%	16.9%		16.6%	16.6%	16.5%	16.6%
Amortization attrib. to business combinations	-152	-166	-185	-193	-222	-376	-285	-313	-349		-415	-662	-1,076	-1,323
Operating income (EBIT) <sup>1</sup>	4,406	4,973	5,152	5,186	5,500	5,777	5,722	5,427	6,085		10,686	11,512	22,185	23,011
Operating margin (EBIT) <sup>1</sup>	15.0%	15.6%	15.7%	16.0%	16.0%	15.7%	15.5%	15.4%	16.0%		16.0%	15.7%	15.8%	15.7%
Items affecting comparability <sup>1</sup>	-	-	-	-1,225	1,376	-367	-183	-18	-13		151	-31	-400	-582
Operating income (EBIT)	4,406	4,973	5,152	3,961	6,875	5,409	5,539	5,409	6,071		10,836	11,481	21,785	22,429
Operating margin (EBIT)	15.0%	15.6%	15.7%	12.2%	19.9%	14.7%	15.0%	15.4%	16.0%		16.2%	15.7%	15.5%	15.3%
Net financial items	-198	-237	-387	-343	-445	-900	-843	-811	-849		-788	-1,659	-2,531	-3,402
Income before tax	4,208	4,736	4,766	3,619	6,430	4,509	4,696	4,598	5,223		10,049	9,821	19,254	19,027
Profit margin	14.3%	14.9%	14.5%	11.2%	18.7%	12.2%	12.7%	13.1%	13.8%		15.0%	13.4%	13.7%	12.9%
Tax on income	-1,052	-1,184	-1,036	-905	-2,854	-1,139	-717	-1,150	-1,306		-3,759	-2,455	-5,615	-4,311
Net income for the period	3,156	3,552	3,729	2,714	3,576	3,371	3,979	3,449	3,917		6,290	7,366	13,639	14,715
Net income attributable to:														
Parent company's shareholders	3,153	3,551	3,728	2,713	3,574	3,386	3,959	3,452	3,917		6,288	7,368	13,633	14,713
Non-controlling interests	3	1	1	1	1	-15	20	-3	0		2	-2	7	2
OPERATING CASH FLOW											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Operating income (EBIT)	4,406	4,973	5,152	3,961	6,875	5,409	5,539	5,409	6,071		10,836	11,481	21,785	22,429
Reversal items affecting comparability	-	-	-	1,225	-1,376	367	183	18	13		-151	31	400	582
Depreciation and amortization	961	1,041	1,146	1,055	1,158	1,371	1,590	1,301	1,400		2,213	2,702	5,174	5,662
Net capital expenditure	-410	-509	-735	-516	-572	-604	-727	-429	-596		-1,088	-1,025	-2,419	-2,356
Change in working capital	-641	-477	1,548	-1,111	1,267	1,754	1,927	-2,091	-111		156	-2,203	3,836	1,478
Interest paid and received	-257	-217	-192	-242	-364	-738	-778	-650	-772		-606	-1,422	-2,122	-2,938
Repayment of lease liabilities	-324	-335	-360	-352	-363	-409	-420	-402	-456		-715	-858	-1,543	-1,687
Other non-cash items	52	44	29	50	45	27	0	-60	55		96	-4	123	23
Operating cash flow	3,787	4,520	6,588	4,069	6,671	7,177	7,315	3,096	5,604		10,741	8,701	25,232	23,193
Cash conversion	0.90	0.95	1.38	0.84	1.32	1.47	1.50	0.67	1.07		1.09	0.88	1.28	1.18
CHANGE IN NET DEBT											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Net debt at beginning of period	27,617	32,565	30,618	31,732	29,336	69,851	68,736	64,109	67,536		31,732	64,109	31,732	69,851
Operating cash flow	-3,787	-4,520	-6,588	-4,069	-6,671	-7,177	-7,315	-3,096	-5,604		-10,741	-8,701	-25,232	-23,193
Restructuring payments	84	81	171	109	146	167	190	137	138		255	275	613	632
Tax paid on income	1,278	1,038	1,452	726	2,281	2,456	1,825	712	1,490		3,007	2,202	7,289	6,484
Acquisitions and divestments	3,039	826	5,080	367	40,773	3,783	1,903	2,038	2,182		41,140	4,220	46,826	9,906
Dividend	2,333	-	2,333	-	2,666	-	2,666	-	2,999		2,666	2,999	5,332	5,665
Actuarial gain/loss on post-employment benefit oblig.	191	-538	-906	47	-92	41	12	-142	-96		-45	-238	8	-186
Change to lease liabilities	-51	-53	62	254	138	111	125	292	-105		392	187	628	422
Exchange rate differences, etc.	1,860	1,219	-490	171	1,274	-496	-4,033	3,488	-342		1,445	3,145	-3,085	-1,384
Net debt at end of period	32,565	30,618	31,732	29,336	69,851	68,736	64,109	67,536	68,198		69,851	68,198	64,109	68,198
Net debt/Equity	0.42	0.35	0.37	0.33	0.75	0.71	0.70	0.68	0.68					
NET DEBT											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Interest-bearing assets	-199	-207	-224	-221	-484	-495	-459	-504	-248					
Cash and cash equivalents	-1,707	-2,978	-3,417	-2,811	-6,665	-1,688	-1,466	-2,437	-3,605					
Derivative financial instruments, net	141	231	288	306	15	284	-595	-251	116					
Pension provisions	2,803	2,389	1,351	1,379	1,415	1,471	1,435	1,283	1,186					
Lease liabilities	3,697	3,840	3,907	4,182	5,607	5,641	5,443	6,020	6,001					
Interest-bearing liabilities	27,829	27,344	29,826	26,500	69,965	63,523	59,751	63,425	64,748					
Total	32,565	30,618	31,732	29,336	69,851	68,736	64,109	67,536	68,198					
CAPITAL EMPLOYED AND FINANCING											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Goodwill	69,536	73,540	75,873	75,075	117,142	119,006	92,873	99,680	99,317					
Other intangible assets	14,476	14,774	15,024	15,539	15,918	15,333	34,831	36,000	36,970					
Property, plant and equipment	9,538	10,079	10,106	10,178	11,885	12,111	11,460	12,129	12,134					
Right-of-use assets	3,601	3,735	3,804	4,075	5,476	5,501	5,296	5,837	5,789					
Other capital employed	14,327	15,257	13,244	14,206	14,277	13,958	12,060	14,534	14,605					
Restructuring reserve	-537	-469	-294	-1,229	-1,140	-941	-767	-662	-514					
Capital employed	110,941	116,916	117,758	117,844	163,558	164,969	155,753	167,517	168,300					
Net debt	32,565	30,618	31,732	29,336	69,851	68,736	64,109	67,536	68,198					
Non-controlling interests	11	13	12	12	10	36	16	12	12					
Equity attributable to Parent company's shareholders	78,365	86,285	86,014	88,496	93,696	96,197	91,629	99,969	100,090					
OTHER KEY RATIOS ETC											Jan-Jun	Jan-Jun	Year	Last 12
SEK M	2022	2022	2022	2023	2023	2023	2023	2024	2024	2024	2023	2024	2023	months
Earnings per share, SEK	2.84	3.20	3.36	2.44	3.22	3.05	3.56	3.11	3.53					
Earnings per share, excl IAC, SEK	2.84	3.20	3.36	3.32	3.36	3.31	3.56	3.12	3.54					
Shareholders' equity per share, SEK	70.55	77.68	77.44	79.67	84.35	86.60	82.49	90.00	90.11					
Return on capital employed	16.0%	16.8%	16.9%	17.4%	17.2%	16.3%	15.6%	14.6%	14.0%					
Return on equity	16.1%	16.4%	17.1%	16.2%	15.8%	14.7%	15.3%	15.3%	15.2%					
Net debt/EBITDA	1.7	1.4	1.4	1.2	2.8	2.6	2.3	2.4	2.4					
Average number of employees	51,545	51,937	52,463	52,960	53,824	56,289	56,845	61,282	62,538					
Average adjusted capital employed	99,074	103,663	109,372	113,480	120,917	132,788	142,611	153,385	164,603					
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	-	-	-	-978	-156	-285	10	-13	-10					

<sup>1)</sup> Excluding items affecting comparability. Please see the section 'Items affecting comparability' on page 4 in the report for further details about the financial effects in 2024. For information about items affecting comparability in 2023, please see the Year-end report 2023, available on [assaabloy.com](https://assaabloy.com)

# Reporting by division

## Q2 and 30 Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Sales, external	6,047	6,227	8,507	11,527	2,415	2,188	5,818	5,861	11,689	12,165	-	-	34,474	37,968
Sales, internal	156	164	42	34	351	242	51	79	27	31	-626	-550	-	-
<b>Sales</b>	<b>6,202</b>	<b>6,391</b>	<b>8,549</b>	<b>11,562</b>	<b>2,765</b>	<b>2,430</b>	<b>5,869</b>	<b>5,939</b>	<b>11,715</b>	<b>12,196</b>	<b>-626</b>	<b>-550</b>	<b>34,474</b>	<b>37,968</b>
Organic growth	-5%	1%	4%	3%	-2%	-5%	20%	-7%	0%	0%	-	-	3%	-1%
Acquisitions and divestments	10%	2%	8%	33%	15%	-5%	5%	9%	2%	4%	-	-	6%	11%
Exchange-rate effects	7%	0%	10%	-1%	3%	-2%	8%	-1%	8%	0%	-	-	8%	0%
Share of earnings in associates	-	-	-	-	4	1	-	-	-	-	-	-	4	1
<b>EBIT, excl items affecting comparability</b>	<b>777</b>	<b>872</b>	<b>1,755</b>	<b>2,198</b>	<b>215</b>	<b>203</b>	<b>1,082</b>	<b>937</b>	<b>1,899</b>	<b>2,077</b>	<b>-228</b>	<b>-201</b>	<b>5,500</b>	<b>6,085</b>
EBIT margin, excl items affecting comparability	12.5%	13.6%	20.5%	19.0%	7.8%	8.3%	18.4%	15.8%	16.2%	17.0%	-	-	16.0%	16.0%
Items affecting comparability <sup>1</sup>	-32	-2	3,531	0	150	-11	-2,271	-	-2	-	-	-	1,376	-13
<b>Operating income (EBIT)</b>	<b>744</b>	<b>869</b>	<b>5,286</b>	<b>2,198</b>	<b>365</b>	<b>192</b>	<b>-1,190</b>	<b>937</b>	<b>1,897</b>	<b>2,077</b>	<b>-228</b>	<b>-201</b>	<b>6,875</b>	<b>6,071</b>
Operating margin (EBIT)	12.0%	13.6%	61.8%	19.0%	13.2%	7.9%	-20.3%	15.8%	16.2%	17.0%	-	-	19.9%	16.0%
<b>OPERATING CASH FLOW</b>														
<b>SEK M</b>														
Operating income (EBIT)	744	869	5,286	2,198	365	192	-1,190	937	1,897	2,077	-228	-201	6,875	6,071
Items affecting comparability <sup>1</sup>	32	2	-3,531	0	-150	11	2,271	-	2	-	-	-	-1,376	13
Depreciation and amortization	245	252	217	414	102	103	256	252	328	366	10	14	1,158	1,400
Net capital expenditure	-169	-129	-91	-220	-38	-43	-116	-77	-161	-117	2	-10	-572	-596
Repayment of lease liabilities	-69	-72	-47	-103	-31	-34	-43	-50	-167	-191	-5	-7	-363	-456
Change in working capital	56	-24	395	55	102	-63	74	-230	574	195	65	-44	1,267	-111
<b>Operating cash flow by division</b>	<b>841</b>	<b>899</b>	<b>2,229</b>	<b>2,344</b>	<b>350</b>	<b>166</b>	<b>1,253</b>	<b>831</b>	<b>2,473</b>	<b>2,330</b>	<b>-157</b>	<b>-248</b>	<b>6,990</b>	<b>6,322</b>
Other non-cash items											45	55	45	55
Interest paid and received											-364	-772	-364	-772
<b>Operating cash flow</b>													<b>6,671</b>	<b>5,604</b>

## Jan-Jun and 30 Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Sales, external	12,099	12,289	16,319	22,030	4,385	4,013	11,362	11,258	22,701	23,578	-	-	66,865	73,168
Sales, internal	333	318	91	64	791	466	89	114	51	60	-1,355	-1,022	-	-
<b>Sales</b>	<b>12,432</b>	<b>12,607</b>	<b>16,410</b>	<b>22,094</b>	<b>5,177</b>	<b>4,478</b>	<b>11,450</b>	<b>11,373</b>	<b>22,752</b>	<b>23,638</b>	<b>-1,355</b>	<b>-1,022</b>	<b>66,865</b>	<b>73,168</b>
Organic growth	-1%	-1%	7%	1%	1%	-4%	22%	-8%	1%	0%	-	-	5%	-2%
Acquisitions and divestments	9%	2%	5%	34%	15%	-7%	4%	8%	2%	4%	-	-	6%	11%
Exchange-rate effects	6%	0%	12%	0%	6%	-2%	9%	-1%	9%	0%	-	-	8%	0%
Share of earnings in associates	-	-	-	-	9	3	-	-	-	-	-	-	9	3
<b>EBIT, excl items affecting comparability</b>	<b>1,635</b>	<b>1,721</b>	<b>3,462</b>	<b>4,108</b>	<b>326</b>	<b>308</b>	<b>2,021</b>	<b>1,776</b>	<b>3,686</b>	<b>4,021</b>	<b>-443</b>	<b>-422</b>	<b>10,686</b>	<b>11,512</b>
EBIT margin, excl items affecting comparability	13.1%	13.7%	21.1%	18.6%	6.3%	6.9%	17.7%	15.6%	16.2%	17.0%	-	-	16.0%	15.7%
Items affecting comparability <sup>1</sup>	-500	-18	3,364	0	10	-13	-2,487	-	-132	-	-104	-	151	-31
<b>Operating income (EBIT)</b>	<b>1,135</b>	<b>1,704</b>	<b>6,826</b>	<b>4,108</b>	<b>336</b>	<b>294</b>	<b>-466</b>	<b>1,776</b>	<b>3,553</b>	<b>4,021</b>	<b>-547</b>	<b>-422</b>	<b>10,836</b>	<b>11,481</b>
Operating margin (EBIT)	9.1%	13.5%	41.6%	18.6%	6.5%	6.6%	-4.1%	15.6%	15.6%	17.0%	-	-	16.2%	15.7%
<b>OPERATING CASH FLOW</b>														
<b>SEK M</b>														
Operating income (EBIT)	1,135	1,704	6,826	4,108	336	294	-466	1,776	3,553	4,021	-547	-422	10,836	11,481
Items affecting comparability <sup>1</sup>	500	18	-3,364	0	-10	13	2,487	-	132	-	104	-	-151	31
Depreciation and amortization	469	492	375	756	201	202	509	494	637	733	22	24	2,213	2,702
Net capital expenditure	-297	-238	-238	-417	-97	18	-172	-166	-286	-208	0	-14	-1,088	-1,025
Repayment of lease liabilities	-137	-141	-94	-172	-61	-67	-88	-96	-325	-370	-10	-12	-715	-858
Change in working capital	-411	-477	-252	-1,066	-106	-170	-391	-685	1,287	451	28	-256	156	-2,203
<b>Operating cash flow by division</b>	<b>1,259</b>	<b>1,358</b>	<b>3,254</b>	<b>3,210</b>	<b>264</b>	<b>291</b>	<b>1,880</b>	<b>1,323</b>	<b>4,998</b>	<b>4,626</b>	<b>-403</b>	<b>-680</b>	<b>11,251</b>	<b>10,128</b>
Other non-cash items											96	-4	96	-4
Interest paid and received											-606	-1,422	-606	-1,422
<b>Operating cash flow</b>													<b>10,741</b>	<b>8,701</b>
<b>CAPITAL EMPLOYED</b>														
<b>SEK M</b>														
Goodwill	13,866	14,126	56,638	33,794	5,723	5,564	17,804	20,447	23,112	25,386	-	-	117,142	99,317
Other intangible assets	1,494	1,416	1,518	22,420	2,100	1,922	3,382	3,825	7,392	7,351	31	35	15,918	36,970
Property, plant and equipment	3,248	3,253	3,207	3,333	1,478	1,431	1,494	1,636	2,408	2,438	50	44	11,885	12,134
Right-of-use assets	927	905	1,722	1,695	279	319	555	614	1,966	2,163	26	93	5,476	5,789
Other capital employed	4,824	2,489	2,118	3,754	2,032	1,620	2,228	2,579	4,124	4,033	-1,051	130	14,277	14,605
<b>Adjusted capital employed</b>	<b>24,359</b>	<b>22,188</b>	<b>65,204</b>	<b>64,996</b>	<b>11,612</b>	<b>10,857</b>	<b>25,464</b>	<b>29,100</b>	<b>39,002</b>	<b>41,371</b>	<b>-943</b>	<b>302</b>	<b>164,698</b>	<b>168,815</b>
Restructuring reserve	-484	-207	-145	-83	-52	-25	-164	-54	-194	-140	-100	-5	-1,140	-514
<b>Capital employed</b>	<b>23,875</b>	<b>21,982</b>	<b>65,058</b>	<b>64,914</b>	<b>11,560</b>	<b>10,832</b>	<b>25,300</b>	<b>29,046</b>	<b>38,808</b>	<b>41,231</b>	<b>-1,043</b>	<b>297</b>	<b>163,558</b>	<b>168,300</b>
Return on capital employed	15.3%	15.5%	28.1%	12.2%	2.9%	5.9%	14.9%	13.8%	19.2%	20.4%	-	-	17.2%	14.0%
Average adjusted capital employed	22,107	22,478	23,673	64,196	11,334	10,936	26,092	27,150	38,204	39,889	-	-	120,917	164,603
Average number of employees	12,205	12,319	10,486	18,185	7,359	6,925	7,554	8,476	15,794	16,353	426	279	53,824	62,538

<sup>1)</sup> Excluding items affecting comparability. Please see the section 'Items affecting comparability' on page 4 in the report for further details about the financial effects in 2024.

For information about items affecting comparability in 2023, please see the Year-end report 2023, available on [assaabloy.com](https://assaabloy.com)



# Reporting by division

Jan-Dec and 31 Dec

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Sales, external	22,286	24,214	28,191	37,867	8,302	9,133	19,186	22,930	42,827	46,570	-	-	120,793	140,716
Sales, internal	572	617	152	141	1,522	1,151	158	169	100	95	-2,505	-2,173	-	-
<b>Sales</b>	<b>22,858</b>	<b>24,831</b>	<b>28,344</b>	<b>38,009</b>	<b>9,824</b>	<b>10,284</b>	<b>19,344</b>	<b>23,099</b>	<b>42,928</b>	<b>46,665</b>	<b>-2,505</b>	<b>-2,173</b>	<b>120,793</b>	<b>140,716</b>
Organic growth	5%	-2%	17%	6%	-5%	-2%	15%	9%	17%	1%	-	-	12%	3%
Acquisitions and divestments	1%	6%	1%	22%	7%	5%	2%	5%	2%	2%	-	-	2%	8%
Exchange-rate effects	5%	5%	20%	6%	11%	2%	15%	5%	12%	6%	-	-	13%	5%
Share of earnings in associates	-	-	-	-	22	7	3	11	1	-	-	-	26	18
<b>EBIT, excl items affecting comparability</b>	<b>3 335</b>	<b>3 388</b>	<b>5 899</b>	<b>7 186</b>	<b>119</b>	<b>662</b>	<b>3 065</b>	<b>3 996</b>	<b>6 847</b>	<b>7 807</b>	<b>-732</b>	<b>-854</b>	<b>18 532</b>	<b>22 185</b>
EBIT margin, excl items affecting comparability	14,6%	13,6%	20,8%	18,9%	1,2%	6,4%	15,8%	17,3%	15,9%	16,7%	-	-	15,3%	15,8%
Items affecting comparability <sup>1</sup>	-	-551	-	2 908	-	-27	-	-2 492	-	-133	-	-104	-	-400
<b>Operating income (EBIT)</b>	<b>3,335</b>	<b>2,837</b>	<b>5,899</b>	<b>10,094</b>	<b>119</b>	<b>635</b>	<b>3,065</b>	<b>1,504</b>	<b>6,847</b>	<b>7,673</b>	<b>-732</b>	<b>-958</b>	<b>18,532</b>	<b>21,785</b>
Operating margin (EBIT)	14,6%	11,4%	20,8%	26,6%	1,2%	6,2%	15,8%	6,5%	15,9%	16,4%	-	-	15,3%	15,5%
Operating income (EBIT)	3,335	2,837	5,899	10,094	119	635	3,065	1,504	6,847	7,673	-732	-958	18,532	21,785
Items affecting comparability <sup>1</sup>	-	551	-	-2,908	-	27	-	2,492	-	133	-	104	-	400
Depreciation and amortization	865	1,055	634	1,154	363	424	1,012	1,013	1,176	1,484	38	44	4,088	5,174
Net capital expenditure	-443	-627	-436	-631	-289	-202	-301	-378	-495	-576	-26	-6	-1,990	-2,419
Repayment of lease liabilities	-266	-276	-178	-255	-111	-129	-158	-188	-599	-675	-18	-21	-1,330	-1,543
Change in working capital	-707	643	-400	726	207	457	-642	-298	-1,494	2,352	205	-44	-2,831	3,836
<b>Operating cash flow by division</b>	<b>2,785</b>	<b>4,183</b>	<b>5,520</b>	<b>8,181</b>	<b>288</b>	<b>1,213</b>	<b>2,974</b>	<b>4,145</b>	<b>5,436</b>	<b>10,391</b>	<b>-534</b>	<b>-881</b>	<b>16,470</b>	<b>27,232</b>
Other non-cash items											137	123	137	123
Interest paid and received											-799	-2 122	-799	-2 122
<b>Operating cash flow</b>													<b>15,808</b>	<b>25,232</b>
<b>CAPITAL EMPLOYED</b>														
<b>SEK M</b>														
Goodwill	12,957	13,232	15,416	32,382	6,058	5,379	19,041	18,989	22,401	22,891	-	-	75,873	92,873
Other intangible assets	1,223	1,366	1,375	21,652	1,637	1,937	3,691	2,968	7,056	6,876	42	32	15,024	34,831
Property, plant and equipment	2,745	3,166	2,079	3,037	1,591	1,398	1,421	1,556	2,215	2,260	55	43	10,106	11,460
Right-of-use assets	914	976	482	1,598	234	295	540	553	1,603	1,858	31	17	3,804	5,296
Other capital employed	4,034	2,120	1,536	2,875	1,692	1,324	1,604	1,827	5,141	3,830	-764	84	13,244	12,060
<b>Adjusted capital employed</b>	<b>21,874</b>	<b>20,860</b>	<b>20,889</b>	<b>61,544</b>	<b>11,211</b>	<b>10,332</b>	<b>26,297</b>	<b>25,891</b>	<b>38,418</b>	<b>37,715</b>	<b>-636</b>	<b>177</b>	<b>118,052</b>	<b>156,520</b>
Restructuring reserve	-97	-298	12	-150	-49	-43	-60	-89	-76	-182	-23	-5	-294	-767
<b>Capital employed</b>	<b>21,777</b>	<b>20,562</b>	<b>20,900</b>	<b>61,395</b>	<b>11,161</b>	<b>10,289</b>	<b>26,237</b>	<b>25,802</b>	<b>38,342</b>	<b>37,533</b>	<b>-659</b>	<b>172</b>	<b>117,758</b>	<b>155,753</b>
Return on capital employed	16,8%	14,8%	32,1%	16,3%	1,2%	5,8%	12,4%	15,2%	18,8%	20,3%	-	-	16,9%	15,6%
Average adjusted capital employed	19,861	22,872	18,369	44,025	10,167	11,396	24,745	26,295	36,447	38,502	-	-	109,372	142,611
Average number of employees	11,943	12,188	9,435	13,358	7,914	7,099	7,278	7,895	15,621	16,028	271	276	52,463	56,845

<sup>1</sup> For information about items affecting comparability in 2023, please see the Year-end report 2023, available on [assaabloy.com](https://assaabloy.com)

# Financial information - Notes

## NOTE 1 DISAGGREGATION OF REVENUE

### Sales by continent Q2

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Europe	5,229	5,493	21	20	127	186	1,473	1,545	4,535	4,496	-191	-290	11,194	11,451
North America	226	169	7,671	10,538	727	587	2,974	2,812	6,403	6,908	-311	-140	17,689	20,874
Central- and South America	26	29	806	994	13	17	218	223	36	58	-7	-18	1,092	1,303
Africa	245	252	3	2	6	3	168	267	27	9	-17	-9	432	524
Asia	438	411	46	0	1,154	948	706	757	358	371	-64	-57	2,638	2,431
Oceania	38	37	2	8	737	688	330	335	356	354	-35	-37	1,429	1,385
<b>Total</b>	<b>6,202</b>	<b>6,391</b>	<b>8,549</b>	<b>11,562</b>	<b>2,765</b>	<b>2,430</b>	<b>5,869</b>	<b>5,939</b>	<b>11,715</b>	<b>12,196</b>	<b>-626</b>	<b>-551</b>	<b>34,474</b>	<b>37,968</b>

### Sales by continent Jan-Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Europe	10,632	10,868	48	37	296	353	2,920	3,261	9,015	9,046	-440	-530	22,472	23,036
North America	370	331	14,715	19,950	1,441	1,067	5,814	5,223	12,253	13,069	-655	-255	33,938	39,385
Central- and South America	47	50	1,552	1,918	27	29	357	396	61	117	-17	-27	2,027	2,483
Africa	475	477	6	3	7	3	287	441	46	24	-25	-21	795	927
Asia	819	806	85	170	1,975	1,695	1,409	1,422	710	717	-134	-115	4,865	4,696
Oceania	88	75	4	15	1,430	1,331	664	630	667	665	-85	-74	2,768	2,641
<b>Total</b>	<b>12,432</b>	<b>12,607</b>	<b>16,410</b>	<b>22,094</b>	<b>5,177</b>	<b>4,478</b>	<b>11,450</b>	<b>11,373</b>	<b>22,752</b>	<b>23,638</b>	<b>-1,355</b>	<b>-1,022</b>	<b>66,865</b>	<b>73,168</b>

### Sales by product group Q2

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Mechanical locks, lock systems and fittings	3,038	2,943	3,502	5,003	1,345	1,371	103	118	2	2	-199	-230	7,792	9,206
Electromechanical and electronic locks	1,959	2,125	2,104	2,836	636	419	5,732	5,834	310	292	-365	-242	10,376	11,265
Security doors and hardware	1,121	1,213	2,919	3,695	738	622	33	-12	1,108	1,133	-31	-43	5,889	6,608
Entrance automation	84	110	24	27	46	17	-	-	10,296	10,770	-32	-35	10,418	10,889
<b>Total</b>	<b>6,202</b>	<b>6,391</b>	<b>8,549</b>	<b>11,562</b>	<b>2,765</b>	<b>2,430</b>	<b>5,869</b>	<b>5,939</b>	<b>11,715</b>	<b>12,196</b>	<b>-626</b>	<b>-550</b>	<b>34,474</b>	<b>37,968</b>

### Sales by product group Jan-Jun

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other		Total	
SEK M	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Mechanical locks, lock systems and fittings	5,974	5,849	6,553	9,533	2,595	2,552	202	230	5	3	-415	-436	14,913	17,730
Electromechanical and electronic locks	3,940	4,159	4,229	5,302	1,246	795	11,165	11,139	630	596	-811	-435	20,399	21,556
Security doors and hardware	2,285	2,394	5,586	7,207	1,255	1,073	84	4	1,965	2,145	-66	-83	11,108	12,740
Entrance automation	232	205	42	52	81	58	-	-	20,153	20,894	-64	-68	20,445	21,141
<b>Total</b>	<b>12,432</b>	<b>12,607</b>	<b>16,410</b>	<b>22,094</b>	<b>5,177</b>	<b>4,478</b>	<b>11,450</b>	<b>11,373</b>	<b>22,752</b>	<b>23,638</b>	<b>-1,355</b>	<b>-1,022</b>	<b>66,865</b>	<b>73,168</b>

## NOTE 2 BUSINESS COMBINATIONS

### Consolidated acquisitions 2024

Acquisition	Division	Country	Number of employees	Approx. sales in 2023	Month of consolidation
Integrated Warehouse Solutions (IWS)	Entrance systems	USA	550	1850	2024-01
Cemoel	Global technologies	Spain	60	70	2024-02
Kadex	Global technologies	Netherlands	<50	50	2024-03
Axxess Industries	Global technologies	Canada	<50	<50	2024-04
Industrial door	Entrance systems	USA	<50	90	2024-04
Messerschmitt Systems	Global technologies	Germany	100	130	2024-04
Nomadix & Global reach	Global technologies	USA & United Kingdom	120	300	2024-04
Spaltabdichtung	Entrance systems	Germany	<50	<50	2024-04
Amecor	EMEIA	South Africa	120	150	2024-05
Vizzia	Global technologies	USA	<50	90	2024-06
Wesko	Americas	Canada	70	170	2024-06

# Financial information - Notes

	Q2		Jan-Jun	
	2023	2024	2023	2024
<b>Amounts recognized in the group, SEK M</b>				
<b>Purchase prices</b>				
Cash paid for acquisitions during the year	48,579	1,768	48,704	4,564
Holdbacks and deferred considerations for acquisitions during the year	104	234	104	318
Adjustment of purchase prices for acquisitions in prior years	-	47	9	-518
<b>Total</b>	<b>48,683</b>	<b>2,050</b>	<b>48,817</b>	<b>4,364</b>
<b>Acquired assets and liabilities at fair value</b>				
Intangible assets	721	1,466	1,579	1,137
Property, plant and equipment and right-of-use assets	2,379	156	2,461	289
Other non-current assets	196	59	194	68
Inventories	3,117	194	3,086	417
Current receivables and investments	2,027	233	2,059	433
Cash and cash equivalents	670	113	665	136
Non-current liabilities	-1,490	-183	-1,597	-221
Current liabilities	-2,854	-394	-2,908	-479
<b>Total</b>	<b>4,765</b>	<b>1,645</b>	<b>5,539</b>	<b>1,779</b>
<b>Goodwill</b>	<b>43,918</b>	<b>405</b>	<b>43,278</b>	<b>2,585</b>
<b>Change in cash and cash equivalents due to acquisitions</b>				
Cash paid for acquisitions during the year	48,579	1,768	48,704	4,564
Cash and cash equivalents in acquired subsidiaries	-670	-113	-665	-136
Paid and received considerations for acquisitions in prior years	49	100	256	-338
<b>Total</b>	<b>47,957</b>	<b>1,754</b>	<b>48,295</b>	<b>4,091</b>

The acquisition analyses for acquisitions made during the last 12 months are preliminary and will be concluded within one year of the acquisition date.

Fair value adjustments of acquired net assets from acquisitions made in previous periods are included in the above table. During the year, some of the analyses of acquisitions closed during 2023 have been completed, including Hardware and Home Improvement (HHI) which was acquired in June last year.

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

### 30 June 2024

NOTE 3 FAIR VALUE AND CARRYING AMOUNT ON FINANCIAL ASSETS AND LIABILITIES			Financial instruments at fair value		
30 June 2024	Carrying amount	Fair value	Level 1	Level 2	Level 3
SEK M					
<b>Financial assets</b>					
Financial assets at amortized cost	27,307	27,307			
Financial assets at fair value through profit and loss	124	124			
Derivatives - hedge accounting	150	150		150	
Derivatives - held for trading	129	129		129	
<b>Total financial assets</b>	<b>27,710</b>	<b>27,710</b>	<b>-</b>	<b>279</b>	<b>-</b>
<b>Financial liabilities</b>					
Financial liabilities at amortized cost	76,737	76,265			
Financial liabilities at fair value through profit and loss	1,186	1,186			1,186
Lease liabilities	6,001	6,001			
Derivatives - hedge accounting	129	129		129	
Derivatives - held for trading	266	266		266	
<b>Total financial liabilities</b>	<b>84,320</b>	<b>83,847</b>	<b>-</b>	<b>395</b>	<b>1,186</b>

### 31 December 2023

31 December 2023			Financial instruments at fair value		
SEK M	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Financial assets at amortized cost	22,934	22,934			
Financial assets at fair value through profit and loss	115	115			
Derivatives - hedge accounting	633	633		633	
Derivative instruments - hedge accounting	293	293		293	
Total financial assets	23,975	23,975	-	926	-
Financial liabilities					
Financial liabilities at amortized cost	71,071	70,310			
Financial liabilities at fair value through profit and loss	1,045	1,045			1,045
Lease liabilities	5,443	5,443			
Derivatives - hedge accounting	161	161		161	
Derivatives - held for trading	170	170		170	
Total financial liabilities	77,890	77,129	-	331	1,045

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

### EXTRACT FROM INCOME STATEMENT

	Year	Jan-Jun	
SEK M	2023	2023	2024
Operating income	2,951	1,530	848
Income before appropriations and tax	2,809	1,253	1,159
Net income for the period	3,365	1,067	1,160

### EXTRACT FROM BALANCE SHEET

	31 Dec	30 Jun	
SEK M	2023	2023	2024
Non-current assets	52,722	49,609	54,013
Current assets	40,730	20,716	45,082
<b>Total assets</b>	<b>93,452</b>	<b>70,325</b>	<b>99,095</b>
Equity	25,130	25,460	23,224
Untaxed reserves	1,021	1,265	1,021
Non-current liabilities	35,550	15,748	37,300
Current liabilities	31,751	27,852	37,550
<b>Total equity and liabilities</b>	<b>93,452</b>	<b>70,325</b>	<b>99,095</b>

## 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, revaluation of inventory in business combinations 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.

Information on how these performance measures have been calculated can be found on the company's website [www.assaabloy.com](http://www.assaabloy.com). To check the calculations of the financial measurements 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 2023 appear on the company's website.