



## Gunnebo interim report January-March 2006

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President and CEO Gunnebo AB  
Telephone conference 27 April 2006

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## Highlights January-March 2006

- An entirely new organisation was introduced during the quarter for more than 3,000 employees and having an effect on 85% of Gunnebo's business.
- Most of Gunnebo's some 70 companies in Europe have been grouped in a new structure and the process of merging or discontinuing companies has begun in most European countries. The necessary union negotiations have been more or less completed.



## Highlights January-March 2006

- The order intake rose by 6% to MSEK 1,608 (1,524) during the quarter, of which organic growth accounted for 2%, despite the fact that the far-reaching organizational changes have involved some disturbances.
- Invoiced sales rose by 3% to MSEK 1,482 (1,438). Organically, sales declined by 1%.
- The result after financial items and before items affecting comparability was a loss of MSEK 20 (loss 8). After these items the result was a loss of MSEK 54 (loss 52).



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27 April, 2006, page 3

## Highlights January-March 2006

- Items affecting comparability amounted to MSEK 34 (cost 44), comprising the cost of the previously announced Gunnebo One Company integration programme, mainly of redundancies.
- The result after tax was a loss of MSEK 38 (loss 38).
- The loss per share was SEK 0.85 (loss 0.85). Excluding items affecting comparability the loss per share was SEK 0.30 (loss 0.10).
- The operating cash flow was a negative MSEK 59 (-38).



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27 April, 2006, page 4

## Outlook for 2006 as a whole

- The result after financial items for 2006 is expected to be significantly higher than for 2005, both before and after items affecting comparability (MSEK 238 and MSEK 33), but it will still be below the company's established financial targets.

The outlook for 2006 is unchanged in relation to the forecast presented in Gunnebo's year-end communiqué on 7 February 2006 and at the AGM on 30 March 2006.

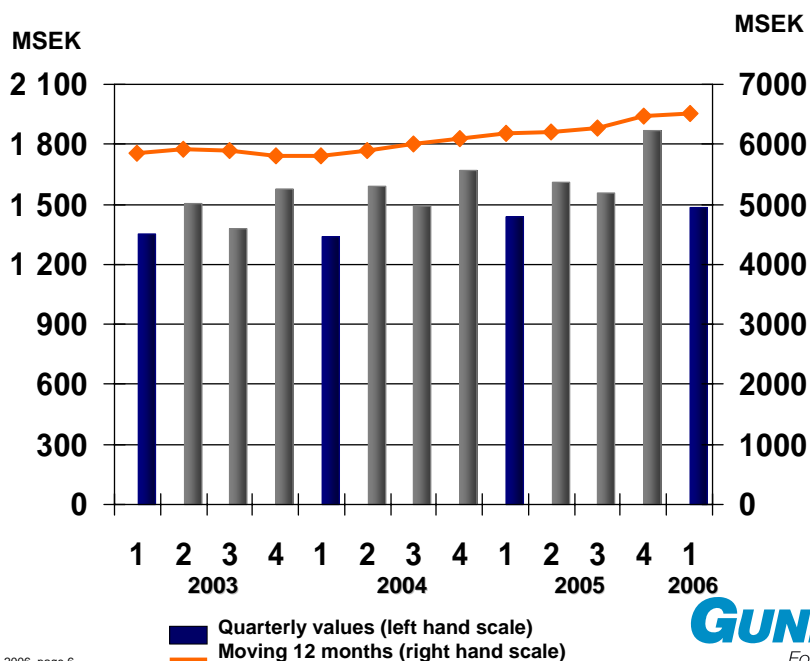


27 April, 2006, page 5

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## Invoiced sales

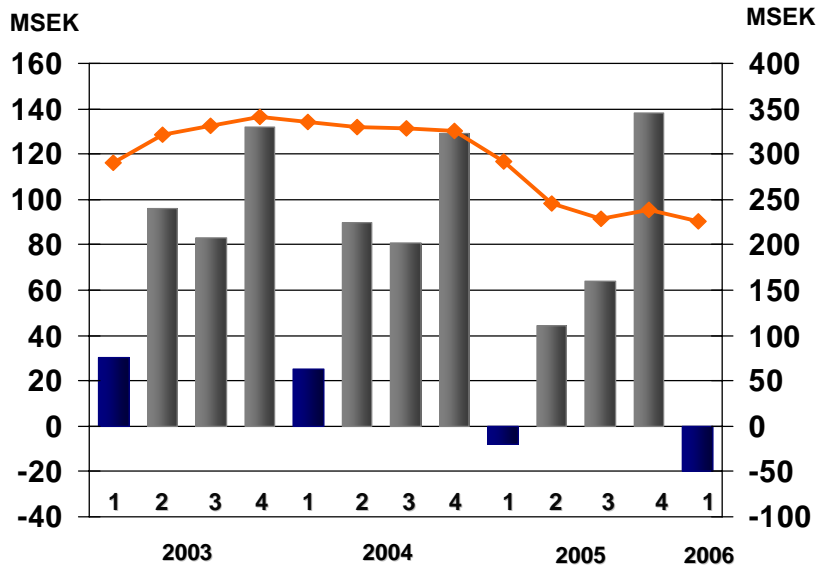
Excl. GIAB



27 April, 2006, page 6

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## Profit after financial items\*



\* Excl. items affecting comparability, GIAB and depreciation of goodwill

■ Quarterly values (left hand scale)

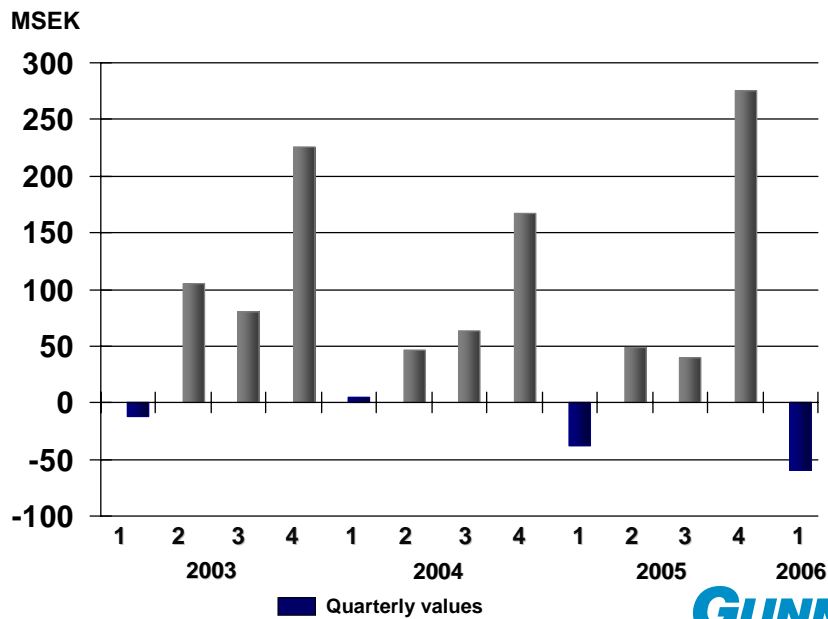
— Moving 12 months (right hand scale)

27 April, 2006, page 7

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## Operating cash flow

Before financial items, tax and structural costs, excl. GIAB



27 April, 2006, page 8

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## Invoiced sales

MSEK	Jan - March		Full year
	2006	2005	2005
Business Line Bank	533	520	2 171
Business Line Retail	154	144	667
Business Line Site Protection	571	562	2 702
Business Line Secure Storage	224	212	937
Central items	-	-	-
<b>Group total</b>	<b>1 482</b>	<b>1 438</b>	<b>6 477</b>

27 April, 2006, page 9

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## Operating profit

MSEK	Jan - March		Full year
	2006	2005	2005
Business Line Bank	20	26	179
Business Line Retail	-6	-5	21
Business Line Site Protection	-22	-8	108
Business Line Secure Storage	20	4	67
Central items	-14	-13	-67
<b>Total before items affecting comparability</b>	<b>-2</b>	<b>4</b>	<b>308</b>
Items affecting comparability	-34	-44	-205
<b>Group total</b>	<b>-36</b>	<b>-40</b>	<b>103</b>

27 April, 2006, page 10

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## Operating margin

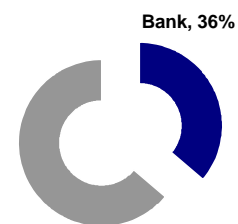
%	Jan - March		Full year
	2006	2005	2005
Business Line Bank	3,8	5,0	8,2
Business Line Retail	-3,9	-3,5	3,1
Business Line Site Protection	-3,9	-1,4	4,0
Business Line Secure Storage	8,9	1,9	7,2
Central items	-	-	-
<b>Total before items affecting comparability</b>	<b>-0,1</b>	<b>0,3</b>	<b>4,8</b>
<b>Group total after items affecting comparability</b>	<b>-2,4</b>	<b>-2,8</b>	<b>1,6</b>






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27 April, 2006, page 11

## Business Line Bank

MSEK	Jan-March		Full year
	2006	2005	2005
Revenue	533	520	2 171
Operating profit	20	26	179
Operating margin, %	3,8	5,0	8,2



- Automated banking services 
- Traditional banking products 
- Security doors 
- France 
- Agency markets, India and Indonesia 

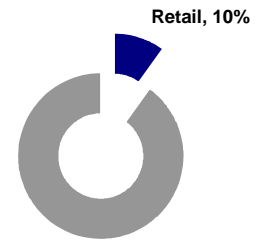


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27 April, 2006, page 12

## Business Line Retail

MSEK	Jan-March		Full year
	2006	2005	2005
Revenue	154	144	667
Operating profit	-6	-5	21
Operating margin, %	-3,9	-3,5	3,1



- Integrated security systems for the European retail trade
- SafePay™ installations
- Self-service with SafePay in Germany
- Gateway (England, Russia, Brazil and Sweden)



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27 April, 2006, page 13

## Business Line Site Protection

MSEK	Jan-March		Full year
	2006	2005	2005
Revenue	571	562	2 702
Operating profit	-22	-8	108
Operating margin, %	-3,9	-1,4	4,0



- First quarter (cold and long winter)
- Entrance Control
- High security protection
- Troax
- Outdoor installations in France, Spain, Germany and Nordic



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27 April, 2006, page 14

## Business Line Secure Storage

MSEK	Jan-March		Full year
	2006	2005	2005
Revenue	<b>224</b>	212	937
Operating profit	<b>20</b>	4	67
Operating margin, %	<b>8,9</b>	1,9	7,2

Secure Storage, 15%



- Structural changes in production
- OEM-customers
- Data-media safes
- SoHo-products (especially UK)



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27 April, 2006, page 15

## Consolidated income statement

MSEK	Jan - March		Full year	
	2006	2005	2005	2004
Revenue	<b>1 482</b>	1 438	6 477	6 086
Cost of sales	<b>-1 047</b>	-1 015	-4 459	-4 116
<b>Gross operating profit</b>	<b>435</b>	<b>423</b>	<b>2 018</b>	<b>1 970</b>
Other operating costs*	<b>-471</b>	-463	-1 915	-1 806
<b>Operating profit</b>	<b>-36</b>	<b>-40</b>	<b>103</b>	<b>164</b>
Net financial items	<b>-18</b>	-12	-70	-43
<b>Profit after financial items</b>	<b>-54</b>	<b>-52</b>	<b>33</b>	<b>121</b>
Taxes	<b>16</b>	14	-130	-37
<b>Net profit for the period</b>	<b>-38</b>	<b>-38</b>	<b>-97</b>	<b>84</b>
* Whereof items affecting comparability	<b>-34</b>	-44	-205	-204

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27 April, 2006, page 16

## Consolidated balance sheet

MSEK	31 March		31 December	
	2006	2005	2005	2004
Goodwill	1 092	1 143	1 098	1 089
Other intangible fixed assets	122	122	126	121
Tangible fixed assets	736	1 073	744	1 021
Financial fixed assets	206	190	219	169
Inventory	945	1 308	838	1 195
Operating receivables	1 597	1 813	1 639	1 851
Liquid funds	121	135	169	203
<b>Total asset</b>	<b>4 819</b>	<b>5 784</b>	<b>4 833</b>	<b>5 649</b>
Equity	1 186	1 750	1 208	1 759
Interest-bearing provisions and liabilities	1 998	2 111	1 950	1 931
Other provisions and liabilities	1 635	1 923	1 675	1 959
<b>Total equity and liabilities</b>	<b>4 819</b>	<b>5 784</b>	<b>4 833</b>	<b>5 649</b>

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27 April, 2006, page 17

## Key ratios

Excluding items affecting comparability

	Jan-March		Full year	
	2006	2005	2005	2004
Return on capital employed, %*	10,8	12,7	10,4	14,1
Return on equity, %*	14,5	17,2	12,8	19,4
Operating margin before depreciation, % (EBITDA)	2,0	2,6	6,8	7,9
Operating margin, % (EBIT)	-0,1	0,3	4,8	6,0
Profit margin, % (EBT)	-1,3	-0,6	3,7	5,3

\* During the latest 12-month period

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27 April, 2006, page 18



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