



## Gunnebo Interim Report January-March 2009

Phone conference  
April 23, 2009

**GUNNEBO**  
For a safer world®

### Short Introduction of Gunnebo's President and CEO Per Borgvall

- President and CEO since March 1, 2009
- Master of Science Civil Engineering
- 27 years of industrial Experience
- Over 20 years in management positions
- 15 years as MD or CEO



**GUNNEBO**  
For a safer world®

## January-March 2009

- Order intake amounted to MSEK 1,674 (1,688). Organic order intake decreased by 10%.
- Net sales increased to MSEK 1,681 (1,571). Organic net sales decreased by 3%.
- The operating profit amounted to MSEK 5 (16). Expenses of a non-recurring nature burdened operating profit by MSEK -18 (0).
- Profit/loss after tax amounted to MSEK -25 (-22).
- Earnings per share were SEK -0.55 (-0.50).
- The operating cash flow amounted to MSEK 155 (34).



**GUNNEBO**  
For a safer world®

April 23, 2009, page 3

## CEO Comments To First Quarter 2009

- Strong operating cash flow in the quarter of MSEK 155 (34).
- Satisfactory order intake for Business Lines Bank and Retail.
- Net debt at the same level as at the end of the fourth quarter of 2008, MSEK 1,971 (1,967).
- During the period decisions to implement capacity adjustments were taken and partly implemented.
- Adjusted for non-recurring items and currency impacts the operating profit improved by MSEK 11.
- The first quarter is seasonally Gunnebo's weakest.



**GUNNEBO**  
For a safer world®

April 23, 2009, page 4

## Business Line Bank

MSEK	January-March		Full year	
	2009	2008	2008	2007
Order intake	612	570	2,276	2,327
Net sales	569	508	2,208	2,326
Operating profit/loss	29	28	168	221
Operating margin, %	5.1	5.5	7.6	9.5



- Continuous stable order intake
- Major order to central bank in the West Asia region
- Markets in the Netherlands, Switzerland, RIOR and Greece developed well
- Expenses of a non-recurring nature: MSEK 6 (0)



Share of Group sales



**GUNNEBO**  
For a safer world®

April 23, 2009, page 5

## Business Line Retail

MSEK	January-March		Full year	
	2009	2008	2008	2007
Order intake	189	176	734	803
Net sales	179	181	779	739
Operating profit/loss	-2	-4	6	-5
Operating margin, %	-1.1	-2.2	0.8	-0.7



- Installation pace of SafePay™ on the Nordic market
- New pilot installations of SafePay™ in among others France, Italy and the Netherlands
- Sales of safes and electronic article surveillance
- Expenses of a non-recurring nature: MSEK -1 (0)



Share of Group sales



**GUNNEBO**  
For a safer world®

April 23, 2009, page 6

## Business Line Site Protection

MSEK	January-March		Full year	
	2009	2008	2008	2007
Order intake	647	685	2,851	2,755
Net sales	677	645	2,850	2,920
Operating profit/loss	-17	-12	91	97
Operating margin, %	-2.5	-1.9	3.2	3.3



- Seasonally weak first quarter →
- A number of major orders on high-security products signed with airports, harbours, powerplants and metro →
- Indoor Perimeter Protection (Gunnebo Troax) →
- Expenses of a non-recurring nature: MSEK -8 (0)

Share of Group sales



**GUNNEBO**  
For a safer world®

April 23, 2009, page 7

## Business Line Secure Storage

MSEK	January-March		Full year	
	2009	2008	2008	2007
Order intake	226	257	1,104	1,053
Net sales	256	237	1,066	1,040
Operating profit/loss	6	19	79	99
Operating margin, %	2.3	8.0	7.4	9.5



- Decreased demand, stiff price competition and unfavourable product mix →
- Deliveries to the European Commission's delegations →
- Employee reductions in production
- Expenses of a non-recurring nature: MSEK -3 (0)

Share of Group sales



**GUNNEBO**  
For a safer world®

April 23, 2009, page 8

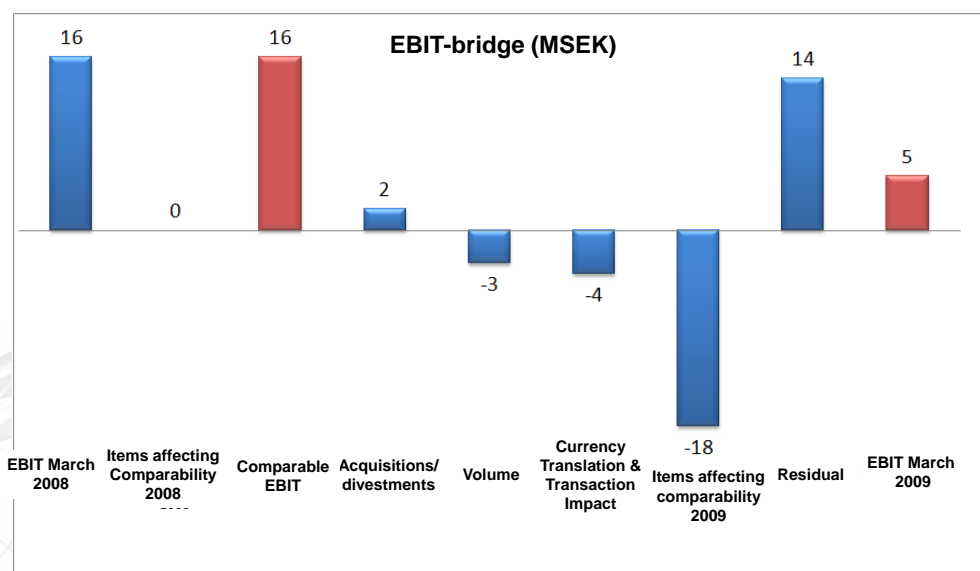
## Decided and Implemented Streamlining

- No. of employees March 2008: 6,637
  - Direct labour: -243
  - Indirect labour: -204
  
- No. of employees March 2009: 6,190
  - Whereof reductions since year-end: 229
  - Ongoing streamlining in Sweden within Indoor Perimeter Protection Hillerstorp, 30 persons) and Secure Storage (Mora, 24 persons)

April 23, 2009, page 9

**GUNNEBO**  
For a safer world®

## EBIT-bridge March 2008 – March 2009

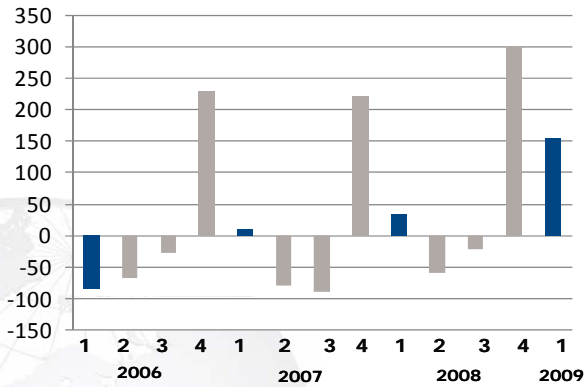


April 23, 2009, page 10

**GUNNEBO**  
For a safer world®

## Operating Cash Flow Before financial items and tax

MSEK



- Reduced overdues
- Actions to strengthen cash flow during 2009 implemented

Quarterly values

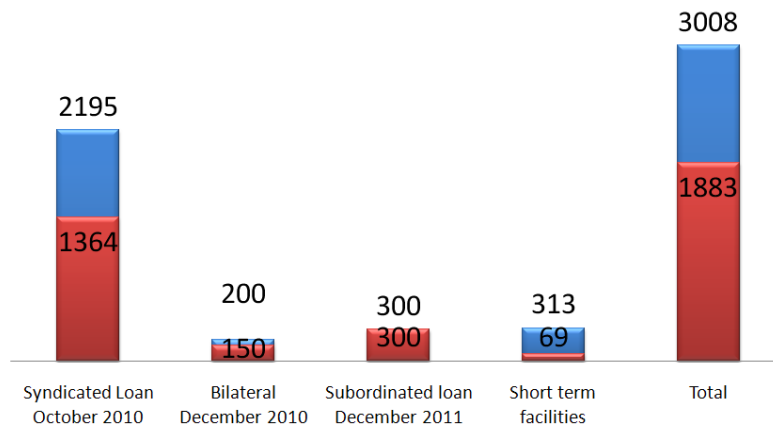
**GUNNEBO**  
For a safer world®

April 23, 2009, page 11

## Credit facilities

### Credit facilities as per March 2009

Frame Drawn

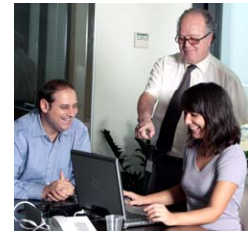


**GUNNEBO**  
For a safer world®

April 23, 2009, page 12

## Group Liquidity and Financial Position

- The Group's liquid funds at the end of the period amounted to MSEK 152 (169) and equity totalled MSEK 1,060 (1,073).
- Net debt amounted to MSEK 1,971 (1,967), mainly due to exchange rate fluctuations.
- A weaker Swedish krona in relation to the euro resulted in a slightly larger balance sheet.
- Equity ratio amounted to 21% (20) and the debt/equity ratio to 1.9 (1.8).



*All comparative figures on this slide relates to year-end 2008*

April 23, 2009, page 13

**GUNNEBO**  
For a safer world®

## Gunnebo's credit facility

- Senior credit facility matures during the fourth quarter 2010.
- Activities to replace existing facility with a new, long-term credit facility will be initiated during the second half of 2009.
- With regard to the prevailing terms in the loan agreements the credit facilities available amounted to approximately MSEK 360 at the end of quarter.
- Existing credit facilities are assessed as sufficient for current operations until a new credit facility is in place.



April 23, 2009, page 14

**GUNNEBO**  
For a safer world®

## Financial Targets

- Due to the irregular business landscape that is hard to interpret, no forecast will be given.
- Gunnebo's financial targets remains:
  - Gunnebo shall earn a return on capital employed of at least 15% and an operating margin of at least 7%.
  - The equity ratio shall not fall below 30%.
  - The Group shall achieve organic growth of at least 5% each year.



**GUNNEBO**  
For a safer world®

April 23, 2009, page 15

## Gunnebo Annual General Meeting

- April 23, 17.00 (CET) in Gothenburg, Chalmers student's union building
- The address by the CEO will be webcasted and available on [www.gunnebo.com](http://www.gunnebo.com) during the evening, and with English subtitles during the day April 24



**GUNNEBO**  
For a safer world®

April 23, 2009, page 16



[www.gunnebo.com](http://www.gunnebo.com)

**GUNNEBO**  
For a safer world®

**In Brief**

MSEK	January-March	
	2009	2008
Order intake	1,674	1,688
Net sales	1,681	1,571
Operating profit before depreciation (EBITDA)	37	47
Operating margin before depreciation (EBITDA), %	2.2	3.0
Operating profit (EBIT)	5	16
Operating margin (EBIT), %	0.3	1.0
Profit/loss after financial items	-21	-11
Profit/loss after tax	-25	-22
Earnings per share, SEK*	-0.55	-0.50
Operating cash flow	155	34

\* Earnings per share before and after dilution

**GUNNEBO**  
For a safer world®

### Summary group income statement

MSEK	January-March		Full year	
	2009	2008	2008	2007
Net sales	1,681	1,571	6,903	7,025
Cost of goods sold	-1,222	-1,126	-4,957	-5,040
<b>Gross profit</b>	<b>459</b>	<b>445</b>	<b>1,946</b>	<b>1,985</b>
Other operating costs, net	-454	-429	-1,665	-1,636
<b>Operating profit/loss</b>	<b>5</b>	<b>16</b>	<b>281</b>	<b>349</b>
Net financial items	-26	-27	-101	-95
<b>Profit/loss after financial items</b>	<b>-21</b>	<b>-11</b>	<b>180</b>	<b>254</b>
Taxes	-4	-11	-65	-126
<b>Profit/loss for the period</b>	<b>-25</b>	<b>-22</b>	<b>115</b>	<b>128</b>
<i>Whereof attributable to:</i>				
Parent company shareholders	-25	-22	115	128
Minority interests	-	-	-	-
	<b>-25</b>	<b>-22</b>	<b>115</b>	<b>128</b>
Earnings per share before dilution, SEK	-0.55	-0.50	2.50	2.80
Earnings per share after dilution, SEK	-0.55	-0.50	2.50	2.80

April 23, 2009, page 19

**GUNNEBO**  
For a safer world®

### Summary group balance sheet

MSEK	31 March		31 December	
	2009	2008	2008	2007
Goodwill	1,250	1,084	1,240	1,103
Other intangible assets	115	126	120	129
Tangible assets	615	570	625	584
Financial assets	343	186	346	168
Inventories	951	869	913	789
Current receivables	1,716	1,648	1,849	1,846
Liquid funds	152	169	169	218
<b>Total assets</b>	<b>5,142</b>	<b>4,652</b>	<b>5,262</b>	<b>4,837</b>
Equity	1,060	1,086	1,073	1,142
Long-term liabilities	2,099	1,572	2,142	1,604
Current liabilities	1,983	1,994	2,047	2,091
<b>Total equity and liabilities</b>	<b>5,142</b>	<b>4,652</b>	<b>5,262</b>	<b>4,837</b>

April 23, 2009, page 20

## Key ratios

	January-March		Full year	
	2009	2008	2008	2007
Return on capital employed, %	8.8	11.4	9.2	11.9
Return on equity, %	10.5	9.5	10.4	11.7
Gross margin, %	27.3	28.3	28.2	28.3
Operating profit before depreciation (EBITDA), MSEK	37	47	411	488
Operating margin before depreciation, % (EBITDA)	2.2	3.0	6.0	6.9
Operating profit (EBIT), MSEK	5	16	281	349
Operating margin, % (EBIT)	0.3	1.0	4.1	5.0
Profit margin, % (EBT)	-1.2	-0.7	2.6	3.6
Capital turnover rate, times	2.2	2.3	2.2	2.3
Equity ratio, %	21	23	20	24
Interest coverage ratio, times	0.2	0.6	2.9	3.7
Debt/equity ratio, times	1.9	1.6	1.8	1.5