

**Gunnebo Interim Report January-March 2011**

Phone conference April 28, 2011

## CEO's Comments To First Quarter

- Continued good growth on the markets in Asia, Africa and the Middle East, while the beginning of the year has been weak in parts of Europe
- The Group is following the chosen strategic plan well
- The first quarter is historically a weak one for Gunnebo
- The gross margin continues to improve and the profit/loss after tax for the period increased by MSEK 38
- First quarter that Gunnebo is reporting its operation in the new reporting structure
- Focus 2011: Strategy execution



## First Quarter 2011

- Order intake increased organically by 4% and amounted to MSEK 1,630 (1,711)
- Net sales increased organically by 3% and amounted to MSEK 1,262 (1,345)
- Operating profit improved with MSEK 26 to MSEK 5 (-21) and the operating margin to 0.4% (-1.6%).
- Net financial items improved to MSEK -7 (-22)
- Profit/loss after tax for the period totalled MSEK -7 (-45)
- Earnings per share were SEK -0.10 (-0.60)



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### Business Area Bank Security & Cash Handling

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Order intake	613	833	2,496	2,455
Net sales	494	544	2,451	2,528
Operating profit/loss	17	13	166	77
Operating margin, %	3.4	2.4	6.8	3.0
Non-recurring items	-	-	-33	-54



Part of Group Sales

### The Market

- Positive development of the global market
- Different market drivers in different part of the world

### Market Development

- Lower order intake due to exchange rates and a major order received first quarter 2010
- Good order intake on several South European markets
- Good growth in India
- Sales of Physical and Electronic Security developed well



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### Business Area Entrance Control

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Order intake	224	188	763	860
Net sales	166	165	766	847
Operating profit/loss	3	-11	-1	2
Operating margin, %	1.8	-6.7	-0.1	0.2
Non-recurring items	-	-16	-36	-22



Part of Group Sales

### The Market

- A global growth-market
- Market drivers are investments in infrastructure as airports, metro-systems and railroads alongside with the trend to increase security around and inside buildings

### Market Development

- Organically, order intake increased by 28% and net sales by 10%
- Good development of order intake, especially in China, Africa and the USA
- The markets in Great Britain, France, the Netherlands, Finland and Poland also noted good growth



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### Business Area Secure Storage

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Order intake	170	192	748	717
Net sales	156	173	735	786
Operating profit/loss	4	9	38	8
Operating margin, %	2.6	5.2	5.2	1.0
Non-recurring items	-	-1	-10	-29



Part of Group Sales

### The Market

- Continued growing need for the Group's products, primarily in markets outside of Europe
- Market Drivers: Increased awareness about the importance of protecting valuables against fire and theft and a growing middle class

### Market Development

- Organically, order intake unchanged compared to first quarter 2010
- Good development in Asia, especially in South-east Asia
- Hard competition on simpler products on European markets
- Sales of ATM-safes recovered after a weak end to 2010



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### Business Area Services

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Order intake	404	309	1,120	1,199
Net sales	272	285	1,120	1,204
Operating profit/loss	22	22	91	94
Operating margin, %	8.1	7.7	8.1	7.8
Non-recurring items	-	-	-16	-28



Part of Group Sales

### The Market

- Growing interest for outsourcing and multivendor services
- Growing need of security services within the retail trade, which opens up new business opportunities

### Market Development

- Underlying business developed well
- Strong order intake in Southern Europe



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### Developing Businesses

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Order intake	219	189	869	861
Net sales	174	178	866	913
Operating profit/loss	-31	-46	-95	-227
Operating margin, %	-17.8	-25.8	-11.0	-24.9
Non-recurring items	-	-	-20	-124



Part of Group Sales

### Perimeter Protection

- Order intake as well as net sales developed well

### SafePay

- Stable order intake for SafePay

### Gateway

- Increased interest for EAS-solutions after a weak end of 2010



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## Liquidity and Financial Position

- The Group's liquid funds at the end of the period amounted to MSEK 183 (142)
- Equity totalled MSEK 1,578 (1,393), giving an equity ratio of 42 per cent (34)
- Net debt decreased to MSEK 564 (991) and debt/equity ratio improved to 0,3 (0,7)



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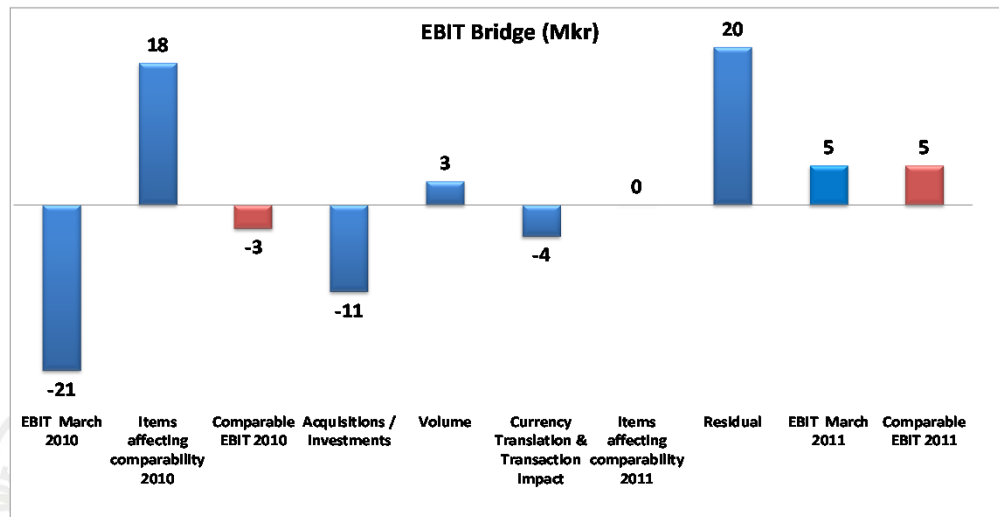
### Summary group income statement

MSEK	Jan-March		Full year	
	2011	2010	2010	2009
Net sales	1,262	1,345	5,938	6,278
Cost of goods sold	-932	-1,011	-4,311	-4,624
<b>Gross profit</b>	<b>330</b>	<b>334</b>	<b>1,627</b>	<b>1,654</b>
Write-down of goodwill	-	-	-	-106
Other operating costs, net	-325	-355	-1,477	-1,655
<b>Operating profit/loss</b>	<b>5</b>	<b>-21</b>	<b>150</b>	<b>-107</b>
Net financial items	-7	-22	-78	-74
<b>Profit/loss after financial items</b>	<b>-2</b>	<b>-43</b>	<b>72</b>	<b>-181</b>
Taxes	-5	-4	-41	-36
<b>Profit/loss for the period from continuing operations</b>	<b>-7</b>	<b>-47</b>	<b>31</b>	<b>-217</b>
Profit/loss for the period from discontinued operations	-	2	147	12
<b>Profit/loss for the period</b>	<b>-7</b>	<b>-45</b>	<b>178</b>	<b>-205</b>
<i>Whereof attributable to:</i>				
Parent company shareholders	-7	-45	178	-205
Minority interests	-	-	-	-
	-7	-45	178	-205
<b>Earnings per share before dilution, SEK*</b>	<b>-0.10</b>	<b>-0.60</b>	<b>2.35</b>	<b>-3.40</b>
<i>Whereof continuing operations</i>	<i>-0.10</i>	<i>-0.60</i>	<i>0.40</i>	<i>-3.60</i>
<i>Whereof discontinued operations</i>	<i>0.00</i>	<i>0.00</i>	<i>1.95</i>	<i>0.20</i>
<b>Earnings per share after dilution, SEK*</b>	<b>-0.10</b>	<b>-0.60</b>	<b>2.35</b>	<b>-3.40</b>
<i>Whereof continuing operations</i>	<i>-0.10</i>	<i>-0.60</i>	<i>0.40</i>	<i>-3.60</i>
<i>Whereof discontinued operations</i>	<i>0.00</i>	<i>0.00</i>	<i>1.95</i>	<i>0.20</i>

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\*The figures for 2009 are adjusted for the bonus issue element of the Rights issue

## EBIT Bridge March 2010 – March 2011



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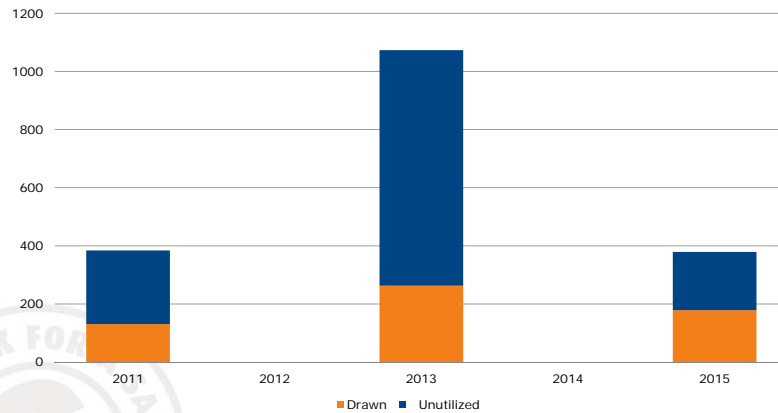
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### Summary group balance sheet

MSEK	31 March		31 December	
	2011	2010	2010	2009
Goodwill	941	1,044	952	1,091
Other intangible assets	96	103	96	108
Tangible assets	362	515	367	547
Financial assets	310	280	335	306
Inventories	636	664	543	644
Current receivables	1,227	1,347	1,253	1,468
Liquid funds	183	142	189	172
<b>Total assets</b>	<b>3,755</b>	<b>4,095</b>	<b>3,735</b>	<b>4,336</b>
Equity	1,578	1,393	1,606	1,413
Long-term liabilities	663	1,110	639	584
Current liabilities	1,514	1,592	1,490	2,339
<b>Total equity and liabilities</b>	<b>3,755</b>	<b>4,095</b>	<b>3,735</b>	<b>4,336</b>

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## Loan Frame And Drawn Facilities March 2011



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A watercolor-style world map in shades of blue and green, centered on the Atlantic Ocean. The map is overlaid with the text 'THE LEADING GLOBAL PROVIDER OF A SAFER FUTURE' in orange. Below the map, the website address 'www.gunnebo.com' is written in blue. At the bottom of the image, there is a horizontal bar with several colored segments: grey, orange, blue, green, yellow, and dark blue.

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FUTURE**

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