



Gunnebo Interim Report January-March 2007

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President & CEO Gunnebo AB
26 April 2007

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Highlights January-March 2007

- The order intake rose organically by 20% to MSEK 1,884 (1,608).
- Invoiced sales rose organically by 11% to MSEK 1,603 (1,482)
- The operating result improved to MSEK 27 (loss 36). The previous year's result included net cost items affecting comparability of MSEK 34.



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Highlights January-March 2007

- The result after tax amounted to MSEK 2 (loss 38)
- Result per share amounted to SEK 0.05 (loss 0.85)
- Improved operating cash-flow amounted to MSEK 34 (negative 59)
- The operating result for 2007 as a whole is expected to be significantly better than in the previous year



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Comments by the CEO on Q1

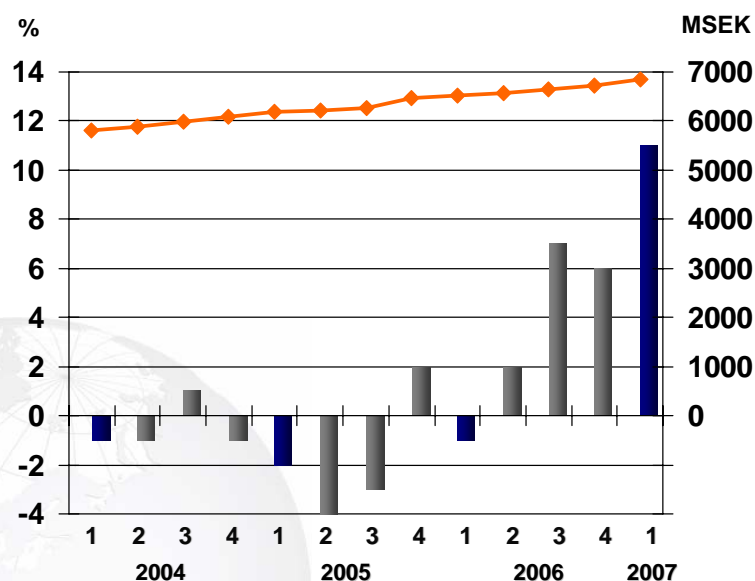
- Major improvements on order intake within all Business Lines
- Historically high growth of invoicing, among others in region Indian Ocean Rim



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Invoiced sales and organic growth



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■ Organic growth, quarterly values (left-hand scale)
 — Invoiced sales, moving 12-months (right-hand scale)

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Order intake

MSEK	Jan-March		Full year		2005
	2007	%*	2006	2006	
Business Line Bank	721	24	593	2,237	2,243
Business Line Retail	212	22	178	745	665
Business Line Site Protection	684	13	616	2 834	2,831
Business Line Secure Storage	267	24	221	946	919
Group total	1,884	20	1,608	6,762	6,658

Invoiced sales

MSEK	Jan-March		Full year		2005
	2007	%*	2006	2006	
Business Line Bank	546	5	533	2,282	2,171
Business Line Retail	161	7	154	714	667
Business Line Site Protection	641	14	571	2,736	2,702
Business Line Secure Storage	255	17	224	995	937
Group total	1,603	11	1,482	6,727	6,477

* Organic growth

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Comments by the CEO on Q1

- Marginal effect on "bottom line", still major increase compared to Q1 2005 and Q1 2006
- Positive operating cash flow of MSEK 34 (negative 59) as a consequence of better control over the working capital



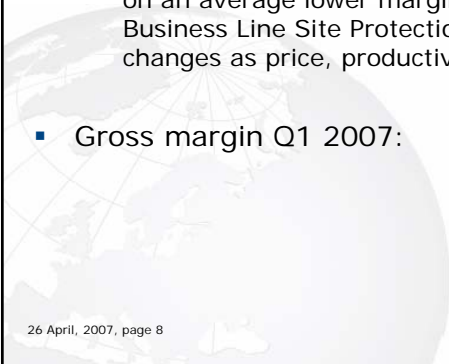
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Gross margin: Changes Q1 2007 / Q1 2006

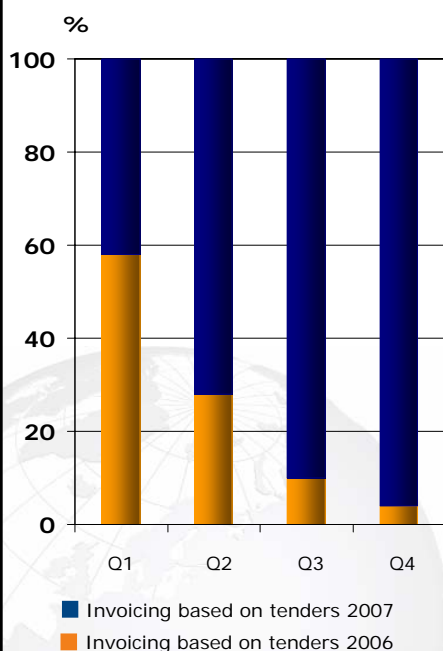
- | | |
|---|-------|
| ▪ Gross margin Q1 2006 | 29,4% |
| ▪ Impact on gross margin that has not affected the operating result, as for instance product- and customer mix, reclassification of S&A costs to Cost of Goods Sold: | -0,9% |
| ▪ Impact on gross margin that has had an impact on operating result, as invoicing of orders taken on an average lower margin within mainly Business Line Site Protection, and other changes as price, productivity and cost effects | -0,7% |
| ▪ Gross margin Q1 2007: | 27,8% |



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Orders on hand: First quarter 2007



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- Orders on hand, value end Q1: MSEK 1,800
- The process from offer to invoicing has a time-cycle depending on among others the kind of business, size and complexity
- Around MSEK 800 are orders based on tenders from 2006
- Those tenders will mainly be invoiced during Q2 and Q3, and to a smaller extent in Q4

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In brief

MSEK	Jan-March		Organic growth
	2007	2006	
Order intake	1,884	1,608	20%
Invoiced sales	1,603	1,482	11%
Operating result	27	-36	
Operating margin, %	1.7	-2.4	
Result after financial items	3	-54	
Net result	2	-38	
Result per share, SEK	0.05	-0.85	
Operating cash flow	34	-59	

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Financial targets

- In the long term, Gunnebo shall earn a return on capital employed of at least 15% and attain 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



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Outlook for 2007 as a whole

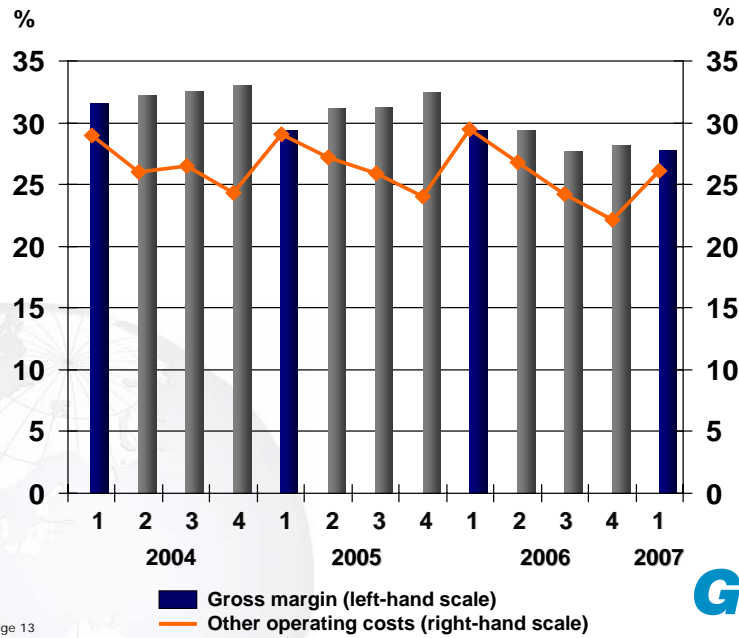
- The operating result is expected to be significantly better than the previous year's result. However, in view of developments in 2006 and some delay to the Gunnebo One Company integration project, it is considered that it will not be possible to reach the financial targets in all respects during the 2007 financial year



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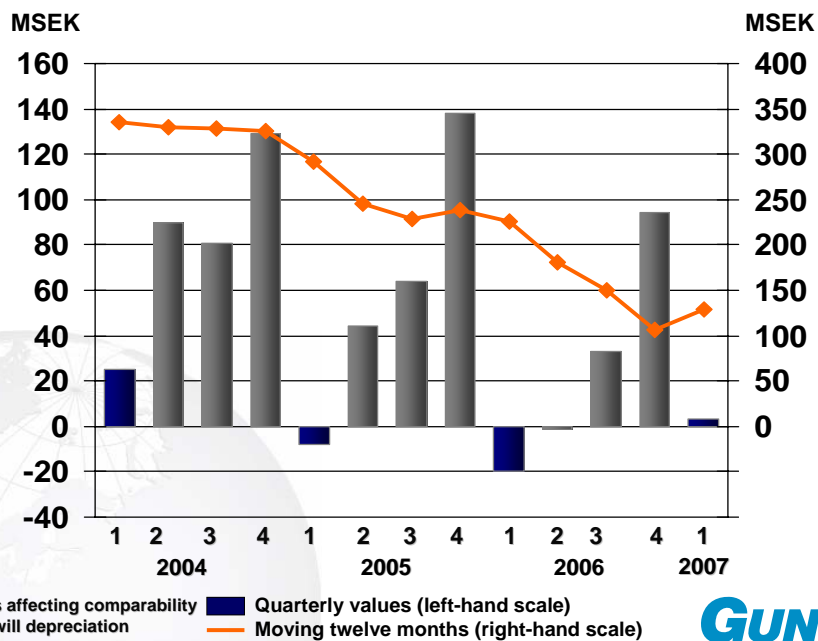
Gross margin and Other operating costs Excluding items affecting comparability



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Result after financial items*



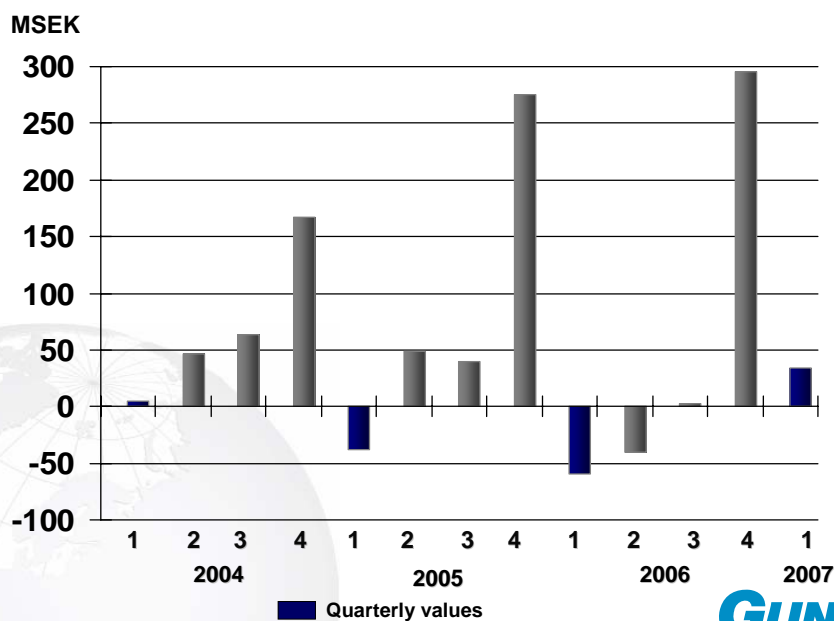
* Exc. Items affecting comparability and goodwill depreciation

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Operating cash flow

Before financial items, tax and structuring costs



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Operating profit and Operating margin

	January-March				Full year			
	2007		2006		2006		2005	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%
Business Line Bank	37	6.8	20	3.8	175	7.7	179	8.2
Business Line Retail	-5	-3.1	-6	-3.9	-20	-2.8	21	3.1
Business Line Site Protection	-12	-1.9	-22	-3.9	31	1.1	108	4.0
Business Line Secure Storage	24	9.4	20	8.9	88	8.8	67	7.2
Central items	-17	-	-14	-	-58	-	-67	-
Total before items affecting comparability	27	1.7	-2	-0.1	216	3.2	308	4.8
Items affecting comparability	-	-	-34	-	-243	-	-205	-
Group total	27	1.7	-36	-2.4	-27	-0.4	103	1.6

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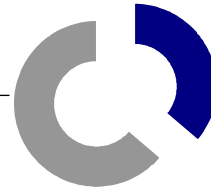
Business Line Bank

Share of Group sales: 34%

MSEK	January-March			Full year	
	2007	%*	2006	2006	2005
Order intake	721	24	593	2,237	2,243
Invoiced sales	546	5	533	2,282	2,171
Operating result	37		20	175	179
Operating margin, %	6.8		3.8	7.7	8.2

* Organic growth

- Traditional and automated bank products and systems
- Integrated security solutions
- Order intake in France, Germany, Belgium, Italy and Switzerland
- Order intake in Nordic Region, Great Britain, Netherlands, Spain and Agency markets



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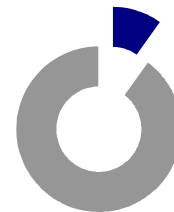
Business Line Retail

Share of Group sales: 10%

MSEK	January-March			Full year	
	2007	%*	2006	2006	2005
Order intake	212	22	178	745	665
Invoiced sales	161	7	154	714	667
Operating result	-5		-6	-20	21
Operating margin, %	-3.1		-3.9	-2.8	3.1

* Organic growth

- Integrated security solutions
- SafePay™
- Market for electronic article surveillance
- Order intake in Nordic Region, Great Britain, France and Italy



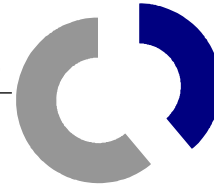
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Business Line Site Protection

Share of Group sales: 40%

MSEK	January-March			Full year	
	2007	%*	2006	2006	2005
Order intake	684	13	616	2,834	2,831
Invoiced sales	641	14	571	2,736	2,702
Operating result	-12		-22	31	108
Operating margin, %	-1.9		-3.9	1.1	4.0



* Organic growth

- Healthy market conditions, partly thanks to the mild winter 
- Gunnebo indoor perimeter security 
- Order intake in France, Nordic Region, Germany, Great Britain and Spain 
- Order intake in Belgium, Italy, Region Indian Ocean Rim 



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Business Line Secure Storage

Share of Group sales: 16%

MSEK	January-March			Full year	
	2007	%*	2006	2006	2005
Order intake	267	24	221	946	919
Invoiced sales	255	17	224	995	937
Operating result	24		20	88	67
Operating margin, %	9.4		8.9	8.8	7.2



* Organic growth

- Agency markets and OEM customers 
- Limited growth in Europe 
- Earlier structuring programmes 



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Consolidated income statement

MSEK	Jan-March		Full year	
	2007	2006	2006	2005
Revenue	1,603	1,482	6,727	6,477
Cost of sales	-1,158	-1,047	-4,802	-4,459
Gross operating profit	445	435	1 925	2 018
Other operating costs*	-418	-471	-1 952	-1 915
Operating result	27	-36	-27	103
Net financial items	-24	-18	-89	-70
Result after financial items	3	-54	-116	33
Taxes	-1	16	-12	-130
Net result for the period	2	-38	-128	-97
* Whereof items affecting comparability	-	-34	-243	-205

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Consolidated balance sheet

MSEK	31 March		31 December	
	2007	2006	2006	2005
Goodwill	1,085	1,092	1,056	1,098
Other intangible fixed assets	118	122	119	126
Tangible fixed assets	626	736	628	744
Financial fixed assets	238	206	207	219
Inventory	812	945	718	838
Operating receivables	1,607	1,597	1,766	1,639
Liquid funds	165	121	193	169
Total asset	4,651	4,819	4,687	4,833
Equity	1,080	1,186	1,044	1,208
Interest-bearing provisions and liabilities	1,857	1,998	1,882	1,950
Other provisions and liabilities	1,714	1,635	1,761	1,675
Total equity and liabilities	4,651	4,819	4,687	4,833

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Key ratios

Excluding items affecting comparability

	Jan-March		Full year	
	2007	2006	2006	2005
Return on capital employed, %*	8.0	10.8	7.1	10.4
Return on equity, %*	8.7	13.5	7.3	12.8
Operating margin before depreciation, % (EBITDA)	3.7	2.0	5.4	6.8
Operating margin, % (EBIT)	1.7	-0.1	3.2	4.8
Profit margin, % (EBT)	0.2	-1.3	1.9	3.7

* During the last 12-month period

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