Gunnebo interim report January-September 2011

Phone conference October 28

CEO Comments

- Operating profit in the quarter in line with our long-term improvement in results.
- Operating profit and profit after tax have both improved during the year.
- Divestment of Perimeter Protection.
- Continued focus on our core business with higher added value.
- Shifting the point of gravity of our business to markets outside of Europe:
  - 10 per cent of Group turnover five years ago
  - 32 per cent of Group turnover YTD 2011
- Growth outside Europe some 20 per cent, in the region Asia/Pacific some 25 per cent.

CEO Comments

- Continued investments in important growth markets:
  - Acquisition of South African Alltech
- Good development of our business in Germany.
- The sales company in Italy is developing well and the French market is continuing to develop stably, while a continued decline is evident in Spain.
- Hard to assess the uncertain market conditions in Europe, especially bearing in mind that the need for security tends not to decline but rather increase in times of uncertainty.
- Thanks to our financial strength we are well-positioned to deal with the situation, and we have headroom for further growth initiatives.

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Third Quarter 2011

- Order intake amounted to MSEK 1,175 (1,208), in constant currency rates it was unchanged.
- Net sales increased in constant currency rates by 1% and amounted to MSEK 1,247 (1,278).
- Operating profit excluding items of a non-recurring nature amounted to MSEK 74 (88) and the operating margin to 5.9% (6.9%).
- Operating profit amounted to MSEK 61 (78) and the operating margin to 4.9% (6.1%).
- Net financial items improved to MSEK -5 (-16).
- Profit after tax for the period improved and totalled MSEK 44 (39).
- Earnings per share were SEK 0.58 (0.51).

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January-September 2011

- Order intake increased in constant currency rates by 2% and amounted to MSEK 3,868 (4,065).
- Net sales increased in constant currency rates by 2% and amounted to MSEK 3,645 (3,822).
- Operating profit excluding items of a non-recurring nature amounted to MSEK 179 (182) and the operating margin to 4.9% (4.8 %).
- Operating profit improved to MSEK 158 (132) and the operating margin to 4.3% (3.5%).
- Net financial items improved to MSEK -19 (-57).
- Profit after tax for the period improved and totalled MSEK 77 (32).
- Earnings per share were SEK 1.02 (0.42).

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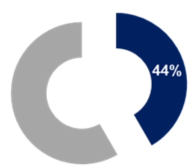
Business Area Bank Security & Cash Handling

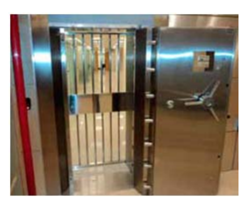
	July-Sept		Jan-Sept		Full year	
MSEK	**2011**	**2010**	**2011**	**2010**	**2010**	**2009**
Order intake	**525**	527	**1,661**	1,944	2,477	2,455
Net sales	**534**	566	**1,586**	1,731	2,427	2,528
Operating profit/loss	**27**	57	**83**	96	166	77
Operating margin, %	**5.1**	10.1	**5.2**	5.5	6.8	3.0
Non-recurring items	**-1**	-1	**-3**	-18	-33	-54



Part of Group sales

The Market

- Positive development of the global market.
- Number of retail bank branches in Asia continues to grow.
- Increased interest for key-concepts within cash handling and electronic security.



Market Development

- Strong development in the Indian banking sector.
- Continued positive development in the Middle East.
- Good performance in Germany.
- Stable development in France, Italy and Switzerland, weaker in Spain.

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Business Area Entrance Control						
	July-Sept		Jan-Sept		Full year	
MSEK	2011	2010	2011	2010	2010	2009
Order intake	**173**	138	**538**	494	654	723
Net sales	**180**	182	**511**	508	691	708
Operating profit/loss	**10**	11	**26**	18	35	19
Operating margin, %	**5.6**	6.0	**5.1**	3.5	5.1	2.7
Non-recurring items	**-**	-	**-**	-18	-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

- Good development of order intake, especially on markets outside Europe as North America, India South East Asia, Australia and South Africa.
- Stable development in France and Italy.

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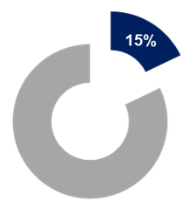
Business Area Secure Storage						
	July-Sept		Jan-Sept		Full year	
MSEK	2011	2010	2011	2010	2010	2009
Order intake	**199**	194	**545**	567	748	717
Net sales	**196**	195	**531**	552	750	786
Operating profit/loss	**2**	12	**10**	29	38	8
Operating margin, %	**1.0**	6.2	**1.9**	5.3	5.1	1.0
Non-recurring items	**-**	-1	**-**	-4	-10	-29



Part of Group sales

The Market

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

Market Development

- Good development in Indonesia, Australia and on several other markets in Asia.
- Weaker development in Europe.
- Sales of safes to ATM-producers has developed well during the year.

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Business Area Global Services						
	July-Sept		Jan-Sept		Full year	
MSEK	**2011**	**2010**	**2011**	**2010**	**2010**	**2009**
Order intake	**208**	275	**899**	856	1,120	1,199
Net sales	**272**	270	**819**	840	1,120	1,204
Operating profit/loss	**34**	24	**98**	71	91	94
Operating margin, %	**12.5**	8.9	**12.0**	8.5	8.1	7.8
Non-recurring items	**-**	-4	**-**	-5	-16	-28

Part of Group sales

The Market

- Increased interest in bringing together all maintenance contracts with a main supplier. This trend is changing the market conditions and creating new opportunities to develop the service business.
- Increased need for upgrade services, as several customers want to keep their security solutions for longer.

Market Development

- Good volumes for renewed and newly signed service contracts on a full-year basis.
- Especially good development in Canada and Australia.

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Developing Businesses						
	July-Sept		Jan-Sept		Full year	
MSEK	**2011**	**2010**	**2011**	**2010**	**2010**	**2009**
Order intake	**70**	74	**225**	204	272	252
Net sales	**65**	65	**198**	191	275	254
Operating profit/loss	**-3**	-10	**-26**	-34	-37	-45
Operating margin, %	**-4.6**	-15.4	**-13.1**	-17.8	-13.5	-17.7
Non-recurring items	**-**	-	**-**	-	-5	-

Part of Group sales

SafePay

- Order intake for SafePay has developed well during the year.

Gateway

- Operating profit/loss continued to strengthen also during the third quarter.

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Divestment of Perimeter Protection

- Divested in September 2011 to Swedish venture capital company Procuritas Capital Investors.
- The purchase sum after transaction costs and tax amounted to MSEK 268.
- Group capital loss totalled MSEK -1.
- Gunnebo retains 10% ownership and continues financing of MEUR 10

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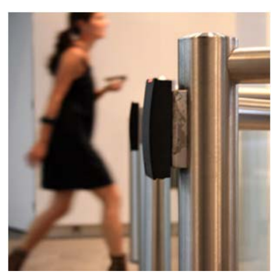
Acquisition of Alltech

- South African Alltech (Pty) Ltd was acquired in August.
- An annual net sales of approximately MSEK 40 and 28 employees.
- The purchase sum totalled MSEK 42.
- Platform for growth within Entrance Control on the African Continent.



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Renewed Credit Facilities

- During the third quarter, Gunnebo agreed on a renewed MEUR 140 credit framework.
- Ensures financing is available on market terms until the end of June 2014.
- Replaces former borrowing facility in the form of a syndicated credit framework and bilateral loans.

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Group Liquid Funds and Financial Position

- The Group's liquid funds at the end of the period amounted to MSEK 214 (168)
- Equity totalled MSEK 1,630 (1,453), giving an equity ratio of 42 per cent (35)
- Net debt decreased to MSEK 501 (952). Excluding pension commitments it amounted to 296 (731).
- Debt/equity ratio improved to 0,3 (0,7)

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Summary group income statement

MSEK	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010	Full year 2009
Net sales	**1,247**	1,278	**3,645**	3,822	5,263	5,480
Cost of goods sold	**-875**	-885	**-2,546**	-2,694	-3,723	-3,928
Gross profit	**372**	393	**1,099**	1,128	1,540	1,552
Write-down of goodwill	**-**	-	**-**	-	-	-
Other operating costs, net	**-311**	-315	**-941**	-996	-1,343	-1,493
Operating profit/loss	**61**	78	**158**	132	197	59
Net financial items	**-5**	-16	**-19**	-57	-75	-68
Profit/loss after financial items	**56**	62	**139**	75	122	-9
Taxes	**-17**	-27	**-49**	-39	-41	-36
Profit/loss for the period from continuing operations	**39**	35	**90**	36	81	-45
Profit/loss for the period from discontinued operations	**5**	4	**-13**	-4	97	-160
Profit/loss for the period	**44**	39	**77**	32	178	-205
Whereof attributable to:						
Parent company shareholders	**44**	39	**77**	32	178	-205
Holdings without controlling influence	**-**	-	**-**	-	-	-
	44	39	**77**	32	178	-205
Earnings per share before dilution, SEK*	**0.58**	0.51	**1.02**	0.42	2.35	-3.42
Whereof continuing operations	*0.51*	*0.46*	*1.19*	0.47	*1.07*	*-0.75*
Whereof discontinued operations	*0.07*	*0.05*	**-0.17**	-0.05	*1.28*	*-2.67*
Earnings per share after dilution, SEK*	**0.58**	0.51	**1.02**	0.42	2.35	-3.42
Whereof continuing operations	*0.51*	*0.46*	*1.19*	0.47	*1.07*	*-0.75*
Whereof discontinued operations	*0.07*	*0.05*	**-0.17**	-0.05	*1.28*	*-2.67*

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

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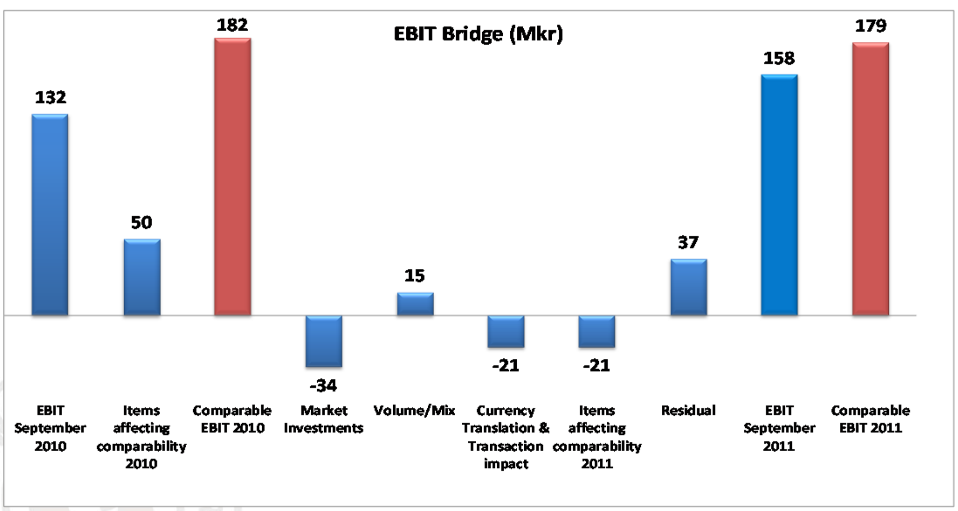
EBIT-bridge September 2010 – September 2011



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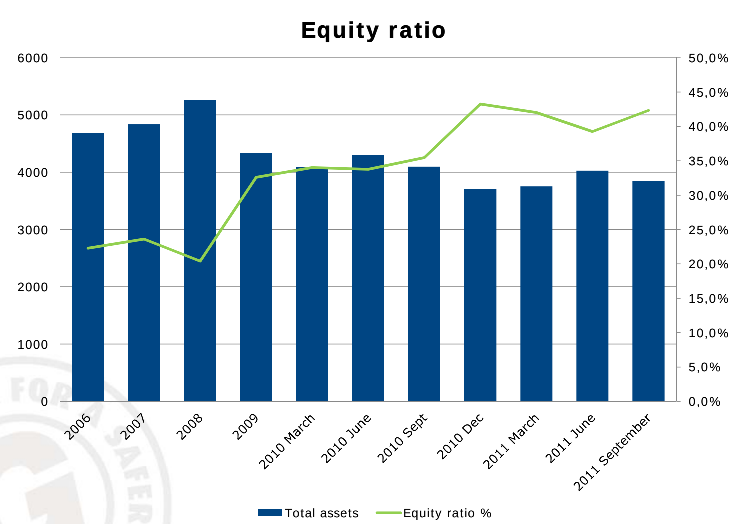
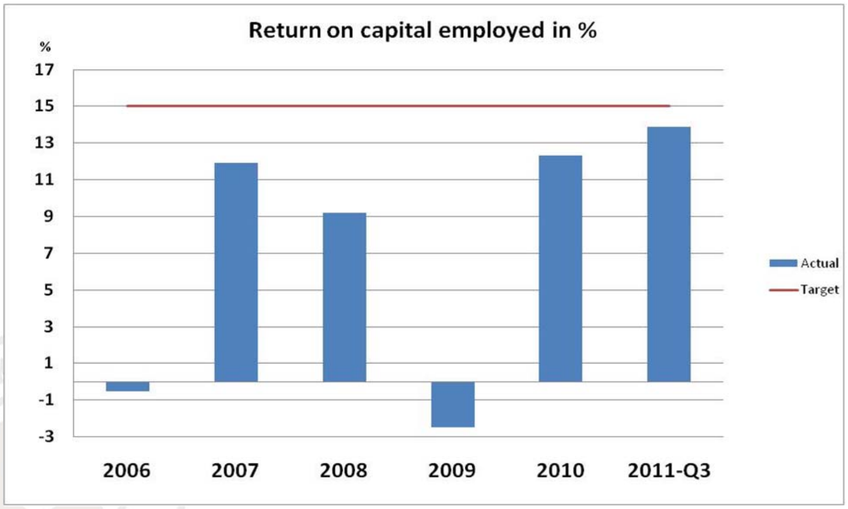
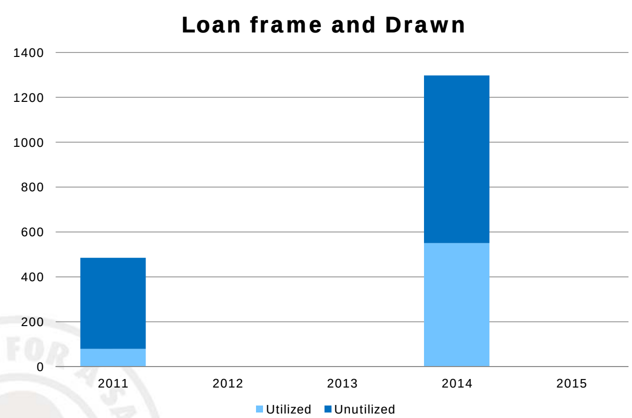
Summary group balance sheet				
	30 September		31 December	
MSEK	**2011**	**2010**	**2010**	**2009**
Goodwill	**997**	994	952	1,091
Other intangible assets	**89**	98	96	108
Tangible assets	**298**	477	367	547
Financial assets	**458**	268	335	306
Inventories	**591**	699	543	644
Current receivables	**1,203**	1,393	1,253	1,468
Liquid funds	**214**	168	189	172
Total assets	**3,850**	4,097	3,735	4,336
Equity	**1,630**	1,453	1,606	1,413
Long-term liabilities	**788**	1,065	639	584
Current liabilities	**1,432**	1,579	1,490	2,339
Total equity and liabilities	**3,850**	4,097	3,735	4,336

Equity ratio - September 2011





Loan frame and Drawn – September 2011



Activities and Deliverables in 2011

- New organisation as of Jan 1 2011 - new external reporting structure
- Start-up in China
- Factory extention and investments in production in India
- New financing
- Acquisition of Alltech
- Divestment of Perimeter Protection
- Co-ordination and focus on R&D
- Quality assurance of the industrial platform

We continue to focus on our agenda!

Strong Financial Position

- Equity ratio: 42% (35)
- Decreased net debt: MSEK 501 (952)
- Debt/equity ratio: 0,3 (0,7)
- New credit framework on market terms

Well-positioned to deal with the situation. Strong financial position leaving headroom for further growth initiatives!

Financial Calendar

- November 25: IR- and media breakfast
  - Stockholm. Invitation will be sent out within shortly
- April 26, 2012: Q1 and AGM
  - AGM will be held in Gothenburg
- September 20, 2012: Gunnebo CMD

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