

Interim Report January-March 2013

Breakfast presentation April 25

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CEO Comments

- Development outside Europe continued to be strong during the quarter
 - Net sales +17 % in Asia
 - US Hamilton Safe delivering as expected
 - Brazil is showing good profitable growth
- Sales outside Europe: 39% end Q1
- Europe continued slow development on most markets
 - Markets characterised by uncertainty, impacting investment decisions
 - Northern Europe: More stable
 - Southern Europe: Continues to be weak
- Focus: Reduce fixed costs in Europe and continue to invest in growth on markets outside of Europe
- Expenses of a non-recurring nature
 - Q1: MSEK 10



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Moving the Point of Gravity

- 10% of sales outside Europe 2005
- 39% Q1 2013
- Americas, 16%
 - Canada, US, Brazil, Mexico
- Asia Pacific, 18%
 - China, India, Indonesia, Vietnam, Malaysia, Singapore, Australia
- Africa & Middle East, 5%
 - South Africa, UAE

■ EMEA: 66%
■ Asia-Pacific: 18%
■ Americas: 16%



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First Quarter 2013

- Order intake amounted to MSEK 1,499 (1,595), organically it decreased by 7%. Acquired units contributed MSEK 95.
- Net sales amounted to MSEK 1,155 (1,169), organically they decreased by 3%. Acquired units contributed MSEK 84.
- Operating profit amounted to MSEK 1 (10) and the operating margin to 0.1% (0.8%). Acquired units had a positive effect on operating profit of MSEK 10.
- Operating profit excluding expenses of a non-recurring nature of MSEK -10 (-4) amounted to MSEK 11 (14) and the operating margin to 0.9% (1.2%).
- Profit/loss after tax for the quarter totalled MSEK -12 (-3).
- Earnings per share were SEK -0.16 (-0.04).



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Business Area Bank Security & Cash Handling			
MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	580	632	2,374
Net sales	516	494	2,386
Operating profit/loss excl. non-recurring items	1	13	158
Operating margin excl. non-recurring items, %	0.2	2.6	6.6
Non-recurring items	-7	-	-13
Operating profit/loss	-6	13	145



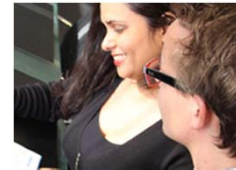
% of Group sales: 45%

Market Development

- Continued good growth in Asia
- Good development in Americas
- Weak development in Europe

Profit analysis

Strong profit development in the Asia-Pacific and Americas regions has not compensated for weak development in Europe.



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Business Area Secure Storage			
MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	190	196	801
Net sales	179	178	781
Operating profit/loss excl. non-recurring items	7	2	30
Operating margin excl. non-recurring items, %	3.9	1.1	3.8
Non-recurring items	-1	-	-11
Operating profit/loss	6	2	19



% of Group sales: 16%

Market Development

- Good development in Asia
- Weaker development in Europe
- Strong order intake from global manufacturers of ATM's

Profit analysis

The improved operating profit can be explained by a decrease in fixed costs.



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Business Area Global Services			
MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	477	511	1,138
Net sales	268	287	1,143
Operating profit/loss excl. non-recurring items	22	22	110
Operating margin excl. non-recurring items, %	8.2	7.7	9.6
Non-recurring items	-1	-	-9
Operating profit/loss	21	22	101



% of Group sales: 23%

Market Development

- Mixed development in Europe
- Weaker development in France and Central Europe
- Good start of the year in Americas

Profit analysis

Operating profit and margin showed stable development, despite a weak market in parts of Europe.



Business Area Entrance Control			
MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	161	158	674
Net sales	131	147	663
Operating profit/loss excl. non-recurring items	0	0	47
Operating margin excl. non-recurring items, %	0.0	0.0	7.1
Non-recurring items	-1	-	-33
Operating profit/loss	-1	0	14



% of Group sales: 11%

Market Development

- Strong order intake from China and the US
- Weak start of the year in Europe

Profit analysis

Operating profit and operating margin were in line with last year.



Melbourne Metro



Customer Name	Affiliated Computer Services (ACS), a Xerox company
End-User	Transport Ticketing Authority Melbourne
Site	Melbourne
Reference Country	Australia
Segment	Metro
Product Category	Mass Transit Gates
Products to be Installed	1. 50 Bi-Parting Gate Cabinets (42 lanes) 2. 48 Bi-Parting Gate Cabinets (40 lanes)
Year of Installation	2013
Routes to Market	AFC – Automatic Fare Collector
Project Value	1. 690K€ 2. 650K€



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Developing Businesses

MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	91	98	263
Net sales	61	63	263
Operating profit/loss excl. non-recurring items	-10	-13	-42
Operating margin excl. non-recurring items, %	-16.4	-20.6	-16.0
Non-recurring items	0	-	-1
Operating profit/loss	-10	-13	-43



% of Group sales: 5%

SafePay

- Retail sector in Europe is characterised by caution in investment
- Despite this, net sales first quarter in line with last year. With lower costs and a good quality on new systems we see an improvement in the results for the first quarter.

MSEK	Jan-March		Full year
	2013	2012	2012
Order intake	70	77	169
Net sales	40	41	167
Operating profit/loss excl. non-recurring items	-7	-12	-35
Operating margin excl. non-recurring items, %	-17.5	-29.3	-21.0
Non-recurring items	0	-	-1
Operating profit/loss	-7	-12	-36

Gateway

- Slower market for electronic article surveillance in retail sector.
- With temporary increased costs during the quarter, we see a slightly lower level of profitability for the business.

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REGION EMEA

Morten Andreasen
SVP EMEA



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EMEA: 2012 in Brief

- **Net Sales**
3,284 MSEK
- **EBIT**
102 MSEK
- **EBIT margin**
3.1%
- **Total Employees**
2,117



■ Mature markets
■ Growth markets

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First Quarter 2013: Market Trends EMEA

	<u>Gunnebo Q1</u>	<u>General market trend Q1</u>
▪ Nordic		
▪ Central Europe		
▪ UK/Ireland		
▪ France		
▪ Southern Europe		
▪ Eastern Europe		
▪ Africa		
▪ Middle East		

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Major External Reasons For Decreasing Topline in WEU

- **Recession on the European market in 2012** with negative real GDP growth rate*:
 - -0.3 % in 27 European Countries (from 2.1% in 2010 and 1.5% in 2011)
 - -0.6% in 17 countries in eurozone (from 2% in 2010 and 1.4% in 2011)
- **Uncertainty in the capital market** puts pressure on the overall economic climate and slows down investments
- Some of our **prioritised markets segments** (e.g. banks) **are declining**. "Further cost-cutting measures, restricted lending and consolidation pressures will define an even more cautious banking industry in 2013"* *"
- **'Commoditisation' of our products** puts pressure on prices

* Source: [EuroStat](#)

** Source: Ernst & Young – [European Banking Barometer](#)

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Major Actions and Opportunities to Develop Profitability

- **Reduce fixed costs** to lower break-even point
- Focused execution of **restructuring program in low performing markets**
- Develop profitable long-term relationships with our key customers through **Key Account Management program**
- Focused sales to our **prioritised market segments**
- Further develop our indirect sales channel through **Channel Management program**
- Seize opportunities on growth markets by **establishing presence in high growth countries**

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Example: Restructuring in Spain 2012

- **Background:**
Negative development of the Spanish security market for the past 5-6 years.
- **Action:**
New management, revitalisation of the business model, reorganisation and reduction of employees with 30% - today 238 employees.

*"By **changing the business model** of our Spanish operation, we have managed to **adapt costs to prevailing market conditions**. We have created a sales company that can compete for business opportunities, even where the market situation remains difficult."*



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FINANCIALS

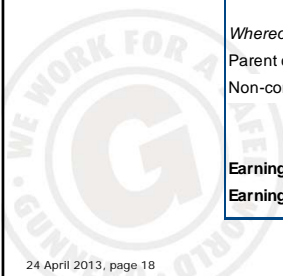
Christian Johansson
CFO



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Summary Group income statement

MSEK	Jan-March		Full year
	2013	2012	2012
Net sales	1,155	1,169	5,236
Cost of goods sold	-827	-825	-3,666
Gross profit	328	344	1,570
Other operating costs, net	-327	-334	-1,391
Operating profit/loss	1	10	179
Net financial items	-9	-4	-66
Profit/loss after financial items	-8	6	113
Taxes	-4	-9	-89
Profit/loss for the period	-12	-3	24
<i>Whereof attributable to:</i>			
Parent company shareholders	-12	-3	19
Non-controlling interests	0	0	5
	-12	-3	24
Earnings per share before dilution, SEK	-0.16	-0.04	0.26
Earnings per share after dilution, SEK	-0.16	-0.04	0.26



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Summary group balance sheet

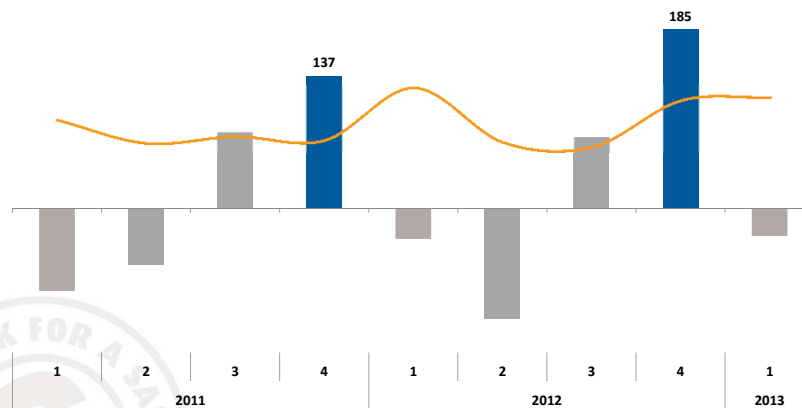
MSEK	31 March		31 Dec	1 Jan
	2013	2012	2012	2012
Goodwill	1,294	1,091	1,320	1,104
Other intangible assets	178	107	182	111
Property, plant and equipment	321	314	327	316
Financial assets	57	125	60	139
Deferred tax assets	265	282	263	278
Inventories	607	619	580	564
Current receivables	1,111	1,140	1,201	1,239
Liquid funds	306	202	350	239
Total assets	4,139	3,880	4,283	3,990
Equity	1,509	1,652	1,533	1,670
Long-term liabilities	1,156	852	1,428	931
Current liabilities	1,474	1,376	1,322	1,389
Total equity and liabilities	4,139	3,880	4,283	3,990

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Operating Cash Flow

M SEK

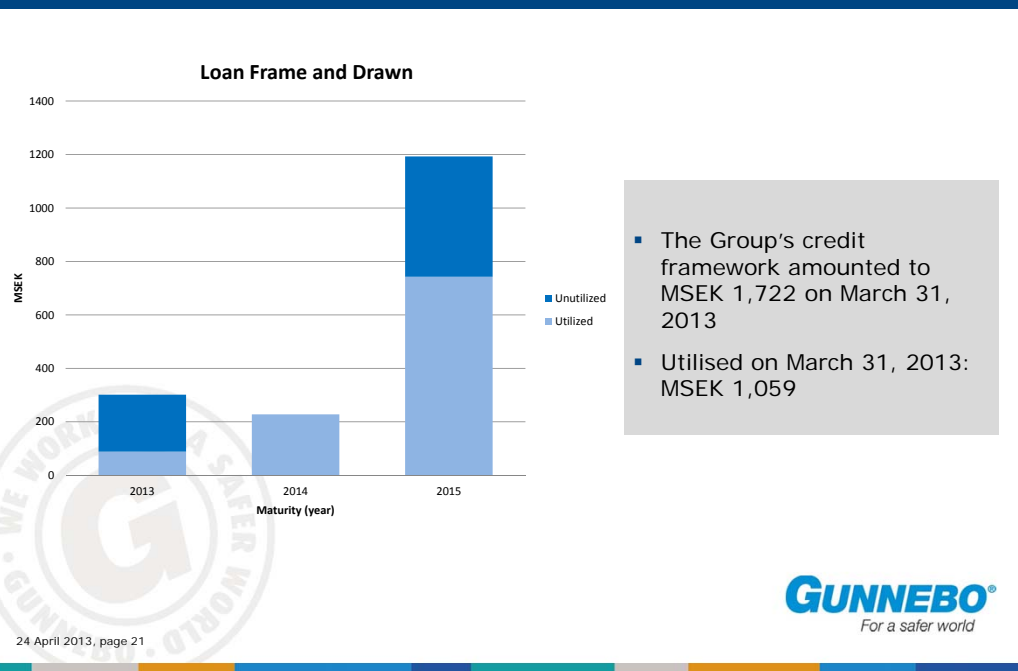


— 4 quarters aggregated

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Loan Frame: March 2013



Group Liquid Funds and Financial Position

- The Group's liquid funds at the end of the period amounted to MSEK 306 (350 at the beginning of the year).
- Equity totalled MSEK 1,509 (1,533 at the beginning of the year), giving an equity ratio of 36% (36 at the beginning of the year).
- Net debt amounted to MSEK 1,055 (1,026 at the beginning of the year). Excluding pension commitments it amounted to MSEK 706 (684 at the beginning of the year).
- Debt/equity ratio amounted to 0.7 (0.7 at the beginning of the year).



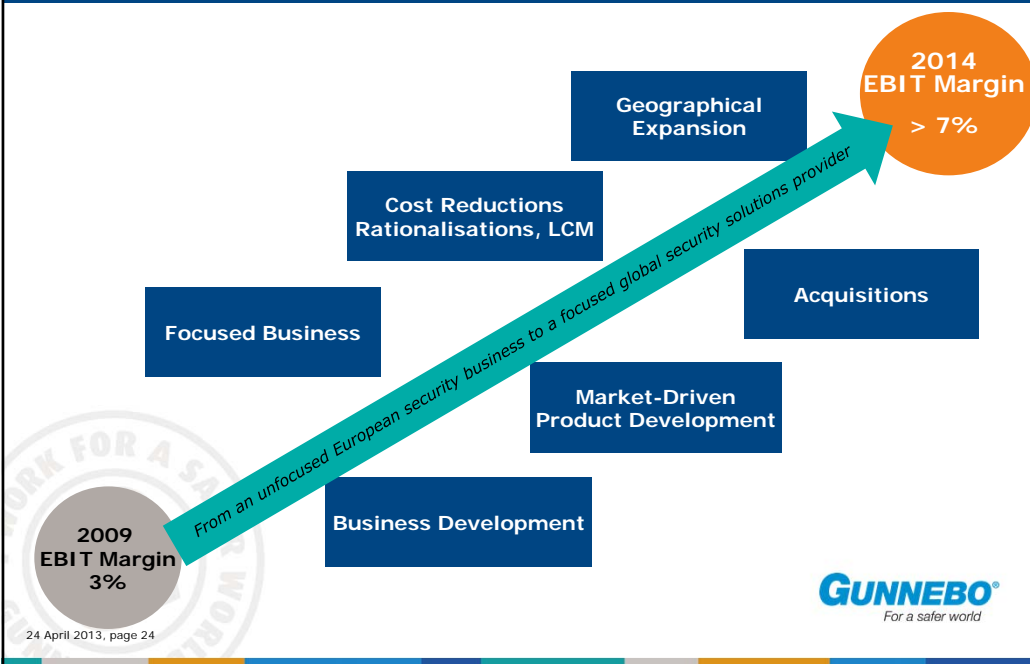
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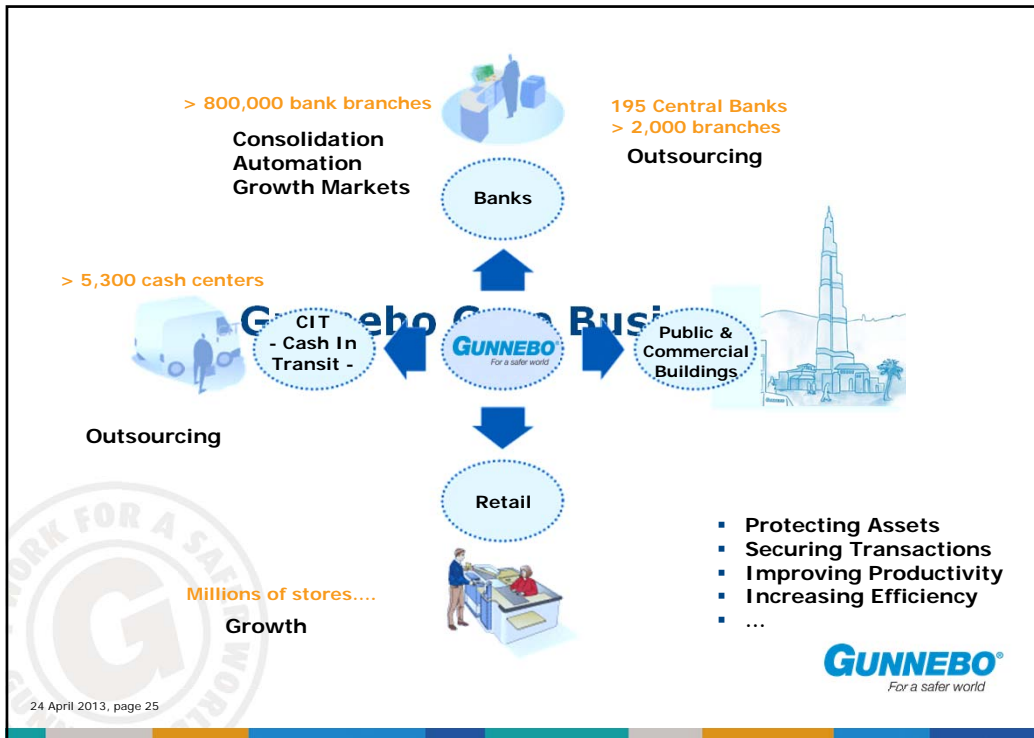


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Phase 5: Delivery





Gunnebo's Strategy

- **Business focus**
 - Defined core business
 - Customers & KAM
- **Global presence**
- **Create growth**
 - Service
 - Moving point of gravity
- **R & D**



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Gunnebo's Key Priorities 2013

- **Growth**
- **Gross Margin Improvements**
- **Fixed Cost Savings in Europe**
- **SafePay**
- **Hamilton Safe**

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Financial Calendar

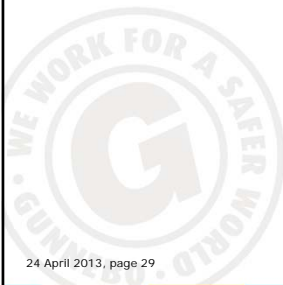
Financial Calendar

Interim report January-June	July 17, 2013
Capital Market Day 2013	September 19, 2013
Interim report January-September	October 24, 2013
Year-end release 2013	January 31, 2014
AGM 2014	April 10, 2014
Interim report January-March 2014	April 29, 2014

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Q&A



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