

Interim Report January-September 2016

October 24, 2016

Changes To Gunnebo's Group Executive Team

As announced in Press Release September 9, 2016

- Heinz Jacqui new SVP EMEA
- Rolf Kjällgren, SVP Safes & Vaults, takes a place in the GET
- Lars Thorén, SVP Operations, will leave the GET since responsibility for manufacturing has been merged into the product groups

Gunnebo's Product Groups and % of Sales YTD 2016

18%



Cash Management

- Deposit
- Dispensing
- Recycling
- Closed Cash Management Systems
- Services

21%



Entrance Security

- Entrance Control
- Security Doors & Partitions
- Electronic Article Surveillance
- Services

35%



Safes & Vaults

- Safes
- Vaults & Vault Doors
- Safe Deposit Lockers
- ATM Safes
- Services

19%



Electronic Security

- Access Control
- Intrusion Detection
- Electronic Locking
- Remote Monitoring
- Services

7%



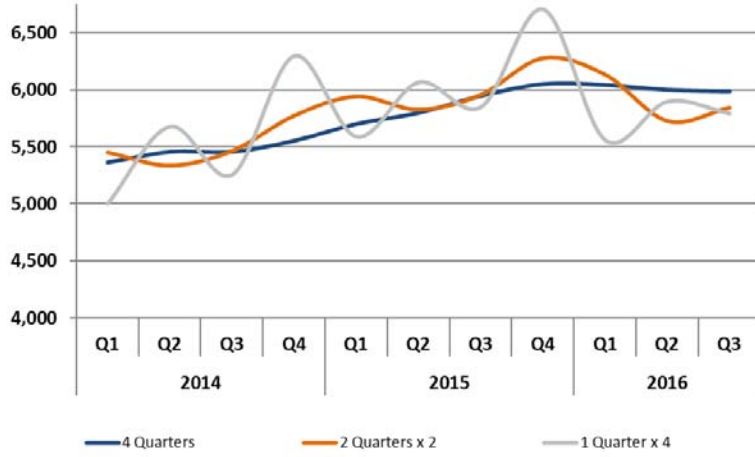
Other

- Fire Safety products and services
- Other traded products and services

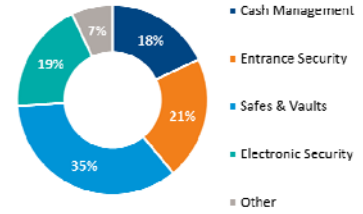
Third Quarter 2016 in Brief

Q3 IN BRIEF	2016	2015	2016	2015	2015
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Net sales, MSEK	1,448	1,462	4,312	4,375	6,052
EBITDA excl. non-recurring items, MSEK	139	135	358	324	505
Operating profit (EBIT) excl. non-recurring items, MSEK	105	108	266	248	397
Operating margin (EBIT) excl. non-recurring items, %	7.3	7.4	6.2	5.7	6.6
Operating profit (EBIT), MSEK	91	90	224	199	320
Operating (EBIT) margin, %	6.3	6.2	5.2	4.5	5.3
Profit/loss for the period, MSEK	51	48	113	88	168
Earnings per share after dilution, SEK	0.65	0.62	1.46	1.13	2.18
Free cash flow, MSEK	18	23	52	-162	56

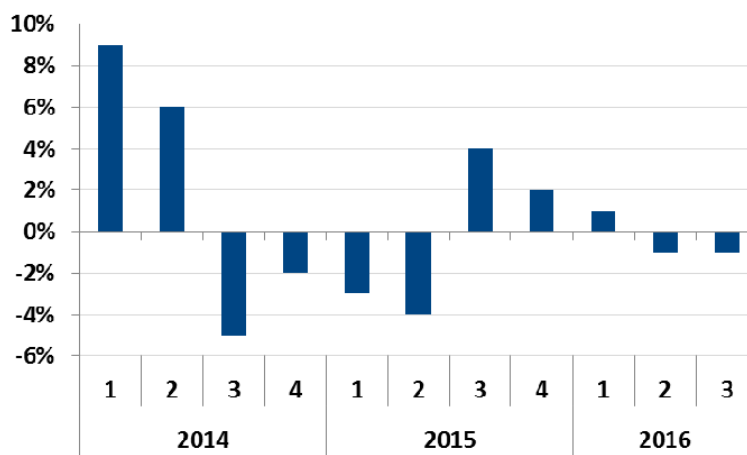
Net Sales, MSEK



Sales by Product Group, YTD



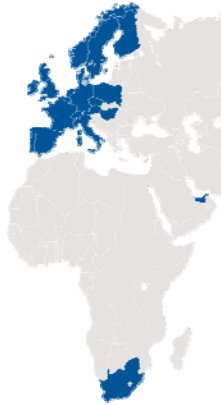
Organic Sales Growth by Quarter



Organic Sales Growth Development by Region Q3 2016 vs Q3 2015

EMEA

Sales: 0%



Asia-Pacific

Sales: +2%



Americas

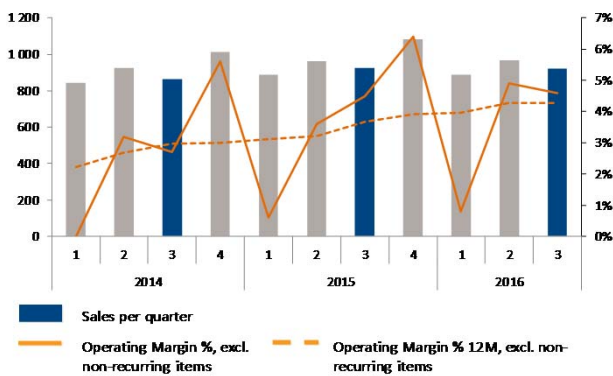
Sales: -5%



Group

Sales: -1%

Region Europe, Middle East & Africa Q3 2016

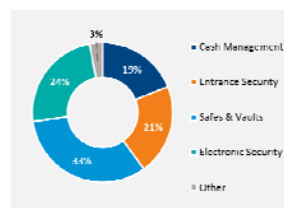


- Organic sales unchanged
- Good development in the markets of South, Eastern and Central Europe, the Nordics and the Middle East
- Slow development of sales in France and in the UK
- Cash Management & Entrance Security showing sales growth in the quarter
- Stable development of Safes & Vault sales, weaker in Electronic Security
- Continued focus on productivity
- Improved profitability: Operating margin up to 4.6%

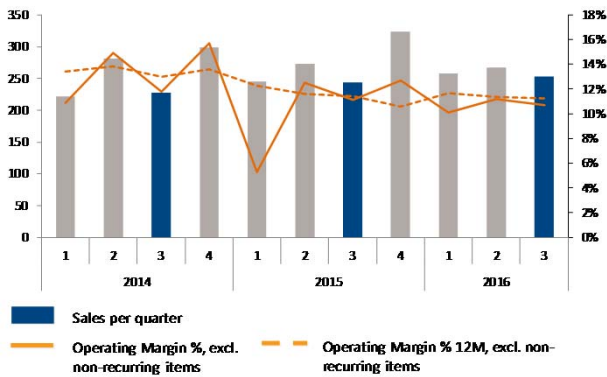
REGION EMEA

	2016 Jul - Sep	2015 Jul - Sep	2016 Jan - Sep	2015 Jan - Sep	2015 Jan - Dec
Net sales, MSEK	922	927	2,776	2,776	3,860
Organic growth, %	0	1	0	-1	0
Operating profit (EBIT) excl. non-recurring items, MSEK	42	42	96	82	151
Operating margin (EBIT) excl. non-recurring items, %	4.6	4.5	3.5	3.0	3.9
Non-recurring items, MSEK	-11	-17	-36	-41	-67
Operating profit (EBIT), MSEK	31	25	60	41	84

EMEA Sales by Product Group, YTD



Region Asia-Pacific Q3 2016

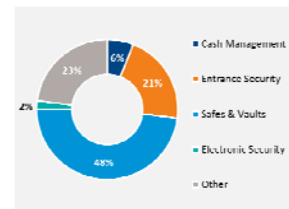


- Organic sales increased by 2%
- Continued good development in China, driven by Entrance Security to metro and office segments
- Good development in India, driven by sales of Safes & Vaults to private banks and ATM Safes
- Weaker development on the markets in South-East Asia
- Good development of sales within Entrance Security

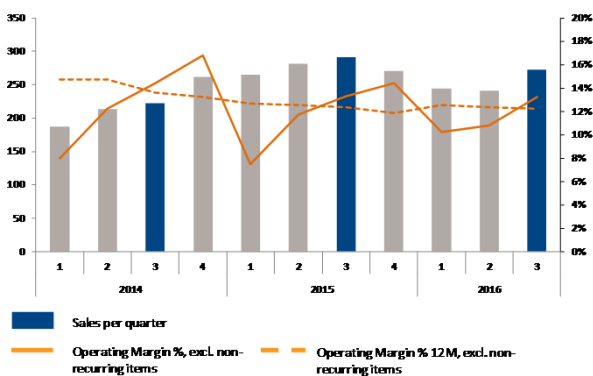
REGION ASIA-PACIFIC

	2016 Jul - Sep	2015 Jul - Sep	2016 Jan - Sep	2015 Jan - Sep	2015 Jan - Dec
Net sales, MSEK	253	244	778	762	1,085
Organic growth, %	2	-2	5	-12	-8
Operating profit (EBIT) excl. non-recurring items, MSEK	27	27	83	74	115
Operating margin (EBIT) excl. non-recurring items, %	10.7	11.1	10.7	9.7	10.6
Non-recurring items, MSEK	-1	-1	-2	-5	-7
Operating profit (EBIT), MSEK	26	26	81	69	108

APAC Sales by Product Group, YTD



Region Americas Q3 2016

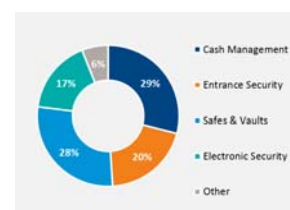


- Organic growth -5%
- Weak development in Latin America and delayed deliveries to US public authorities
- Cash Management continued to develop well, mainly to bank customers in the US
- Entrance Security developed well
- Weaker development of Safes & Vaults and Electronic Security

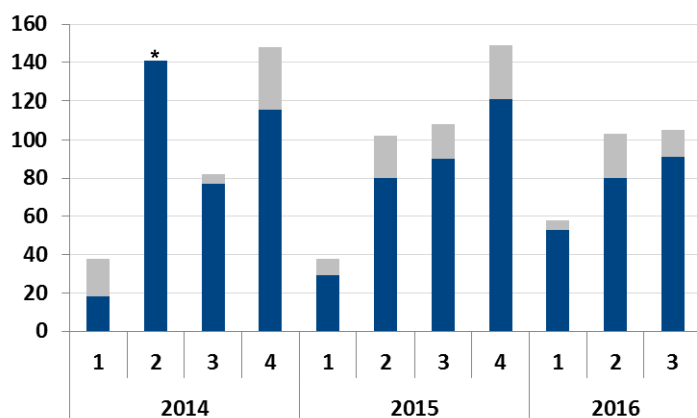
REGION AMERICAS

	2016 Jul - Sep	2015 Jul - Sep	2016 Jan - Sep	2015 Jan - Sep	2015 Jan - Dec
Net sales, MSEK	273	291	758	837	1,107
Organic growth, %	-5	21	-4	12	8
Operating profit (EBIT) excl. non-recurring items, MSEK	36	39	87	92	131
Operating margin (EBIT) excl. non-recurring items, %	13.2	13.4	11.5	11.0	11.8
Non-recurring items, MSEK	-2	0	-4	-3	-3
Operating profit (EBIT), MSEK	34	39	83	89	128

Americas Sales by Product Group, YTD



Operating Profit by Quarter, MSEK



Full year Operating profit excl. non-recurring items

2015: 397
2014: 366

Operating profit

2015: 320
2014: 352

■ Operating profit ■ Operating profit, excl. non-recurring items

* Operating profit excl. non-recurring items amounted to 98 MSEK in Q2 2014

Operating Profit Bridge (Quarter and Year-To-Date)

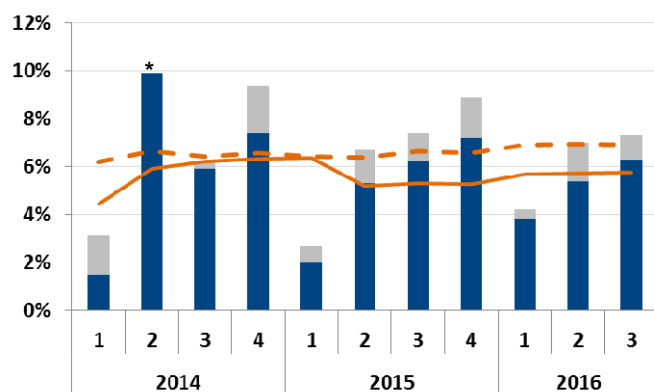
OPERATING PROFIT BRIDGE

	Jul - Sep
Operating profit 2015, MSEK	90
Organic	-2
Structure	8
Currency	0
Other	-5
Operating profit 2016	91

OPERATING PROFIT BRIDGE

	Jan - Sep
Operating profit 2015, MSEK	199
Organic	-3
Structure	36
Currency	-5
Other	-3
Operating profit 2016	224

Operating Margin by Quarter, %



**Full year
Operating margin,
excl. non-recurring
items**

2015: 6.6
2014: 6.6

Operating margin

2015: 5.3
2014: 6.3

■ Operating margin %, quarter ■ Operating margin % quarter, excl. non-recurring items
— Operating margin %, 12M - - - Operating margin % 12M, excl. non-recurring items

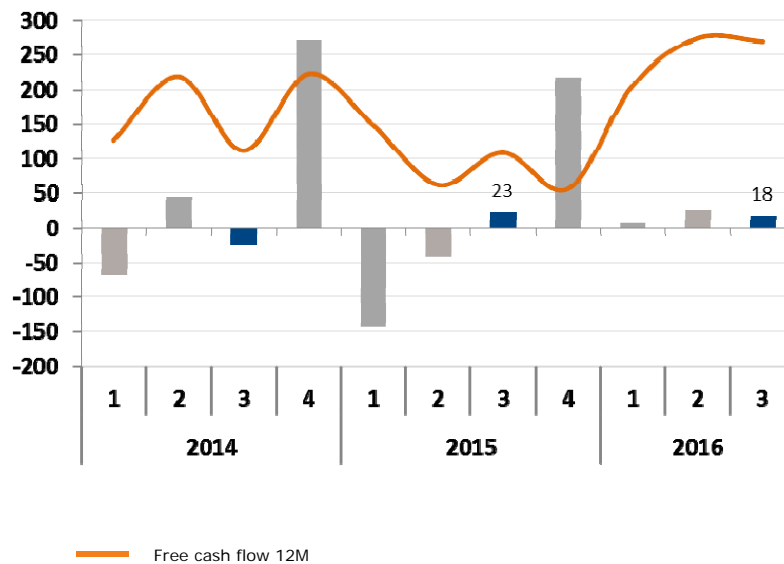
* Operating margin, excl. non-recurring items 2014 Q2: 6.9

Group Income Statement

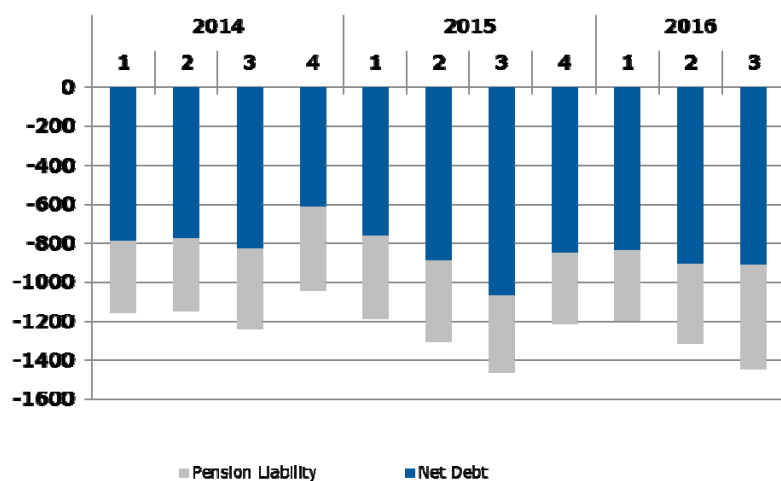
GROUP INCOME STATEMENT, CONDENSED

MSEK	2016 Jul - Sep	2015 Jul - Sep	2016 Jan - Sep	2015 Jan - Sep	2015 Jan - Dec
Net sales	1,448	1,462	4,312	4,375	6,052
Cost of goods sold	-1,020	-1,028	-3,062	-3,076	-4,278
Gross profit	428	434	1,250	1,299	1,774
Selling and administrative expenses	-343	-352	-1,038	-1,107	-1,452
Other operating items, net	6	8	12	7	-2
Operating profit/loss	91	90	224	199	320
Net financial items	-14	-10	-40	-36	-43
Profit/loss after financial items	77	80	184	163	277
Taxes	-26	-32	-71	-75	-109
Profit/loss for the period	51	48	113	88	168
<i>Profit and loss attributable to:</i>					
Parent company shareholders	50	47	111	86	166
Non-controlling interests	1	1	2	2	2
Profit/loss for the period	51	48	113	88	168

Free Cash Flow



Net Debt



Gunnebo AB
Dividend paid:

2014 Q2: MSEK 76
2015 Q2: MSEK 76
2016 Q2: MSEK 76

Group Financial Targets & Outcome

FINANCIAL TARGETS & OUTCOME

	2016	2015	2016	2015	2015	2016	Target
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec	L12M	
Organic growth	-1%	4%	0%	-1%	0%	0%	5%
Operating margin ¹⁾	7.3%	7.4%	6.2%	5.7%	6.6%	6.9%	7.0%
Return on capital employed ^{1) 2)}	12.4%	12.5%	12.4%	12.5%	12.4%	12.4%	15.0%
Equity ratio	32%	32%	32%	32%	34%	32%	30%

¹⁾Excluding non-recurring items

²⁾During the last twelve-month period

Financial Calendar 2017

Financial Calendar 2017



GUNNEBO

www.gunnebogroup.com

