

May 7, 2012



# January – March 2012

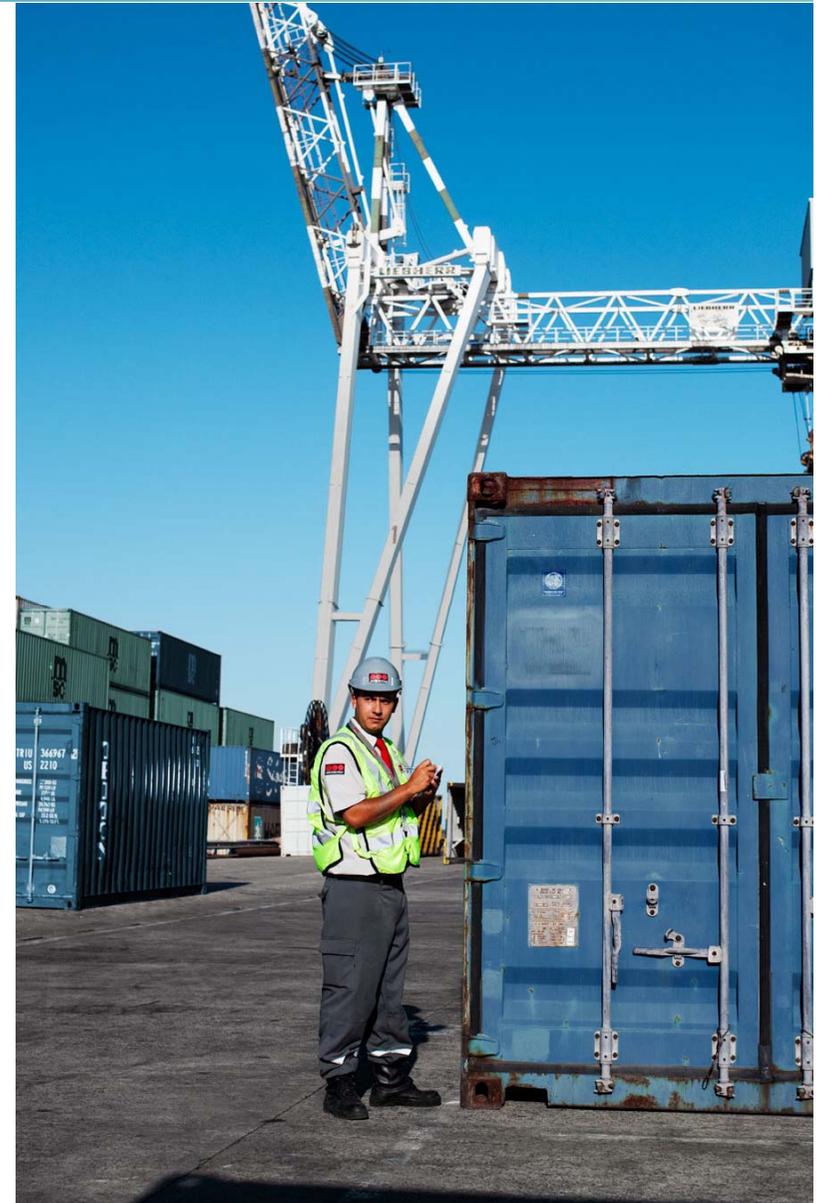


Alf Göransson, President and CEO

# Highlights January - March



- Real sales growth continued to be strong at 9%
- The positive organic sales growth continued in Security Services North America, Mobile and Monitoring and Security Services Ibero-America, but was lower compared to last year
- The price/wage balance slightly behind in the first quarter, but with a positive outlook for 2012
- Operating margin 4.5% (4.8)
- Restriction on acquisitions until free cash flow/net debt of 0.20 is restored



# Financial Highlights



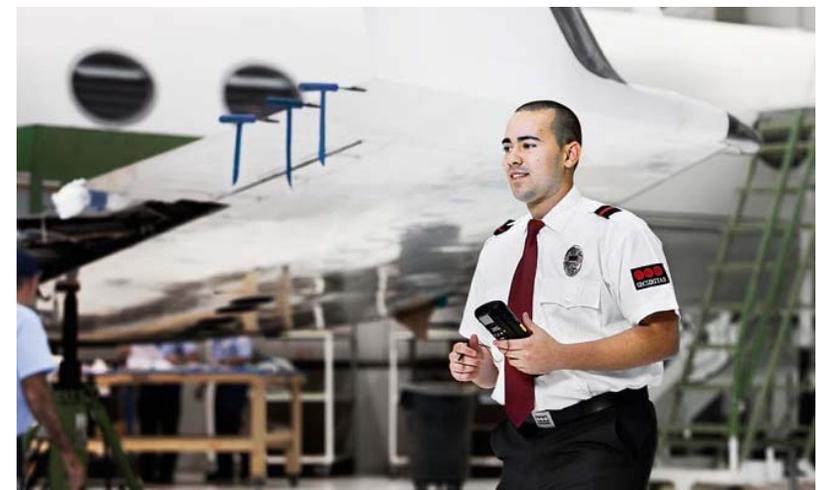
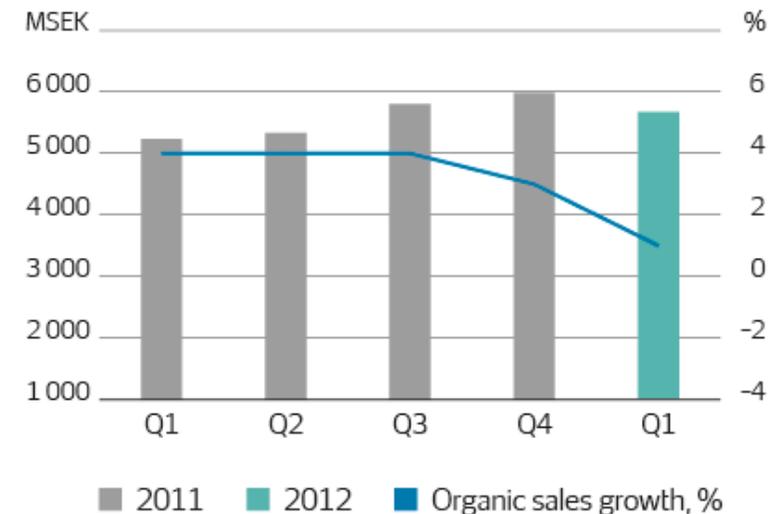
MSEK	Q1 2012	Q1 2011	Total change %	FY 2011	Total change %
<b>Sales</b>	<b>16 264</b>	<b>14 775</b>	<b>10</b>	<b>64 057</b>	<b>4</b>
<i>Organic sales growth, %</i>	1	3		3	
<i>Real sales growth, incl. acq. %</i>	9	10		11	
<b>Operating income before amortization</b>	<b>734</b>	<b>712</b>	<b>3</b>	<b>3 385</b>	<b>-9</b>
<i>Operating margin, %</i>	4.5	4.8		5.3	
<i>Real change, %</i>	1	-3		-3	
<b>Income before taxes</b>	<b>508</b>	<b>527</b>	<b>-4</b>	<b>2 480</b>	<b>-16</b>
<i>Real change, %</i>	-6	-9		-11	
<b>Net income</b>	<b>357</b>	<b>370</b>	<b>-4</b>	<b>1 739</b>	<b>-16</b>
Earnings per share (SEK)	0.97	1.01	-4	4.75	-17

# Security Services North America

## – Sales Development Q1



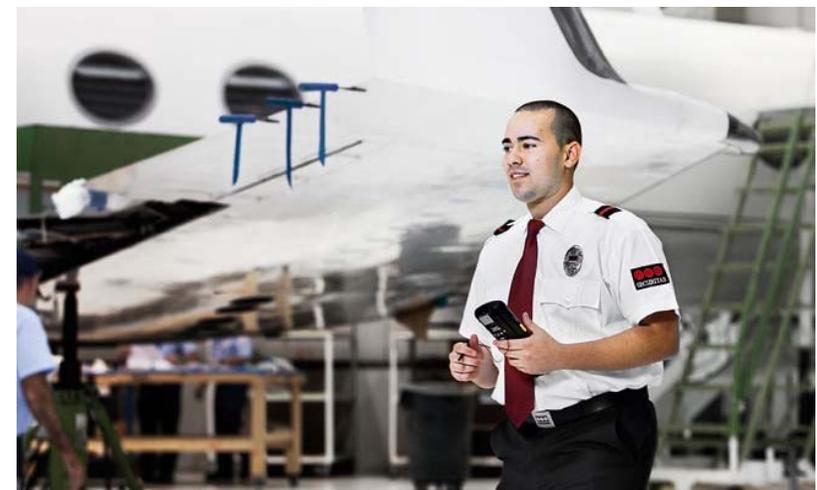
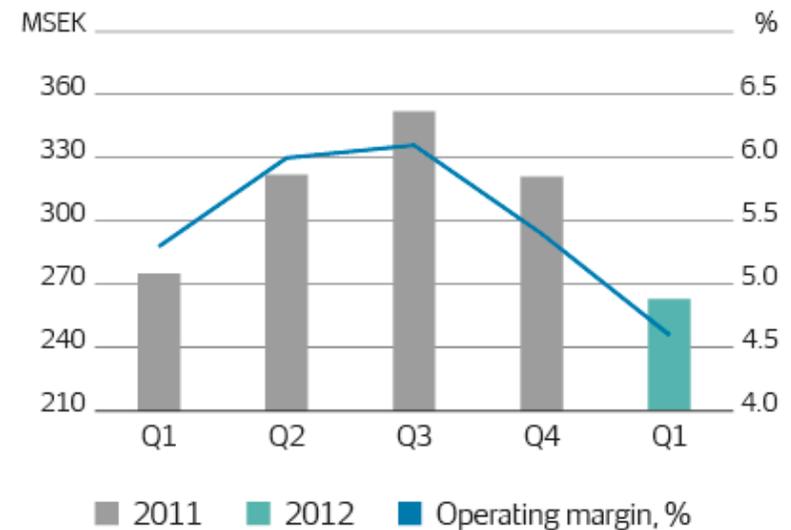
- Organic sales growth 1% (4), supported by leap day but hampered by the development in the customer segments defense and aerospace, federal government services and Pinkerton C&I
- Relatively strong new sales rate, major contract won in federal government services
- The sales of specialized security solutions as part of total sales was 9 percent (6)



# Security Services North America – Income Development Q1



- The operating margin 4.6% (5.3), negatively affected by the development in the customer segments defense and aerospace, federal government services and Pinkerton C&I
- Start up costs for the airport security contract in Canada impacted by -0.1 percent

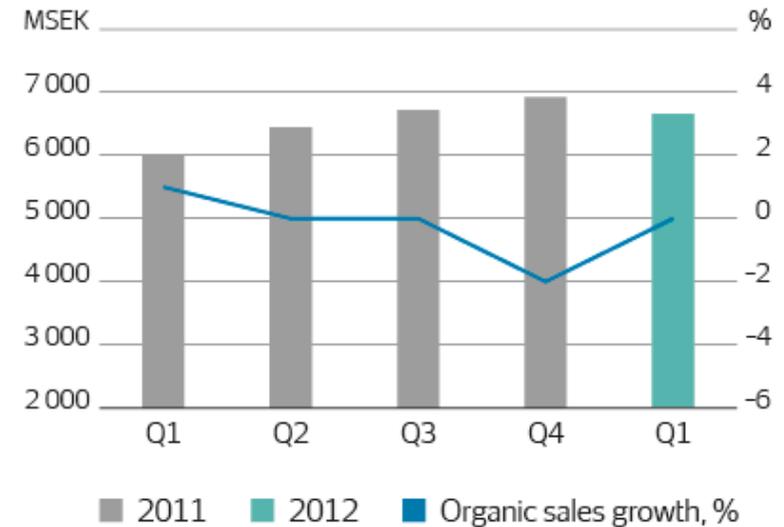


# Security Services Europe

## – Sales Development Q1



- Organic sales growth 0% (1)
- Most countries had positive organic sales growth but the negative impact from previously lost contracts in Belgium and the United Kingdom hampered the development
- Contract with European Parliament worth approximately MEUR 20 annually starts in April
- Contract with Stockholm Arlanda Airport retained, worth approximately MSEK 600 over three years

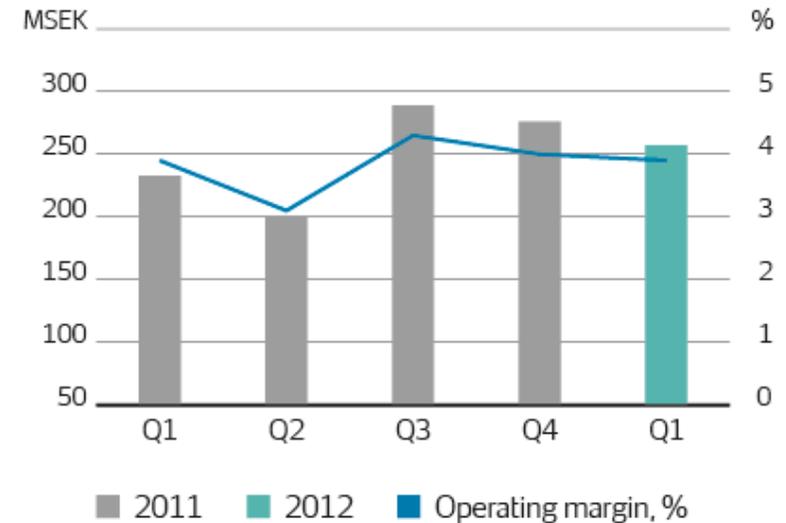


# Security Services Europe

## – Income Development Q1



- Operating margin 3.9% (3.9\*)
- The majority of the countries show an improvement in operating margin, while Belgium still suffers the contract losses last year
- The operating margin is supported by the development in the United Kingdom



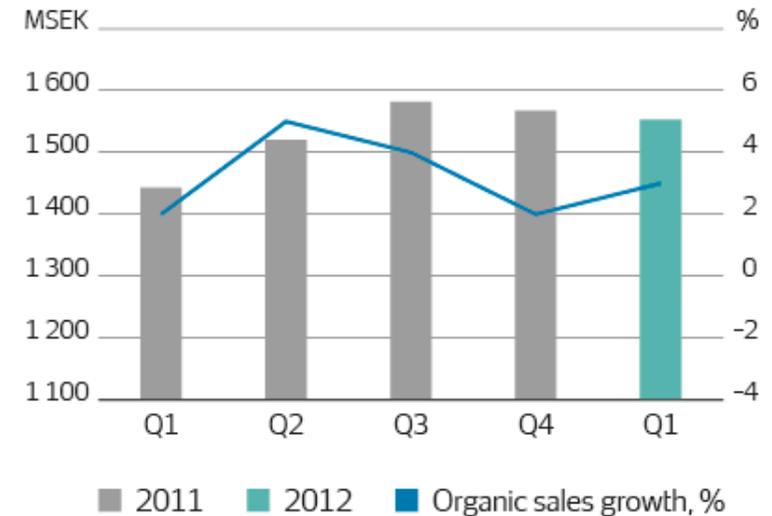
*\* Restated due to operations moved between the segments Security Services Europe, Mobile and Monitoring and Security Services Ibero-America.*



# Mobile and Monitoring – Sales Development Q1



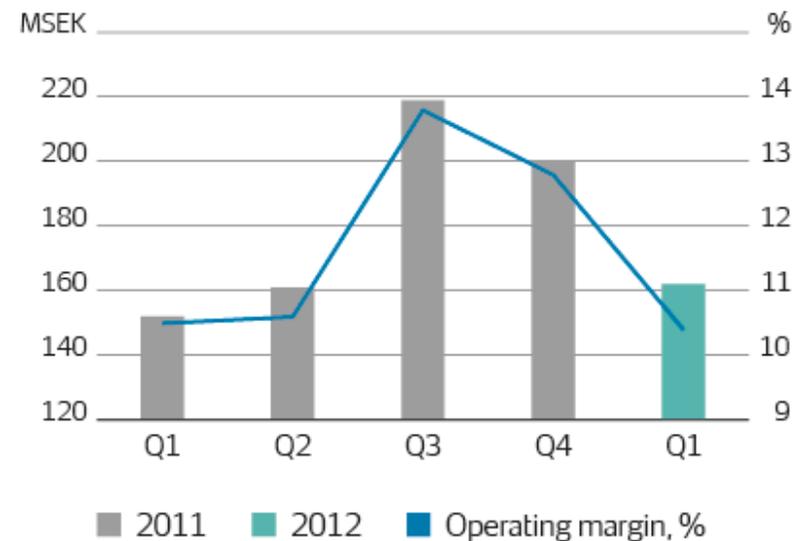
- Organic sales growth 3% (2)
- In Mobile, the majority of countries had positive organic sales growth with positive outliers Belgium and Germany
- In Monitoring, the organic sales growth was primarily driven by the Netherlands, Norway and Sweden



# Mobile and Monitoring – Income Development Q1



- Operating margin 10.4% (10.5\*)
- Delayed synergies in Mobile impacted negatively, while the Monitoring operation improved margins compared to last year



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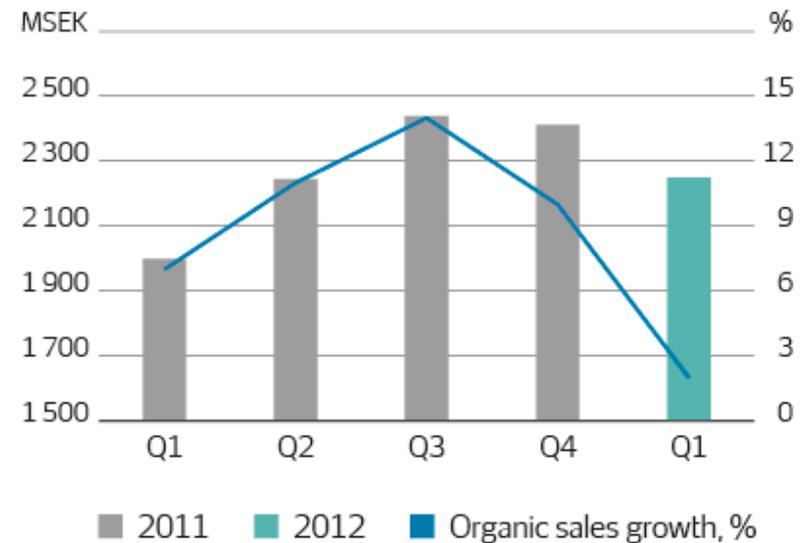


# Security Services Ibero-America

## – Sales Development Q1



- Organic sales growth 2% (7)
- The negative development relates to the situation in Spain and Portugal
- By the end of the first quarter 2012, contracts with poor profitability worth app. MSEK 450 was terminated in Spain
- In Latin America the organic sales growth was 25 percent

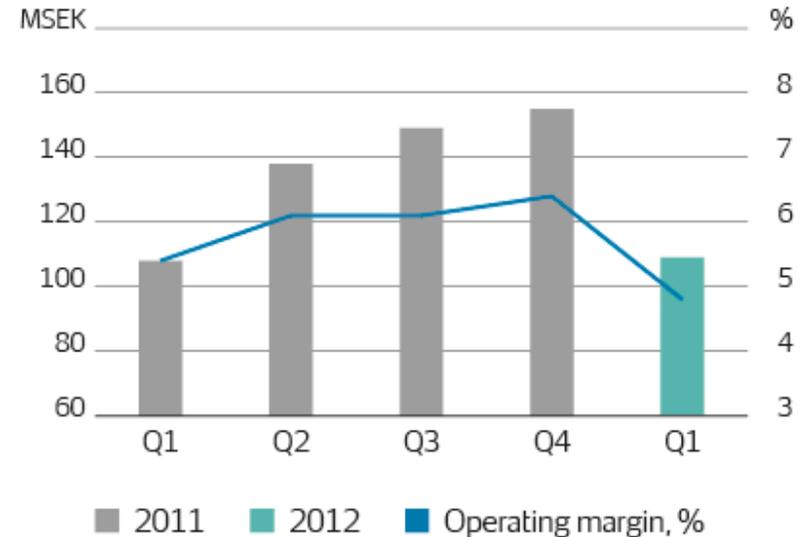


# Security Services Ibero-America

## – Income Development Q1



- Operating margin 4.8% (5.4\*)
- The operating margin improved in the Latin American countries, while Portugal and Spain declined
- Reductions and losses of profitable contracts in Portugal, wage cost increases in Spain not yet fully recouped by price increases and difficult market conditions in general explains the development



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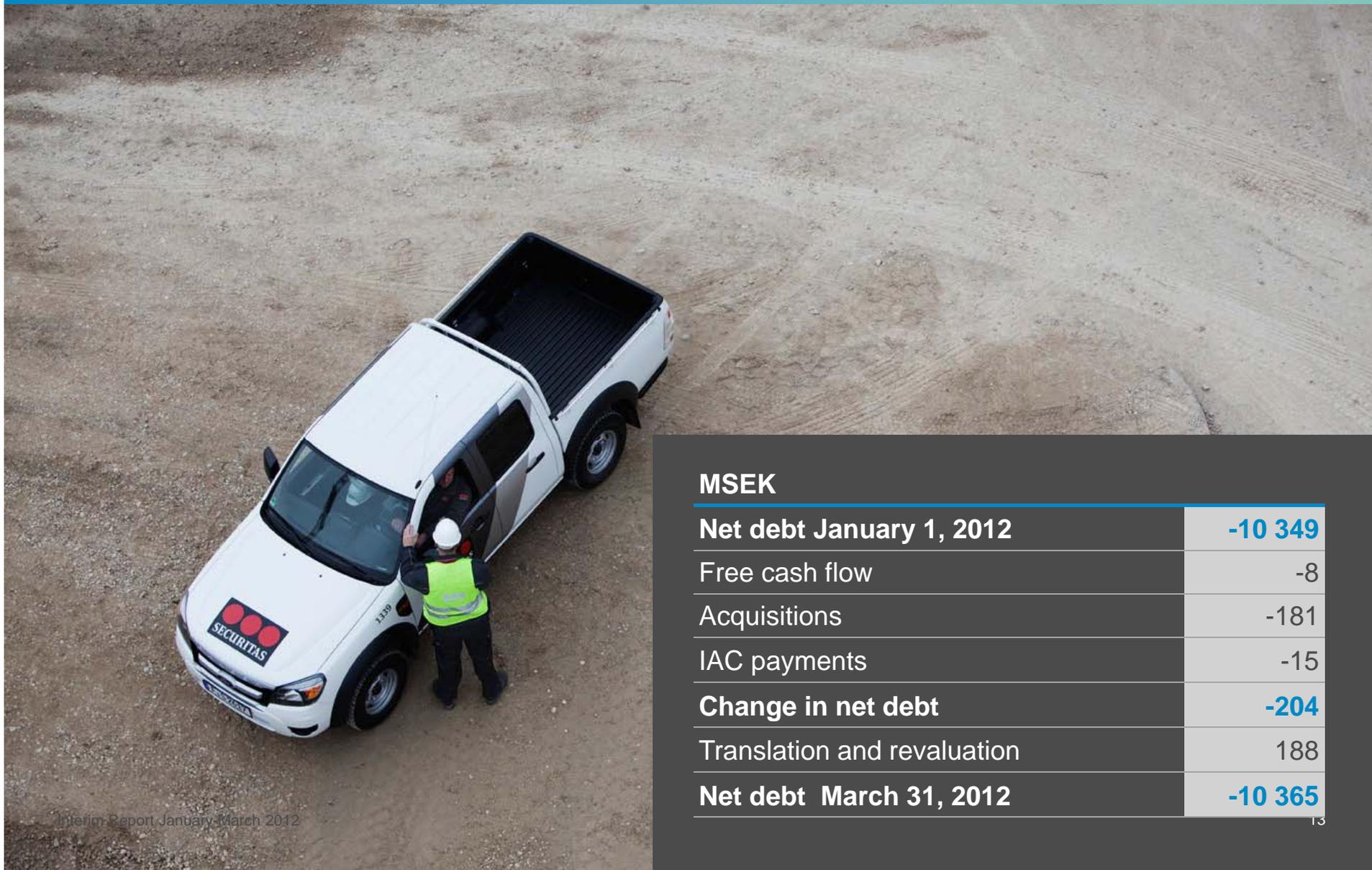


# Cash flow



MSEK	Q1 2012	Q1 2011	FY 2011
<b>Operating income before amortization</b>	<b>734</b>	<b>712</b>	<b>3,385</b>
Net investments	-13	2	-108
Change in accounts receivable	-41	-258	-723
Change in other operating capital employed	-502	-647	-447
<b>Cash flow from operating activities</b>	<b>178</b>	<b>-191</b>	<b>2,107</b>
<i>Cash flow from operating activities, %</i>	<i>24</i>	<i>-27</i>	<i>62</i>
Financial income and expenses paid	-79	-61	-475
Current taxes paid	-107	-109	-764
<b>Free cash flow</b>	<b>-8</b>	<b>-361</b>	<b>868</b>
<i>As % of adjusted income</i>	<i>-2</i>	<i>-78</i>	<i>39</i>
<i>Free cash flow to net debt</i>	<i>0.12</i>	<i>0.13</i>	<i>0.08</i>

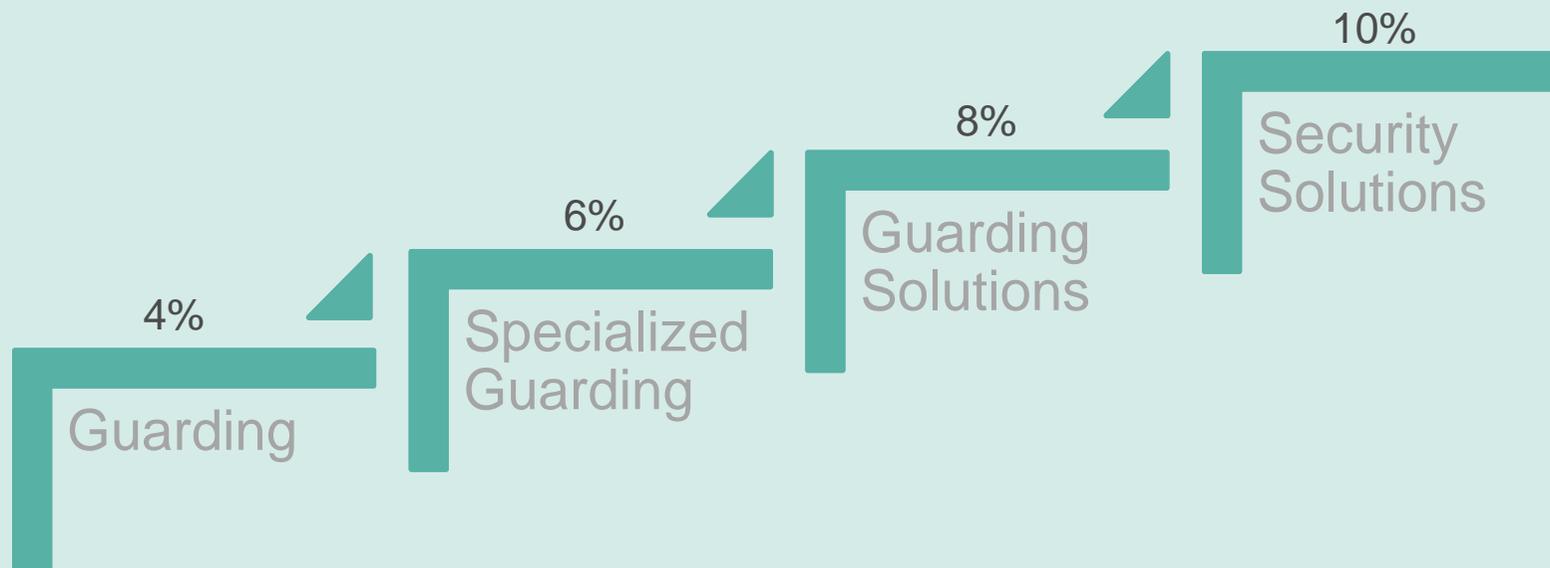
# Net Debt Development



## MSEK

Net debt January 1, 2012	-10 349
Free cash flow	-8
Acquisitions	-181
IAC payments	-15
<b>Change in net debt</b>	<b>-204</b>
Translation and revaluation	188
<b>Net debt March 31, 2012</b>	<b>-10 365</b>

# To create Value

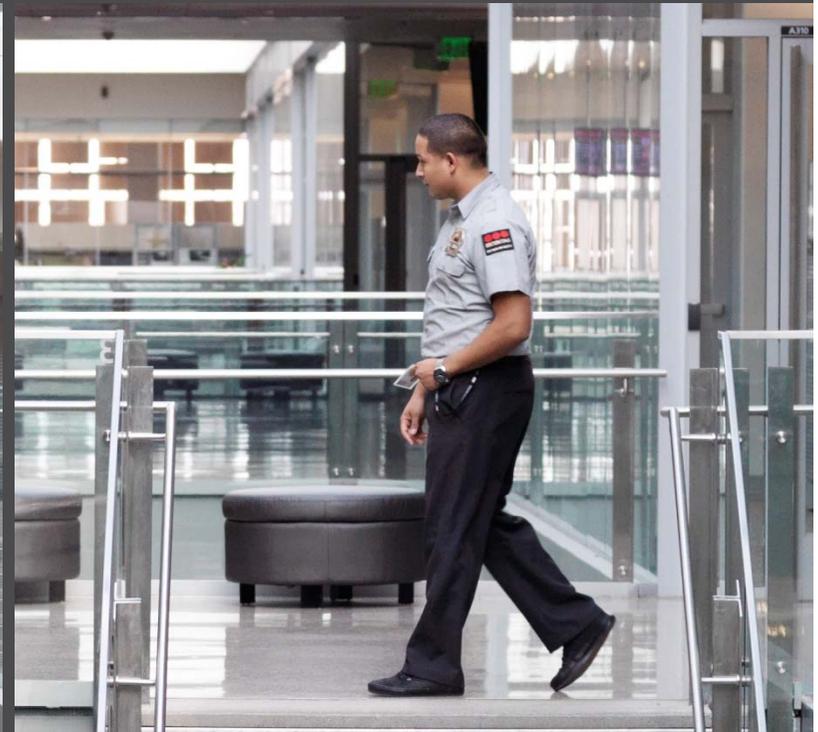
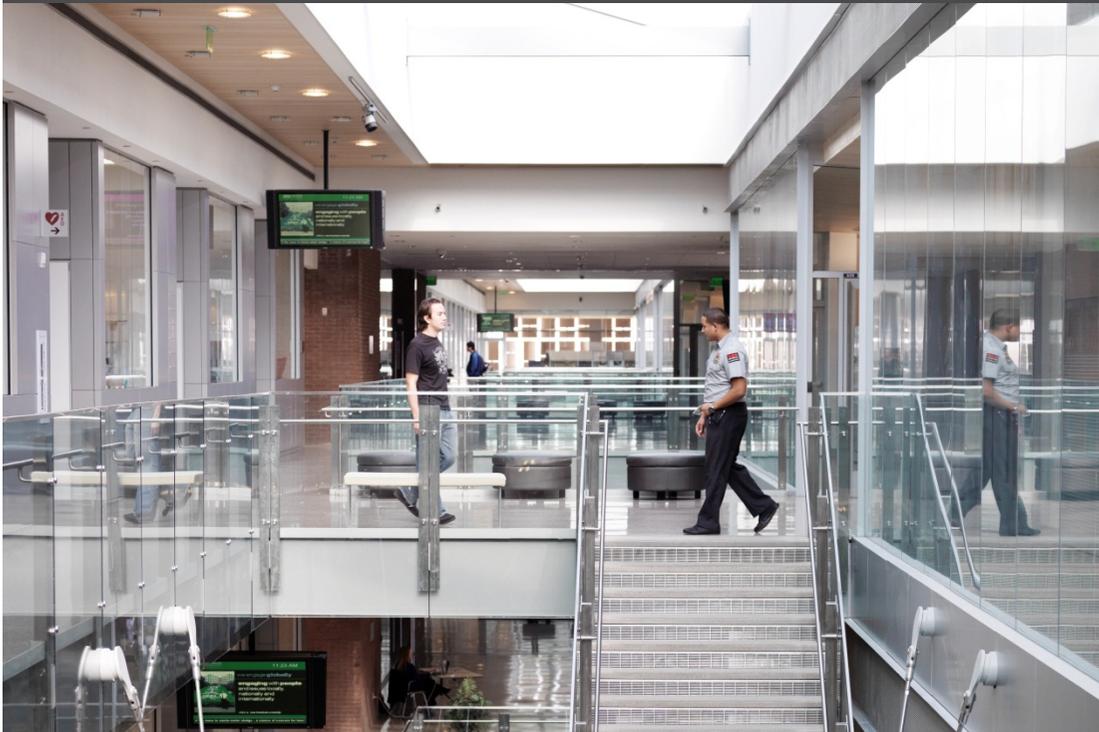


# We Develop our Core Business





# Questions and Answers





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