

Press Release

7 February 2011
No. 04/11

A strong finish to 2010

Fourth quarter

- Sales totaled SEK 9,648 M (8,799), representing an increase of 10%, made up of 6% organic growth, 9% acquired growth and exchange-rate effects of –5%.
- Asia and South America recorded strong growth and North America good growth while Europe showed subdued growth.
- Operating income (EBIT) amounted to SEK 1,606 M (1,398*), representing an increase of 15%. At the same time the operating margin increased to 16.6% (15.9*). Adjusted for one-offs in connection with the Cardo acquisition the operating income amounted to 1,638 MSEK (1,398*) corresponding to an operating margin of 17.0% (15.9*).
- Net income amounted to SEK 1,071 M (200**).
- Earnings per share rose by 19% to SEK 2.86 (2.41*).
- Bid for Cardo and acquisitions of LaserCard and Swesafe.
- Continued investments in product development and market coverage.
- Strong operating cash flow amounting to SEK 2,085 M (2,296).

Full year

- Sales increased by 5% and totaled SEK 36,823 M (34,963), made up of 3% organic growth, 8% acquired growth and exchange-rate effects of –6%.
- Operating income (EBIT) amounted to SEK 6,046 M (5,413*), representing an increase of 12%. The operating margin was 16.4% (15.5*).
- Net income amounted to SEK 4,080 M (2,659**).
- Earnings per share rose by 18% to SEK 10.89 (9.22*).
- Strong operating cash flow amounting to SEK 6,285 M (6,843).
- The Board of Directors proposes a dividend of SEK 4.00 per share (3.60).

* Excluding restructuring and non-recurring costs in 2009 amounting to SEK 930 M for the quarter and SEK 1,039 M for the year.

** In 2009, net income for the quarter was SEK 905 M and for the year was SEK 3,474 M, excluding restructuring and non-recurring costs.

Press Release

SALES AND INCOME

	Fourth quarter			Full year		
	2009	2010	Change	2009	2010	Change
Sales, SEK M	8,799	9,648	+ 10%	34,963	36,823	+ 5%
of which,						
Organic growth			+6%			+3%
Acquisitions			+9%			+8%
Exchange-rate effects		-385	-5%		-1,626	-6%
Operating income (EBIT), SEK M	1,398*	1,606	+ 15%	5,413*	6,046	+ 12%
Operating margin (EBIT), %	15.9*	16.6		15.5*	16.4	
Income before tax, SEK M	1,292*	1,405	+9%	4,779*	5,366	+12%
Net income, SEK M	200**	1,071	-	2,659**	4,080	-
Operating cash flow, SEK M	2,296	2,085	-9%	6,843	6,285	-8%
Earnings per share (EPS), SEK	2.41*	2.86	+ 19%	9.22*	10.89	+ 18%

* Excluding restructuring and non-recurring costs in 2009 amounting to SEK 930 M for the quarter and SEK 1,039 M for the year.

** In 2009, net income for the quarter was SEK 905 M and for the year was SEK 3,474 M, excluding restructuring and non-recurring costs.

COMMENTS BY THE PRESIDENT AND CEO

"During the second half of the year growth returned, and total sales for the year increased by a good 5% in spite of negative exchange-rate effects of 6%," says Johan Molin, President and CEO. "Organic growth for the full year was 3%, with Asia and South America recording strong growth and North America showing good and increasing growth. Europe began the year well but growth gradually slowed down. Acquired units contributed an additional 8% growth.

"Investments in product development continued at an accelerated rate and a number of new products were launched. In addition, the Group's market leadership was further strengthened by continued investments in the marketing organisation which have laid the foundation for continuing growth.

"Operating income for the full year rose by 12%, which was highly satisfying. Completed efficiency improvements and the ongoing reorganization of production made strong contributions.

Press Release

"Activity in the acquisition field remained high and it is with great pleasure that I welcome our bid for the Swedish company Cardo, the largest acquisition that the Group has yet made. In addition, the bid for LaserCard in the USA was announced in December and the acquisition of ActivIdentity in the USA was completed. These companies complement our strategic development in the areas of entrance automation, secure identification of ID credentials and identification for logical and physical access.

"Looking forward to 2011, we expect continued good growth on emerging markets and cautious recovery on mature markets. The underlying economic trend is positive, but budgetary constraints may affect those market segments that are dependent on public financing."

FOURTH QUARTER

The Group's sales totaled SEK 9,648 M (8,799), an increase of 10% compared with 2009. Organic growth for comparable units was 6% (-8). Acquired units contributed 9% (3). Exchange-rate effects had a negative impact of SEK 385 M on sales, that is -5% (-2).

Operating income before depreciation, EBITDA, excluding restructuring costs, amounted to SEK 1,851 M (1,648). The corresponding EBITDA margin was 19.2% (18.7). The Group's operating income, EBIT, amounted to SEK 1,606 M (1,398), an increase of 15%. The operating margin was 16.6% (15.9).

Net financial items amounted to SEK 201 M (106). The Group's income before tax, excluding restructuring costs, amounted to SEK 1,405 M (1,292), an improvement of 9% compared with the previous year. Exchange-rate effects had a negative impact of SEK 67 M on the Group's income before tax. The profit margin was 14.6% (14.7). The Group's tax charge totaled SEK 334 M (162). Earnings per share amounted to SEK 2.86 (2.41), an increase of 19%.

FULL YEAR

Sales for 2010 totaled SEK 36,823 M (34,963), which represented an increase of 5% compared with 2009. Organic growth was 3% (-12). Acquired units contributed 8% (3). Exchange-rate effects affected sales negatively by SEK 1,626 M.

Operating income before depreciation, EBITDA, amounted to SEK 7,041 M (6,426). The corresponding margin was 19.1% (18.4). The Group's operating income, EBIT, amounted to SEK 6,046 M (5,413), an increase of 12%. The corresponding operating margin (EBIT) was 16.4% (15.5).

Earnings per share increased to SEK 10.89 (9.22). Operating cash flow amounted to SEK 6,285 M (6,843).

Press Release

RESTRUCTURING MEASURES

Payments related to all restructuring programs amounted to SEK 101 M in the quarter.

The restructuring programs continued according to plan and have led to a reduction in personnel of 208 people during the quarter and 5,387 people since the projects began. A further 1,030 people will leave in the next two years.

At the end of the quarter, provisions of SEK 924 M were set aside in the balance sheet for carrying out the remaining parts of the programs.

COMMENTS BY DIVISION

EMEA

Sales for the quarter in EMEA division totaled SEK 3,364 M (3,544), with organic growth of 2% (–3). Market development was restrained and only Finland, Germany and Eastern Europe recorded a stable positive sales trend. Acquired growth amounted to 1%. Operating income rose to SEK 604 M (595), which represents an operating margin (EBIT) of 18.0% (16.8). Return on capital employed amounted to 26.3% (21.2). Operating cash flow before interest paid totaled SEK 858 M (1,133).

AMERICAS

Sales for the quarter in Americas division totaled SEK 2,291 M (2,108), with organic growth of 6% (–21). The recovery on the North American market continued and all business units showed growth during the quarter. The Door Group recorded positive growth for the first time since the end of 2008. Electromechanics and South America recorded very strong growth. Acquired growth amounted to 3%. Operating income totaled SEK 459 M (412) and the operating margin was 20.1% (19.5). Return on capital employed amounted to 21.0% (19.6). Operating cash flow before interest paid totaled SEK 492 M (545).

ASIA PACIFIC

Sales for the quarter in Asia Pacific division totaled SEK 1,766 M (1,044), with organic growth of 12% (10). All units recorded growth. Growth in Australia and New Zealand returned to more normal levels after a period of stimulus-driven demand. Good growth in China continued and was especially strong for security doors. Other Asian markets also reported strong growth. Acquired growth amounted to 54%. Operating income totaled SEK 246 M (144), representing an operating margin (EBIT) of 13.9% (13.8). The quarter's return on capital employed amounted to 27.3% (20.6). Operating cash flow before interest paid totaled SEK 561 M (231).

Press Release

GLOBAL TECHNOLOGIES

Sales for the quarter in Global Technologies division totaled SEK 1,325 M (1,145), with organic growth amounting to 18% (–9). HID showed strong growth in both access control and identification technology. Hospitality recorded growth for the second quarter in succession and the renovation market continued its recovery. Acquired growth amounted to 3%. The division's operating income amounted to SEK 224 M (186), giving an operating margin (EBIT) of 16.9% (16.2). Return on capital employed amounted to 15.4% (13.3). Operating cash flow before interest paid totaled SEK 359 M (361).

ENTRANCE SYSTEMS

Sales for the quarter in Entrance Systems division totaled SEK 1,118 M (1,152), with organic growth of –2% (–4). The positive trend on the service side continued. On the market for automatic doors, demand from the retailing segment rose while demand from the healthcare segment and other publicly financed market segments fell as a result of budget constraints on several major markets. Ditec had a very positive end to the year with good growth. Acquired growth amounted to 4%. Operating income totaled SEK 198 M (196), giving an operating margin of 17.7% (17.0). Return on capital employed amounted to 18.0% (19.1). Operating cash flow before interest paid totaled SEK 141 M (189).

ACQUISITIONS

During the quarter ActivIdentity in the USA and one minor acquisition were consolidated. This means that a total of thirteen acquisitions were consolidated during the year. The combined acquisition price for these acquisitions amounted to SEK 4,582 M, and preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amount to SEK 3,818 M. The acquisition price is adjusted for acquired net debt and estimated earn-outs. Estimated earn-outs amount to SEK 1,939 M, of which SEK 1,775 M relates to the largest single acquisition of the year, the Chinese company Pan Pan, and concerns the development of earnings in coming years.

On 2 November it was announced that a contract had been signed for the acquisition of Swesafe, the largest locksmith in Sweden. The company's sales total SEK 430 M, split equally between mechanical and electromechanical products. Swesafe has 24 branches and more than 300 employees. The acquisition is dependent on approval by the appropriate authorities.

On 13 December it was announced that ASSA ABLOY had acquired 63.6% of the Swedish entrance automation company Cardo and had made a public offer to other shareholders. In 2009 Cardo had sales of SEK 8.8 billion and had 5,337 employees. The acquisition is dependent on approval by the appropriate authorities and is expected to be completed in March 2011. For more detailed information refer to the press release of 13 December 2010.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

On 21 December it was announced that ASSA ABLOY had signed a contract for the acquisition of LaserCard Corporation in the USA, a leading company in the management of secure ID credentials for government and commercial customers throughout the world. The company is quoted on the NASDAQ exchange in the USA. LaserCard has 182 employees and its sales for the 2010 financial year totaled USD 50 M. On 24 January 2011 it was announced that a majority of shareholders had accepted the offer. The acquisition is expected to be completed during the first quarter of 2011.

SUSTAINABLE DEVELOPMENT

The Orion family of products introduced during the year represents one step in the endeavor to produce more energy-efficient products.

Orion automatically controls the temperature setting when hotel guests go in and out of their rooms. It can be integrated with the hotel's wireless locking system, safes, lighting and other subsystems in the network and can thereby provide those responsible with valuable information in the form of reports, tracking, status, checks and data.

ASSA ABLOY's Orion product recently won the prestigious Editor's Choice prize at IHMRS (the International Hotel, Motel + Restaurant Show) in New York in November.

Orion was chosen as the winning entry from more than 100 new products on the grounds that the solution helps hoteliers to save energy, improve guests' comfort and make the hotel more 'climate smart'. Orion makes it possible to control the temperatures in hotel rooms via a wireless network and/or a web-based server.

The 2010 Sustainability Report, reporting on the Group's targets and giving other information about sustainable development, will be published at the time of the Annual General Meeting in April 2011.

PARENT COMPANY

'Other operating income' for the Parent company ASSA ABLOY AB totaled SEK 1,623 M (1,398) for the full year. Income before tax amounted to SEK 1,679 M (1,694). Investments in tangible and intangible assets totaled SEK 11 M (1). Liquidity is good and the equity ratio was 52.9% (55.6).

DIVIDEND AND ANNUAL GENERAL MEETING

The Board of Directors proposes a dividend of SEK 4.00 (3.60) per share for the 2010 financial year. The Annual General Meeting will be held on 29 April 2011.

Press Release

ACCOUNTING PRINCIPLES

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are detailed on pages 72-77 of the 2009 Annual Report. ASSA ABLOY has implemented the revised International Financial Reporting Standard IFRS 3, which came into force on 1 July 2009. The change affects the reporting of acquisition expenses, deferred considerations and step acquisitions. All acquisition expenses relating to acquisitions made in 2010 are reported on a current basis in the income statement from 1 January 2010. ASSA ABLOY is also applying the revised International Financial Reporting Standard IAS 27, which came into force on 1 July 2009. IAS 27 affects the reporting of non-controlling interest (previously called minority interest) in future acquisitions.

This Year-end Report was prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Year-end Report for the Parent company was prepared in accordance with the Annual Accounts Act and RFR 2.3 Reporting by a Legal Entity.

TRANSACTIONS WITH RELATED PARTIES

No transactions that significantly affected the company's position and income have taken place between ASSA ABLOY and related parties.

RISKS AND UNCERTAINTY FACTORS

As an international Group with a wide geographic spread, ASSA ABLOY is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity, the giving of credit, raw materials and financial instruments. Risk management in ASSA ABLOY aims to identify, control and reduce risks. This work begins with an assessment of the probability of risks occurring and their potential effect on the Group. For a more detailed description of risks and risk management, see the 2009 Annual Report. No significant risks other than the risks described there are judged to have occurred.

Press Release

OUTLOOK

Long-term outlook

Long term, ASSA ABLOY expects an increase in security-driven demand. Focus on end-user value and innovation as well as leverage on ASSA ABLOY's strong position will accelerate growth and increase profitability.

Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well.

Stockholm, 7 February 2011

Johan Molin

President and CEO

FINANCIAL INFORMATION

The Quarterly Report for the first quarter will be published on 28 April 2011. The Annual General Meeting will be held on 29 April at the Museum of Modern Art in Stockholm.

FURTHER INFORMATION CAN BE OBTAINED FROM:

Johan Molin, President and CEO, Tel: +46 8 506 485 42

Tomas Eliasson, Chief Financial Officer, Tel: +46 8 506 485 72

ASSA ABLOY is holding an **analysts' meeting** at **10.00 today** at Operaterrassen 90 in **Stockholm**.

The analysts' meeting can also be followed on the Internet at www.assaabloy.com. It is possible to submit questions by telephone on:

+46 8 5052 0270, +44 208 817 9301 or +1 718 354 1226

This information is that which ASSA ABLOY is required to disclose under the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act.

The information is released for publication at 08.00 on 7 February.

Press Release

FINANCIAL INFORMATION - GROUP

INCOME STATEMENT

	Jan-Dec 2009	Jan-Dec 2010	Okt-Dec 2009	Okt-Dec 2010
	SEK M	SEK M	SEK M	SEK M
Sales	34,963	36,823	8,799	9,648
Cost of goods sold	-21,780	-21,987	-5,996	-5,779
Gross Income	13,183	14,836	2,803	3,869
Selling and administrative expenses	-8,821	-8,793	-2,338	-2,264
Share in earnings of associated companies	12	3	3	2
Operating income	4,374	6,046	468	1,606
Financial items	-634	-680	-106	-201
Income before tax	3,740	5,366	362	1,405
Tax	-1,081	-1,286	-162	-334
Net income	2,659	4,080	200	1,071

Allocation of net income:

Shareholders in ASSA ABLOY AB	2,626	4,050	192	1,064
Non-controlling interest	32	30	9	7

EARNINGS PER SHARE

	Jan-Dec 2009	Jan-Dec 2010	Okt-Dec 2009	Okt-Dec 2010
	SEK	SEK	SEK	SEK
Earnings per share after tax and before dilution ¹⁾	7.18	11.07	0.52	2.91
Earnings per share after tax and dilution ²⁾	7.06	10.89	0.54	2.86
Earnings per share after tax and dilution, excluding items affecting comparability ^{2) 10)}	9.22	10.89	2.41	2.86

COMPREHENSIVE INCOME

	Jan-Dec 2009	Jan-Dec 2010	Okt-Dec 2009	Okt-Dec 2010
	SEK M	SEK M	SEK M	SEK M
Profit for the period	2,659	4,080	200	1,071
Other comprehensive income				
Exchange differences on translating foreign operations	-826	-1,249	459	80
Total comprehensive income for the period	1,833	2,831	659	1,151
Total comprehensive attributable to:				
-Parent company shareholders	1,814	2,805	646	1,140
-Non-controlling interest	19	26	13	11

CASH FLOW STATEMENT

	Jan-Dec 2009	Jan-Dec 2010	Okt-Dec 2009	Okt-Dec 2010
	SEK M	SEK M	SEK M	SEK M
Cash flow from operating activities	5,924	5,729	2,117	2,018
Cash flow from investing activities	-1,835	-4,027	-523	-1,693
Cash flow from financing activities	-3,741	-2,597	-2,577	-354
Cash flow	348	-895	-983	-29
Cash and cash equivalents at beginning of period	1,931	2,235	3,177	1,316
Cash flow	348	-895	-983	-29
Effect of exchange rate differences	-44	-38	41	15
Cash and cash equivalents at end of period	2,235	1,302	2,235	1,302

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

BALANCE SHEET

	31 Dec 2009	31 Dec 2010
	SEK M	SEK M
Intangible assets	22,324	25,193
Tangible fixed assets	5,550	5,422
Financial fixed assets	1,187	1,595
Total non-current assets	29,061	32,210
Inventories	4,349	4,825
Trade receivables	5,618	5,596
Other non-interest-bearing current assets	1,171	1,308
Interest-bearing current assets	2,419	1,450
Total current assets	13,557	13,179
Total assets	42,618	45,389
Equity before non-controlling interest	19,172	20,652
Non-controlling interest	162	169
Total equity	19,334	20,821
Interest-bearing non-current liabilities	11,810	9,212
Non-interest-bearing non-current liabilities	2,068	4,236
Total non-current liabilities	13,878	13,448
Interest-bearing current liabilities	1,901	2,864
Non-interest-bearing current liabilities	7,505	8,256
Total current liabilities	9,406	11,120
Total equity and liabilities	42,618	45,389

CHANGE IN EQUITY

	Jan-Dec 2009	Jan-Dec 2010
	SEK M	SEK M
Opening balance	18,838	19,334
Total comprehensive income for the year	1,833	2,831
Dividend	-1,317	-1,317
Stock purchase plans	-	6
Share issue	-	34
Purchase of treasury shares	-	-48
Non-controlling interest, net	-20	-19
Closing balance	19,334	20,821

KEY DATA

	Jan-Dec 2009	Jan-Dec 2010
Return on capital employed excluding items affecting comparability, %	16.2	18.5
Return on capital employed including items affecting comparability, %	13.1	18.5
Return on shareholders' equity, %	12.7	19.1
Equity ratio, %	45.4	45.9
Interest coverage ratio, times	7.2	10.1
Interest on convertible debentures net after tax, SEK M	31.9	9.9
Number of shares, thousands	365,918	366,177
Weighted average number of shares, thousands	365,918	365,744
Number of shares after dilution, thousands	372,931	372,736
Weighted average number of shares after dilution, thousands	376,534	372,810
Average number of employees	29,375	37,279

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

FINANCIAL INFORMATION - PARENT COMPANY

INCOME STATEMENT	Jan-Dec 2009 SEK M	Jan-Dec 2010 SEK M
Operating income	566	778
Income before tax	1,694	1,679
Net income	1,536	1,492

BALANCE SHEET	31 Dec 2009 SEK M	31 Dec 2010 SEK M
Non-current assets	19,473	20,614
Current assets	4,176	3,560
Total assets	23,649	24,174
Equity	13,150	12,781
Provisions	5	0
Non-current liabilities	5,720	3,601
Current liabilities	4,774	7,792
Total equity and liabilities	23,649	24,174

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

QUARTERLY INFORMATION - GROUP

THE GROUP IN SUMMARY

All amounts in SEK M if not otherwise noted.

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Full Year 2010	12 month rolling
Sales	8,859	8,899	8,405	8,799	34,963	8,345	9,356	9,474	9,648	36,823	36,823
Organic growth ³⁾	-12%	-14%	-13%	-8%	-12%	-3%	2%	6%	6%	3%	
Gross income											
excluding items affecting comparability	3,550	3,502	3,370	3,603	14,025	3,361	3,761	3,846	3,869	14,836	14,836
Gross income / Sales	40.1%	39.4%	40.1%	41.0%	40.1%	40.3%	40.2%	40.6%	40.1%	40.3%	40.3%
Operating income before depreciation (EBITDA)											
excluding items affecting comparability	1,594	1,601	1,584	1,648	6,426	1,536	1,780	1,875	1,851	7,041	7,041
Operating margin (EBITDA)	18.0%	18.0%	18.8%	18.7%	18.4%	18.4%	19.0%	19.8%	19.2%	19.1%	19.1%
Depreciation	-266	-261	-237	-249	-1,014	-241	-265	-245	-244	-995	-995
Operating income (EBIT)											
excluding items affecting comparability	1,328	1,340	1,346	1,398	5,413	1,295	1,515	1,630	1,606	6,046	6,046
Operating margin (EBIT)	15.0%	15.1%	16.0%	15.9%	15.5%	15.5%	16.2%	17.2%	16.6%	16.4%	16.4%
Items affecting comparability ¹⁰⁾	-109	-	-	-930	-1,039	-	-	-	-	-	-
Operating income (EBIT)	1,219	1,340	1,346	468	4,374	1,295	1,515	1,630	1,606	6,046	6,046
Financial items	-205	-165	-159	-106	-634	-137	-152	-190	-201	-680	-680
Income before tax	1,015	1,176	1,187	362	3,740	1,158	1,363	1,440	1,405	5,366	5,366
Profit margin (EBT)	11.4%	13.2%	14.1%	4.1%	10.7%	13.9%	14.6%	15.2%	14.6%	14.6%	14.6%
Tax	-296	-323	-300	-162	-1,081	-278	-333	-341	-334	-1,286	-1,286
Net income	718	852	888	200	2,659	880	1,031	1,099	1,071	4,080	4,080
Allocation of net income:											
Shareholders in ASSA ABLOY AB	716	843	876	192	2,626	876	1,019	1,090	1,064	4,050	4,050
Non-controlling interest	3	9	12	9	32	4	11	9	7	30	30

OPERATING CASH FLOW

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Full Year 2010	12 month rolling
Operating income (EBIT)	1,219	1,340	1,346	468	4,374	1,295	1,515	1,630	1,606	6,046	6,046
Restructuring costs	109	-	-	930	1,039	-	-	-	-	-	-
Depreciation	266	261	237	249	1,014	241	265	245	244	995	995
Net capital expenditure	-187	-186	-99	-191	-664	-50	-270	-153	-235	-708	-708
Change in working capital	-316	346	612	818	1,460	-475	79	167	591	362	362
Paid and received interest	-193	-157	-38	-119	-507	-77	-170	-29	-179	-455	-455
Adjustment for non-cash items	-60	-20	67	140	127	-64	21	30	58	45	45
Operating cash flow ⁴⁾	838	1,584	2,125	2,296	6,843	870	1,440	1,890	2,085	6,285	6,285
Operating cash flow / Income before tax ⁴⁾	0.75	1.35	1.79	1.78	1.43	0.75	1.06	1.31	1.48	1.17	1.17

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

CHANGE IN NET DEBT

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Full Year 2010
Net debt at beginning of the period	14,013	14,317	14,239	12,432	14,013	11,048	11,469	12,608	10,864	11,048
Operating cash flow	-838	-1,584	-2,125	-2,296	-6,843	-870	-1,440	-1,890	-2,085	-6,285
Restructuring payment	144	224	147	161	676	112	182	71	101	465
Tax paid	298	397	2	210	907	261	241	94	203	799
Acquisitions/Disposals	263	66	511	331	1,171	768	373	720	1,458	3,319
Dividend	-	1,317	-	-	1,317	-	1,317	-	-	1,317
Purchase of treasury shares	-	-	-	-	-	-	48	-	-	48
Translation differences and other	437	-498	-341	210	-193	150	418	-739	23	-147
Net debt at end of period	14,317	14,239	12,432	11,048	11,048	11,469	12,608	10,864	10,564	10,564
Net debt / Equity	0.71	0.74	0.67	0.57	0.57	0.57	0.62	0.55	0.51	0.51

NET DEBT

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Non current interest-bearing receivables	-269	-256	-236	-244	-64	-60	-56	-62
Current interest-bearing investments including derivatives	-2,632	-2,250	-1,989	-840	-699	-205	-252	-170
Cash and bank balances	-1,280	-1,800	-1,303	-1,579	-1,216	-1,271	-1,225	-1,280
Pension provisions	1,222	1,200	1,093	1,118	1,114	1,150	1,056	1,078
Other non current interest-bearing liabilities	8,659	11,227	10,471	10,692	10,561	10,265	9,481	8,134
Current interest-bearing liabilities including derivatives	8,617	6,117	4,395	1,901	1,773	2,729	1,860	2,864
Total	14,317	14,239	12,432	11,048	11,469	12,608	10,864	10,564

CAPITAL EMPLOYED AND FINANCING

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Capital employed	34,540	33,494	31,108	30,382	31,523	33,051	30,495	31,385
- where of, goodwill	21,443	20,857	19,992	20,333	22,480	23,659	22,085	22,279
- where of, other intangibles and fixed assets	8,214	7,972	7,379	7,541	7,797	8,160	7,450	8,336
- where of, shares in associates	55	54	52	39	38	37	37	37
Net debt	14,317	14,239	12,432	11,048	11,469	12,608	10,864	10,564
Non-controlling interest	163	152	149	162	167	174	157	169
Shareholders' equity, excluding non-controlling interest	20,060	19,110	18,526	19,172	19,887	20,269	19,474	20,652

DATA PER SHARE

	Q1 2009 SEK	Q2 2009 SEK	Q3 2009 SEK	Q4 2009 SEK	Full Year 2009 SEK	Q1 2010 SEK	Q2 2010 SEK	Q3 2010 SEK	Q4 2010 SEK	Full Year 2010 SEK	12 month rolling SEK
Earnings per share after tax and before dilution ¹⁾	1.96	2.30	2.39	0.52	7.18	2.39	2.79	2.98	2.91	11.07	11.07
Earnings per share after tax and dilution ²⁾	1.92	2.25	2.36	0.54	7.06	2.36	2.74	2.93	2.86	10.89	10.89
Earnings per share after tax and dilution excluding items affecting comparability ^{2) 10)}	2.20	2.25	2.36	2.41	9.22	2.36	2.74	2.93	2.86	10.89	10.89
Shareholders' equity per share after dilution ²⁾	59.55	54.28	53.47	55.29	54.76	56.94	57.89	55.65	58.65	58.64	

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

RESULTS BY DIVISION

SEK M	EMEA ⁵⁾		Americas ⁶⁾		Asia Pacific ⁷⁾		Global Technologies ⁸⁾		Entrance Systems		Other		Total	
Oct - Dec and 31 Dec respectively	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Sales, external	3,472	3,288	2,090	2,274	976	1,671	1,124	1,309	1,136	1,106			8,799	9,648
Sales, intragroup	72	76	17	17	67	95	21	16	15	13	-192	-216		
Sales	3,544	3,364	2,108	2,291	1,044	1,766	1,145	1,325	1,152	1,118	-192	-216	8,799	9,648
Organic growth ³⁾	-3%	2%	-21%	6%	10%	12%	-9%	18%	-4%	-2%			-8%	6%
Operating income (EBIT)	595	604	412	459	144	246	186	224	196	198	-134	-124	1,398	1,606
Operating margin (EBIT)	16.8%	18.0%	19.5%	20.1%	13.8%	13.9%	16.2%	16.9%	17.0%	17.7%			15.9%	16.6%
Items affecting comparability ¹⁰⁾	-680	-	-	-	-2	-	-167	-	-81	-	-	-	-930	-
Operating income (EBIT) including items affecting comparability	-85	604	412	459	141	246	19	224	116	198	-134	-124	468	1,606
Capital employed	9,814	8,759	8,687	8,163	2,768	4,080	5,464	5,772	4,116	4,365	-467	245	30,382	31,385
- where of, goodwill	5,540	5,471	6,003	6,039	1,536	3,202	4,030	4,265	3,223	3,303			20,333	22,279
- where of, other intangibles and fixed assets	3,097	2,632	1,757	1,566	933	2,306	1,138	1,267	485	431	130	136	7,541	8,336
- where of, shares in associates	39	37	-	-	-	-	-	-	-	-			39	37
Return on capital employed excluding items affecting comparability	21.2%	26.3%	19.6%	21.0%	20.6%	27.3%	13.3%	15.4%	19.1%	18.0%			18.1%	19.5%
Operating income (EBIT)	-85	604	412	459	141	246	19	224	116	198	-134	-124	468	1,606
Restructuring costs	680	-	-	-	2	167	-	-	81	-	-	-	930	-
Depreciation	112	100	58	52	29	39	39	35	9	15	2	4	249	244
Net capital expenditure	-97	-89	-21	-39	-25	-57	-39	-41	-6	-7	-4	-2	-191	-235
Movement in working capital	523	243	96	20	84	333	175	141	-11	-64	-49	-83	818	591
Cash flow ⁴⁾	1,133	858	545	492	231	561	361	359	189	141			2,275	2,206
Adjustment for non-cash items											140	58	140	58
Paid and received interest											-119	-179	-119	-179
Operating cash flow ⁴⁾													2,296	2,085

SEK M	EMEA ⁵⁾		Americas ⁶⁾		Asia Pacific ⁷⁾		Global Technologies ⁸⁾		Entrance Systems		Other		Total	
Jan - Dec and 31 Dec respectively	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Sales, external	13,275	12,660	9,831	9,491	3,507	5,698	4,664	4,951	3,685	4,024			34,963 ⁹⁾	36,823 ⁹⁾
Sales, intragroup	327	376	49	45	282	384	102	64	47	48	-807	-916		
Sales	13,601	13,036	9,880	9,536	3,789	6,081	4,766	5,015	3,733	4,072	-807	-916	34,963	36,823
Organic growth ³⁾	-12%	2%	-19%	-2%	-1%	14%	-12%	10%	-3%	-2%			-12%	3%
Operating income (EBIT)	2,056	2,174	1,925	1,886	459	843	766	862	587	627	-380	-346	5,413	6,046
Operating margin (EBIT)	15.1%	16.7%	19.5%	19.8%	12.1%	13.9%	16.1%	17.2%	15.7%	15.4%			15.5%	16.4%
Items affecting comparability ¹⁰⁾	-789	-	-	-	-2	-	-167	-	-81	-	-	-	-1,039	-
Operating income (EBIT) including items affecting comparability	1,267	2,174	1,925	1,886	457	843	599	862	506	627	-380	-346	4,374	6,046
Capital employed	9,814	8,759	8,687	8,163	2,768	4,080	5,464	5,772	4,116	4,365	-467	245	30,382	31,385
- where of, goodwill	5,540	5,471	6,003	6,039	1,536	3,202	4,030	4,265	3,223	3,303			20,333	22,279
- where of, other intangibles and fixed assets	3,097	2,632	1,757	1,566	933	2,306	1,138	1,267	485	431	130	136	7,541	8,336
- where of, shares in associates	39	37	-	-	-	-	-	-	-	-			39	37
Return on capital employed excluding items affecting comparability	16.9%	21.6%	20.5%	21.3%	16.1%	25.1%	12.9%	14.7%	15.2%	14.6%			16.2%	18.5%
Operating income (EBIT)	1,267	2,174	1,925	1,886	457	843	599	862	506	627	-380	-346	4,374	6,046
Restructuring costs	789	-	-	-	2	167	-	-	81	-	-	-	1,039	-
Depreciation	473	417	236	222	99	142	156	145	38	57	11	14	1,014	995
Net capital expenditure	-281	-317	-134	-114	-80	-198	-127	-109	-33	-47	-9	76	-664	-708
Movement in working capital	602	334	649	19	132	130	211	-30	88	-58	-222	-33	1,460	362
Cash flow ⁴⁾	2,850	2,607	2,677	2,013	610	917	1,005	868	680	580			7,222	6,695
Adjustment for non-cash items											127	45	127	45
Paid and received interest											-507	-455	-507	-455
Operating cash flow ⁴⁾													6,843	6,285
Average number of employees	10,138	9,471	6,897	6,969	7,560	15,510	2,416	2,487	2,253	2,738	112	104	29,375	37,279

¹⁾ Number of shares, thousands, used for the calculation: : Oct-Dec 2010 (2009): 365,660 (365,918), Jan-Dec 2010 (2009): 365,744 (365,918).

²⁾ Number of shares, thousands, used for calculation: Oct-Dec 2010 (2009): 372,736 (372,931), Jan-Dec 2010 (2009): 372,810 (376,534).

³⁾ Organic growth concern comparable units after adjustment for acquisitions and currency effects.

⁴⁾ Excluding restructuring items.

⁵⁾ Europe, Middle East and Africa.

⁶⁾ North, Central and South America.

⁷⁾ Asia, Australia and New Zealand.

⁸⁾ ASSA ABLOY Hospitality and HID Global.

⁹⁾ Sales Jan-Dec 2010 (2009) by Continent: Europe 15,789 (16,046), North America 11,907 (12,383), Central and South America 854 (616), Africa 622 (651), Asia 5,533 (3,427), Pacific 2,118 (1,839).

¹⁰⁾ Items affecting comparability consist of restructuring costs.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Press Release

INCOME STATEMENT - Reclassification

	Before reclassification		After reclassification		Before reclassification		After reclassification	
	Jan-Dec 2009		Jan-Dec 2009		Oct-Dec 2009		Oct-Dec 2009	
	SEK M	Dev.	SEK M		SEK M	Dev.	SEK M	
Sales	35,049	-86	34,963		8,821	-22	8,799	
Cost of goods sold	-21,489	-291	-21,780		-5,866	-130	-5,996	
Gross Income	13,560	-377	13,183		2,955	-152	2,803	
Selling and administrative expenses	-9,198	377	-8,821		-2,490	152	-2,338	
Share in earnings of associated companies	12	0	12		3	0	3	
Operating income	4,374	0	4,374		468	0	468	
Financial items	-634	0	-634		-106	0	-106	
Income before tax	3,740	0	3,740		362	0	362	
Tax	-1,081	0	-1,081		-162	0	-162	
Net income	2,659	0	2,659		200	0	200	

The Group has made a reclassification that affects direct distribution costs and depreciation on capitalized product development expenditure. The reason is to give a true and fair view of the allocation between direct and indirect costs as well as for product development expenses. In order to maintain comparability, the financial statements for 2009 have been adjusted. The reclassification involves the transfer of direct distribution costs from Selling expenses and Administrative expenses, and where appropriate from Sales, to Cost of goods sold. In addition, depreciation on product development has been moved from Cost of goods sold to Selling expenses and Administrative expenses. Both these adjustments affect Gross income. Operating income is not affected.