

ASSA ABLOY announces preliminary result for the first quarter 2020

To provide increased certainty about the financial development following the outbreak of Covid-19, ASSA ABLOY today announces its preliminary result for the first quarter 2020.

“Due to the spread of Covid-19 and the unprecedented lock down globally in our core markets, the start of 2020 has been challenging. To address the situation, we have taken a series of measures to preserve the health and safety of our employees, customers and suppliers. These measures range from more stringent health checks and other safety measures in our operations to factory closures and increased number of employees working from home”, says Nico Delvaux, President and CEO of ASSA ABLOY.

ASSA ABLOY Group’s sales increased in the first quarter by 3% to SEK 22,173 M (21,505). Organic sales growth was -3% (5). Operating profit, EBIT, amounted to SEK 2,751 M (3,246) corresponding to an operating margin of 12.4% (15.1).

Organic growth declined by -34% in APAC and by -4% in EMEA, while it was stable in Entrance Systems 0%, Global Technologies 0% and up 1% in the Americas. Operating profit and margin in APAC was SEK -152 M and -9.6%, EMEA SEK 607 M and 12.0%, Americas SEK 1,048 M and 19.9%, Global Technologies SEK 563 M and 14.3% and Entrance Systems SEK 821 M and 12.2%.

ASSA ABLOY’s financial position continues to be strong with operating cash flow of SEK 1.2 bn (1.2), in the first quarter.

During the first quarter, operations and sales in Asia, and in China in particular, were significantly affected. The operations in the rest of the world were affected by supply challenges from February onwards, while sales did not decrease significantly until March.

To address the situation that has arisen due to the Covid-19 outbreak, several cost measures and cash flow initiatives are being taken across the Group. Amongst others we implement reduced working hours, temporary and permanent layoffs, travel bans, reduction of consultants as well as delays of projects.

“While times are and remain very challenging, we continue to support our customers with our leading access solutions. The initiated actions keep us agile and enable a swift return to normal operation when demand improves. I’m confident that with our strong team, taking the right measures, we will come out of this very demanding situation as an even stronger company”, concludes Nico Delvaux, President and CEO of ASSA ABLOY.

All numbers are preliminary and unaudited.

The full interim report will be released on 29 April 2020.

A teleconference will be held at 09.00am (CET) on 8 April 2020. ASSA ABLOY's President and CEO Nico Delvaux and CFO Erik Pieder will participate.

The teleconference can be followed on ASSA ABLOY's website under 'Investors'. Dial in numbers are: +44 333 300 9032, +46 8 505 583 73 and +1 646 722 4902.

Until 29 April when the 1st interim report will be published, ASSA ABLOY will not provide any further comments in relation to the preliminary results following this teleconference.

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This information is information that ASSA ABLOY AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 19:00 CET on 7 April 2020.

About ASSA ABLOY

The ASSA ABLOY Group is the global leader in access solutions. The Group operates worldwide with 49,000 employees and sales of SEK 94 billion. The Group has leading positions in areas such as efficient door openings, trusted identities and entrance automation. ASSA ABLOY's innovations enable safe, secure and convenient access to physical and digital places. Every day, we help billions of people experience a more open world.