

Q1

2017



Q1 IN BRIEF	2017	2016	2016
	Q1	Q1	Full year
Net sales, MSEK	1,440	1,390	6,088
EBITDA excl. non-recurring items, MSEK	95	87	561
<i>EBITDA margin excl. non-recurring items, %</i>	<i>6.6</i>	<i>6.2</i>	<i>9.2</i>
EBITDA, MSEK	89	82	489
<i>EBITDA margin, %</i>	<i>6.2</i>	<i>5.9</i>	<i>8.0</i>
Operating profit (EBIT) excl. non-recurring items, MSEK	65	58	438
<i>Operating margin (EBIT) excl. non-recurring items, %</i>	<i>4.5</i>	<i>4.2</i>	<i>7.2</i>
Operating profit (EBIT), MSEK	59	53	366
<i>Operating margin (EBIT), %</i>	<i>4.1</i>	<i>3.8</i>	<i>6.0</i>
Net profit for the period, MSEK	29	20	209
Basic earnings per share, SEK	0.37	0.26	2.71
Free cash flow, MSEK	-6	7	159

CEO'S COMMENTS ON THE FIRST QUARTER 2017

The first quarter was a good start to the year with a turnover of MSEK 1,440 and an operating margin of 4.5% excluding non-recurring items. The operating margin in EMEA continues to improve further.

DEVELOPMENT IN THE REGIONS

Region EMEA showed organic growth of 2% in the first quarter. Sales were good in almost all sub-regions whereas development in France, UK and South Africa was weaker. The operating margin continues to improve as a result of restructuring efforts. Gunnebo will continue to focus on increased productivity and structural changes in the European organisation during 2017.

In Region Asia-Pacific sales were down and there was negative organic growth of 8% in the first quarter. This follows five quarters of positive organic growth. The main reason for the decrease is the continued weakness in the banking market in India, and in Indonesia where the large OKI project is now coming to an end. Sales remained strong in China, mainly due to a favorable development in Entrance Security.

Region Americas showed organic growth of 3% in the first quarter. Sales developed positively in North America, while they were unchanged in South America, mainly due to an uncertain investment climate in Mexico.

"In the first quarter, we delivered an operating margin of 4.5% and we continue to improve margins in Europe."

SALES DEVELOPMENT IN THE PRODUCT AREAS

Sales were positive within Cash Management. The roll-out of the SafePay closed cash management solution continued in Europe and sales have developed well in North America and Asia.

Within Entrance Security the positive trend in sales continued in the first quarter of 2017 with increasing sales to public transport and public buildings.

Within Safes & Vaults, sales of certified safes were positive in the first quarter, except in India, where sales to public banks were down because of low demand. Sales of ATM safes remained unchanged.

In Electronic Security, quarterly sales were slightly lower than last year due to lower sales in both Europe and Mexico.

RESULT DEVELOPMENT Q1 2017

For the first quarter, despite an organic sales growth of 0%, the Group reports an operating profit excluding non-recurring items of MSEK 65 and an operating margin of 4.5%. With a good start to the year we are now equipped to continue the implementation of the Group's strategy for profitable growth.

Gothenburg, April 28, 2017

Henrik Lange
President and CEO

FINANCIAL TARGETS & OUTCOME

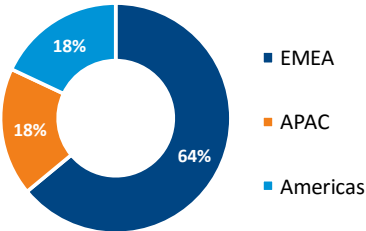
	2017	2016	2016	2017	Target
	Q1	Q1	Full year	12M	
Organic growth	0%	1%	1%	1%	5%
Operating margin ¹⁾	4.5%	4.2%	7.2%	7.2%	7.0%
Return on capital employed ^{1) 2)}	12.7%	12.8%	12.8%	12.7%	15.0%
Equity ratio	36%	35%	34%	36%	30%

¹⁾ Excluding non-recurring items

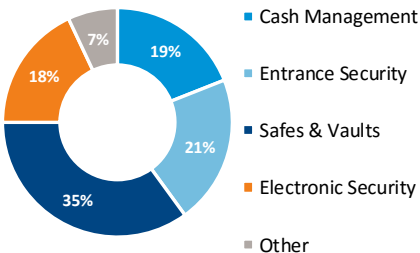
²⁾ During the last twelve-month period

SALES AND RESULT IN BRIEF

SALES BY REGION Q1 2017



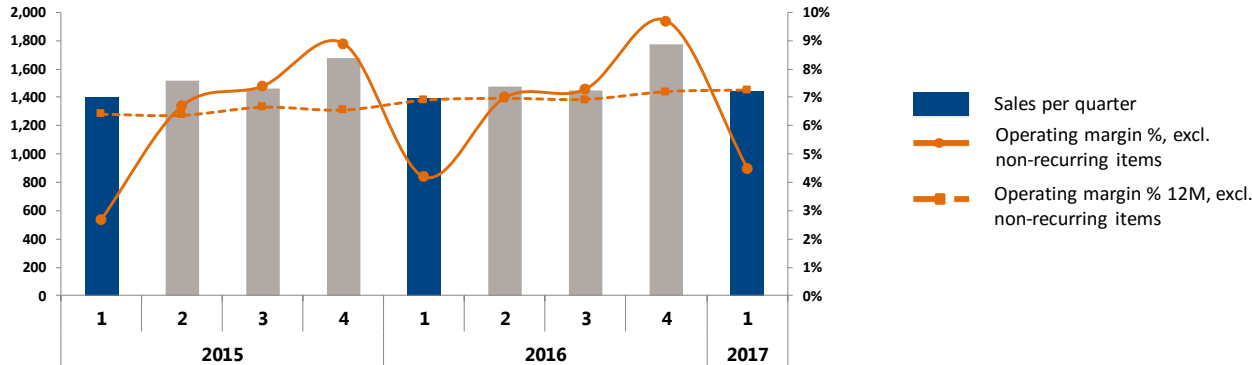
SALES BY PRODUCT AREA Q1 2017



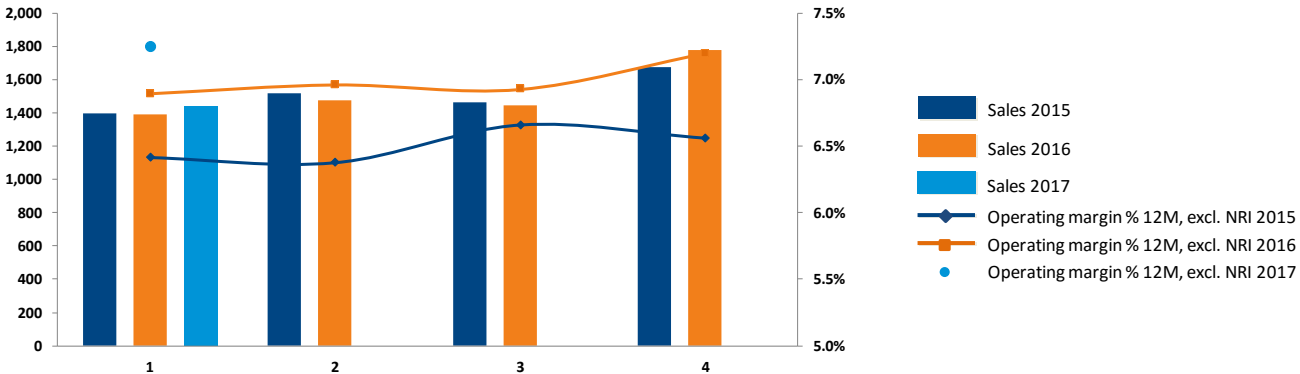
SALES Q1 2017 VS Q1 2016

	Organic	Structure	Currency	Total
EMEA	2%	0%	2%	4%
APAC	-8%	0%	6%	-2%
AMERICAS	3%	0%	7%	10%
TOTAL	0%	0%	4%	4%

GROUP SALES & OPERATING MARGIN BY QUARTER

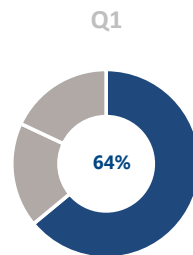


QUARTERLY SALES 2015 – Q1 2017



REGION EMEA	2017	2016	2016
	Q1	Q1	Full year
Net sales, MSEK	919	888	3,907
Organic growth, %	2	-1	0
Operating profit excl. non-recurring items, MSEK	12	7	172
Operating margin excl. non-recurring items, %	1.3	0.8	4.4
Non-recurring items, MSEK	-6	-3	-59
Operating profit, MSEK	6	4	113

% GROUP SALES



SALES DEVELOPMENT Q1 2017

Organically, the region's sales increased by 2% during the first quarter. Sales in the sub-regions Nordic, Central, South and East Europe as well as Middle East continued to develop well. Development was weaker in France, UK and South Africa.

Cash Management solutions developed well, especially in South and Central Europe and in Middle East. Several large deliveries in South Europe of the closed cash management system, SafePay, had a positive impact. Sales in the Middle East in collaboration with a CIT partner also continued to develop well.

Entrance Security developed well during the quarter in the majority of the markets across the region.

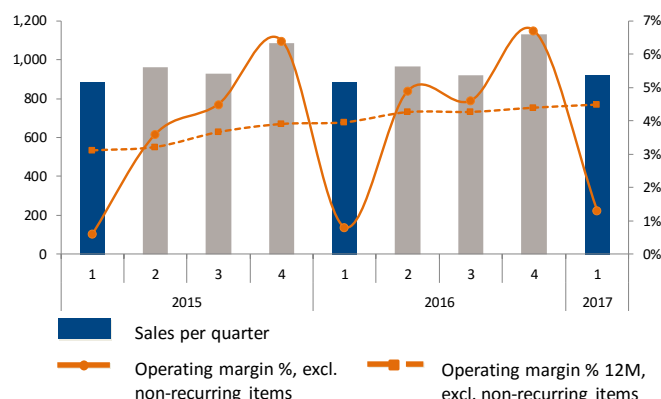
Sales in Safes & Vaults developed positively, driven by channel partner sales in the Nordics as well as sales in Central Europe and the Middle East.

Electronic Security sales showed a weak development in the first quarter.

RESULT DEVELOPMENT Q1 2017

Operating profit excluding non-recurring items improved to MSEK 12 (7) giving an operating margin of 1.3% (0.8), mainly derived from organic growth and savings generated from previous restructuring activities.

Gunnebo will continue to focus on increased productivity and structural changes in the European organisation. Costs connected to these activities will be reported as non-recurring items. In the first quarter these items amounted to -6 MSEK (-3).



QUARTER HIGHLIGHTS

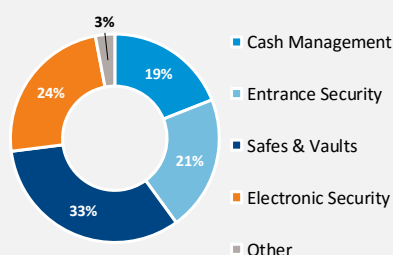
- The French regional bank Credit Agricole "Centre Est" turns to Gunnebo for cash handling solution for their retail banking
- UAE Ministry of Interior upgrades security at its high risk sites and turns to Gunnebo for the highest level of perimeter protection
- Retail-chain Intermarche continues the roll-out of closed cash handling, SafePay, to its French stores including a multi-year service contract
- Gunnebo Denmark receives an order from Billund airport to supply and install solutions for Entrance Security
- UAE-based CIT company Transguard continues to place orders for cash management solutions to be embedded in the company's full offering to retailers and banks
- South-African cash management specialist, GPT, places an order for cash management solutions
- RysgalBank in Turkmenistan upgrades the level of security at its branches and orders high-graded safes

EMEA IN BRIEF

SVP: Heinz Jacqui | Sales Companies: 17

Europe, Middle East & Africa (EMEA) is the Group's largest region. It is divided into eight sub-regions: Nordic, Central Europe, South Europe, UK/Ireland, France, East Europe, Middle East and Africa

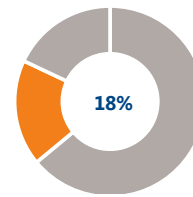
SALES BY PRODUCT AREA Q1 2017



REGION ASIA-PACIFIC

	2017 Q1	2016 Q1	2016 Full year
Net sales, MSEK	254	258	1,129
Organic growth, %	-8	10	5
Operating profit excl. non-recurring items, MSEK	25	26	138
Operating margin excl. non-recurring items, %	9.8	10.1	12.2
Non-recurring items, MSEK	-	-	-5
Operating profit, MSEK	25	26	133

% GROUP SALES Q1



SALES DEVELOPMENT Q1 2017

Sales in the region decreased organically by 8% during the first quarter. The markets in China, Australia and Singapore had a good development of sales. Sales in India and Indonesia developed weaker.

Sales within Cash Management showed a good development in the quarter, especially in Australia.

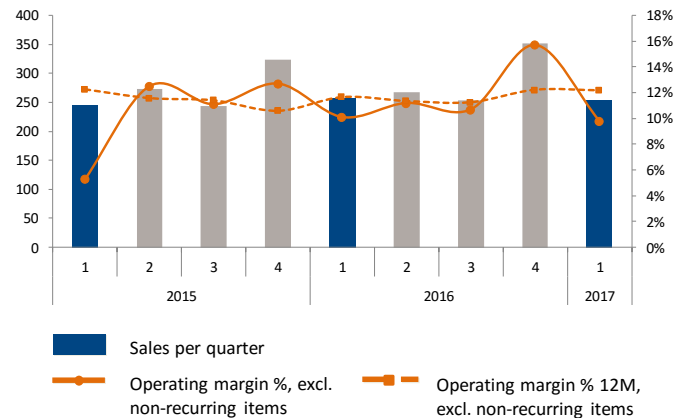
Sales of Entrance Security solutions developed well, especially to the metro sector in China.

Sales of Safes & Vaults saw mixed development where sales of safes to ATM manufacturers developed well in India. However, the bank business in India showed continued weak development due to low spending from public banks.

Gunnebo has a fire security business in the region. Fire security sales decreased in the quarter mainly due to lower sales to the OKI project this year compared to last year.

RESULT DEVELOPMENT Q1 2017

Operating profit excluding non-recurring items amounted to MSEK 25 (26) giving an operating margin of 9.8% (10.1), where tight cost control did not fully compensate for the negative sales growth.



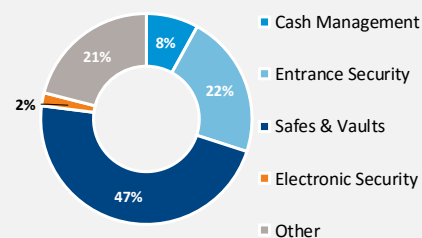
QUARTER HIGHLIGHTS

- Chinese cities Wuhan, Guiyang, Nanjing and Guangzhou turn to Gunnebo for entrance solution for their metro lines
- One of India's major gold loan companies, NBFC, continues to place orders for high-graded safes in their outlets across the country
- Malaysian G7 orders more SafeStore Auto automated safe deposit lockers after five successful installations
- Cartier in South Korea turns to Gunnebo for the protection of valuables in their store
- A private investor in Australia orders a turnkey solution from Gunnebo to create a secure facility for customers in the affluent Hills District

ASIA-PACIFIC IN BRIEF

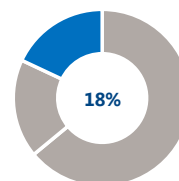
SVP: Sacha de La Noë | Sales Companies: 7
Australia/New Zealand, India, Indonesia, China
South Korea, South-East Asia: Malaysia, Singapore
(with offices in Thailand, Vietnam and Myanmar)

SALES BY PRODUCT AREA Q1 2017



REGION AMERICAS	2017	2016	2016
	Q1	Q1	Full year
Net sales, MSEK	267	244	1,052
Organic growth, %	3	-1	-2
Operating profit excl. non-recurring items, MSEK	28	25	128
Operating margin excl. non-recurring items, %	10.5	10.2	12.2
Non-recurring items, MSEK	-	-2	-8
Operating profit, MSEK	28	23	120

% GROUP SALES
Q1



SALES DEVELOPMENT Q1 2017

Organic sales for the region increased by 3% during the first quarter. Growth was primarily driven by sales in the USA and Brazil. Sales in Mexico were weaker in the quarter due to a slow investment climate.

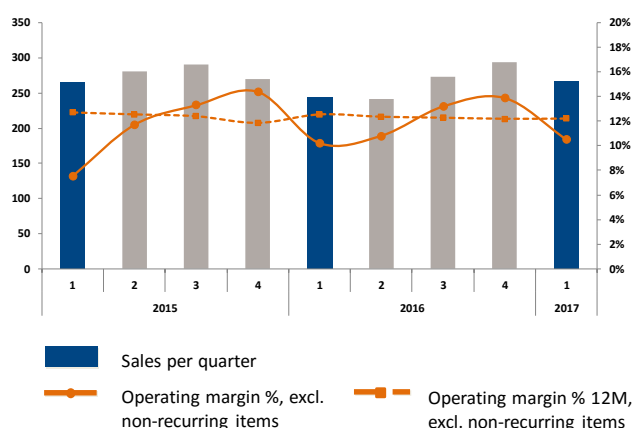
Cash Management sales showed a strong development in the quarter. The development was primarily derived from strong sales of drive-up tube systems in the USA, as well as a number of installations of cash management solutions in Brazil.

Sales within Safes & Vaults increased in the quarter, primarily related to the bank business in the USA and Canada.

Entrance Security and Electronic Security had a slow start to the year across the region.

RESULT DEVELOPMENT Q1 2017

Operating profit excluding non-recurring items improved to MSEK 28 (25) resulting in an operating margin of 10.5% (10.2).



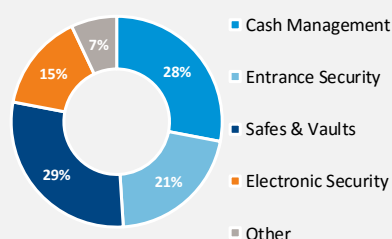
QUARTER HIGHLIGHTS

- Brazilian CIT companies order solutions for cash management to be embedded in the companies' full offering to retailers
- Brazilian retailer, Magazine Luiza, extends its cooperation with Gunnebo and orders loss prevention solutions for high-value consumables to be installed in more stores across the country
- A Mexican bank places a major order for electronic security solutions and installations for its branch network
- A Mexican retailer turns to Gunnebo to increase in-store security through installation of electronic security solutions
- A US bank places a major order for both safes and vaults

AMERICAS IN BRIEF

SVP: Dan Schroeder | Sales Companies: 4
North America: Canada, USA
Latin America: Brazil, Mexico

SALES BY PRODUCT AREA Q1 2017



FINANCIAL PERFORMANCE

JANUARY - MARCH 2017

Net sales

The Gunnebo Group's net sales during the first quarter amounted to MSEK 1,440 (1,390) representing a 4% increase. Organic growth for the Groups was 0%, with EMEA at 2% and Americas at 3% while Asia-Pacific was -8%. The currency effect was 4%.

Operating results

Operating profit was MSEK 59 (53), equaling an operating margin of 4.1% (3.8). Excluding non-recurring items, operating profit amounted to MSEK 65 (58), equaling an operating margin of 4.5% (4.2). EBITDA excluding non-recurring items reached MSEK 95 (87) corresponding to 6.6% (6.2) of net sales. Depreciations were MSEK 18 (16) and amortisations were MSEK 12 (13) of which MSEK 6 (6) derived from acquisition related intangibles.

The gross margin excluding non-recurring items for the quarter was 28.4% compared to 28.6% last year. Selling and administrative expenses excluding non-recurring items in percent of net sales was 24.0% in the quarter compared to 24.6% last year.

Non-recurring items impacted the result by MSEK -6 (-5) in the quarter. These were mainly caused by continued structural changes in Europe.

OPERATING PROFIT BRIDGE	Q1
Operating profit 2016	53
Organic	0
Structure	10
Currency	8
Other	-12
Operating profit 2017	59

Changes in the operating profit in the first quarter, as compared to the corresponding quarter 2016, can be explained by:

- The organic growth for the quarter was flat compared to same quarter last year.
- The positive net structural effects of MSEK 10 reflects both the realised savings from previous restructuring activities in Europe which continue to give benefits as planned, as well as the change in non-recurring items between the two periods.
- Currency effects were MSEK 8, where the translation effect was MSEK 3 and transaction effect was MSEK 5. The smaller currencies contributed with the largest impact.
- Other effects included a negative gross margin development in Europe which outweighed the positive signs seen in Asia and America. Only minor material cost increases were noted.

Other financial highlights

Net financial items totaled MSEK -13 (-14) and continues to be on the same level as in previous quarters. Tax expense was MSEK -17 (-19) resulting in an effective tax rate of 37% (49).

Research and development expenses amounted to MSEK 20 (22) equaling 1.4% (1.6) of net sales.

A higher rate of investment was seen in the first quarter 2017 with MSEK 29 compared to MSEK 22 in 2016, due to higher product/IT development costs offset by lower investments in property, plant and equipment.

Free cash flow was MSEK -6 (7), where 2016 included the positive cash flow effect of MSEK 20 from the sale of property in the UK. Excluding this the free cash flow in 2017 showed a slight improvement. Cash flow from financing activities totaled MSEK -27 (-51) including both repayments of credit facilities, amortisations on USD and EUR loans and a new DKK loan.

Equity was positively impacted by currency translations of MSEK 13 (4).

Gothenburg, April 28, 2017

Henrik Lange
President and CEO

This interim report is a translation of the original report in Swedish and has not been reviewed by the company's auditors.

CONDENSED CONSOLIDATED INCOME STATEMENTS

MSEK	2017 Q1	2016 Q1	2016 Full year
Net sales	1,440	1,390	6,088
Cost of goods sold	-1,035	-993	-4,319
Gross profit	405	397	1,769
Selling and administrative expenses	-348	-346	-1,417
Other operating income and expenses, net	2	2	14
Operating profit	59	53	366
Financial income and expenses, net	-13	-14	-53
Profit before taxes	46	39	313
Income tax	-17	-19	-104
Net profit for the period	29	20	209
Net profit attributable to:			
Shareholders of the Parent Company	28	20	206
Non-controlling interests	1	0	3
Net profit for the period	29	20	209
Basic earnings per share, SEK	0.37	0.26	2.71
Diluted earnings per share, SEK	0.36	0.26	2.70

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

MSEK	2017 Q1	2016 Q1	2016 Full year
Net profit for the period	29	20	209
Other comprehensive income			
Items that will not be reclassified to the income statement			
Remeasurements (actuarial gains and losses) ¹⁾	-	-	-99
Subtotal	-	-	-99
Items that may be reclassified to the income statement			
Translation differences on foreign operations	13	4	100
Other ¹⁾	1	-1	2
Subtotal	14	3	102
Other comprehensive income for the period	14	3	3
Total comprehensive income for the period	43	23	212
Total comprehensive income attributable to:			
Shareholders of the Parent Company	42	22	205
Non-controlling interests	1	1	7
Total comprehensive income for the period	43	23	212

¹⁾ Net of taxes

CONDENSED CONSOLIDATED BALANCE SHEETS

MSEK	2017 Mar 31	2016 Mar 31	2016 Dec 31
Goodwill	1,623	1,522	1,628
Other intangible assets	299	289	294
Property, plant and equipment	341	337	347
Deferred tax assets	328	304	332
Other long-term assets	13	16	14
Total non-current assets	2,604	2,468	2,615
Inventories	758	716	726
Accounts receivable	1,201	1,087	1,317
Other short-term assets	326	291	312
Cash and cash equivalents	552	452	581
Total current assets	2,837	2,546	2,936
Total assets	5,441	5,014	5,551
Total equity	1,933	1,771	1,890
Long-term financial liabilities	1,129	1,113	1,152
Provisions for post-employment benefits	484	357	484
Deferred tax liabilities	87	96	90
Total non-current liabilities	1,700	1,566	1,726
Accounts payable	617	559	739
Short-term financial liabilities	219	184	251
Other short-term liabilities	972	934	945
Total current liabilities	1,808	1,677	1,935
Total equity and liabilities	5,441	5,014	5,551

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

MSEK	2017 Mar 31	2016 Mar 31	2016 Dec 31
Opening balance	1,890	1,747	1,747
Total comprehensive income for the period	43	23	212
Dividends	-	-	-76
Other, including new share issue	-	1	7
Closing balance	1,933	1,771	1,890

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

MSEK	2017 Q1	2016 Q1	2016 Full year
OPERATING ACTIVITIES			
Operating profit	59	53	366
Adjustment for depreciation	18	16	68
Adjustment for amortisation ¹⁾	12	13	55
Other including non-cash items	-4	-1	11
Interest and other financial items	-11	-14	-45
Taxes paid	-13	-36	-99
Net cash flow from operating activities before changes in working capital	61	31	356
Cash flow from changes in working capital	-39	-22	-122
Net cash flow from operating activities	22	9	234
INVESTING ACTIVITIES			
Capital expenditure for intangibles, property, plant and equipment	-29	-22	-106
Sales of non-current assets	1	20	31
Net cash flow from investing activities	-28	-2	-75
Net cash flow after investments before financing	-6	7	159
FINANCING ACTIVITIES			
Change in loans and other financial items	-27	-51	-43
New share issue	-	-	4
Dividends	-	-	-76
Net cash flow from financing activities	-27	-51	-115
Net cash flow for the period	-33	-44	44
Cash and cash equivalents at the beginning of the period	581	496	496
Translation differences	4	0	41
Cash and cash equivalents at the end of the period	552	452	581
Free cash flow	-6	7	159

¹⁾ Amortisation from acquisition related intangibles amounted to MSEK 6 (6) in the quarter and MSEK 24 for the full year 2016.

CHANGE IN NET DEBT

MSEK	Closing balance Mar 31	Cash changes	Non-cash changes	Currency	Opening balance Jan 1
Loans, long- and short-term	1,348	-27	-	-28	1,403
Interest-bearing assets	-9	-	-	-	-9
Cash and cash equivalents	-552	33	-	-4	-581
Net debt before post-employment benefits	787	6	-	-32	813
Post employment benefits, net	484	-2	-	2	484
Net debt	1,271	4	-	-30	1,297

	2017	2016	2016
GROUP KEY RATIOS	YTD	YTD	Full year
Income statement			
EBITDA, MSEK	89	82	489
EBITDA excluding non-recurring items, MSEK	95	87	561
<i>EBITDA margin, %</i>	<i>6.2</i>	<i>5.9</i>	<i>8.0</i>
<i>EBITDA margin excluding non-recurring items, %</i>	<i>6.6</i>	<i>6.2</i>	<i>9.2</i>
<i>Operating margin, %</i>	<i>4.1</i>	<i>3.8</i>	<i>6.0</i>
<i>Operating margin excluding non-recurring items, %</i>	<i>4.5</i>	<i>4.2</i>	<i>7.2</i>
<i>Profit margin (EBT), %</i>	<i>3.2</i>	<i>2.8</i>	<i>5.1</i>
<i>Interest coverage ratio, times</i>	<i>4.8</i>	<i>4.3</i>	<i>7.4</i>
Balance sheet			
<i>Return on capital employed, %¹⁾</i>	<i>10.7</i>	<i>10.7</i>	<i>10.8</i>
<i>Return on capital employed excluding non-recurring items, %¹⁾</i>	<i>12.7</i>	<i>12.8</i>	<i>12.8</i>
<i>Capital employed turnover rate, times</i>	<i>1.7</i>	<i>1.8</i>	<i>1.7</i>
<i>Return on equity, %¹⁾</i>	<i>12.0</i>	<i>11.6</i>	<i>11.7</i>
Net debt, MSEK	1,271	1,193	1,297
<i>Net debt/EBITDA, times¹⁾</i>	<i>2.6</i>	<i>2.8</i>	<i>2.6</i>
<i>Equity ratio, %</i>	<i>36</i>	<i>35</i>	<i>34</i>
<i>Debt/equity, times</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>
Share data			
Basic earnings per share, SEK	0.37	0.26	2.71
Diluted earnings per share, SEK	0.36	0.26	2.70
Equity per share, SEK	24.95	22.95	24.40
Free cash flow per share, SEK	-0.08	0.09	2.09
Total number of shares at end of period	77,050,848	76,915,848	77,050,848
Weighted average number of shares	77,050,848	76,365,748	76,836,889
Weighted average number of basic shares	76,320,001	76,185,001	76,243,567
Weighted average number of diluted shares	76,370,232	76,365,748	76,283,982

¹⁾ During the last twelve-month period

QUARTERLY DATA GROUP

Income statement, MSEK	2015					2016					2017
	1	2	3	4	YTD	1	2	3	4	YTD	1
Net sales	1,397	1,516	1,462	1,677	6,052	1,390	1,474	1,448	1,776	6,088	1,440
Cost of goods sold	-995	-1,053	-1,028	-1,202	-4,278	-993	-1,049	-1,020	-1,257	-4,319	-1,035
Gross profit	402	463	434	475	1,774	397	425	428	519	1,769	405
S&A	-372	-383	-352	-345	-1,452	-346	-349	-343	-379	-1,417	-348
Other operating items, net	-1	0	8	-9	-2	2	4	6	2	14	2
Operating profit	29	80	90	121	320	53	80	91	142	366	59
Financial items, net	-17	-9	-10	-7	-43	-14	-12	-14	-13	-53	-13
Profit after financial items	12	71	80	114	277	39	68	77	129	313	46
Taxes	-23	-20	-32	-34	-109	-19	-26	-26	-33	-104	-17
Profit for the period	-11	51	48	80	168	20	42	51	96	209	29
Key figures											
<i>Organic growth, %</i>	-3	-4	4	2	0	1	-1	-1	3	1	0
<i>Gross margin, %</i>	28.8	30.5	29.7	28.3	29.3	28.6	28.8	29.6	29.2	29.1	28.1
<i>Gross margin excl. NRI, %</i>	28.8	30.7	30.2	29.2	29.7	28.6	29.4	30.0	29.7	29.5	28.4
<i>S&A in % of net sales</i>	26.6	25.3	24.1	20.6	24.0	24.9	23.7	23.7	21.3	23.3	24.2
<i>S&A in % of net sales excl. NRI</i>	26.1	24.0	23.4	19.8	23.1	24.6	22.7	23.2	20.1	22.5	24.0
<i>Operating margin, %</i>	2.0	5.3	6.2	7.2	5.3	3.8	5.4	6.3	8.0	6.0	4.1
Operating profit excl. NRI, MSEK	38	102	108	149	397	58	103	105	172	438	65
<i>Operating margin excl. NRI, %</i>	2.7	6.7	7.4	8.9	6.6	4.2	7.0	7.3	9.7	7.2	4.5
EBITDA, MSEK	53	105	117	153	428	82	109	125	173	489	89
<i>EBITDA margin, %</i>	3.8	6.9	8.0	9.1	7.1	5.9	7.4	8.6	9.7	8.0	6.2
EBITDA excl. NRI, MSEK	62	127	135	181	505	87	132	139	203	561	95
<i>EBITDA margin excl. NRI, %</i>	4.4	8.4	9.2	10.8	8.3	6.2	9.0	9.6	11.4	9.2	6.6
Non-recurring items, MSEK	-9	-22	-18	-28	-77	-5	-23	-14	-30	-72	-6
Whereof cost of goods sold	-1	-2	-8	-15	-26	-1	-9	-7	-8	-25	-4
Whereof S&A	-8	-19	-11	-13	-51	-4	-14	-7	-22	-47	-2
Whereof other NRI	-	-1	1	-	0	-	-	-	-	-	-
Basic earnings per share, SEK	-0.13	0.64	0.62	1.05	2.18	0.26	0.55	0.65	1.25	2.71	0.37
Cash flow											
Free cash flow	-143	-42	23	218	56	7	27	18	107	159	-6

QUARTERLY REGIONAL DATA

EMEA	2015					2016					2017
	1	2	3	4	YTD	1	2	3	4	YTD	1
Net sales, MSEK	887	962	927	1,084	3,860	888	966	922	1,131	3,907	919
<i>Organic growth, %</i>	-3	-2	1	3	0	-1	-1	0	2	0	2
Operating profit, MSEK	-3	19	25	43	84	4	25	31	53	113	6
<i>Operating margin, %</i>	-0.3	2.0	2.7	4.0	2.2	0.5	2.6	3.4	4.7	2.9	0.7
Non-recurring items, MSEK	-8	-16	-17	-26	-67	-3	-22	-11	-23	-59	-6
Operating profit excl. NRI, MSEK	5	35	42	69	151	7	47	42	76	172	12
<i>Operating margin excl. NRI, %</i>	0.6	3.6	4.5	6.4	3.9	0.8	4.9	4.6	6.7	4.4	1.3
APAC											
Net sales, MSEK	245	273	244	323	1,085	258	267	253	351	1,129	254
<i>Organic growth, %</i>	-12	-20	-2	1	-8	10	4	2	3	5	-8
Operating profit, MSEK	12	31	26	39	108	26	29	26	52	133	25
<i>Operating margin, %</i>	4.9	11.4	10.7	12.1	10.0	10.1	10.9	10.3	14.8	11.8	9.8
Non-recurring items, MSEK	-1	-3	-1	-2	-7	-	-1	-1	-3	-5	-
Operating profit excl. NRI, MSEK	13	34	27	41	115	26	30	27	55	138	25
<i>Operating margin excl. NRI, %</i>	5.3	12.5	11.1	12.7	10.6	10.1	11.2	10.7	15.7	12.2	9.8
AMERICAS											
Net sales, MSEK	265	281	291	270	1,107	244	241	273	294	1,052	267
<i>Organic growth, %</i>	9	5	21	-2	8	-1	-6	-5	4	-2	3
Operating profit, MSEK	20	30	39	39	128	23	26	34	37	120	28
<i>Operating margin, %</i>	7.5	10.7	13.4	14.4	11.6	9.4	10.8	12.5	12.6	11.4	10.5
Non-recurring items, MSEK	-	-3	-	-	-3	-2	-	-2	-4	-8	-
Operating profit excl. NRI, MSEK	20	33	39	39	131	25	26	36	41	128	28
<i>Operating margin excl. NRI, %</i>	7.5	11.7	13.4	14.4	11.8	10.2	10.8	13.2	13.9	12.2	10.5

NOTE 1 ACCOUNTING PRINCIPLES AND RISKS

Accounting principles

Gunnebo complies with the International Financial Reporting Standards adopted by the EU, and the official interpretations of these standards (IFRIC). The Interim Report for the Gunnebo Group has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Financial Reporting. The Interim Report for the parent company has been prepared in accordance with the Annual Accounts Act and the recommendation of the Swedish Financial Reporting Board, RFR 2 Accounting for Legal Entities. The same accounting principles and methods of calculation have been used as in the latest Annual Report. No new or revised IFRS standards effective 1 January 2017 had any significant impact on Gunnebo's financial statements.

Significant risks and uncertainties

The Group's and parent company's significant risks and uncertainties include operational risks and financial risks. Operational risks for Gunnebo mainly include risks posed by the global economy and commercial risks.

The Group's risks as well as risk management is described in more detail in the latest Annual Report.

NOTE 2 RECONCILIATION TO THE GROUP'S PROFIT BEFORE TAXES

MSEK	2017 Q1	2016 Q1	2016 Full year
Region EMEA	6	4	113
Region APAC	25	26	133
Region Americas	28	23	120
Operating profit	59	53	366
Financial income and expenses, net	-13	-14	-53
Profit before taxes	46	39	313

PARENT COMPANY

CONDENSED PARENT COMPANY INCOME STATEMENTS

MSEK	2017 Q1	2016 Q1	2016 Full year
Net revenue	61	45	236
Administrative expenses	-42	-40	-201
Operating profit	19	5	35
Net financial items	-3	-2	-11
Profit after financial items	16	3	24
Appropriations	-	-	113
Taxes	-4	2	-27
Net profit for the period	12	5	110

Total comprehensive income corresponds with net profit for the period.

CONDENSED PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

MSEK	2017 Mar 31	2016 Mar 31	2016 Dec 31
Intangible assets	37	5	7
Property, plant and equipment	1	2	1
Investments in group companies	1,585	1,585	1,585
Deferred tax assets	64	90	67
Total non-current assets	1,687	1,682	1,660
Receivables from group companies	58	8	54
Other short-term receivables	23	11	16
Cash and cash equivalents	1	0	1
Total current assets	82	19	71
Total assets	1,769	1,701	1,731
Total equity	1,575	1,525	1,563
Liabilities to group companies	146	135	120
Accrued expenses and deferred income	48	41	48
Total current liabilities	194	176	168
Total equity and liabilities	1,769	1,701	1,731

CONDENSED CHANGES IN PARENT COMPANY EQUITY

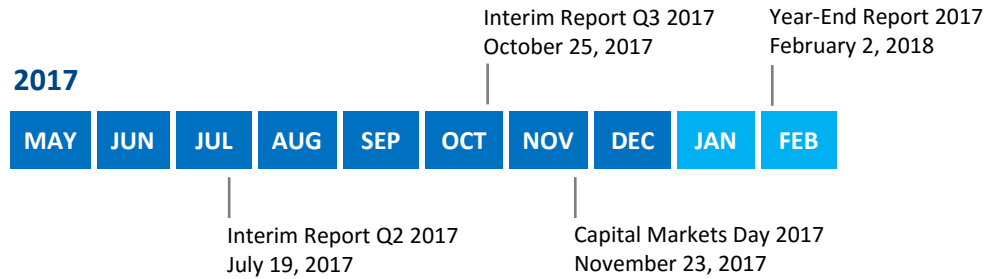
MSEK	2017 Mar 31	2016 Mar 31	2016 Dec 31
Opening balance	1,563	1,520	1,520
Total comprehensive income for the period	12	5	110
Dividends	-	-	-76
Other, including new share issue	-	-	9
Closing balance	1,575	1,525	1,563

DEFINITIONS

In the Interim Report, Gunnebo presents certain financial figures that are not defined according to IFRS. The Group believes that these figures provide investors and the company's management with valuable supplementary disclosures, since they enable a valuation of the company's financial results and position. Since not all companies calculate financials in the same way, these are not always comparable with figures used by other companies. These financials should not, therefore, be considered a substitute for figures defined according to IFRS.

Basic earnings per share	Net profit attributable to the Parent Company's shareholders divided by the weighted average number of shares excluding C-shares as these have no dividend rights.
Capital employed	Total assets less non-interest-bearing provisions and liabilities.
Capital employed turnover rate	Net sales rolling 12 months in relation to average capital employed.
Debt/equity	Net debt in relation to equity.
Diluted earnings per share	Net profit attributable to the Parent Company's shareholders divided by the weighted average number of shares excluding C-shares as these have no dividend rights, after dilution.
EBITDA	Operating profit before depreciation/amortisation and impairments of intangible assets and property, plant and equipment.
EBITDA margin	EBITDA as a percentage of net sales.
Equity per share	Equity attributable to the shareholders of the Parent Company divided by the number of shares at the end of the period.
Equity ratio	Equity as a percentage of the total assets.
Free cash flow	Cash flow from operating and investing activities, excluding acquisitions and divestments.
Free cash flow per share	Free cash flow divided by the weighted average number of shares excl. C-shares as these have no dividend rights.
Gross margin	Gross profit as a percentage of net sales.
Interest coverage ratio	Profit before taxes excluding interest costs, divided by interest costs.
Net debt	Interest-bearing provisions and liabilities less cash and cash equivalents and interest-bearing receivables.
Net debt/EBITDA	Average net debt divided by EBITDA rolling 12 months.
Non-recurring item (NRI)	Non-recurring items encompass restructuring programmes (closure of businesses and/or employee related costs) and other non-recurring items.
Operating margin (EBIT)	Operating profit as a percentage of net sales.
Organic growth	Growth in net sales adjusted for acquisitions, divestments and exchange rate effects.
Profit margin	Profit before taxes as a percentage of net sales.
Return on capital employed	Operating profit plus financial income rolling 12 months as a percentage of average capital employed.
Return on equity	Profit for rolling 12 months as a percentage of average equity.
S&A	Selling and administrative expenses

Financial Calendar 2017/2018



About Gunnebo

Gunnebo is a global security provider with an offering covering cash management, entrance security, safes and vaults as well as electronic security.

The Group has an annual turnover of MSEK 6,100 and 5,600 employees in 28 countries worldwide.

Gunnebo has 11 production units in 10 countries.

Gunnebo's share (GUNN) is traded on NASDAQ Stockholm under Mid Cap and Industrials.

Vision

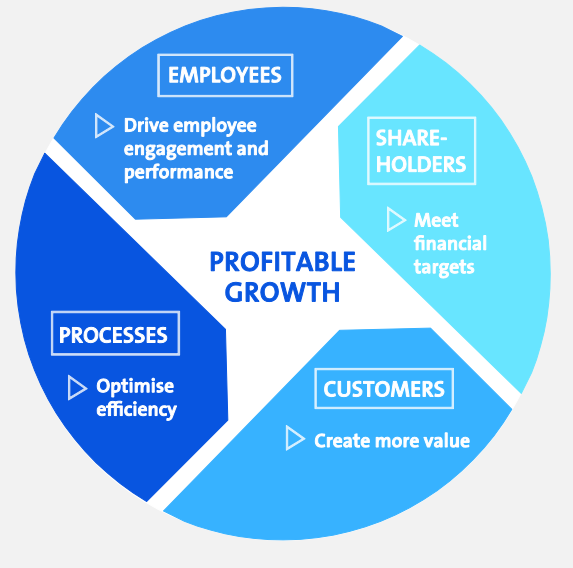
To be the leading global provider of a safer future.

Mission

Gunnebo's mission is to offer products, services and solutions that increase security and efficiency, and create value for shareholders, customers, partners, employees and society on a global scale.

Strategy for Profitable Growth

In 2016 Gunnebo introduced its Strategy for Profitable Growth to be implemented by the end of 2020.



Product Areas

Cash Management

Development, production, installation and service of cash management solutions for deposit, dispense, recycling and closed cash management. Marketed and sold under the Gunnebo brand with strong product brands as SafePay and Sallén.

Entrance Security

Development, production, installation and service of turnstiles, security doors & partitions and electronic article surveillance (EAS). Marketed and sold under the Gunnebo and Gateway (EAS) brands.

Safes & Vaults

Development, production, installation and service of safes, vaults, vault doors, safe deposit lockers (SDL's) and ATM safes. Marketed and sold under world leading brands such as Chubb safes and Fichet-Bauche.

Electronic Security

Development, production, installation and service of solutions for remote surveillance, access control, intrusion detection and electronic locking. Marketed and sold under the Gunnebo brand.

Other

Development, production, installation and service of solutions for fire safety and other traded products.

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Gunnebo

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This information is information that Gunnebo AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons, at 08.01 CET on April 28, 2017.

