Securitas AB

Interim Report
January–September 2013

JULY–SEPTEMBER 2013

- **Total sales MSEK 16 605 (16 474)**
- **Organic sales growth 1 percent (0)**
- **Operating income before amortization MSEK 892 (849)**
- **Operating margin 5.4 percent (5.2)**
- **Earnings per share SEK 1.42 (1.18)**

JANUARY–SEPTEMBER 2013

- **Total sales MSEK 48 975 (49 707)**
- **Organic sales growth 1 percent (0)**
- **Operating income before amortization MSEK 2 450 (2 286)**
- **Operating margin 5.0 percent (4.6)**
- **Earnings per share SEK 3.72 (3.03)**
- **Free cash flow/net debt 0.26 (0.12)**

COMMENTS FROM THE PRESIDENT AND CEO

The organic sales growth was 1 percent and reflected the challenging macroeconomic situation that prevails in the US and in Europe, and the security market in countries such as France, Portugal and Spain continues to deteriorate. Fragile signs of macro economical recovery in Europe and the US are not yet reflected in the security market growth. Latin America continued to show strong organic sales growth.

Margin improvement driven by cost savings
The quarter on quarter improvement trend continued, even though hampered by the weak security market and slow organic sales growth. The operating margin improved in all divisions compared to previous year, mainly driven by the various restructuring and cost savings actions taken in 2012. We achieved cost savings according to our restructuring plan.

Sales of security solutions and technology gradually increases
In 2012 the sales of security solutions and technology represented approximately 6 percent of Group sales. We have set a target to triple this share of sales by the end of 2015. We continued to increase our investments in resources within security solutions and technology and the run rate in the third quarter of 2013 was 7.5 percent.

Alf Göransson
President and Chief Executive Officer

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ACCOUNTING PRINCIPLES

Comparatives have been restated for the business segments and the Group due to the organizational changes that took place in the Group as of January 1, 2013, and adoption of IAS 19 (revised). Further information can be found in the section Accounting principles on page 14 and in note 8.

FINANCIAL SUMMARY

	Quarter		Change, %		9M		Change, %		Full year	Change, %
MSEK	**Q3 2013**	**Q3 2012**	***Total***	***Real***	**2013**	**2012**	***Total***	***Real***	**2012**	***Total***
Sales	**16 605**	**16 474**	***1***	***2***	**48 975**	**49 707**	***–1***	***2***	**66 458**	***4***
Organic sales growth, %	*1*	*0*			*1*	*0*			*0*	
Operating income before amortization	**892**	**849**	***5***	***6***	**2 450**	**2 286**	***7***	***11***	**3 027**	***–9***
Operating margin, %	*5.4*	*5.2*			*5.0*	*4.6*			*4.6*	
Amortization and impairment of acquisition related intangible assets	–65	–96			–193	–227			–297	
Acquisition related costs	–5	16			–19	–49			–49	
Items affecting comparability	-	-			-	-			–424	
Operating income after amortization	**822**	**769**	***7***	***8***	**2 238**	**2 010**	***11***	***15***	**2 257**	***–23***
Financial income and expenses	–83	–143			–300	–425			–573	
Income before taxes	**739**	**626**	***18***	***18***	**1 938**	**1 585**	***22***	***26***	**1 684**	***–31***
Net income for the period	**519**	**433**	***20***	***20***	**1 361**	**1 108**	***23***	***26***	**1 175**	***–31***
Earnings per share, SEK	1.42	1.18	*20*	*20*	3.72	3.03	*23*	*26*	3.22	*–31*
EPS, adjusted for IAC and impairment losses, SEK	1.42	1.25	*14*	*14*	3.72	3.10	*20*	*23*	4.11	*–12*
Cash flow from operating activities, %	*174*	*77*			*81*	*65*			*106*	
Free cash flow	1 355	461			1 105	547			2 086	
Free cash flow to net debt ratio	*-*	*-*			*0.26*	*0.12*			*0.21*	

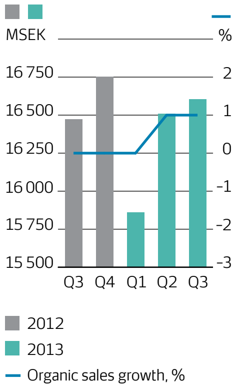
Comparatives have been restated due to the adoption of IAS 19 (revised).

ORGANIC SALES GROWTH AND OPERATING MARGIN DEVELOPMENT PER BUSINESS SEGMENT

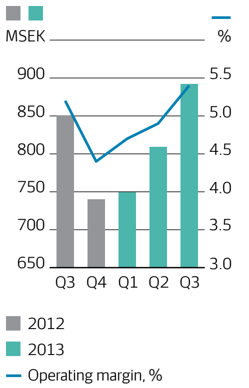
	Organic sales growth				Operating margin			
	Q3		9M		Q3		9M	
%	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Security Services North America	1	–1	1	0	5.2	5.0	5.1	4.6
Security Services Europe	0	2	0	1	6.9	6.2	5.9	5.3
Security Services Ibero-America	5	–6	4	–3	5.3	5.6	5.4	5.3
Group	**1**	**0**	**1**	**0**	**5.4**	**5.2**	**5.0**	**4.6**

Comparatives have been restated due to the organizational changes that took place in the Group as of January 1, 2013 and adoption of IAS 19 (revised).

Group quarterly sales development



Group quarterly operating income development



JULY–SEPTEMBER 2013

Sales development

Sales amounted to MSEK 16 605 (16 474) and organic sales growth was 1 percent (0). Countries with main positive impact on Group organic sales growth were Argentina and Turkey, while main negative impact came from France and Spain. Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 2 percent (3).

Security solutions and technology sales run rate in the third quarter was 7.5 percent of Group sales.

Operating income before amortization

Operating income before amortization was MSEK 892 (849) which, adjusted for changes in exchange rates, represented an improvement of 6 percent.

The Group's operating margin was 5.4 percent (5.2). The improvement was primarily due to the restructuring and cost savings program initiated in 2012. The positive one-off effect from the divestment of a part of the home alarm business in Belgium and the Netherlands was offset by a negative one-off effect from an impairment of operating fixed assets due to a sale of a loss making contract in Singapore. The total price adjustments in the Group were slightly behind wage cost increases.

Operating income after amortization

Amortization and impairment of acquisition related intangible assets amounted to MSEK -65 (-96), of which impairment losses constitute MSEK 0 (-26).

Acquisition related costs were MSEK -5 (16). For further information refer to note 4.

Financial income and expenses

Financial income and expenses amounted to MSEK -83 (-143).

Income before taxes

Income before taxes was MSEK 739 (626). The real change was 18 percent.

Taxes, net income and earnings per share

The Group's tax rate was 29.8 percent (30.9).

Net income was MSEK 519 (433). Earnings per share amounted to SEK 1.42 (1.18).

JANUARY–SEPTEMBER 2013

Sales development
Sales amounted to MSEK 48 975 (49 707) and organic sales growth was 1 percent (0). Organic sales growth in Argentina, Germany and Turkey were key contributors, while France, Spain and the United Kingdom showed negative organic sales growth. Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 2 percent (5).

Operating income before amortization
Operating income before amortization was MSEK 2 450 (2 286) which, adjusted for changes in exchange rates, represented an improvement of 11 percent.

The Group's operating margin was 5.0 percent (4.6). The improvement was mainly generated by the restructuring and cost savings program in the Group, which has delivered according to plan. However, harsh macro economic conditions and a weak security market growth have had a negative impact on the operating result improvement. The total price adjustments in the Group were slightly lower in the first nine months compared to wage cost increases.

Operating income after amortization
Amortization and impairment of acquisition related intangible assets amounted to MSEK –193 (–227), of which impairment losses constitute MSEK 0 (–26).

Acquisition related costs were MSEK –19 (–49). For further information refer to note 4.

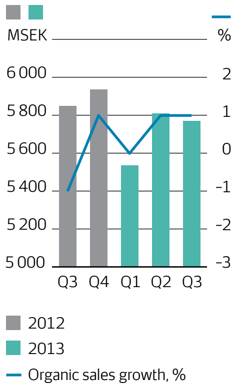
Financial income and expenses
Financial income and expenses amounted to MSEK –300 (–425).

Income before taxes
Income before taxes was MSEK 1 938 (1 585). The real change was 26 percent.

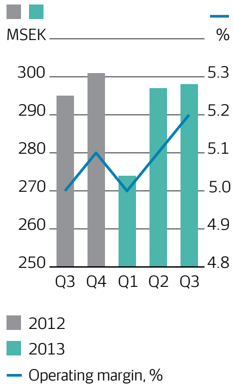
Taxes, net income and earnings per share
The Group's tax rate was 29.8 percent (30.1).

Net income was MSEK 1 361 (1 108). Earnings per share amounted to SEK 3.72 (3.03).

Quarterly sales development



Quarterly operating income development



SECURITY SERVICES NORTH AMERICA

Security Services North America provides specialized guarding, security solutions and technology in the USA, Canada and Mexico. The organization comprises 17 business units with in total 109 000 employees and 640 branch managers.

		Quarter	Change, %			9M	Change, %		Full year
MSEK	**Q3 2013**	**Q3 2012**	***Total***	***Real***	**2013**	**2012**	***Total***	***Real***	**2012**
Total sales	**5 771**	**5 849**	**-1**	**1**	**17 117**	**17 604**	**-3**	**1**	**23 539**
Organic sales growth, %	*1*	*-1*			*1*	*0*			*1*
Share of Group sales, %	*35*	*36*			*35*	*35*			*35*
Operating income before amortization	**298**	**295**	**1**	**3**	**869**	**812**	**7**	**11**	**1 113**
Operating margin, %	*5.2*	*5.0*			*5.1*	*4.6*			*4.7*
Share of Group operating income, %	*33*	*35*			*35*	*36*			*37*

Comparatives have been restated due to the organizational changes that took place in the Group as of January 1, 2013 and adoption of IAS 19 (revised).

July–September 2013

The organic sales growth was 1 percent (-1), driven by the business unit federal government services.

The operating margin was 5.2 percent (5.0), an improvement mainly driven by the development in the five guarding regions and supported by the restructuring and cost savings program. The operating margin was hampered by a weak development in the business unit aerospace/defense.

The Swedish krona exchange rate strengthened versus the U.S. dollar and thus had a negative effect on the operating result in Swedish kronor. The real change was 3 percent in the quarter.

January–September 2013

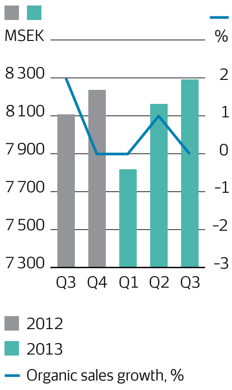
The organic sales growth was 1 percent (0), driven by federal government services, critical infrastructure and Pinkerton Corporate Risk Management.

The operating margin was 5.1 percent (4.6). Improvements were seen mainly in the five guarding regions and the business unit federal government services. The major part of the improvement was an effect of the restructuring and cost savings program. The operating margin was hampered by a weak development in the business units aerospace/defense and healthcare.

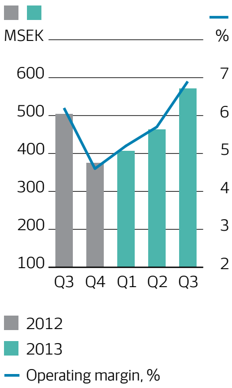
The Swedish krona exchange rate strengthened versus the U.S. dollar and thus had a negative effect on the operating result in Swedish kronor. The real change was 11 percent in the period.

The client retention rate was 89 percent (90). The employee turnover rate in the business segment was 48 percent (53).

Quarterly sales development



Quarterly operating income development



SECURITY SERVICES EUROPE

Security Services Europe provides specialized guarding, security solutions and technology in 27 countries. The organization has in total 120 000 employees and over 800 branch managers.

	Quarter		Change, %		9M		Change, %		Full year
MSEK	**Q3 2013**	**Q3 2012**	**Total**	**Real**	**2013**	**2012**	**Total**	**Real**	**2012**
Total sales	**8 292**	**8 108**	**2**	**1**	**24 273**	**24 505**	**-1**	**1**	**32 741**
Organic sales growth, %	*0*	*2*			*0*	*1*			*1*
Share of Group sales, %	*50*	*49*			*50*	*49*			*49*
Operating income before amortization	**571**	**504**	**13**	**12**	**1 441**	**1 298**	**11**	**13**	**1 673**
Operating margin, %	*6.9*	*6.2*			*5.9*	*5.3*			*5.1*
Share of Group operating income, %	*64*	*59*			*59*	*57*			*55*

Comparatives have been restated due to the organizational changes that took place in the Group as of January 1, 2013 and adoption of IAS 19 (revised).

July–September 2013

Organic sales growth was 0 percent (2). Turkey supported organic sales growth, while negative organic sales growth in France of -6 percent (-8) and the United Kingdom of -4 percent (0) had a negative impact. In Norway, reductions in existing customer contracts and lower extra sales burdened organic sales growth.

The operating margin was 6.9 percent (6.2), where the restructuring and cost savings program was the main contributor to the improvement. Reduced social costs in France had a positive impact on the operating margin. Net impact from one-off items impacted positively by 0.3 percent, which includes the divestment of a part of the home alarm business in Belgium and the Netherlands and additional restructuring actions and costs of MSEK -9 in the United Kingdom.

The Swedish krona exchange rate weakened versus the euro and thus had a positive effect on the operating result in Swedish kronor. The real change was 12 percent in the quarter.

January–September 2013

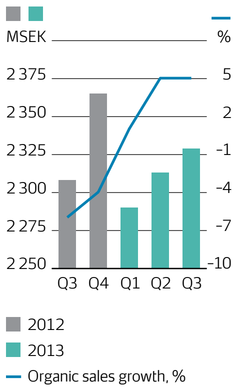
Organic sales growth was 0 percent (1). The Nordic countries had lower organic sales growth compared to last year, due to Norway and Sweden. France and the United Kingdom showed negative organic sales growth of -7 percent (-5) and -5 percent (-1) respectively. Germany and Turkey supported organic sales growth in the first nine months.

The operating margin was 5.9 percent (5.3). The improvement was a result of the successful implementation of the restructuring and cost savings program. The price and wage balance in the business segment was negative in the period however balanced by operational improvements and reduced social costs in France.

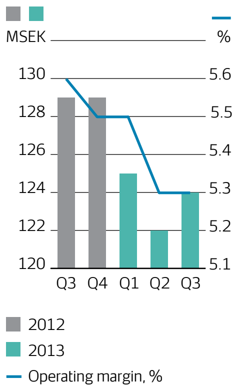
The Swedish krona exchange rate strengthened versus the euro and thus had a negative effect on the operating result in Swedish kronor. The real change was 13 percent in the period.

The client retention rate was 91 percent (90). The employee turnover was 26 percent (24).

Quarterly sales development



Quarterly operating income development



SECURITY SERVICES IBERO-AMERICA

Security Services Ibero-America provides specialized guarding, security solutions and technology in seven countries in Latin America, as well as Portugal and Spain in Europe. The organization has in total 58 000 employees and 190 branch managers.

	Quarter		*Change, %*		9M		*Change, %*		Full year
MSEK	**Q3 2013**	**Q3 2012**	***Total***	***Real***	**2013**	**2012**	***Total***	***Real***	**2012**
Total sales	**2 329**	**2 308**	**1**	**7**	**6 932**	**6 976**	**-1**	**6**	**9 341**
Organic sales growth, %	5	-6			4	-3			-3
Share of Group sales, %	14	14			14	14			14
Operating income before amortization	**124**	**129**	**-4**	**3**	**371**	**367**	**1**	**9**	**496**
Operating margin, %	5.3	5.6			5.4	5.3			5.3
Share of Group operating income, %	14	15			15	16			16

Comparatives have been restated due to the organizational changes that took place in the Group as of January 1, 2013.

July–September 2013

Organic sales growth was 5 percent (–6). The positive development was explained by the Latin American countries with strong organic sales growth of 22 percent, primarily driven by Argentina and Colombia. The organic sales growth continued to be negative in the Iberian countries, showing –11 percent (–20) in Spain in the third quarter, which is the result of a continuously weak market.

The operating margin was 5.3 percent (5.6). The negative development was mainly due to the Latin American countries. In Argentina, a negative price and wage balance due to timing differences burdened the operating margin. Spain improved versus last year due to effects from the restructuring and cost savings program initiated in 2012 and the positive effect from the outcome of the collective bargaining agreement.

The Swedish krona exchange rate strengthened and thus had a negative effect on the operating result in Swedish kronor. Especially the Argentinian peso had a weak development against the Swedish krona which impacted operating result negatively by MSEK –10. The real change in the segment was 3 percent in the quarter.

January–September 2013

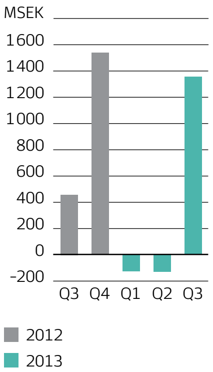
Organic sales growth was 4 percent (–3), explained by the Latin American countries with a strong organic sales growth of 24 percent primarily due to price increases in Argentina. Colombia showed a strong development compared to the same period last year. Organic sales growth was negative in the Iberian countries, showing –12 percent (–15) in Spain in the first nine months.

The operating margin was 5.4 percent (5.3). The expected effects from the restructuring and cost savings program were realized in Spain in the first nine months and the operating margin improved versus the same period last year. Spain also had positive effects from sales within security solutions and technology as well as from the outcome of the collective bargaining agreement, but was pressured by portfolio losses and increased social payroll taxes. Last year, the operating margin was supported by a repayment of old outstanding accounts receivables from public sector customers in Spain.

The Swedish krona exchange rate strengthened and thus had a negative effect on the operating result in Swedish kronor. Especially the Argentinian peso had a weak development against the Swedish krona which impacted operating result negatively by MSEK –25. The real change in the segment was 9 percent in the period.

The client retention rate was 87 percent (82). The employee turnover was 40 percent (35).

Quarterly free cash flow



July–September 2013
Operating income before amortization amounted to MSEK 892 (849). Net investments in non-current tangible and intangible assets amounted to MSEK 79 (–23).

Changes in accounts receivable were MSEK 45 (–410) with a slight decrease of Days of Sales Outstanding (DSO) compared to June. Changes in other operating capital employed were MSEK 533 (235).

Cash flow from operating activities amounted to MSEK 1 549 (651), equivalent to 174 percent (77) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –63 (–88). Current taxes paid amounted to MSEK –131 (–102).

Free cash flow was MSEK 1 355 (461), equivalent to 217 percent (86) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –65 (–57).

Cash flow from items affecting comparability was MSEK –32 (–6), whereof MSEK –29 was related to the cost savings program, MSEK –2 was related to overtime compensation in Spain and MSEK –1 was related to premises in Germany.

Cash flow from financing activities was MSEK –654 (1 881).

Cash flow for the period was MSEK 604 (2 279).

January–September 2013
Operating income before amortization amounted to MSEK 2 450 (2 286). Net investments in non-current tangible and intangible assets amounted to MSEK 133 (–66).

Changes in accounts receivable were MSEK –142 (–299) with a slight increase of Days of Sales Outstanding (DSO) compared to December. Changes in other operating capital employed were MSEK –446 (–433).

Cash flow from operating activities amounted to MSEK 1 995 (1 488), equivalent to 81 percent (65) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –483 (–474). Current taxes paid amounted to MSEK –407 (–467).

Free cash flow was MSEK 1 105 (547), equivalent to 66 percent (38) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –198 (–596).

Cash flow from items affecting comparability was MSEK –270 (–30), whereof MSEK –88 was related to the payment to Deutsche Bank in Germany, which was disclosed in the full year report 2012, MSEK –170 was related to the cost savings program, MSEK –10 was related to overtime compensation in Spain and MSEK –2 was related to premises in Germany.

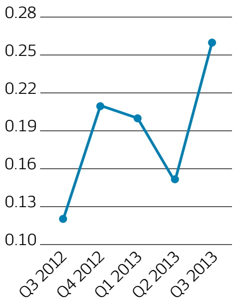
Cash flow from financing activities was MSEK –2 735 (2 205).

Cash flow for the period was MSEK –2 098 (2 126).

Net debt development

MSEK	
Jan 1, 2013	**-9 865**
Free cash flow	1 105
Acquisitions	-198
IAC payments	-270
Dividend paid	-1 095
Change in net debt	**-458**
Translation and revaluation	30
Sep 30, 2013	**-10 293**

Free cash flow/net debt



Capital employed as of September 30, 2013
The Group's operating capital employed was MSEK 3 469 (2 582 as of December 31, 2012) corresponding to 5 percent of sales (4 as of December 31, 2012) adjusted for the full year sales figures of acquired units.

Acquisitions increased operating capital employed by MSEK 47 during the period.

The annual impairment test of all Cash Generating Units (CGU), which is required under IFRS, took place during the third quarter 2013 in conjunction with the business plan process for 2014. None of the CGUs tested for impairment had a carrying amount that exceeded the recoverable amount. Consequently no impairment losses have been recognized in 2013. In 2012, impairment losses of goodwill and other acquisition related intangible assets amounting to MSEK -26 were recognized.

Acquisitions increased consolidated goodwill by MSEK 47. Adjusted for translation differences of MSEK -234, total goodwill for the Group amounted to MSEK 14 088 (14 275 as of December 31, 2012).

Acquisitions have increased acquisition related intangible assets by MSEK 78. After amortization of MSEK -193 and translation differences of MSEK -52, acquisition related intangible assets amounted to MSEK 1 335 (1 502 as of December 31, 2012).

The Group's total capital employed was MSEK 18 989 (18 467 as of December 31, 2012). The translation of foreign capital employed to Swedish kronor decreased the Group's capital employed by MSEK -340.

The return on capital employed was 15 percent (14 as of December 31, 2012).

Financing as of September 30, 2013
The Group's net debt amounted to MSEK 10 293 (9 865 as of December 31, 2012). Acquisitions and acquisition related payments increased the Group's net debt by MSEK 198, of which purchase price payments accounted for MSEK 181, assumed net debt for MSEK -14 and acquisition related costs paid accounted for MSEK 31. The Group's net debt decreased by MSEK -22 due to the translation of net debt in foreign currency to Swedish kronor.

A dividend of MSEK 1 095 (1 095) was paid to the shareholders in May 2013.

The free cash flow to net debt ratio amounted to 0.26 (0.12).

The main capital market instruments drawn as of the end of September 2013 were eleven bonds issued under the Group's Euro Medium Term Note Program. Securitas has access to committed bank financing through a Revolving Credit Facility (RCF), which comprises two respective tranches of MUSD 550 and MEUR 420 (MUSD 1 100 in total). At the end of the quarter there was a total of MUSD 75 drawn on the facility, leaving MUSD 1 025 equivalent available and undrawn. The Group also has access to a MSEK 5 000 Swedish Commercial Paper Program for short-term borrowing needs. Further information regarding financial instruments and credit facilities is provided in note 6.

Securitas has ample liquidity headroom under the committed credit facilities in line with established policies, which combined with the strong free cash flow generation means that the future liquidity requirements for the Company's operations are met.

Standard and Poor's rating for Securitas is BBB with stable outlook. The Group's liquidity position is regarded as strong.

The interest cover ratio amounted to 6.6 (5.3).

Shareholders' equity amounted to MSEK 8 696 (8 602 as of December 31, 2012). The translation of foreign assets and liabilities into Swedish kronor decreased shareholders' equity by MSEK -318 after taking into account net investment hedging of MSEK -120 and MSEK -198 before net investment hedging. Refer to the statement of comprehensive income on page 16 for further information.

The total number of outstanding shares amounted to 365 058 897 as of September 30, 2013.

ACQUISITIONS JANUARY–SEPTEMBER 2013 (MSEK)

Company	Business segment 1)	Included from	Acquired share 2)	Annual sales 3)	Enter-prise value 4)	Goodwill	Acq. related intangible assets
Opening balance						**14 275**	**1 502**
Selectron, Uruguay 7)	Security Services Ibero-America	Feb 1	100	27	12	14	8
ISS Facility Services, the Netherlands	Security Services Europe	Jul 5	-	315	11	-	35
ISS Facility Services, Denmark	Security Services Europe	Sep 1	-	30	13	-	13
Other acquisitions 5) 7)				78	131	33	22
Total acquisitions January–September 2013				**450**	**167**	**47 6)**	**78**
Amortization of acquisition related intangible assets						-	–193
Exchange rate differences						–234	–52
Closing balance						**14 088**	**1 335**

1) Refers to business segment with main responsibility for the acquisition.

2) Refers to voting rights for acquisitions in the form of share purchase agreements. For asset deals no voting rights are stated.

3) Estimated annual sales.

4) Purchase price paid plus acquired net debt, but excluding any deferred considerations.

5) Related to other acquisitions for the period and updated previous year acquisition calculations for the following entities: Omniwatch, the USA, Force Security (contract portfolio) and Nyx, Sweden, PSS and Vaktvesenet, Norway, EF Sikring (contract portfolio), Denmark, Silvania (contract portfolio), Finland, NEO and Sectrans, France, RLH (contract portfolio) and IDA (contract portfolio), Austria, Nordserwis and Trezor (contract portfolio), Poland, Zvonimir Security and Sigurnost Buzov, Croatia, Brink's Guarding, Morocco, Chillida Sistemas de Seguridad, Spain, Federal Resguard and Trailback, Argentina, Vip (contract portfolio), Uruguay, Risk Control, Peru, CSS Internacional, Costa Rica, European Safety Concepts, Thailand, Security Alliance Limited, Hong Kong, Legend Group, Singapore, PT Environmental Indokarya, Indonesia, Securitas Egypt, Egypt and Top Security (contract portfolio), South Africa. Related also to deferred considerations paid in the USA, Sweden, Norway, Germany, France, Switzerland, Croatia, Turkey, Spain, Argentina, Uruguay, Ecuador, Costa Rica, Hong Kong, Singapore, Cambodia and South Africa.

6) Goodwill that is expected to be tax deductible amounts to MSEK 1.

7) Deferred considerations have been recognized mainly based on an assessment of the future profitability development in the acquired entities for an agreed period. The net of new deferred considerations and payments made from previously recognized deferred considerations in the Group was MSEK –99. Total deferred considerations, short-term and long-term, in the Group's balance sheet amount to MSEK 450.

All acquisition calculations are finalized no later than one year after the acquisition is made. Transactions with non-controlling interests are specified in the statement of changes in shareholders' equity on page 19. Transaction costs and revaluation of deferred considerations can be found in note 4 on page 21.

Selectron, Uruguay

Securitas has acquired all shares in the monitoring and installation company Selectron in Uruguay. Selectron has 90 employees. The company has a strong presence in the financial and retail customer segments.

ISS Facility Services, the Netherlands

Securitas has acquired the commercial security services business contracts and assets of ISS Facility Services in the Netherlands. ISS' security services operation in the Netherlands has 800 employees. The acquisition was approved by the competitions authorities in the Netherlands on July 5, 2013 and was consolidated in Securitas as of July 5, 2013.

ISS Facility Services, Denmark

Securitas has acquired the commercial security services business contracts and assets and some stand-alone receptionist services of ISS Facility Services in Denmark with approximately 50 employees.

ACQUISITIONS AFTER THE THIRD QUARTER

Rentsec and Vamsa, South Africa

Securitas has acquired the security solutions companies Rentsec and Vamsa in South Africa with total annual sales of approximately MSEK 25 (MZAR 40) and 50 employees. Total enterprise value is estimated to approximately MSEK 57 (MZAR 90). The companies focus on remote video surveillance and strengthen Securitas position in South Africa as an integrated security solutions provider. The acquisition has been consolidated in Securitas as of October 1, 2013.

Tehnomobil, Croatia

Securitas has acquired 65 percent of the shares in the security solutions company Tehnomobil in Croatia. The purchase of the remaining 35 percent of the shares is agreed to take place at the end of 2015. Enterprise value is estimated to MSEK 52 (MHRK 46). Tehnomobil has annual sales of approximately MSEK 65 (MHRK 57) and 60 employees. The company is the largest integrator of security systems in Croatia and offers a wide range of technical services, such as video surveillance, fire and gas detections, intrusion detection, access control and parking systems. Tehnomobil has a national footprint, with the head office in Zagreb. The acquisition has been consolidated in Securitas as of November 1, 2013.

Divestitures

SECURITAS SELLS PART OF ITS HOME ALARM CONCEPT

Securitas and Securitas Direct Verisure have agreed that Securitas Direct Verisure acquires part of Securitas home alarm business in Belgium and the Netherlands. Net total purchase price is approximately MSEK 70 (MEUR 8.1).

The divestment provides Securitas an opportunity to focus on its core home alarm business to the high end residential segment, and further develop partnerships with certain partners with a broad customer base where Securitas will continue to offer services in monitoring and intervention. The net capital gain is included in operating income before amortization and has been recognized in the third quarter of 2013. The cash proceeds from the transaction is classified as cash flow from operating activities.

Other significant events

For critical estimates and judgments, items affecting comparability, provisions and contingent liabilities refer to pages 84–85, 98–99 and pages 115–117 in the Annual Report 2012.
If no significant events have occurred relating to the information in the Annual Report, no further comments are made in the Interim Report for the respective case.

Spain – tax audit
The Spanish tax authority has in connection with an audit of Securitas Spain, challenged a tax exemption for the demerger of the Spanish Systems company in connection with the Securitas AB's distribution of the shares in Securitas Systems AB to its shareholders and listing on the Stockholm Stock Exchange in 2006.

Securitas has appealed the tax assessment received in July 2013 to the court, Tribunal Económico Administrativo Central. If finally upheld by Spanish courts, the resolution by the Spanish tax authorities would result in tax of MEUR 18, including interest up to September 30, 2013.

Securitas believes it has acted in accordance with applicable law and will defend its position in court. It may take a long time until a final judgment is made.

USA – the events of September 11, 2001
On August 1, 2013 the last major outstanding legal issue in the September 11 case involving Globe and other defendants was decided by a Court in New York, USA. In its judgment the Court dismissed plaintiffs claim for damages from Globe and the other defendants for the destruction of the World Trade Center properties. The plaintiff has filed its notice of appeal of the judgment.

Risks and uncertainties

Risk management is necessary in order for Securitas to be able to fulfill its strategies and achieve its corporate objectives. Securitas' risks fall into three main categories; contract risk, operational assignment risk and financial risks. Securitas approach to enterprise risk management is described in more detail in the Annual Report for 2012.

In the preparation of financial reports the Board of Directors and Group Management are required to make estimates and judgments. These estimates and judgments impact the statement of income and balance sheet as well as disclosures such as contingent liabilities. Actual results may differ from these estimates and judgments under different circumstances and conditions.

For the forthcoming three-month period, the financial impact of certain previously recognized items affecting comparability, provisions and contingent liabilities, as described in the Annual Report for 2012 and if applicable above under the heading "Other significant events", may vary from the current financial estimates and provisions made by management. This could affect the Group's profitability and financial position.

The Group's Parent Company, Securitas AB, is not involved in any operating activities. Securitas AB provides Group Management and support functions for the Group.

January–September 2013

The Parent Company's income amounted to MSEK 666 (795) and mainly relates to license fees and other income from subsidiaries.

Financial income and expenses amounted to MSEK –158 (–93*). Income before taxes amounted to MSEK 265 (419).

As of September 30, 2013

The Parent Company's non-current assets amounted to MSEK 38 022 (38 119 as of December 31, 2012) and mainly comprise shares in subsidiaries of MSEK 37 161 (37 156 as of December 31, 2012). Current assets amounted to MSEK 3 839 (6 440 as of December 31, 2012) of which liquid funds amounted to MSEK 316 (25 as of December 31, 2012).

Shareholders' equity amounted to MSEK 24 602 (25 545 as of December 31, 2012). A dividend of MSEK 1 095 (1 095) was paid to the shareholders in May 2013.

The Parent Company's liabilities amounted to MSEK 17 259 (19 014 as of December 31, 2012) and mainly consist of interest-bearing debt.

For further information, refer to the Parent Company's condensed financial statements on page 24.

* Restated since group contributions have been accounted for as appropriations according to RFR 2 IAS 27. Further information is provided in note 39 in the Annual Report 2012.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

Securitas' consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups. The most important accounting principles under IFRS, which is the basis for the preparation of this interim report, can be found in note 2 on pages 75 to 81 in the Annual Report for 2012. The accounting principles are also available on the Group's website www.securitas.com under the section Investor Relations – Financials – Accounting Principles.

The Parent Company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 2 Accounting for Legal Entities. The most important accounting principles used by the Parent Company can be found in note 39 on page 123 in the Annual Report for 2012.

There have been no other changes than the changes described below in the Group's or the Parent Company's accounting principles compared to the accounting principles described in note 2 and note 39 in the Annual Report for 2012.

Restatement of segment comparatives

Due to organizational changes within the Group, segment comparatives have been restated as of January 1, 2013 as described below.

Security Services North America has been affected by operations within security consulting in the Netherlands that have been moved from the segment Other to Pinkerton Corporate Risk Management within Security Services North America. The previous segments Security Services Europe and Mobile and Monitoring have been merged into one segment named Security Services Europe. Furthermore, operations in Spain and Portugal have been moved from the previous segment Mobile and Monitoring to Security Services Ibero-America, while operations within security consulting in Belgium have been moved from the segment Other to Security Services Europe.

The organizational changes have impacted the distribution of sales and operating result between the business segments as well as the elimination of intra-group sales but have not had any impact on the total sales, organic sales growth, operating income nor operating margin for the Securitas Group.

Effect of amended and revised IFRS that are effective as of 2013

IAS 1 (amended)

IAS 1 (amended) has been be adopted by Securitas as of the financial year 2013. The amendments to the standard require the items in other comprehensive income to be split into two categories: items that will not be reclassified to the statement of income and items that subsequently may be reclassified to the statement of income. Taxes are disclosed separately for each category. For further information refer to the statement of comprehensive income and note 7.

IAS 19 (revised)

IAS 19 (revised) has been adopted by the Securitas Group as of the financial year 2013. The impact on the Group from the revised standard is that interest cost and expected return on assets have been replaced by a net interest cost which is calculated by applying the discount rate to the net defined benefit obligation (or asset). Further, past service costs are recognized immediately instead of being accrued over the vesting period. The effect on the Group's financial statements is that the costs recognized for 2011 and 2012 related to defined benefits to employees increase. The actual benefits and the cash contributions for these plans are not impacted by IAS 19 (revised).

When restating the comparative years 2012 and 2011 the increase of these costs are MSEK –58 before taxes and MSEK –37 after taxes for 2012. For 2011 the increase is MSEK –50 before taxes and MSEK –30 after taxes. The increase in costs affects production expenses as well as selling and administrative expenses in operating income. For further information refer to note 8.

According to IAS 19 (revised) it will no longer be possible to apply the so called corridor method. Since Securitas has not applied the corridor method, this change will have no effect on the Group's financial statements

None of the other published standards and interpretations that are mandatory for the Group's financial year 2013 are assessed to have any material impact on the Group's financial statements.

Annual General Meeting 2014

Securitas' Annual General Meeting will be held on Monday, May 5, 2014 at 16:00 CET at Konserthuset, Hötorget in Stockholm.

Stockholm, November 7, 2013

Alf Göransson
President and Chief Executive Officer

This report has not been reviewed by the company's auditors.

STATEMENT OF INCOME

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Sales	16 418.2	16 016.4	48 463.6	47 516.3	64 039.8	58 995.6
Sales, acquired business	186.9	457.3	511.2	2 191.0	2 418.4	5 061.5
Total sales	**16 605.1**	**16 473.7**	**48 974.8**	**49 707.3**	**66 458.2**	**64 057.1**
Organic sales growth, % [1]	*1*	*0*	*1*	*0*	*0*	*3*
Production expenses*	–13 720.7	–13 645.2	–40 536.5	–41 338.0	–55 364.5	–52 983.9
Gross income*	**2 884.4**	**2 828.5**	**8 438.3**	**8 369.3**	**11 093.7**	**11 073.2**
Selling and administrative expenses*	–1 997.6	–1 980.2	–6 001.6	–6 094.2	–8 081.5	–7 810.0
Other operating income [2]	3.6	0.1	10.2	8.8	12.8	74.3
Share in income of associated companies [3]	1.1	0.9	2.8	2.3	2.7	–2.4
Operating income before amortization*	**891.5**	**849.3**	**2 449.7**	**2 286.2**	**3 027.7**	**3 335.1**
*Operating margin, %**	5.4	5.2	5.0	4.6	4.6	5.2
Amortization and impairment of acquisition related intangible assets	–64.5	–96.5	–192.8	–227.3	–297.1	–218.2
Acquisition related costs [4]	–5.0	16.1	–19.2	–49.0	–49.5	–193.5
Items affecting comparability [5]	-	-	-	-	–424.3	–
Operating income after amortization*	**822.0**	**768.9**	**2 237.7**	**2 009.9**	**2 256.8**	**2 923.4**
Financial income and expenses [6]	–83.1	–143.3	–299.4	–425.3	–573.0	–493.0
Income before taxes*	**738.9**	**625.6**	**1 938.3**	**1 584.6**	**1 683.8**	**2 430.4**
*Net margin, %**	4.4	3.8	4.0	3.2	2.5	3.8
Current taxes	–184.6	–167.8	–469.9	–421.8	–526.4	–680.1
Deferred taxes*	–35.6	–25.3	–107.8	–55.1	17.2	–41.6
Net income for the period*	**518.7**	**432.5**	**1 360.6**	**1 107.7**	**1 174.6**	**1 708.7**
Whereof attributable to:						
Equity holders of the Parent Company*	517.6	431.9	1 358.6	1 106.4	1 174.2	1 705.8
Non-controlling interests	1.1	0.6	2.0	1.3	0.4	2.9
Earnings per share before dilution (SEK)*	1.42	1.18	3.72	3.03	3.22	4.67
Earnings per share after dilution (SEK)*	1.42	1.18	3.72	3.03	3.22	4.67

STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Net income for the period*	**518.7**	**432.5**	**1 360.6**	**1 107.7**	**1 174.6**	**1 708.7**
Other comprehensive income for the period						
Items that will not be reclassified to the statement of income						
Remeasurements of defined benefit pension plans net of tax*	1.8	–81.1	194.9	–159.4	–111.7	–237.1
Total items that will not be reclassified to the statement of income* [7]	**1.8**	**–81.1**	**194.9**	**–159.4**	**–111.7**	**–237.1**
Items that subsequently may be reclassified to the statement of income						
Cash flow hedges net of tax	1.1	1.6	3.7	5.3	7.1	3.2
Net investment hedges	–60.5	–19.8	–120.2	38.0	–9.7	36.1
Translation differences*	–334.7	–508.8	–198.0	–632.3	–550.1	–132.5
Total items that subsequently may be reclassified to the statement of income* [7]	**–394.1**	**–527.0**	**–314.5**	**–589.0**	**–552.7**	**–93.2**
Other comprehensive income for the period* [7]	**–392.3**	**–608.1**	**–119.6**	**–748.4**	**–664.4**	**–330.3**
Total comprehensive income for the period*	**126.4**	**–175.6**	**1 241.0**	**359.3**	**510.2**	**1 378.4**
Whereof attributable to:						
Equity holders of the Parent Company*	125.9	–176.0	1 241.0	358.2	510.4	1 376.1
Non-controlling interests	0.5	0.4	0.0	1.1	–0.2	2.3

* Comparatives have been restated as an effect of a change in accounting principle IAS 19 (revised).
Notes 1–7 refer to pages 21–23.

STATEMENT OF CASH FLOW

Operating cash flow MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Operating income before amortization*	**891.5**	**849.3**	**2 449.7**	**2 286.2**	**3 027.7**	**3 335.1**
Investments in non-current tangible and intangible assets	–152.3	–254.5	–573.1	–774.3	–1 039.2	–1 009.8
Reversal of depreciation	231.5	231.3	706.9	708.0	946.1	902.0
Change in accounts receivable	44.7	–409.7	–142.3	–299.4	205.4	–722.6
Change in other operating capital employed*	533.5	234.5	–446.1	–432.6	60.8	–397.3
Cash flow from operating activities	**1 548.9**	**650.9**	**1 995.1**	**1 487.9**	**3 200.8**	**2 107.4**
*Cash flow from operating activities, %**	*174*	*77*	*81*	*65*	*106*	*63*
Financial income and expenses paid	–63.0	–88.0	–483.6	–474.0	–531.9	–475.1
Current taxes paid	–131.3	–102.2	–406.6	–466.7	–583.3	–763.9
Free cash flow	**1 354.6**	**460.7**	**1 104.9**	**547.2**	**2 085.6**	**868.4**
*Free cash flow, %**	*217*	*86*	*66*	*38*	*108*	*40*
Cash flow from investing activities, acquisitions	–64.2	–57.1	–198.2	–596.5	–677.3	–1 882.0
Cash flow from items affecting comparability	–32.1	–5.8	–270.3	–30.4	–193.8	–23.7
Cash flow from financing activities	–654.0	1 880.8	–2 734.1	2 205.3	1 222.7	968.9
Cash flow for the period	**604.3**	**2 278.6**	**–2 097.7**	**2 125.6**	**2 437.2**	**–68.4**

Cash flow MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Cash flow from operations	1 469.8	694.0	1 376.5	1 212.6	2 833.4	1 674.5
Cash flow from investing activities	–211.5	–296.2	–740.1	–1 292.3	–1 618.9	–2 711.8
Cash flow from financing activities	–654.0	1 880.8	–2 734.1	2 205.3	1 222.7	968.9
Cash flow for the period	**604.3**	**2 278.6**	**–2 097.7**	**2 125.6**	**2 437.2**	**–68.4**

Change in net debt MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Opening balance	**–11 770.6**	**–11 926.2**	**–9 864.6**	**–10 348.8**	**–10 348.8**	**–8 208.9**
Cash flow for the period	604.3	2 278.6	–2 097.7	2 125.6	2 437.2	–68.4
Change in loans	654.0	–1 880.8	1 638.9	–3 300.5	–2 317.9	–2 064.1
Change in net debt before revaluation and translation differences	**1 258.3**	**397.8**	**–458.8**	**–1 174.9**	**119.3**	**–2 132.5**
Revaluation of financial instruments [6)]	1.3	2.4	8.7	8.3	10.6	7.5
Translation differences	217.9	415.4	21.6	404.8	354.3	–14.9
Change in net debt	**1 477.5**	**815.6**	**–428.5**	**–761.8**	**484.2**	**–2 139.9**
Closing balance	**–10 293.1**	**–11 110.6**	**–10 293.1**	**–11 110.6**	**–9 864.6**	**–10 348.8**

* Comparatives have been restated as an effect of a change in accounting principle IAS 19 (revised).
Note 6 refers to page 22.

CAPITAL EMPLOYED AND FINANCING

MSEK	Sep 30, 2013	Jun 30, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Dec 31, 2011
Operating capital employed*	**3 469.4**	**4 300.1**	**2 581.5**	**3 687.6**	**3 846.5**	**3 145.8**
Operating capital employed as % of sales	*5*	*6*	*4*	*6*	*6*	*5*
*Return on operating capital employed, %**	*91*	*79*	*91*	*95*	*95*	*116*
Goodwill	14 087.6	14 545.3	14 275.4	14 200.9	14 929.9	14 727.4
Acquisition related intangible assets	1 335.3	1 384.9	1 501.9	1 500.4	1 602.1	1 574.1
Shares in associated companies	97.2	107.3	108.0	105.3	106.9	108.2
Capital employed*	**18 989.5**	**20 337.6**	**18 466.8**	**19 494.2**	**20 485.4**	**19 555.5**
*Return on capital employed, %**	*15*	*13*	*14*	*17*	*16*	*17*
Net debt	**–10 293.1**	**–11 770.6**	**–9 864.6**	**–11 110.6**	**–11 926.2**	**–10 348.8**
Shareholders' equity*	**8 696.4**	**8 567.0**	**8 602.2**	**8 383.6**	**8 559.2**	**9 206.7**
Net debt equity ratio, multiple	*1.18*	*1.37*	*1.15*	*1.33*	*1.39*	*1.12*

BALANCE SHEET

MSEK	Sep 30, 2013	Jun 30, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Dec 31, 2011
ASSETS						
Non-current assets						
Goodwill	14 087.6	14 545.3	14 275.4	14 200.9	14 929.9	14 727.4
Acquisition related intangible assets	1 335.3	1 384.9	1 501.9	1 500.4	1 602.1	1 574.1
Other intangible assets	313.7	355.9	368.1	351.9	357.7	330.5
Tangible non-current assets	2 253.7	2 366.1	2 377.7	2 345.5	2 402.3	2 361.8
Shares in associated companies	97.2	107.3	108.0	105.3	106.9	108.2
Non-interest-bearing financial non-current assets*	2 030.5	2 083.6	2 170.7	2 035.3	2 102.6	2 044.7
Interest-bearing financial non-current assets	146.2	163.0	224.3	190.5	147.9	189.5
Total non-current assets*	**20 264.2**	**21 006.1**	**21 026.1**	**20 729.8**	**21 649.4**	**21 336.2**
Current assets						
Non-interest-bearing current assets	12 837.0	13 409.2	12 434.1	13 133.8	13 368.2	12 802.6
Other interest-bearing current assets	17.6	22.3	116.3	76.8	60.4	19.6
Liquid funds	2 731.6	2 170.1	4 880.7	4 564.6	2 350.9	2 507.4
Total current assets	**15 586.2**	**15 601.6**	**17 431.1**	**17 775.2**	**15 779.5**	**15 329.6**
TOTAL ASSETS*	**35 850.4**	**36 607.7**	**38 457.2**	**38 505.0**	**37 428.9**	**36 665.8**

MSEK	Sep 30, 2013	Jun 30, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Dec 31, 2011
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity						
Attributable to equity holders of the Parent Company*	8 679.4	8 553.5	8 588.3	8 379.5	8 555.5	9 204.1
Non-controlling interests	17.0	13.5	13.9	4.1	3.7	2.6
Total shareholders' equity*	**8 696.4**	**8 567.0**	**8 602.2**	**8 383.6**	**8 559.2**	**9 206.7**
Equity ratio, %	*24*	*23*	*22*	*22*	*23*	*25*
Long-term liabilities						
Non-interest-bearing long-term liabilities	392.9	411.3	409.3	415.7	490.8	532.1
Interest-bearing long-term liabilities	7 692.0	8 823.4	9 099.9	10 480.9	8 163.4	8 576.8
Non-interest-bearing provisions*	2 523.8	2 609.9	2 887.0	3 138.0	3 198.2	3 120.8
Total long-term liabilities*	**10 608.7**	**11 844.6**	**12 396.2**	**14 034.6**	**11 852.4**	**12 229.7**
Current liabilities						
Non-interest-bearing current liabilities and provisions	11 048.8	10 893.5	11 472.8	10 625.2	10 695.3	10 740.9
Interest-bearing current liabilities	5 496.5	5 302.6	5 986.0	5 461.6	6 322.0	4 488.5
Total current liabilities	**16 545.3**	**16 196.1**	**17 458.8**	**16 086.8**	**17 017.3**	**15 229.4**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES*	**35 850.4**	**36 607.7**	**38 457.2**	**38 505.0**	**37 428.9**	**36 665.8**

*Comparatives have been restated as an effect of a change in accounting principle IAS 19 (revised).

CHANGES IN SHAREHOLDERS' EQUITY

MSEK	Sep 30, 2013 Attributable to equity holders of the Parent Company	Sep 30, 2013 Non-controlling interests	Sep 30, 2013 Total	Dec 31, 2012 Attributable to equity holders of the Parent Company	Dec 31, 2012 Non-controlling interests	Dec 31, 2012 Total	Dec 31, 2011 Attributable to equity holders of the Parent Company	Dec 31, 2011 Non-controlling interests	Dec 31, 2011 Total
Opening balance January 1, 2013/2012/2011	**8 588.3**	**13.9**	**8 602.2**	**9 204.1**	**2.6**	**9 206.7**	**8 935.4**	**3.1**	**8 938.5**
Effect of change in accounting principle IAS 19 [1]	-	-	-	-	-	-	1.2	-	1.2
Opening balance adjusted in accordance with new accounting principle	**8 588.3**	**13.9**	**8 602.2**	**9 204.1**	**2.6**	**9 206.7**	**8 936.6**	**3.1**	**8 939.7**
Total comprehensive income for the period	1 241.0	0.0	1 241.0	510.4 [3]	-0.2	510.2 [3]	1 376.1	2.3	1 378.4
Transactions with non-controlling interests	-2.0	3.1	1.1	-35.0	11.5	-23.5	-	-2.8	-2.8
Share based incentive scheme	-52.7	-	-52.7 [2]	4.0	-	4.0	-13.4	-	-13.4
Dividend paid to the shareholders of the Parent Company	-1 095.2	-	-1 095.2	-1 095.2	-	-1 095.2	-1 095.2	-	-1 095.2
Closing balance September 30/December 31, 2013/2012/2011	**8 679.4**	**17.0**	**8 696.4**	**8 588.3**	**13.9**	**8 602.2**	**9 204.1**	**2.6**	**9 206.7**

[1] Refers to net impact after taxes of adoption of IAS 19 (revised).
[2] Refers to a swap agreement in Securitas AB shares, hedging the share portion of Securitas share based incentive scheme 2012.
[3] Restated as an effect of a change in accounting principle IAS 19 (revised).

DATA PER SHARE

SEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Share price, end of period	73.40	49.28	73.40	49.28	56.70	59.40
Earnings per share before dilution [1, 2, 5]	1.42	1.18	3.72	3.03	3.22	4.67
Earnings per share before dilution and before items affecting comparability [1, 2, 5]	1.42	1.25 [4]	3.72	3.10 [4]	4.11 [4]	4.67
Dividend	-	-	-	-	3.00	3.00
P/E-ratio after dilution and before items affecting comparability	-	-	-	-	14 [4]	13
Share capital (SEK)	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897
Number of shares outstanding [3]	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897
Average number of shares outstanding [3]	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897	365 058 897

[1] There are no convertible debenture loans. Consequently there is no difference between earnings per share before and after dilution.
[2] Number of shares used for calculation of earnings per share includes shares related to the Group's share based incentive schemes that have been hedged through swap agreements.
[3] There are no convertible debenture loans. Consequently there is no difference between number of shares before and after dilution.
[4] Calculated excluding items affecting comparability as well as impairment of goodwill and other acquisition related intangible assets.
[5] Comparatives have been restated as an effect of a change in accounting principle IAS 19 (revised).

JANUARY–SEPTEMBER 2013

MSEK	Security Services North America	Security Services Europe	Security Services Ibero-America	Other	Eliminations	Group
Sales, external	17 111	24 273	6 932	659	-	48 975
Sales, intra-group	6	-	-	1	–7	-
Total sales	**17 117**	**24 273**	**6 932**	**660**	**–7**	**48 975**
Organic sales growth, %	1	0	4	-	-	1
Operating income before amortization	**869**	**1 441**	**371**	**–231**	**-**	**2 450**
of which share in income of associated companies	-	-	-	3	-	3
Operating margin, %	5.1	5.9	5.4	-	-	5.0
Amortization and impairment of acquisition related intangible assets [1]	–25	–105	–53	–10	-	–193
Acquisition related costs	0	–12	–7	0	-	–19
Items affecting comparability	-	-	-	-	-	-
Operating income after amortization	**844**	**1 324**	**311**	**–241**	**-**	**2 238**
Financial income and expenses	-	-	-	-	-	–300
Income before taxes	**-**	**-**	**-**	**-**	**-**	**1 938**

[1] Amortization and impairment of acquisition related intangible assets						
Amortization of acquisition related intangible assets	–25	–105	–53	–10	-	–193
Impairment losses of acquisition related intangible assets	-	-	-	-	-	-
Total	**–25**	**–105**	**–53**	**–10**	**-**	**–193**

JANUARY–SEPTEMBER 2012

MSEK	Security Services North America [2]	Security Services Europe [2]	Security Services Ibero-America [2]	Other [2]	Eliminations [2]	Group [2]
Sales, external	17 601	24 502	6 976	628	-	49 707
Sales, intra-group	3	3	-	0	–6	-
Total sales	**17 604**	**24 505**	**6 976**	**628**	**–6**	**49 707**
Organic sales growth, %	0	1	–3	-	-	0
Operating income before amortization	**812**	**1 298**	**367**	**–191**	**-**	**2 286**
of which share in income of associated companies	-	-	-	2	-	2
Operating margin, %	4.6	5.3	5.3	-	-	4.6
Amortization and impairment of acquisition related intangible assets [1]	–25	–132	–52	–18	-	–227
Acquisition related costs	–4	–12	–32	–1	-	–49
Items affecting comparability	-	-	-	-	-	-
Operating income after amortization	**783**	**1 154**	**283**	**–210**	**-**	**2 010**
Financial income and expenses	-	-	-	-	-	–425
Income before taxes	**-**	**-**	**-**	**-**	**-**	**1 585**

[1] Amortization and impairment of acquisition related intangible assets						
Amortization of acquisition related intangible assets	–25	–106	–52	–18	-	–201
Impairment losses of acquisition related intangible assets	-	–26	-	-	-	–26
Total	**–25**	**–132**	**–52**	**–18**	**-**	**–227**

[2] Comparatives have been restated. Refer to note 8 for further information.

Note 1 Organic sales growth
The calculation of organic sales growth (and the specification of currency changes on operating income and income before taxes) is specified below:

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jul–Sep %	Jan–Sep 2013	Jan–Sep 2012	Jan–Sep %
Total sales	**16 605**	**16 474**	**1**	**48 975**	**49 707**	**–1**
Acquisitions/divestitures	–187	–1		–511	–2	
Currency change from 2012	216	-		1 692	-	
Organic sales	**16 634**	**16 473**	**1**	**50 156**	**49 705**	**1**
Operating income	**892**	**849**	**5**	**2 450**	**2 286**	**7**
Currency change from 2012	9	-		83	-	
Currency adjusted operating income	**901**	**849**	**6**	**2 533**	**2 286**	**11**
Income before taxes	**739**	**626**	**18**	**1 938**	**1 585**	**22**
Currency change from 2012	2	-		56	-	
Currency adjusted income before taxes	**741**	**626**	**18**	**1 994**	**1 585**	**26**

Note 2 Other operating income
Other operating income 2013 and 2012 consists in its entirety of trade mark fees from Securitas Direct AB.
Other operating income for the full year 2011 mainly comprises dividend of MSEK 29.3 from the Group's disposed joint venture Securitas Direct S.A. in Switzerland and a capital gain from the disposal of this company of MSEK 20.3. It also comprises trade mark fees from Securitas Direct AB of MSEK 10.1 and other items MSEK 14.6.

Note 3 Share in income of associated companies
Securitas recognizes share in income of associated companies depending on the purpose of the investment.
· Associated companies that have been acquired to contribute to the operations (operational) are included in operating income before amortization.
· Associated companies that have been acquired as part of the financing of the Group (financial investments) are included in income before taxes as a separate line within the finance net. Currently, Securitas has no associated companies recognized as financial investments.

Associated companies classified as operational:

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Walsons Services PVT Ltd	0.3	0.1	1.1	0.2	0.2	–4.3
Long Hai Security	0.8	0.8	1.7	2.1	2.5	1.9
Share in income of associated companies included in operating income before amortization	**1.1**	**0.9**	**2.8**	**2.3**	**2.7**	**–2.4**

Note 4 Acquisition related costs

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Restructuring and integration costs	–1.4	–7.9	–12.3	–53.4	–62.2	–135.3
Transaction costs	–0.8	–2.8	–3.6	–13.2	–17.2	–65.1
Revaluation of deferred considerations	–2.8	26.8	–3.3	17.6	29.9	6.9
Acquisition related costs	**–5.0**	**16.1**	**–19.2**	**–49.0**	**–49.5**	**–193.5**

Note 5 Items affecting comparability

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Recognized in the statement of income						
Restructuring costs	-	-	-	-	–458.0	-
Spain – overtime compensation	-	-	-	-	22.7	-
Germany – discontinued operations	-	-	-	-	11.0	-
Total recognized in the statement of income	**-**	**-**	**-**	**-**	**–424.3**	**-**
Cash flow impact						
Restructuring payments	–29.6	-	–170.3	-	–152.4	-
Spain – overtime compensation	–2.0	–4.6	–10.0	–27.3	–37.9	–17.5
Germany – Deutsche Bank	-	-	–88.5	-	-	-
Germany – premises	–0.5	–1.2	–1.5	–3.1	–3.5	–4.5
Other items affecting comparability	-	-	-	-	-	–1.7
Total cash flow impact	**–32.1**	**–5.8**	**–270.3**	**–30.4**	**–193.8**	**–23.7**

Note 6 Financial instruments and credit facilities

Revaluation of financial instruments
Revaluation of financial instruments is recognized in the statement of income on the line financial income and expenses. Revaluation of cash flow hedges (and the subsequent recycling into the statement of income) is recognized in other comprehensive income on the line cash flow hedges. The amount disclosed in the specification of change in net debt is the total revaluation before tax in the table below.

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Recognized in the statement of income						
Revaluation of financial instruments	-0.1	0.3	-0.4	1.1	1.0	3.1
Deferred tax	0.0	-0.1	0.1	-0.3	-0.3	-0.8
Impact on net income	**-0.1**	**0.2**	**-0.3**	**0.8**	**0.7**	**2.3**
Recognized in the statement of comprehensive income						
Cash flow hedges	1.4	2.1	9.1	7.2	9.6	4.4
Deferred tax	-0.3	-0.5	-1.9	-1.9	-2.5	-1.2
Adjustment of opening balance deferred taxes	-	-	-3.5	-	-	-
Cash flow hedges net of tax	**1.1**	**1.6**	**3.7**	**5.3**	**7.1**	**3.2**
Total revaluation before tax	1.3	2.4	8.7	8.3	10.6	7.5
Total deferred tax	-0.3	-0.6	-5.3	-2.2	-2.8	-2.0
Total revaluation after tax	**1.0**	**1.8**	**3.4**	**6.1**	**7.8**	**5.5**

Fair value hierarchy
The methods and assumptions used by the Group in estimating the fair value of the financial instruments are described in note 6 in the Annual Report 2012. Further information regarding the accounting principles for financial instruments are described in note 2 in the Annual Report 2012.

There have been no transfers between any of the the valuation levels during the period.

MSEK	Quoted market prices	Valuation techniques using observable market data	Valuation techniques using non-observable market data	Total
September 30, 2013				
Financial assets at fair value through profit or loss	-	17.6	-	**17.6**
Financial liabilities at fair value through profit or loss	-	-43.5	-	**-43.5**
Derivatives designated for hedging with positive fair value	-	37.5	-	**37.5**
Derivatives designated for hedging with negative fair value	-	-2.4	-	**-2.4**
December 31, 2012				
Financial assets at fair value through profit or loss	-	105.6	-	**105.6**
Financial liabilities at fair value through profit or loss	-	-48.4	-	**-48.4**
Derivatives designated for hedging with positive fair value	-	102.0	-	**102.0**
Derivatives designated for hedging with negative fair value	-	-10.9	-	**-10.9**

Financial instruments by category – carrying and fair values
For financial assets and liabilities other than those disclosed in the table below, fair value is deemed to approximate the carrying value. A full comparison of fair value and carrying value for all financial assets and liabilities is disclosed in note 6 in the Annual Report 2012.

	Sep 30, 2013		Dec 31, 2012	
MSEK	Carrying value	Fair value	Carrying value	Fair value
Short-term loan liabilities	-	-	4 302.4	4 355.7
Long-term loan liabilities	6 029.0	6 177.0	6 030.2	6 109.8
Total financial instruments by category	**6 029.0**	**6 177.0**	**10 332.6**	**10 465.5**

Summary of credit facilities as of September 30, 2013

Type	Currency	Facility amount (million)	Available amount (million)	Maturity
EMTN FRN private placement	SEK	1 000	0	2013
EMTN FRN private placement	EUR	45	0	2014
EMTN FRN private placement	SEK	500	0	2014
EMTN FRN private placement	SEK	500	0	2014
EMTN 3.45% fixed	SEK	400	0	2015
EMTN FRN private placement	SEK	600	0	2015
EMTN FRN private placement	USD	62	0	2015
EMTN FRN private placement	USD	40	0	2015
Multi Currency Revolving Credit Facility	USD equivalent	1 100	1 025	2016
EMTN Eurobond, 2.75% fixed	EUR	350	0	2017
EMTN FRN private placement	USD	50	0	2018
EMTN Eurobond, 2.25% fixed	EUR	300	0	2018
Commercial Paper (uncommitted)	SEK	5 000	2 500	n/a

Note 7 Tax effects on other comprehensive income

MSEK	Jul–Sep 2013	Jul–Sep 2012	Jan–Sep 2013	Jan–Sep 2012	Jan–Dec 2012	Jan–Dec 2011
Deferred tax on remeasurements of defined benefit pension plans*	6.1	29.8	–101.4	64.8	37.3	116.1
Deferred tax on cash flow hedges	–0.3	–0.5	–5.4	–1.9	–2.5	–1.2
Deferred tax on net investment hedges	17.0	7.1	10.9	–13.5	3.5	–12.9
Deferred tax on other comprehensive income	**22.8**	**36.4**	**–95.9**	**49.4**	**38.3**	**102.0**

*Comparatives have been restated as an effect of a change in accounting principle IAS 19 (revised).

Note 8 Restated segment comparatives due to organizational changes and adoption of IAS 19 (revised)
The tables below show restated comparative figures for the business segments and for the Securitas Group. The restatement is done to reflect the organizational changes in the Group that took place on January 1, 2013 and to consider the impact from the adoption of IAS 19 (revised) that took place on the same date.

Security Services North America has been affected by operations within security consulting in the Netherlands that have been moved from the segment Other to Pinkerton Corporate Risk Management within Security Services North America. The previous segments Security Services Europe and Mobile and Monitoring have been merged into one segment named Security Services Europe. Furthermore, operations in Spain and Portugal have been moved from the previous segment Mobile and Monitoring to Security Services Ibero-America, while operations within security consulting in Belgium have been moved from the segment Other to Security Services Europe.

When restating the comparative years 2012 and 2011 due to the adoption of IAS 19 (revised), the increase of costs are MSEK –58 before taxes and MSEK –37 after taxes for 2012. For 2011 the increase was MSEK –50 before taxes and MSEK –30 after taxes. The increase in costs affects production expenses as well as selling and administrative expenses in operating income. The distribution of this impact between the business segments and for the Securitas Group as a whole is disclosed in the tables below. The line "of which impact from adoption of IAS 19 (revised)" shows the increase in cost compared to the previous version of IAS 19.

MSEK	FY 2011	Q1 2012	Q2 2012	H1 2012	Q3 2012	9M 2012	Q4 2012	FY 2012
Security Services North America								
Total sales	**22 415**	**5 686**	**6 069**	**11 755**	**5 849**	**17 604**	**5 935**	**23 539**
Organic sales growth, %	*4*	*1*	*1*	*1*	*–1*	*0*	*1*	*1*
Operating income before amortization	**1 236**	**251**	**266**	**517**	**295**	**812**	**301**	**1 113**
of which impact from adoption of IAS 19 (revised)	*–38*	*–10*	*–11*	*–21*	*–11*	*–32*	*–11*	*–43*
Operating margin, %	*5.5*	*4.4*	*4.4*	*4.4*	*5.0*	*4.6*	*5.1*	*4.7*
Security Services Europe								
Total sales	**31 589**	**8 056**	**8 341**	**16 397**	**8 108**	**24 505**	**8 236**	**32 741**
Organic sales growth, %	*0*	*1*	*2*	*1*	*2*	*1*	*0*	*1*
Operating income before amortization	**1 674**	**405**	**389**	**794**	**504**	**1 298**	**375**	**1 673**
of which impact from adoption of IAS 19 (revised)	*–12*	*–4*	*–4*	*–8*	*–3*	*–11*	*–4*	*–15*
Operating margin, %	*5.3*	*5.0*	*4.7*	*4.8*	*6.2*	*5.3*	*4.6*	*5.1*
Security Services Ibero-America								
Total sales	**9 420**	**2 329**	**2 339**	**4 668**	**2 308**	**6 976**	**2 365**	**9 341**
Organic sales growth, %	*10*	*2*	*–5*	*–2*	*–6*	*–3*	*–4*	*–3*
Operating income before amortization	**597**	**117**	**121**	**238**	**129**	**367**	**129**	**496**
of which impact from adoption of IAS 19 (revised)	-	-	-	-	-	-	-	-
Operating margin, %	*6.3*	*5.0*	*5.2*	*5.1*	*5.6*	*5.3*	*5.5*	*5.3*
Other								
Total sales	**642**	**195**	**222**	**417**	**211**	**628**	**216**	**844**
Organic sales growth, %	-	-	-	-	-	-	-	-
Operating income before amortization	**–172**	**–53**	**–59**	**–112**	**–79**	**–191**	**–64**	**–255**
of which impact from adoption of IAS 19 (revised)	-	-	-	-	-	-	-	-
Operating margin, %	-	-	-	-	-	-	-	-
Eliminations								
Total sales	**–9**	**–2**	**–1**	**–3**	**–3**	**–6**	**–1**	**–7**
Group								
Total sales	**64 057**	**16 264**	**16 970**	**33 234**	**16 473**	**49 707**	**16 751**	**66 458**
Organic sales growth, %	*3*	*1*	*0*	*1*	*0*	*0*	*0*	*0*
Operating income before amortization	**3 335**	**720**	**717**	**1 437**	**849**	**2 286**	**741**	**3 027**
of which impact from adoption of IAS 19 (revised)	*–50*	*–14*	*–15*	*–29*	*–14*	*–43*	*–15*	*–58*
Operating margin, %	*5.2*	*4.4*	*4.2*	*4.3*	*5.2*	*4.6*	*4.4*	*4.6*

STATEMENT OF INCOME

MSEK	Jan–Sep 2013	Jan–Sep 2012
License fees and other income	665.8	795.0
Gross income	**665.8**	**795.0**
Administrative expenses	–355.3	–392.4
Operating income	**310.5**	**402.6**
Financial income and expenses [1]	–157.8	–92.9
Income after financial items	**152.7**	**309.7**
Appropriations [1]	112.5	109.0
Income before taxes	**265.2**	**418.7**
Taxes	–8.5	–18.3
Net income for the period	**256.7**	**400.4**

1) The comparative year 2012 has been restated since Group contributions have been accounted for as appropriations according to RFR 2 IAS 27. Further information is provided in note 39 in the Annual Report 2012.

BALANCE SHEET

MSEK	Sep 30, 2013	Dec 31, 2012
ASSETS		
Non-current assets		
Shares in subsidiaries	37 161.0	37 156.3
Shares in associated companies	112.1	112.1
Other non-interest-bearing non-current assets	231.4	233.7
Interest-bearing financial non-current assets	517.0	616.8
Total non-current assets	**38 021.5**	**38 118.9**
Current assets		
Non-interest-bearing current assets	326.5	1 770.4
Other interest-bearing current assets	3 197.4	4 645.1
Liquid funds	315.6	24.9
Total current assets	**3 839.5**	**6 440.4**
TOTAL ASSETS	**41 861.0**	**44 559.3**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Restricted equity	7 727.7	7 727.7
Non-restricted equity	16 874.1	17 817.7
Total shareholders' equity	**24 601.8**	**25 545.4**
Long-term liabilities		
Non-interest-bearing long-term liabilities/provisions	99.6	113.4
Interest-bearing long-term liabilities	7 584.2	8 983.0
Total long-term liabilities	**7 683.8**	**9 096.4**
Current liabilities		
Non-interest-bearing current liabilities	468.6	684.0
Interest-bearing current liabilities	9 106.8	9 233.5
Total current liabilities	**9 575.4**	**9 917.5**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**41 861.0**	**44 559.3**

Definitions

Interest coverage ratio
Operating income before amortization (rolling 12 months) plus interest income (rolling 12 months) in relation to interest expenses (rolling 12 months).

Free cash flow, %
Free cash flow as a percentage of adjusted income (operating income before amortization adjusted for financial income and expenses, excluding revaluation of financial instruments, and current taxes).

Free cash flow in relation to net debt
Free cash flow (rolling 12 months) in relation to closing balance net debt.

Operating capital employed as % of total sales
Operating capital employed as a percentage of total sales adjusted for the full-year sales of acquired entities.

Return on operating capital employed, %
Operating income before amortization (rolling 12 months) plus items affecting comparability (rolling 12 months) as a percentage of the average balance of operating capital employed.

Return on capital employed, %
Operating income before amortization (rolling 12 months) plus items affecting comparability (rolling 12 months) as a percentage of closing balance of capital employed.

Net debt equity ratio, multiple
Net debt in relation to shareholders' equity.

PRESENTATION OF THE INTERIM REPORT

Analysts and media are invited to participate in a telephone conference on November 7, 2013 at **09:30 a.m. (CET)** where Securitas CEO Alf Göransson will present the report and answer questions. The telephone conference will also be audio cast live via Securitas web. No information meeting will take place at Securitas headquarters at Lindhagensplan in Stockholm. To participate in the telephone conference, please dial in five minutes prior to the start of the conference call:

The United States:	+ 1 855 753 2230
Sweden:	+ 46 (0) 8 505 564 74
United Kingdom:	+ 44 (0) 203 364 5374

To follow the audio cast of the telephone conference via the web, please follow the link www.securitas.com/webcasts. A recorded version of the audio cast will be available at www.securitas.com/webcasts after the telephone conference.

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FINANCIAL INFORMATION CALENDAR

February 10, 2014, 08:00 a.m.	Full Year Report January–December 2013
May 5, 2014, 08:00 a.m.	Interim Report January–March 2014
May 5, 2014, 16:00 p.m.	Annual General Meeting 2014
August 5, 2014, 08:00 a.m.	Interim Report January–June 2014
November 4, 2014, 08:00 a.m.	Interim Report January–September 2014

For further information regarding Securitas IR activities, refer to www.securitas.com/Investor Relations/Financial Calendar

ABOUT SECURITAS

Securitas is a knowledge leader in security and operates in North America, Europe, Latin America, the Middle East, Asia and Africa. The organization is flat and decentralized with three business segments: Security Services North America, Security Services Europe and Security Services Ibero-America. Securitas services a wide range of customers in a variety of industries and customer segments, and the customers vary from the shop on the corner to global multibillion industries. The services provided are specialized guarding and mobile services, monitoring, technical solutions and consulting and investigations. Securitas can respond to the unique and specific security challenges facing its customers, and tailor its offering according to their specific industry demands. Securitas employs more than 300 000 people in 52 countries. Securitas is listed in the Large Cap segment at NASDAQ OMX Stockholm.

Group financial targets

Securitas focuses on two financial targets. The first target relates to the statement of income: an average growth of earnings per share of 10 percent annually. The second target relates to the balance sheet: free cash flow in relation to net debt of at least 0.20.

Group strategy

Our strategy is to offer complete security solutions that integrate all of our areas of competence. Together with our customers, we develop optimal and cost-efficient solutions that are suited for the customers' needs. This brings added value to the customers and results in stronger, more long-term customer relationships and improved profitability.

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Securitas AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08.00 a.m. (CET) on Thursday, November 7, 2013.