



Half-Year Result

January – June, 1999

Road Show

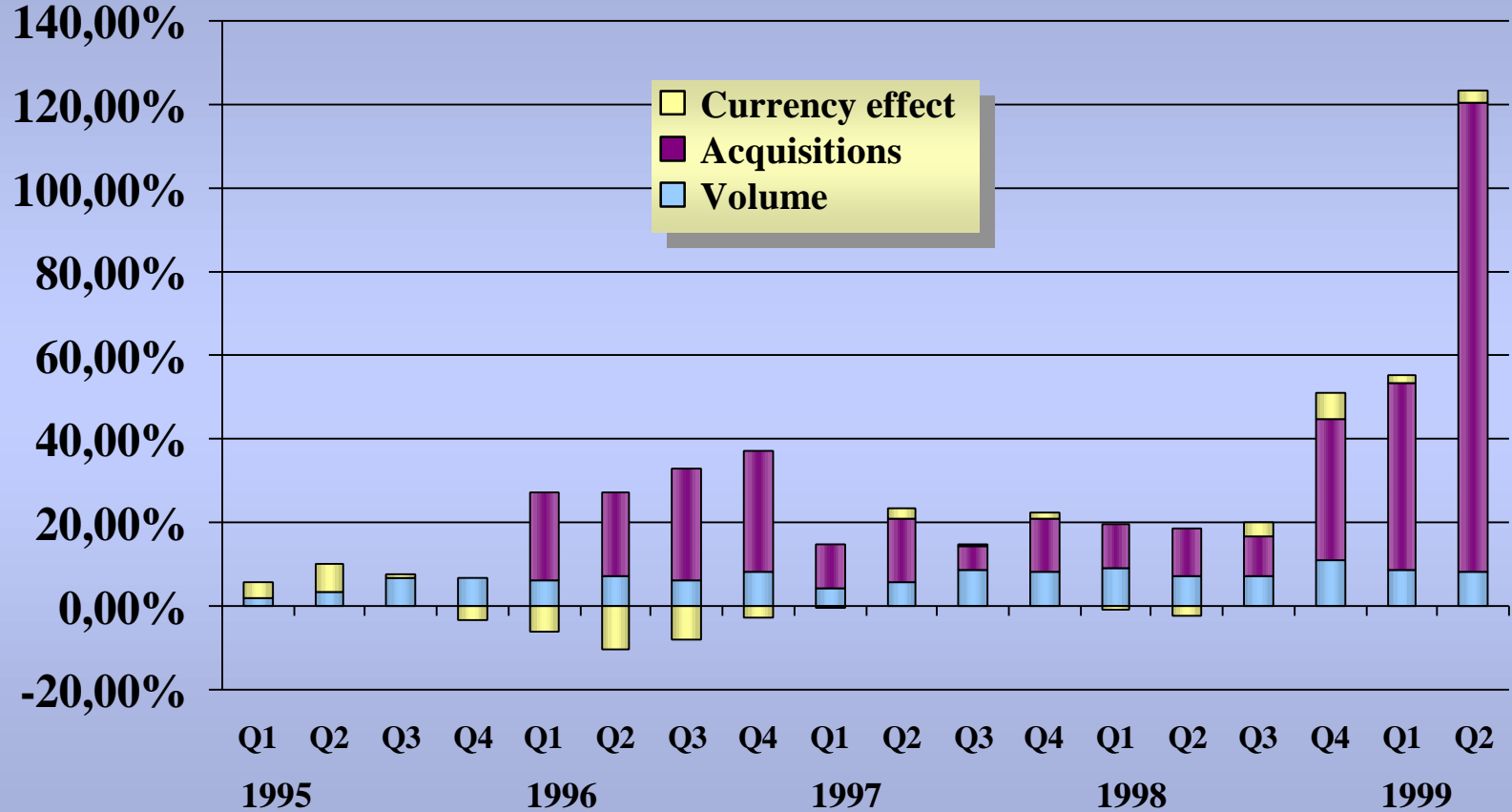
# Highlights Half-Year 1999

- ❑ Organic growth – 9 % despite integration focus in France and Germany
- ❑ Result up 44 %
- ❑ Pinkerton integration on plan – consolidated from April 1, 1999
- ❑ On track for 25 % EPS Growth 1999

# H1 1999

MSEK	1999	1998	<i>Percentage change</i>	
			Real	Net change
Sales	<b>6,598.0</b>	<b>5,423.7</b>	<b>+ 9</b>	<b>+ 11</b>
Acquisitions	<b>4,754.5</b>	<b>535.6</b>	<b>+ 80</b>	<b>+ 80</b>
Total	<b>11,352.5</b>	<b>5,959.3</b>	<b>+ 89</b>	<b>+ 91</b>
Operating income	<b>644.0</b>	<b>391.9</b>	<b>+ 62</b>	<b>+ 64</b>
Operating margin, %	<b>5.7</b>	<b>6.6</b>		
Income before taxes	<b>418.3</b>	<b>290.8</b>	<b>+ 42</b>	<b>+ 44</b>
Earnings per share after standard taxes	<b>0.91</b>	<b>0.70</b>		<b>+ 30</b>

# Growth per Quarter



*Organic growth of 9 percent in 2nd quarter 1999*



# Sales and Growth per Country

Country	Jan-Jun 1999	Share of total	Jan-Jun 1999	Jan-Jun 1998	Change in %	
	MSEK		M(local)	M(local)	Organic	Total
Sweden	1,498	13	1,498	1,452	6	3
Norway	646	6	607	551	10	10
Denmark	171	2	143	111	11	29
Finland	397	3	266	203	9	15
Germany	1,928	17	424	186	5	128
France	2,149	19	1,585	436	0	263
Great Britain	642	6	48	37	9	30
Spain	800	7	14,965	12,929	8	16
Switzerland	163	1	29	24	14	20
Austria	135	1	209	101	4	107
Portugal	425	4	9,576	8,612	11	11
Hungary	48	1	1,345	1,205	7	12
Poland	42	0	20	12	56	56
Estonia	23	0	40	12	220	235
Czech Republic	23	0	98	-	-	-
Latvia	2	0	0	-	-	-
USA	1,725	16	204	-	-	-
Canada	137	1	24	-	-	-
Mexico	35	0	39	-	-	-
Securitas Direct	255	2	255	186	29	31
Consulting & Investigations	143	1	17	-	-	-
TeleLarm Care	-	-	-	140	-	-
Elimination	-35	-	-35	-42	-	-
<b>Total</b>	<b>11,352</b>	<b>100</b>	<b>11,352</b>	<b>5,959</b>	<b>9</b>	<b>91</b>

# Business Areas

	Guarding	Alarm	Direct	CIT	Total
Sales, MSEK	8,023	1,600	255	1,474	<b>11,352</b>
<i>Organic Growth, %</i>	5	18	29	8	<b>9</b>
Operating income, MSEK	417	138	28	61	<b>644</b>
<i>Operating margin, %</i>	5	9	11	4	<b>6</b>
<i>Operating capital employed in % of sales</i>	6	25	23	40	<b>12</b>

# Acquisitions 1997 – 1999

## Securitas' Acquisitions 1997 – 1999

Included from	Company	Country	Sales	Business Area
Jan. -97	JLMT	France	18	Alarm
Apr. -97	SIGI Surveillance	France	420	Guarding
Oct. -97	TeleLarm	Sweden	920	Alarm
<b>Total 1997</b>			<b>1,358</b>	
Jan. -98	Kessler	France	120	Guarding & Alarm
Apr. -98	Segurcat	Spain	45	Guarding, Alarm & Cash In Transit
July -98	Deutsche Sicherheits AG	Germany	290	Guarding
Oct. -98	Proteg	France	3,800	Guarding, Alarm & Cash In Transit
Oct. -98	Raab Karcher Sicherheit	Germany	2,000	Guarding
<b>Total 1998</b>			<b>6,255</b>	
Apr. -99	Pinkerton		8,600	Guarding & Alarm

*Acquisitions have increased sales by 112 percent in quarter 2, 1999.*

# Cash Flow

<b>MSEK</b>	<b>January - June</b>	
	<b>1999</b>	<b>1998</b>
Operating income before amortization of goodwill	644.0	391.9
Net financial items	-50.6	-34.7
Taxes paid	-116.9	-59.6
<b>Adjusted income</b>	<b>476.5</b>	<b>297.6</b>
Change in working capital	-319.5	-165.9
Capital expenditure	-410.6	-320.7
Depreciation	342.6	253.9
<b>Free cash flow</b>	<b>89.0</b>	<b>64.9</b>

*Free cash flow in 2nd quarter MSEK 224*



# Pinkerton integration

- |  |                   |
|--|-------------------|
| ❑ European integration   | <i>Done</i>       |
| ❑ World support center changes to U.S. Head office and resources | <i>Under way</i>  |
| ❑ Power delegated from HQ to regions                             | <i>Under way</i>  |
| ❑ Clarified structure in Canada                                  | <i>Under way</i>  |
| ❑ U.S. Alarms structure in focus                                 | <i>Starts now</i> |
| ❑ Restructuring of Mexico  | <i>Starts now</i> |

# Pinkerton status

Activity	Proportion of total %	Under-perform	On plan	Over-perform
U.S. Guarding	70		X	
U.S. Alarms	8		X	
C & I	6			X
Canada	6			X
Mexico	2	X		
UK	5	X		
Germany	3		X	
<b>Total</b>	<b>100</b>		X	

# Development in 1999

- ❑ Pinkerton integration on plan
- ❑ On track for 25 percent increase in earnings per share
  - approximately 44 percent increase in income before tax



*Integrity Vigilance Helpfulness*