

February 4, 2010

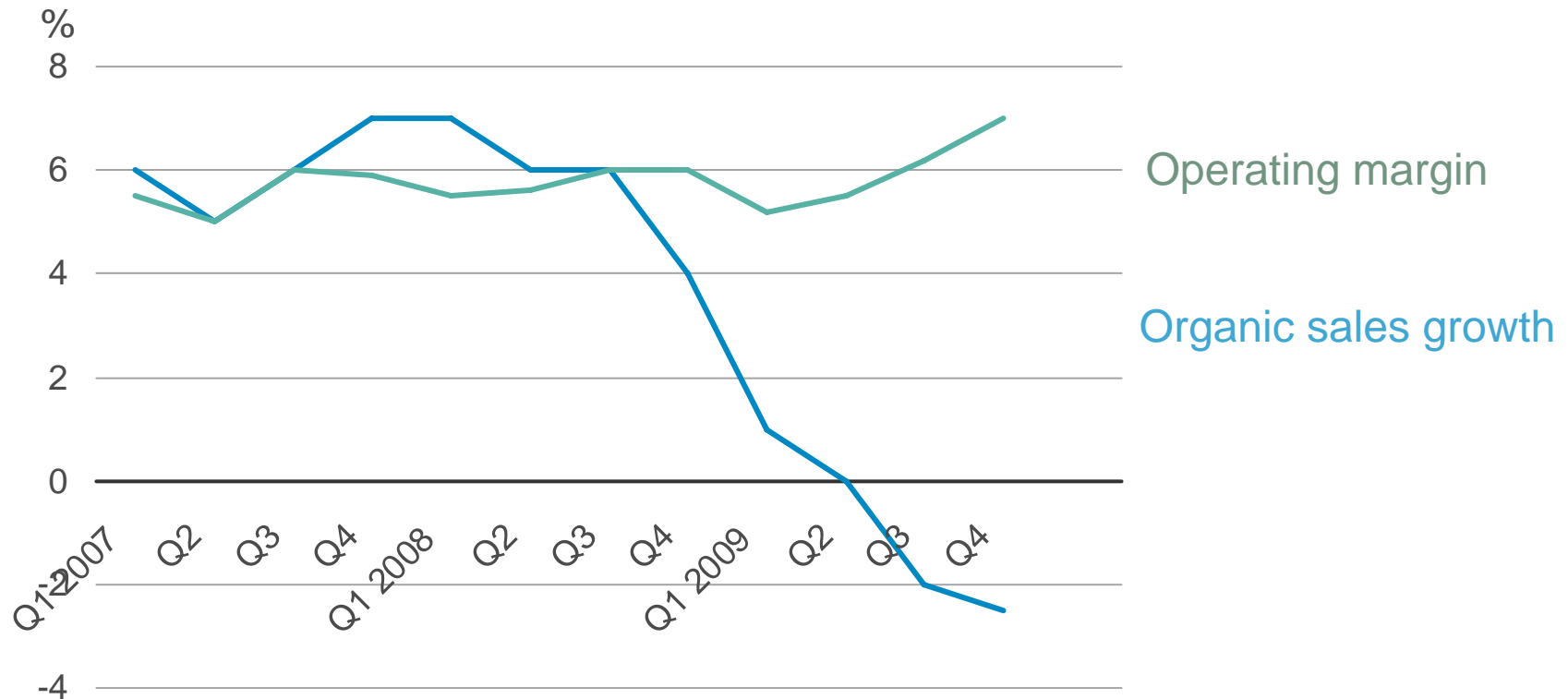


# Full Year Report January – December 2009



Alf Göransson, President and CEO

# Organic Sales Growth vs. Profitability



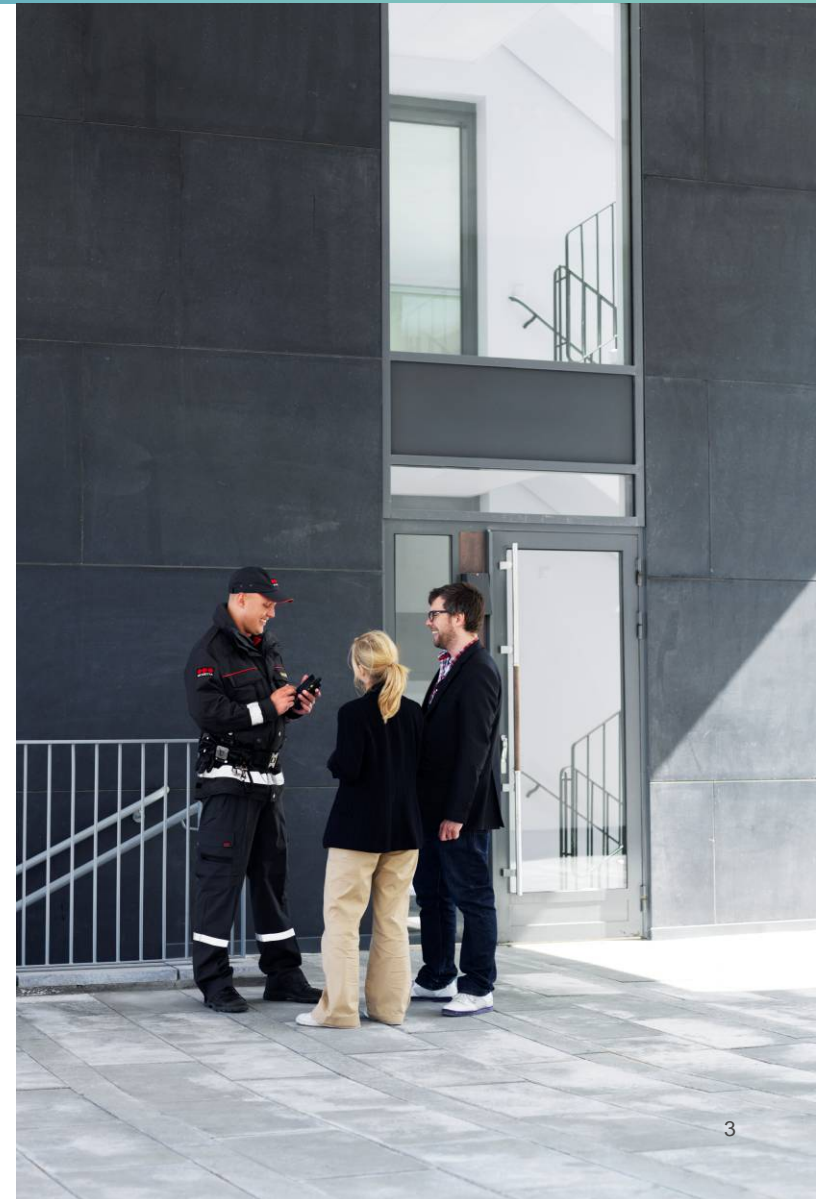
***The recession in 2009 impacted all business segments – especially seen in the negative organic sales growth – but even so, we have maintained or improved the operating margins.***

# Highlights 2009



- Organic sales growth -1% (6%), in line with security market development
- Operating margin improved to 6.0% (5.8%), supported by lower employee turnover
- 6% real improvement of operating income
- Price adjustments on par with wage cost increases in all business segments

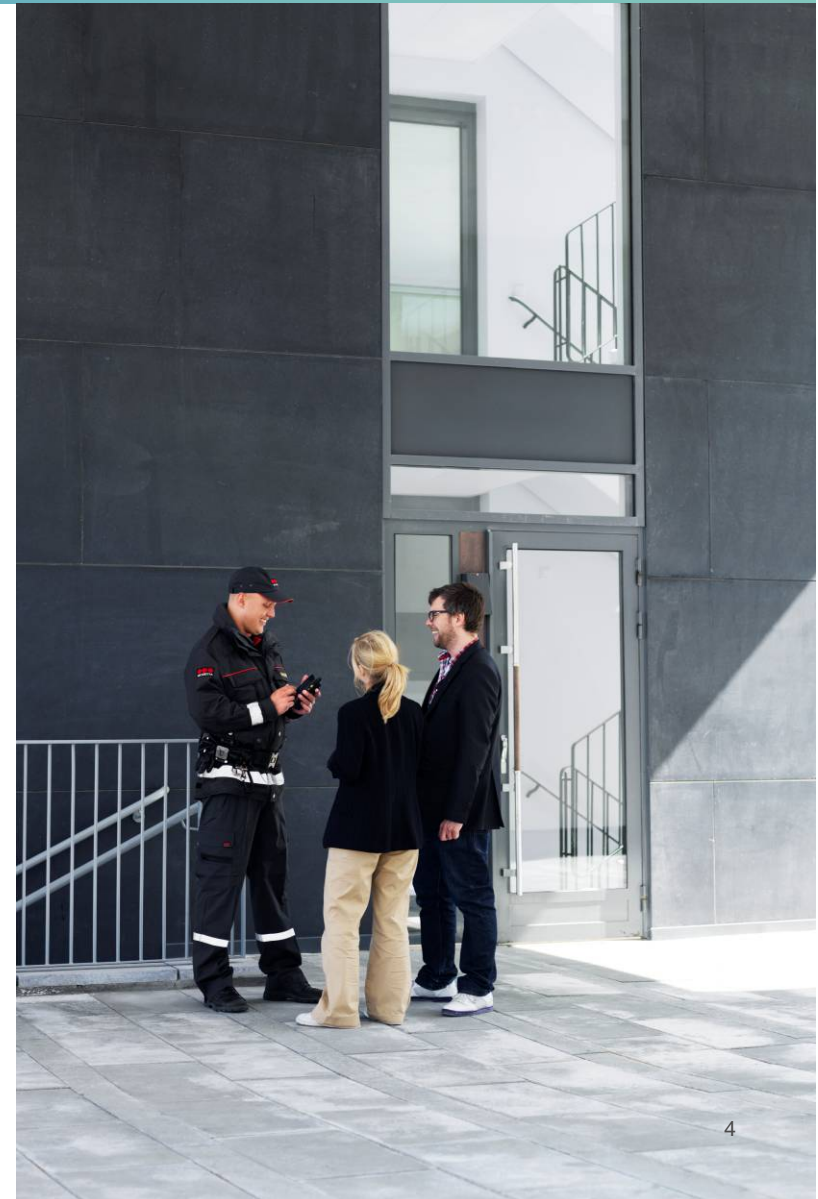
***In the fourth quarter, all business segments improved the operating margin***



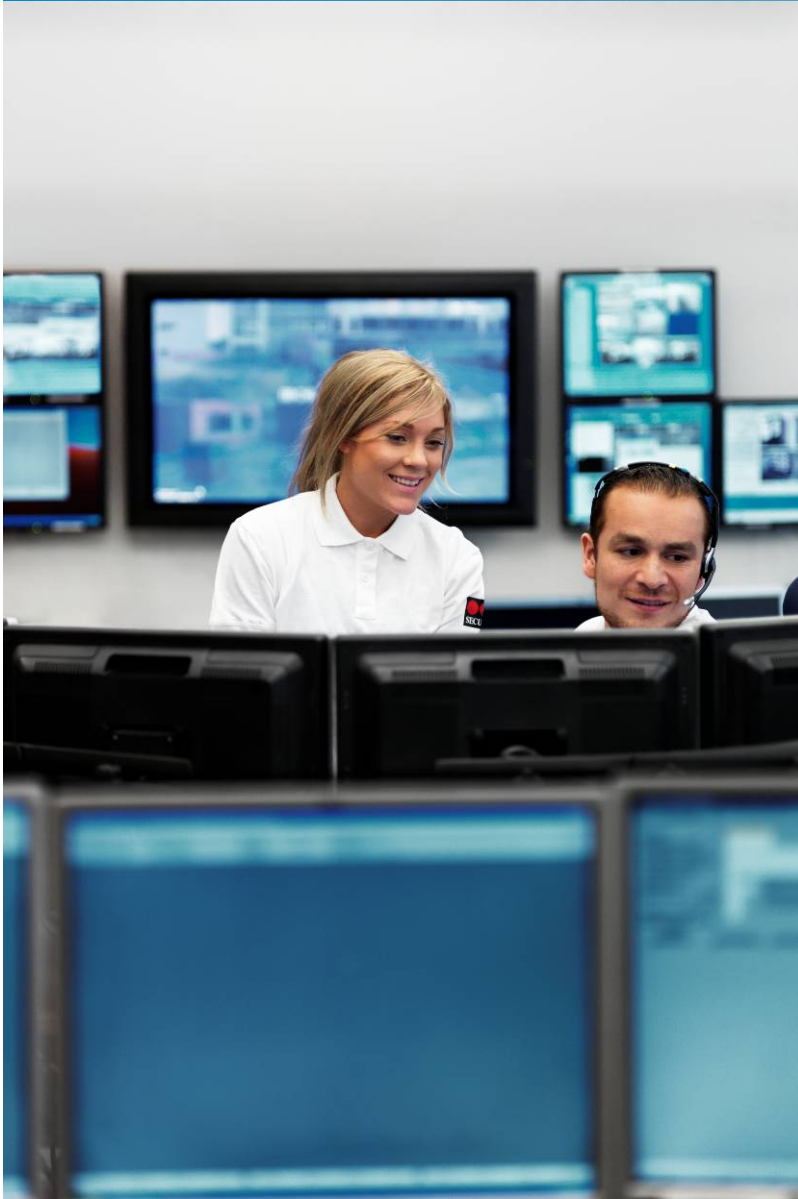
# Financial Targets and Proposed Dividend



- Earnings per share before IAC from continuing operations were SEK 5.80 (5.24), an annual increase of 11 percent
- Free cash flow to net debt was 0.26 (0.21)
- Proposed dividend is SEK 3.00 (2.90) per share, corresponding to 51 percent of free cash flow



# Our Strategy in a Year of Recession



- Follow the strategy to protect profitability before volume
- Support our customers in finding the most cost effective solutions, adapted to the current situation
- Take cost reduction measures where needed
- Focus on contracts with the lowest margins
- Make sure our customers pay on time

# Financial Highlights

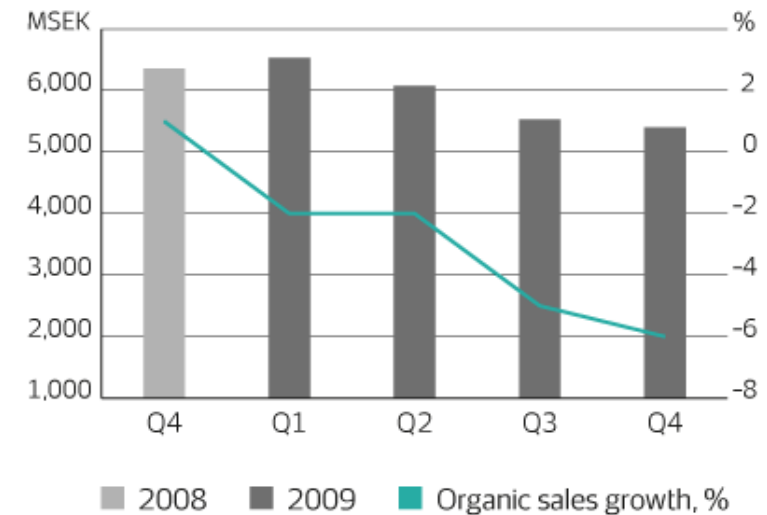


MSEK	Q4 2009	Q4 2008	Total change %	FY 2009	FY 2008	Total change %
<b>Sales</b>	<b>15,233</b>	<b>16,040</b>	<b>-5</b>	<b>62,667</b>	<b>56,572</b>	<b>11</b>
<i>Organic sales growth, %</i>	-2	4		-1	6	
<b>Operating income before amortization</b>	<b>1,061</b>	<b>974</b>	<b>9</b>	<b>3,756</b>	<b>3,271</b>	<b>15</b>
<i>Operating margin, %</i>	7.0	6.1		6.0	5.8	
<i>Real change, %</i>	14	8		6	10	
<b>Income before taxes and items affecting comparability (IAC)</b>	<b>874</b>	<b>766</b>	<b>14</b>	<b>3,022</b>	<b>2,646</b>	<b>14</b>
<i>Real change, %</i>	14	5		3	11	
<b>Income before taxes</b>	<b>874</b>	<b>737</b>	<b>19</b>	<b>3,022</b>	<b>2,617</b>	<b>15</b>
<i>Real change, %</i>	19	26		4	34	
<b>Net income, continuing operations</b>	<b>610</b>	<b>531</b>	<b>15</b>	<b>2,118</b>	<b>1,890</b>	<b>12</b>
Earnings per share, continuing operations, SEK	1.67	1.47	14	5.80	5.18	12
Earnings per share, before IAC, continuing operations, SEK	1.67	1.52	10	5.80	5.24	11

# Security Services North America – Sales Development 2009



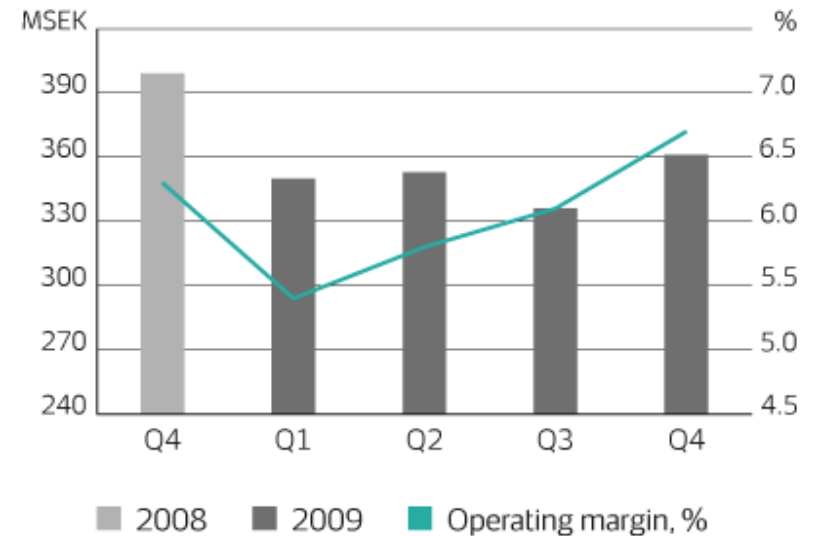
- Organic sales growth -4% (3%), impacted by contract reductions, terminations and loss of extra sales
- The volume reduction in the Automotive customer segment represents an important part
- Higher new sales rate than 2008, driven mainly by the new Healthcare segment



# Security Services North America – Income Development 2009



- Improved operating margin 5.9% (5.7%), related to
  - operational efficiencies and contract portfolio management
  - cost saving initiatives
  - lower employee turnover



**Real change was 2%**

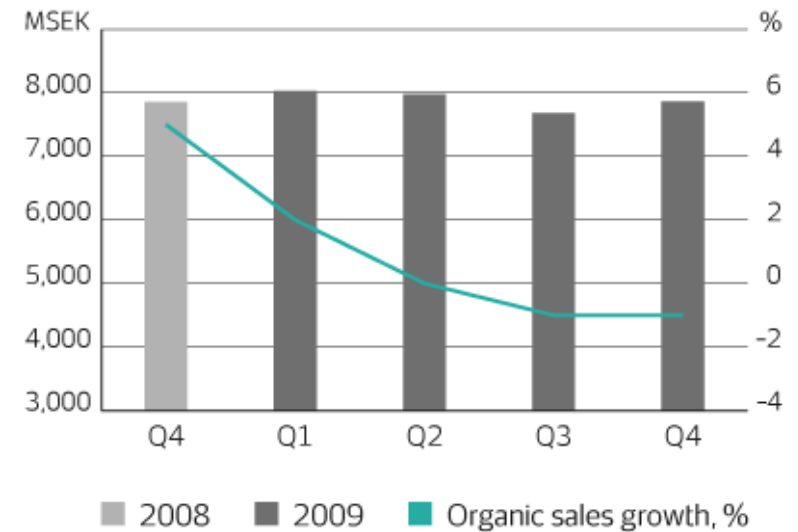




# Security Services Europe – Sales Development 2009



- Organic sales growth 0% (7%), affected by
  - reductions in existing customer contracts
  - lower extra sales
  - lower inflation
- Growth development differs from market to market



## Aviation:

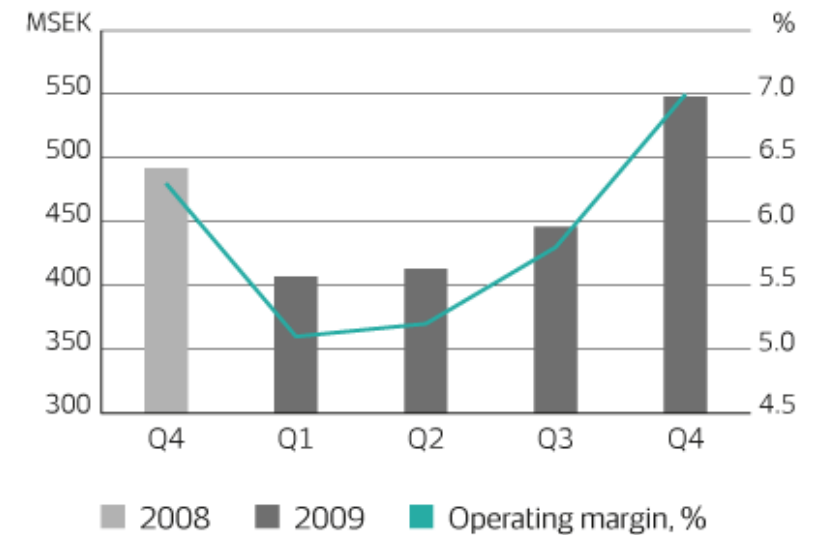
- Double digit organic sales growth



# Security Services Europe – Income Development 2009



- Operating margin 5.7% (5.7%) positively affected by optimization of the portfolio and lower employee turnover
- The positive development was outweighed by
  - lower extra sales
  - bad debt losses and provisions
  - investments in security training, expertise and security solution capabilities



**Real change was 4%**

## Aviation:

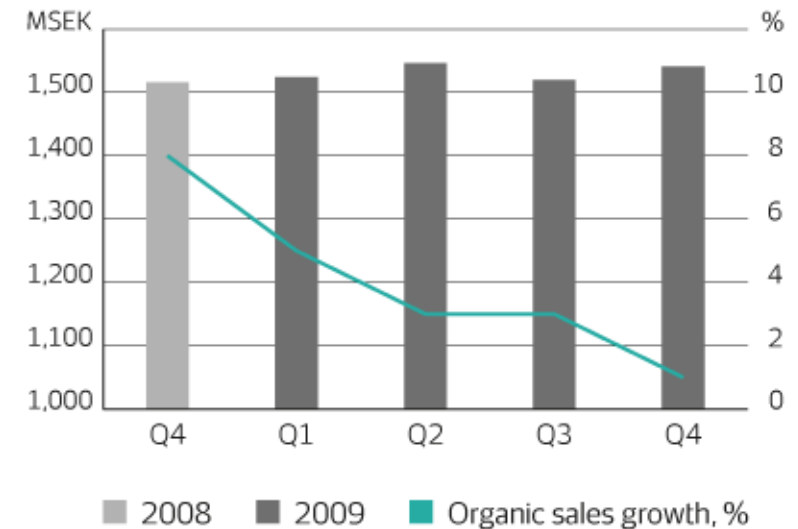
- Improved operating margin compared to 2008



# Mobile and Monitoring – Sales Development 2009



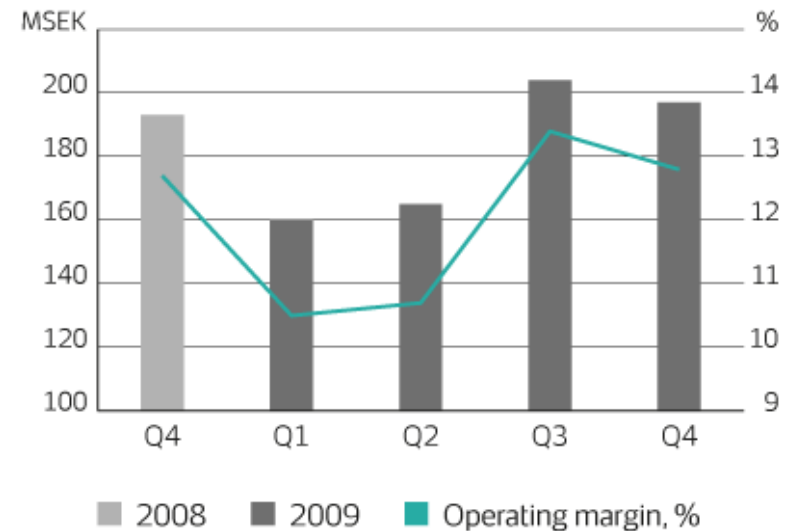
- Organic sales growth 3% (8%)
- Strong organic sales growth in the Nordic countries, Belgium and Germany
- The decline in organic sales growth due to increased terminations among small customers and lower extra sales



# Mobile and Monitoring – Income Development 2009



- Improved operating margin 11.8% (11.7%)
- Operational efficiencies and lower costs for recruitment affected positively, bad debts affected negatively



# Cash flow



MSEK	Q4 2009	Q4 2008	FY 2009	FY 2008
<b>Operating income before amortization</b>	<b>1,061</b>	<b>974</b>	<b>3,756</b>	<b>3,271</b>
Investment in non-current tangible and intangible assets	-255	-365	-951	-977
Reversal of depreciation	238	265	928	840
Change in accounts receivable	499	454	198	8
Change in other operating capital employed	-326	65	-556	107
<b>Cash flow from operating activities</b>	<b>1,217</b>	<b>1,393</b>	<b>3,375</b>	<b>3,249</b>
<i>Cash flow from operating activities, %</i>	<i>115</i>	<i>143</i>	<i>90</i>	<i>99</i>
Net financial items paid	-109	-171	-482	-433
Current taxes paid	-185	-225	-728	-804
<b>Free cash flow</b>	<b>923</b>	<b>997</b>	<b>2,165</b>	<b>2,012</b>
<i>As % of adjusted income</i>	<i>123</i>	<i>163</i>	<i>88</i>	<i>94</i>
<i>Free cash flow to net debt</i>	<i>0.26</i>	<i>0.21</i>	<i>0.26</i>	<i>0.21</i>

# Net Debt Development



## MSEK

Opening balance	<b>-9,413</b>
Free cash flow	2,165
Acquisitions	-758
IAC payments	-12
Dividend paid	-1,059
<b>Change in net debt</b>	<b>336</b>
Translation and revaluation	689
<b>Net debt Dec 31, 2009</b>	<b>-8,388</b>

# Summary 2009



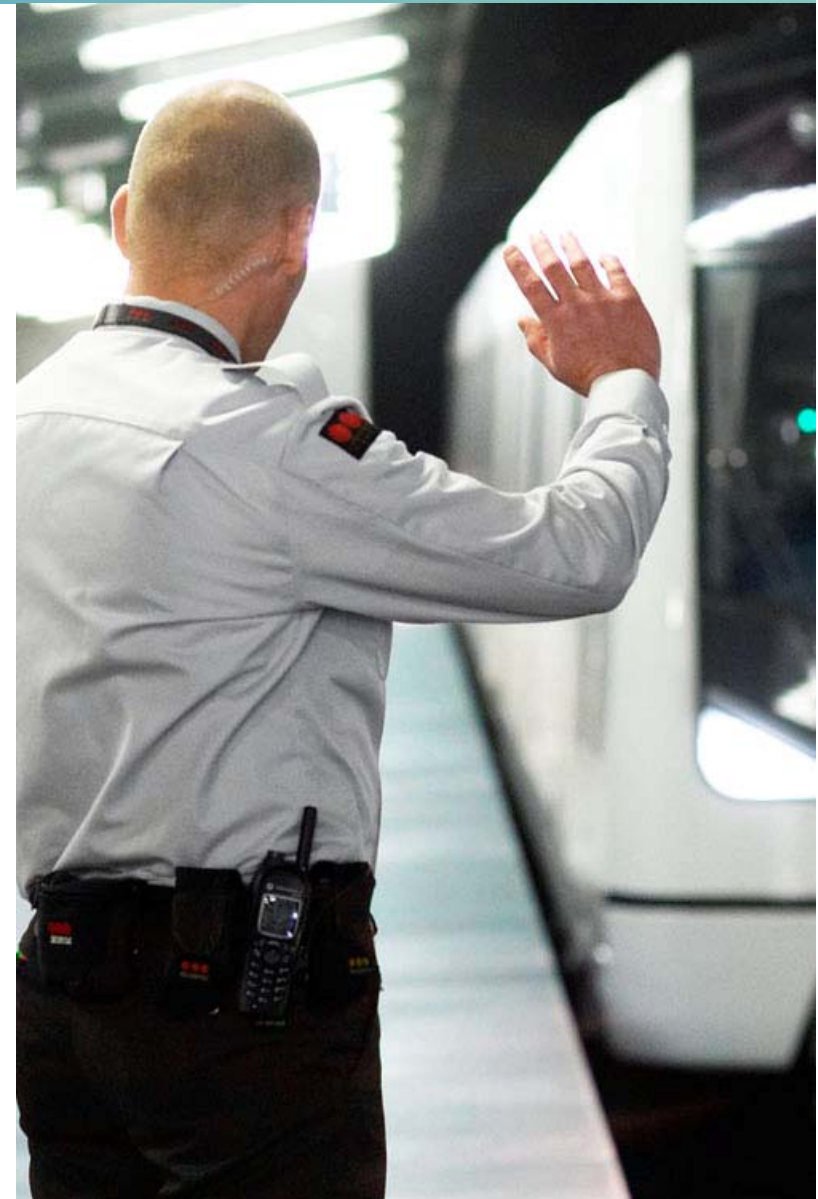
- Improved operating margin of 6.0% despite higher bad debts
- Operating margin improved in all business segments in the fourth quarter
- Real improvement of operating income of 6%

# Business Strategy on Track



## The cornerstones of our business strategy for the future:

- Higher degree of specialization
  - 1/3 of sales segmented in Europe and the USA
  - New segment in the USA: Healthcare
  - Added value to customers in the USA through the customer portal VISION
- Expansion of Mobile and Monitoring
  - Securitas DiY Home alarm successfully introduced in Sweden
  - Monitoring: Acquisition in Spain // Established in Czech Republic
  - Mobile: New organization for customer service
- Increased global presence
  - 15 acquisitions in both mature and new markets, app.14.000 employees and sales of 1,300 MSEK
  - We will continue to exploit acquisition opportunities that occur in 2010







# Questions and Answers





Integrity | Vigilance | Helpfulness

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