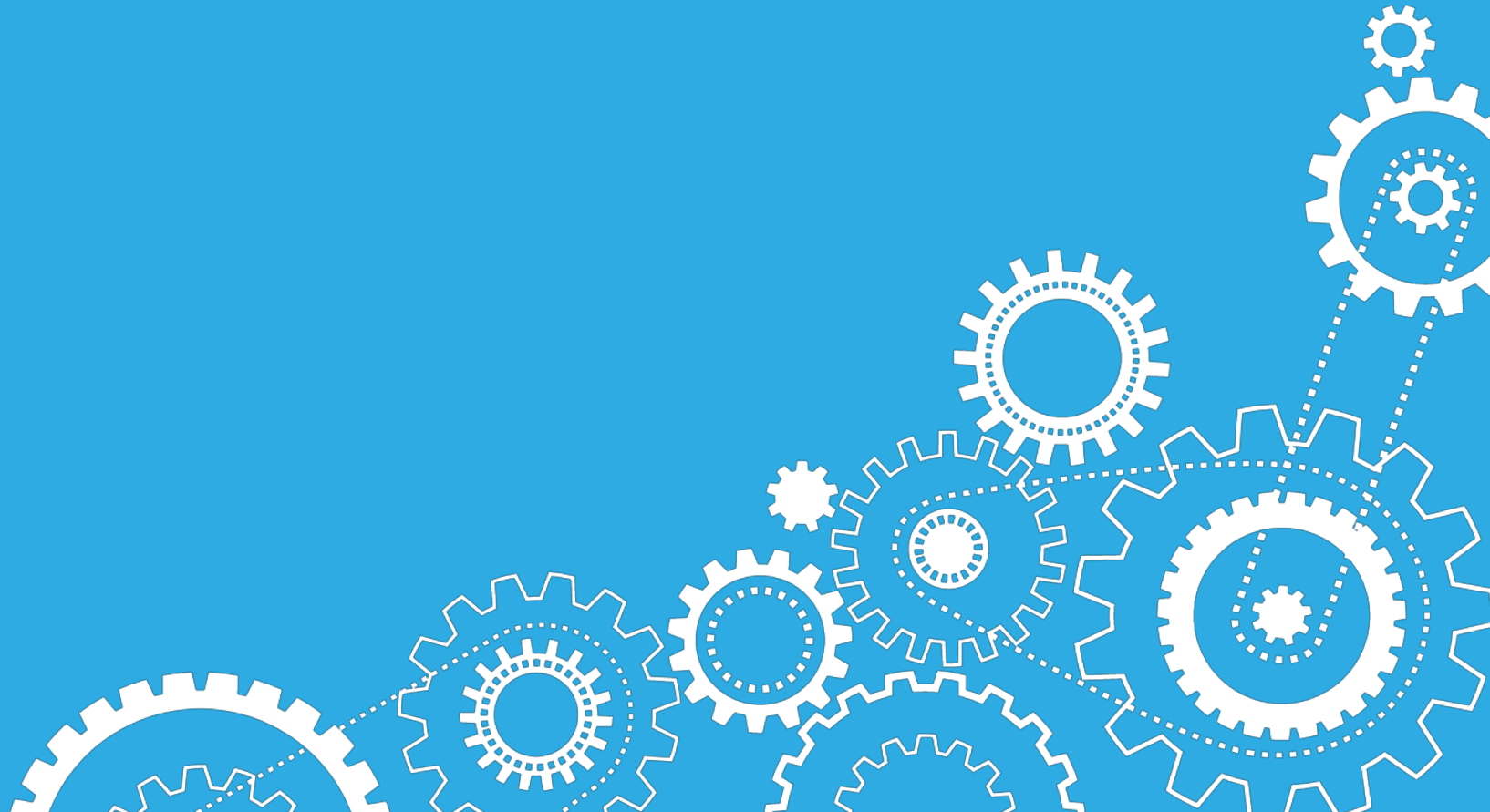


Driving long term value through our transformation strategy

Bart Adam
CFO

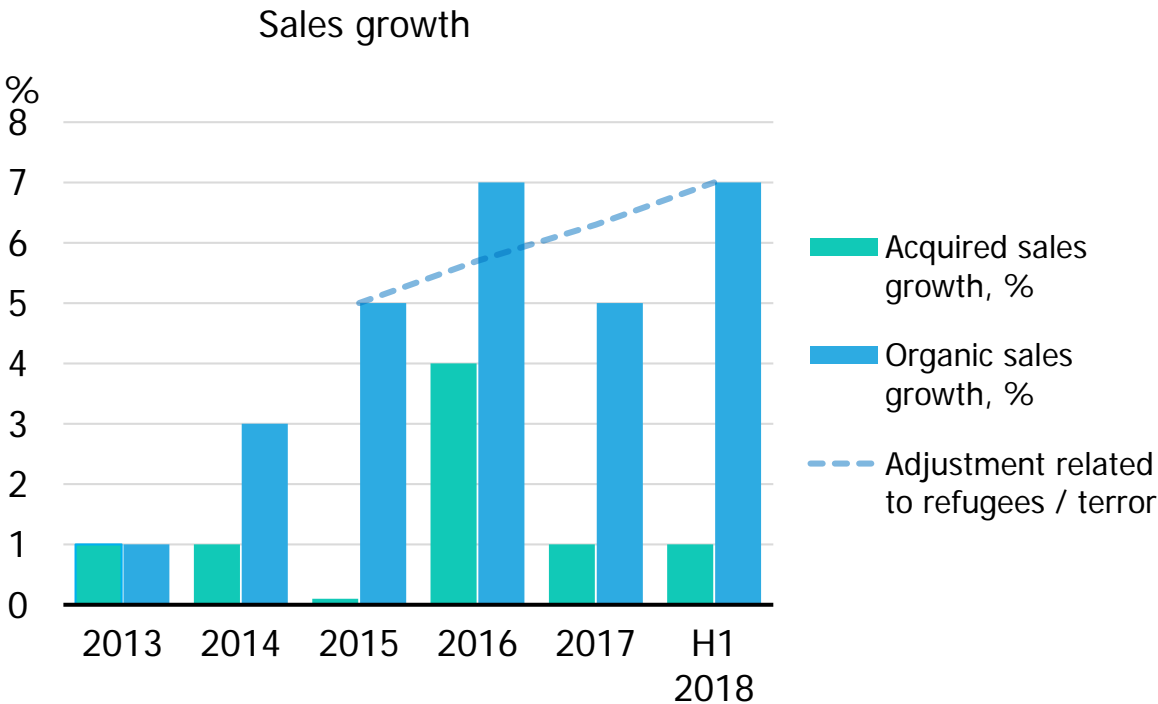
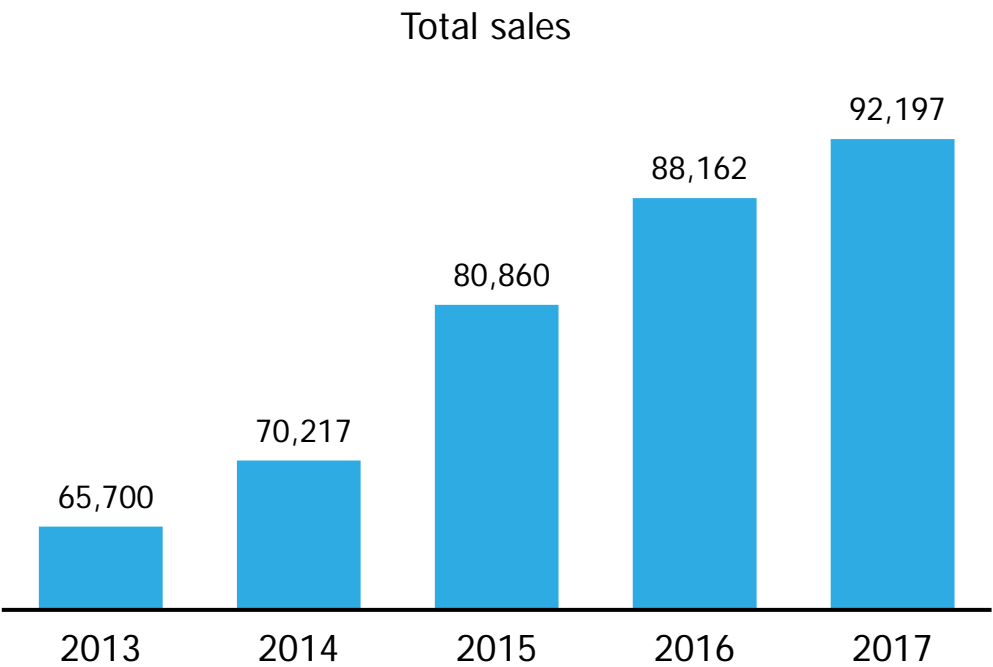


Clearly defined goals to drive long term shareholder value



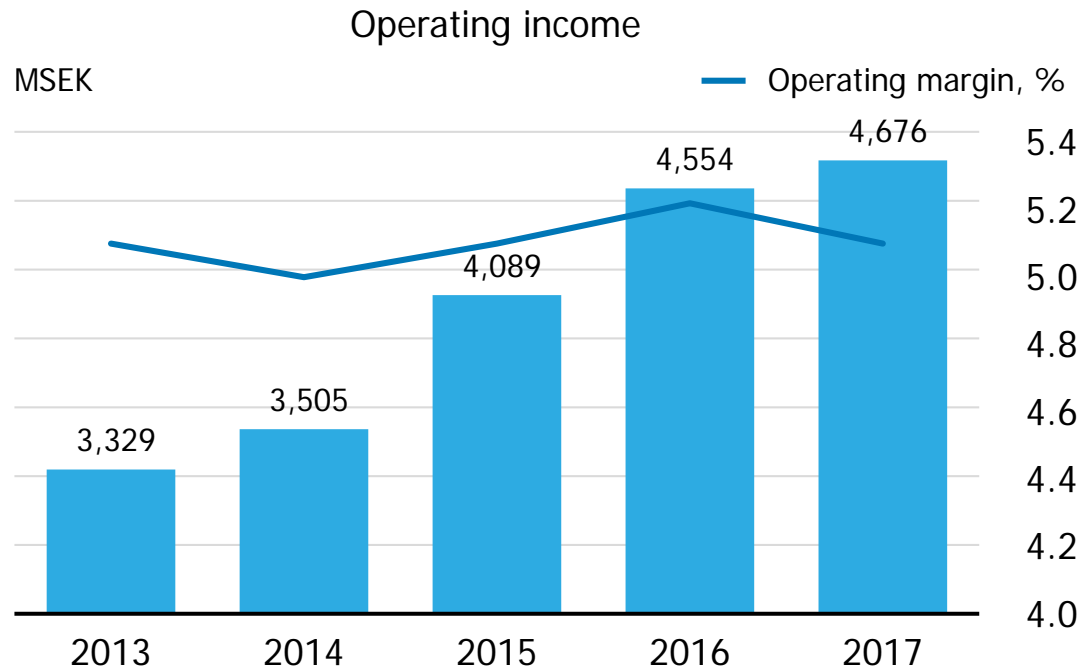
			2013	2014	2015	2016	2017
Income statement	1. Financial performance target Annual average increase in EPS of 10%	EPS real change	27%	8%	8%	9%	9%
Balance sheet	2. Financial stability target Free cash flow to net debt at least 0.20	Free cash flow to net debt	0.22	0.18	0.22	0.13	0.19
		Net debt to EBITDA	2.2	2.3	1.9	2.4	2.1
Return to shareholders	3. Dividend policy 50 to 60% of net income	Dividend in SEK	3.00	3.00	3.50	3.75	4.00
		As % of net income	59%	53%	52%	52%	53%
Growth strategy	4. Strategic development Accelerate growth in security solutions and electronic security	Growth of SS&ES (organic + acquired)	-	28%	38%	56%	19%

We have accelerated sales growth based on our strategic implementation...



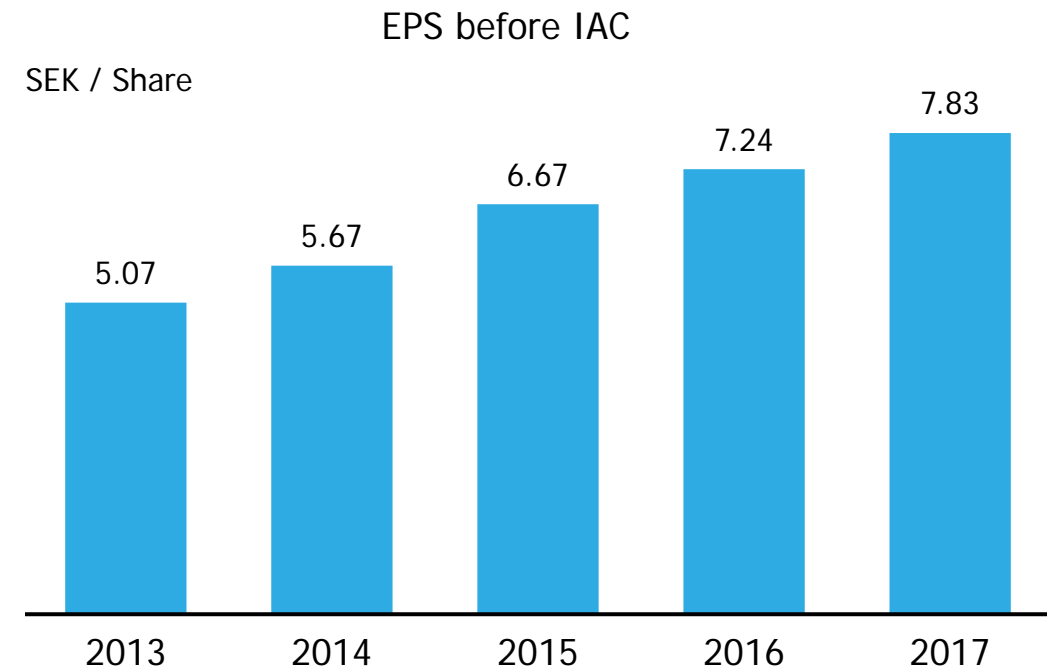
Average 2013-2017		
Organic growth	4.2	Strategic implementation gained speed with a positive effect on the on-site guarding.
Acquired growth	1.4	Mostly technology acquisitions enhancing our capabilities.

...delivering increased operating income with stable margins, and sustainable EPS growth



Different dynamics in different divisions

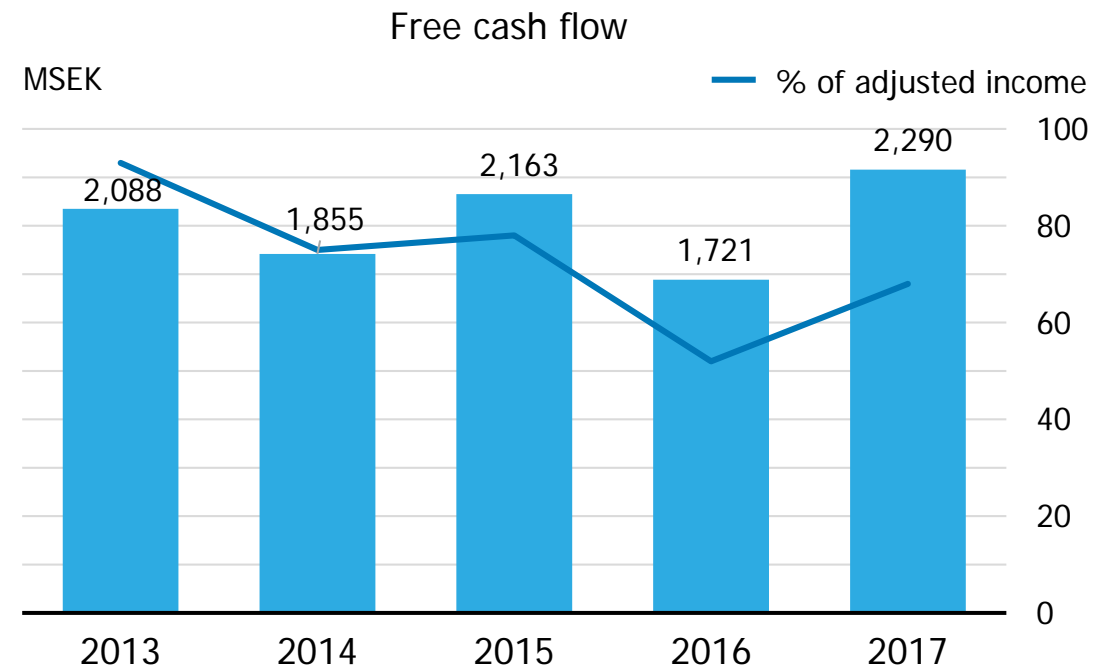
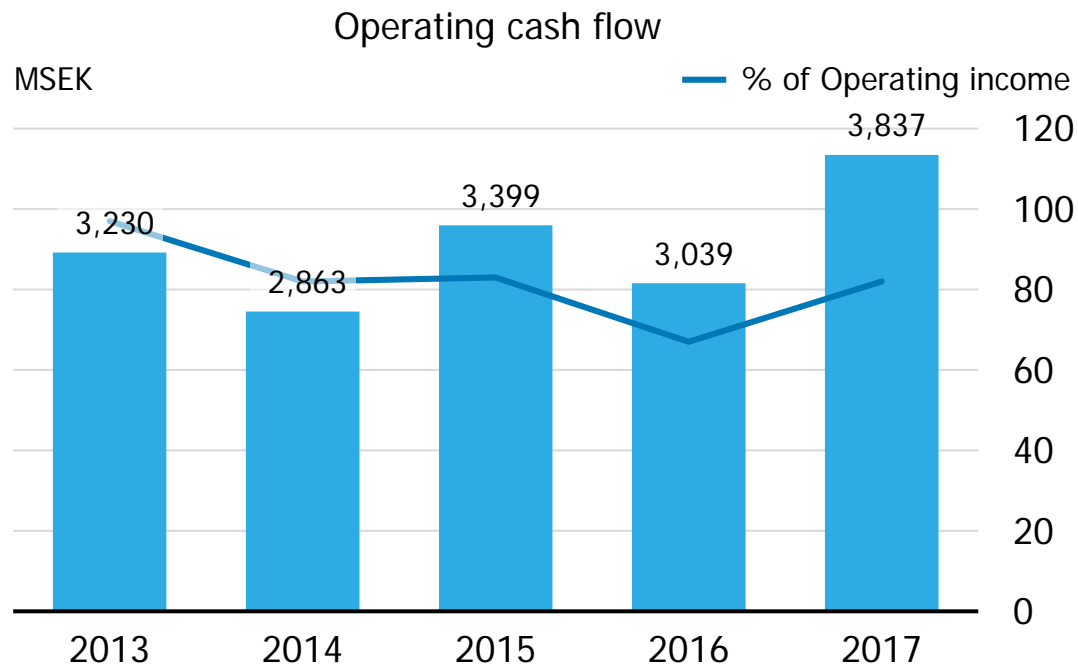
- SSNA OPM growth (from 5.1 to 5.9)
- SSEU OPM pressure (measures announced at Q2 2018 related to cost development)
- SSIA OPM suffering in Spain reversed



EPS real change

2013	2014	2015	2016	2017
27%	8%	8%	9%	9%

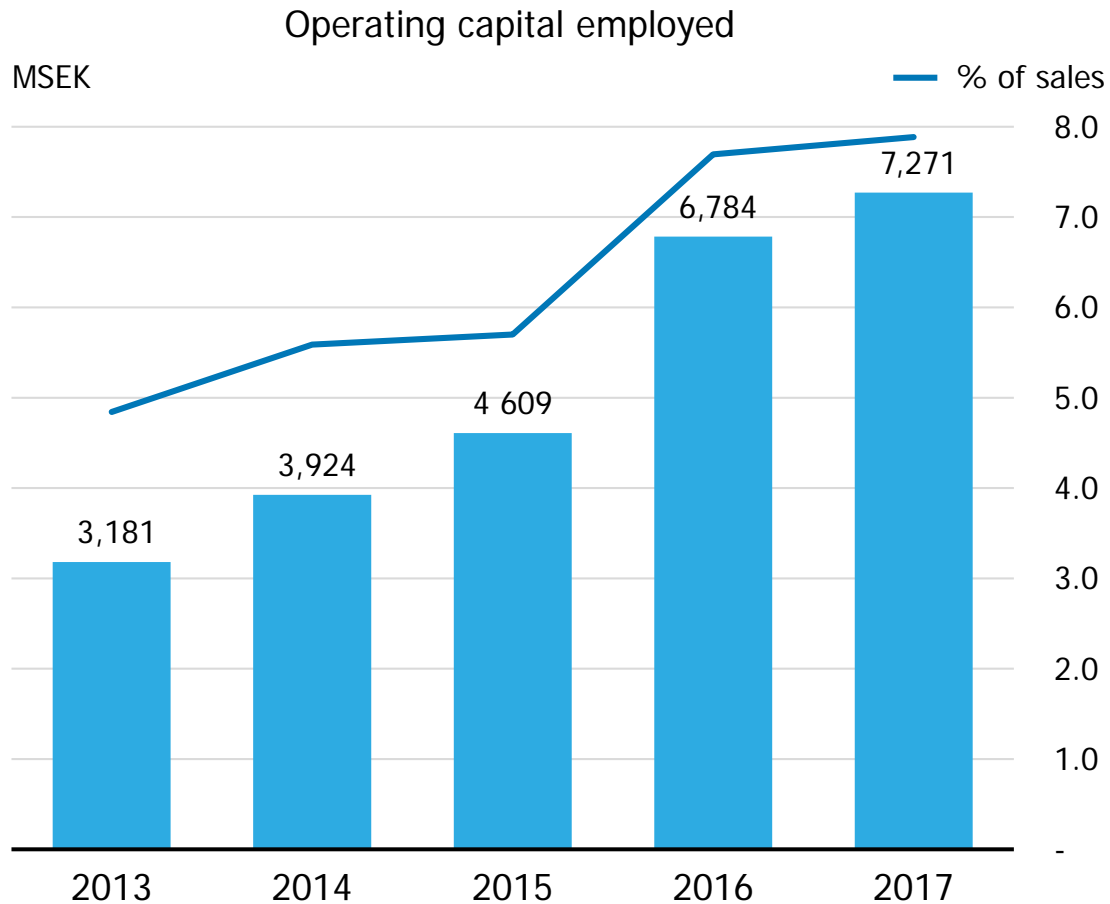
We have delivered good cash flow...



Average
2013-2017

Operating cash flow as of operating income	82%	<ul style="list-style-type: none"> • Throughout good cash flow • Organic growth requires cash together with investments into the strategy
Free cash flow as of adjusted income	73%	

...while investing in our transformation



Development 2013 – 2017

Equipment for solution contracts
Growth of electronic security business

Effect as %
of group sales

1.4 Strategy

Strong growth in "low employee related
accrual countries", combined with increased
organic growth during the period

0.9 Growth

Net defined benefit obligations reduced
because of active management

0.4 DBO

Reduced deferred tax assets offset by few
other items
Pressure on customer payment terms offset by
DSO process improvement initiatives

–

–

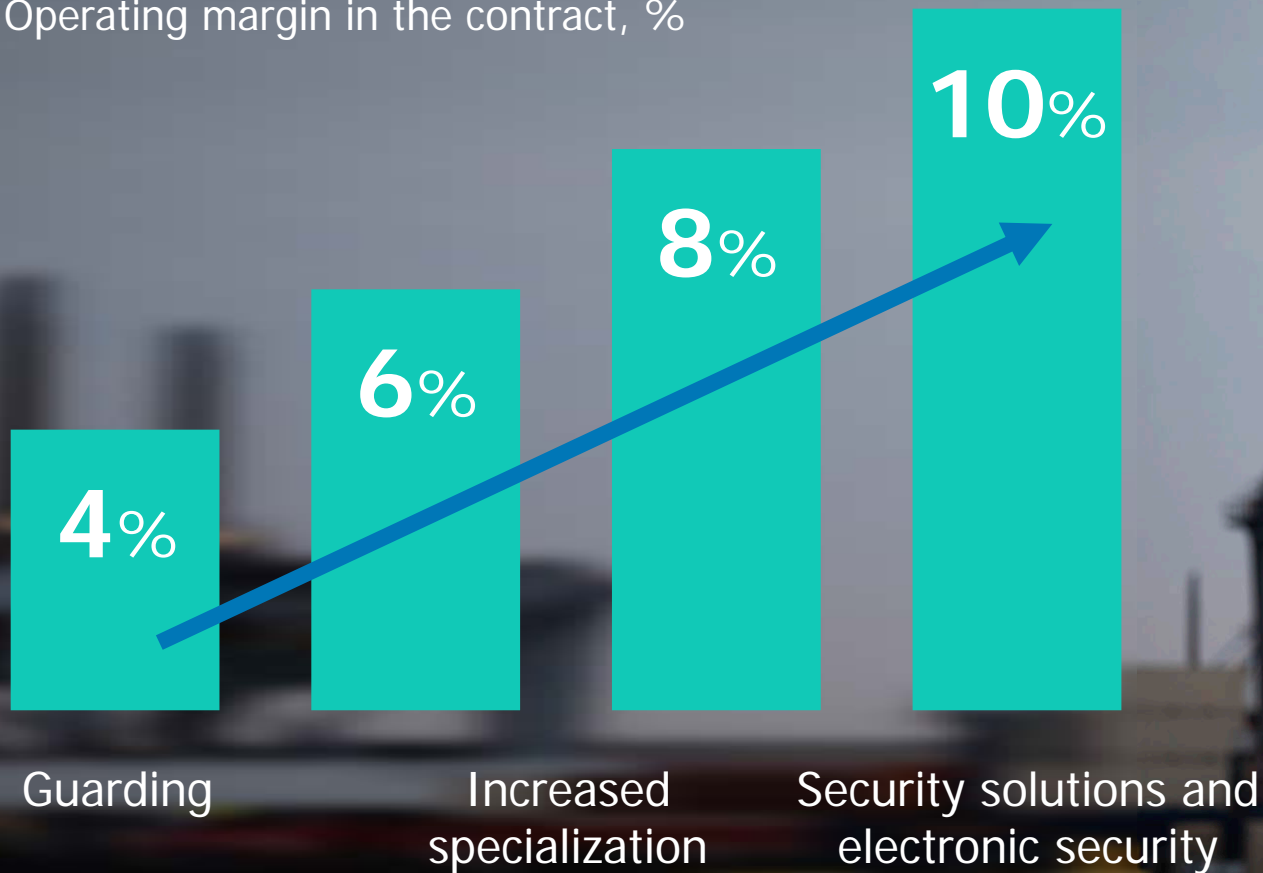
As of 2018: increase from IFRS 15, that is
activation of paid out sales commissions
As of 2019: increase from IFRS 16, effects not
quantified yet; EBITDA, operating cash-flow,
free cashflow and net debt also impacted

0.3 IFRS 15

TBQ IFRS 16

Our strategy implementation has been successful...

Operating margin in the contract, %



Guarding – Sales, BSEK

2013: 60.7 → 2017: 75.5

Security solutions and electronic security
– Sales, BSEK

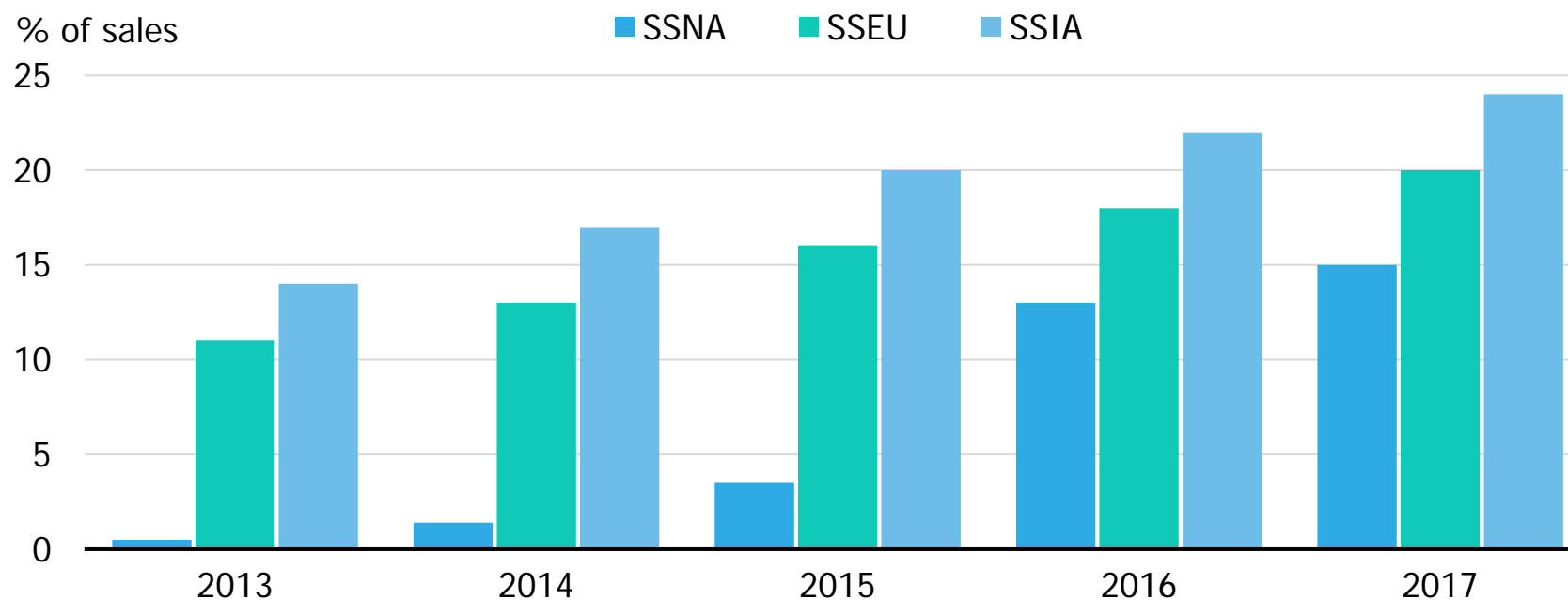
2013: 5.0 → 2017: 16.7



...generating double digit real growth for our security solutions and electronic security



	2013	2014	2015	2016	2017
Real growth y-o-y		+28%	+38%	+56%	+19%
Group, % of sales	8	9	11	16	18



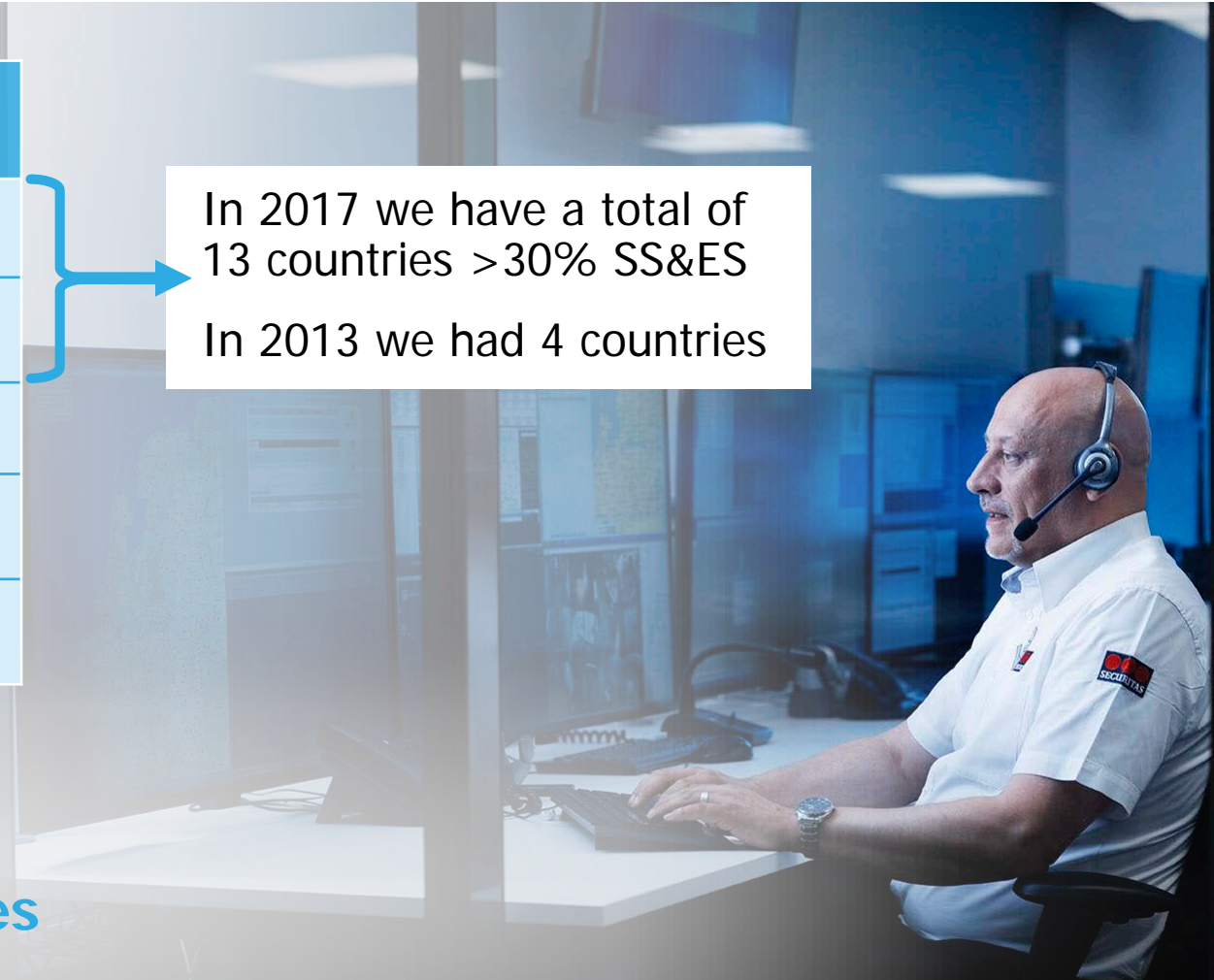
13 countries now have >30% of sales in security solutions and electronic security

SS&ES % of total sales*	2013	2017	Evolution
40-50%	-	3	+3
30-40%	4	10	+6
20-30%	5	8	+3
10-20%	6	14	+8
0-10%	36	16	-20

In 2017 we have a total of 13 countries >30% SS&ES
In 2013 we had 4 countries

* Measured for 51 relevant units

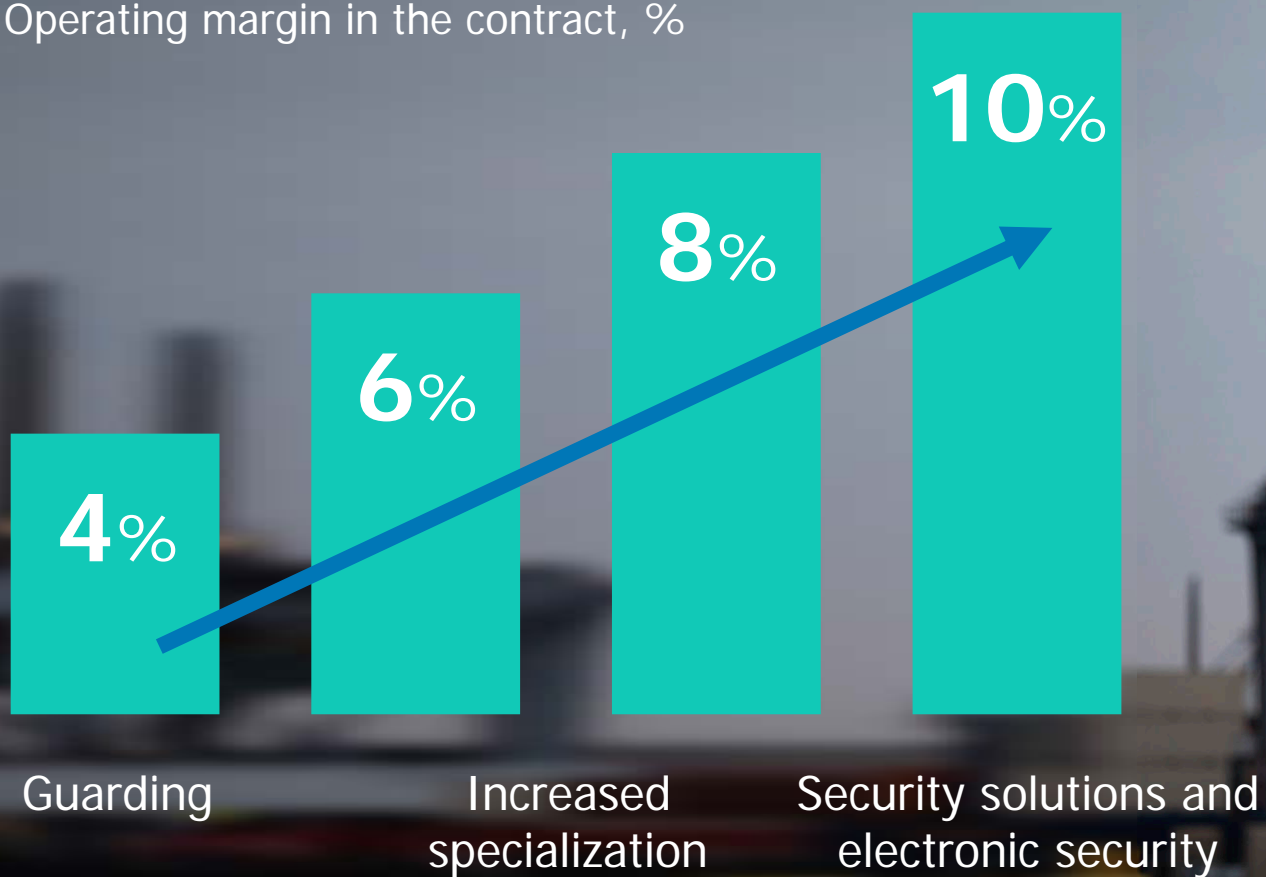
A strong evolution across countries, increasing security solutions and electronic security as a % of total sales



While the operating margin doubles in solutions contracts...



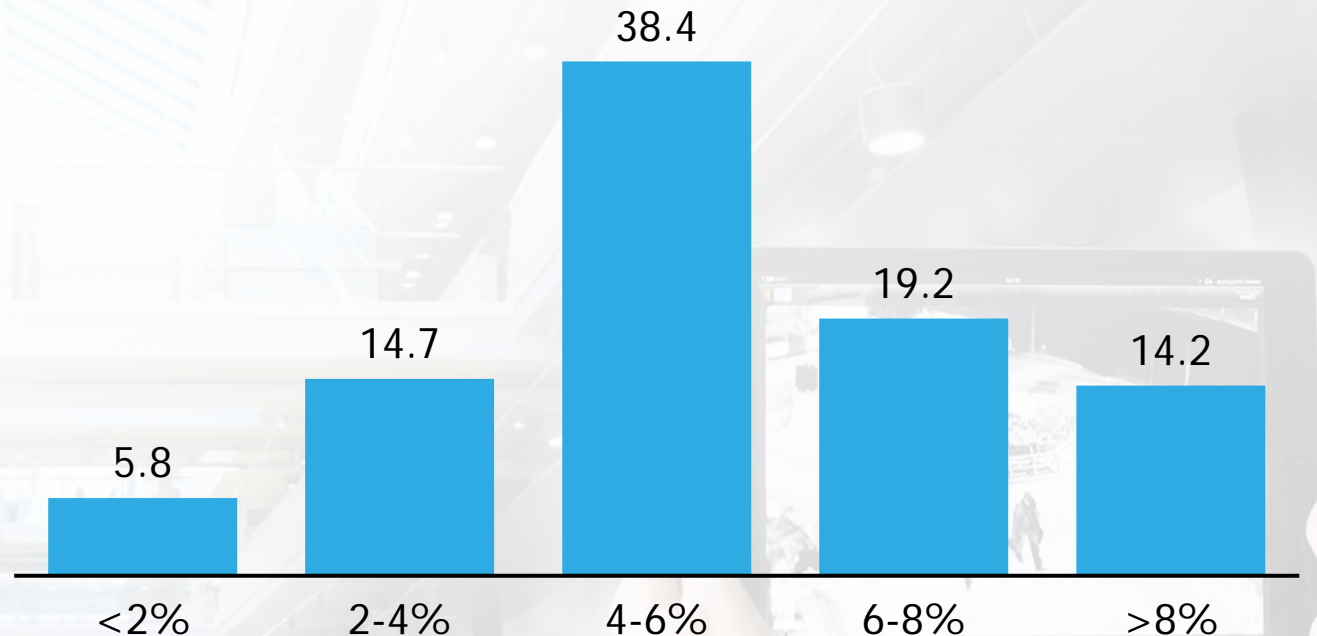
Operating margin in the contract, %



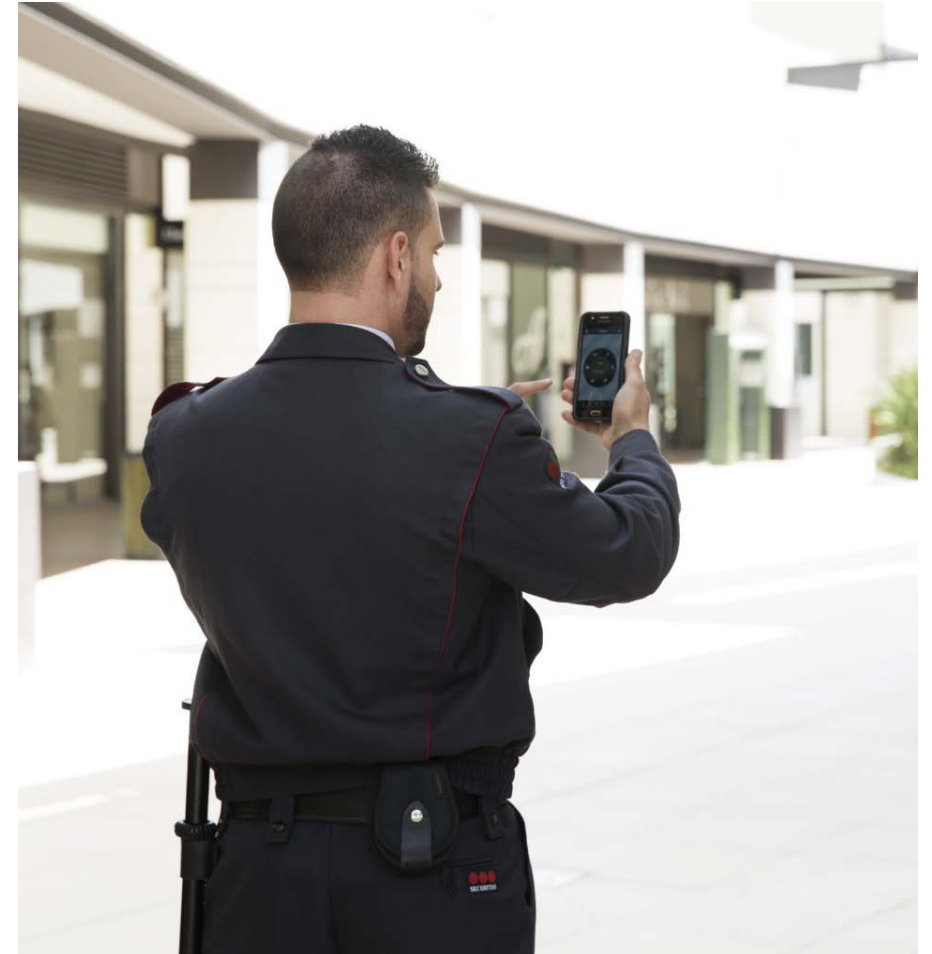
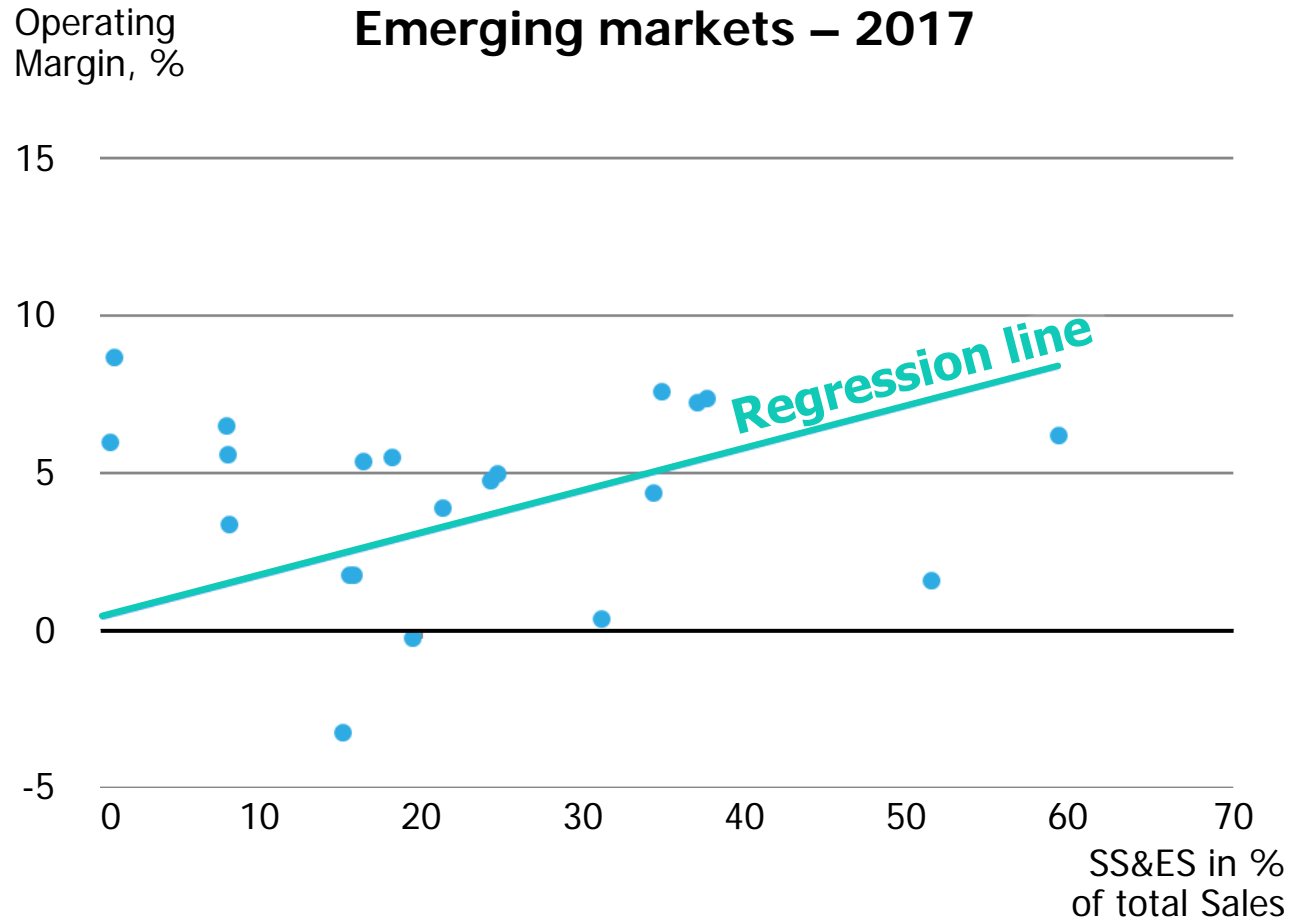
...there are other key margin drivers as well,
resulting in different levels of performance



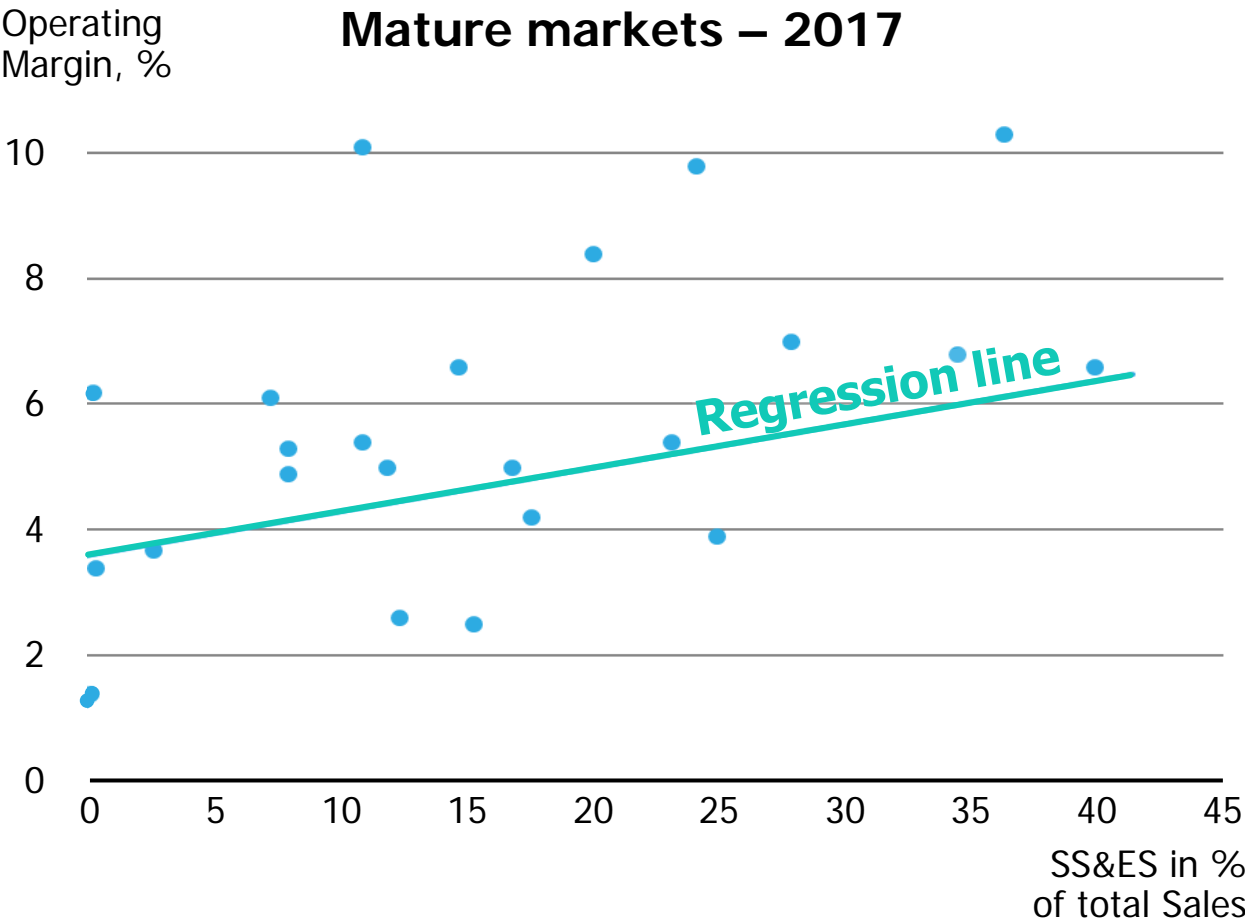
Distribution of sales in BSEK in countries / regions according to operating margin performance



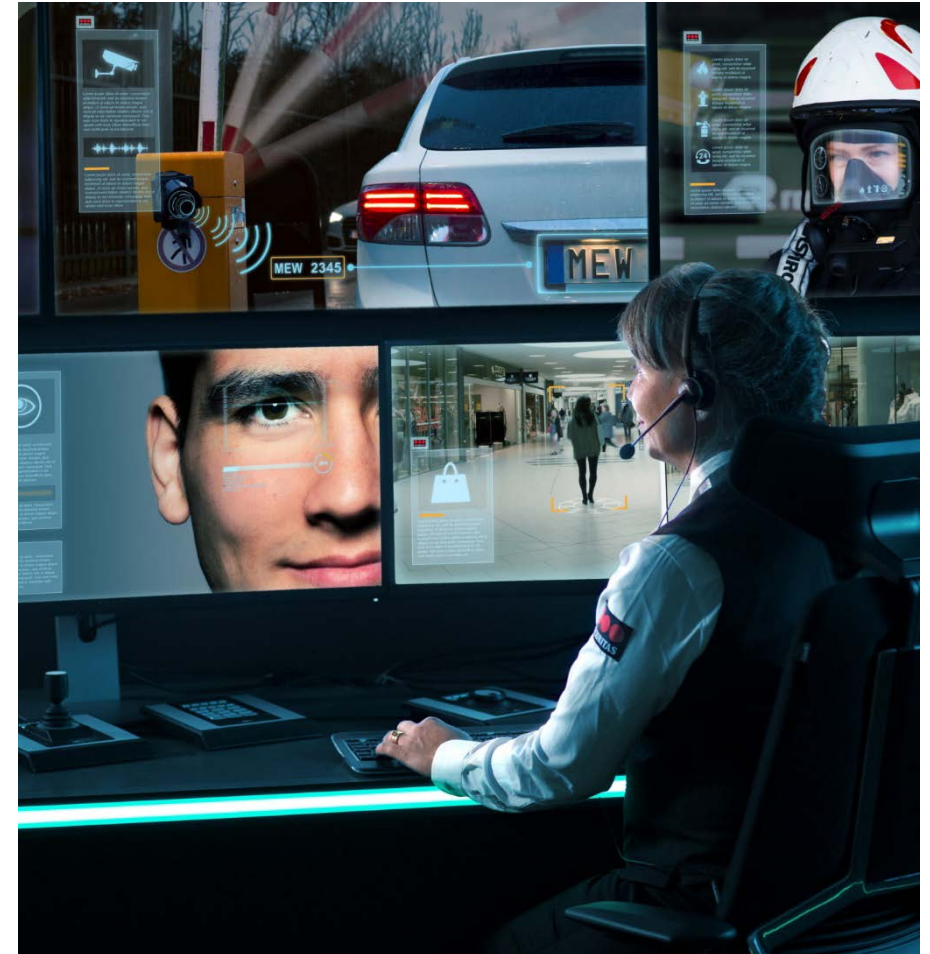
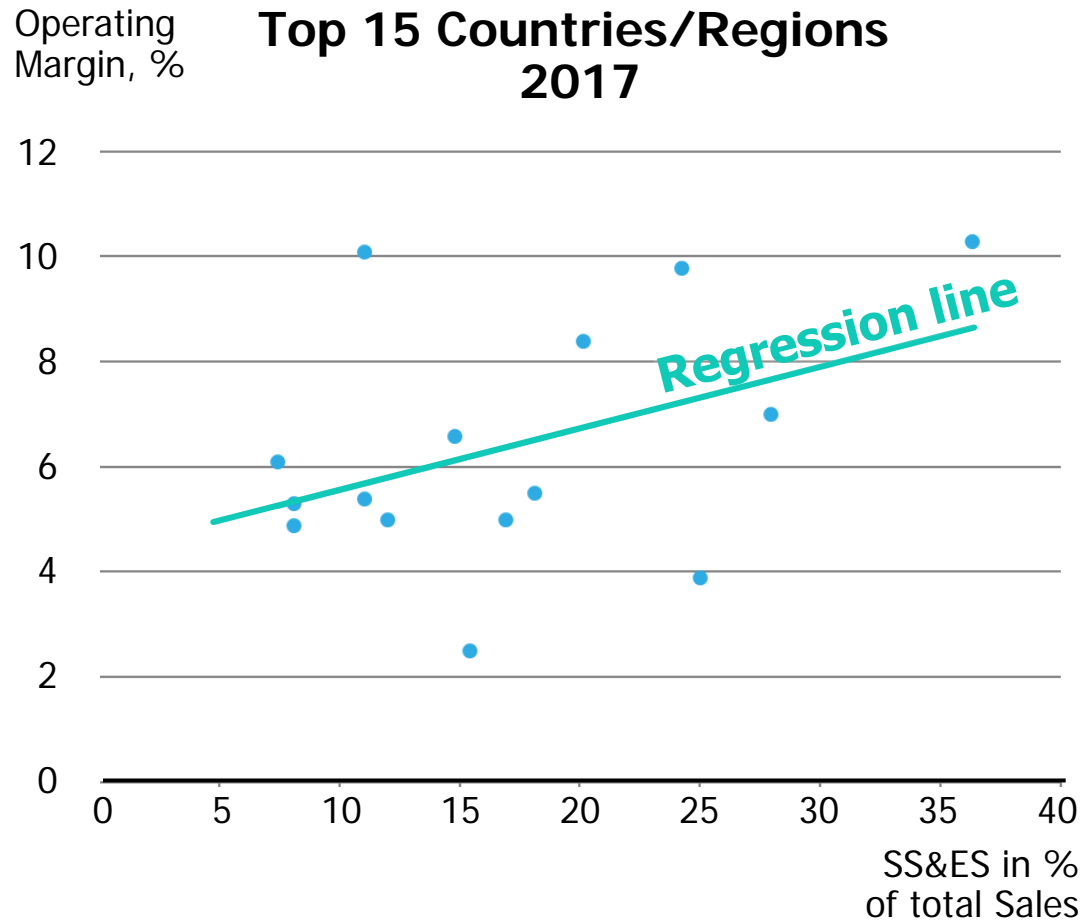
Operating margins and SS&ES sales show a positive correlation in emerging markets...



...as well as in mature markets



...and the same is evident in our top 15 markets

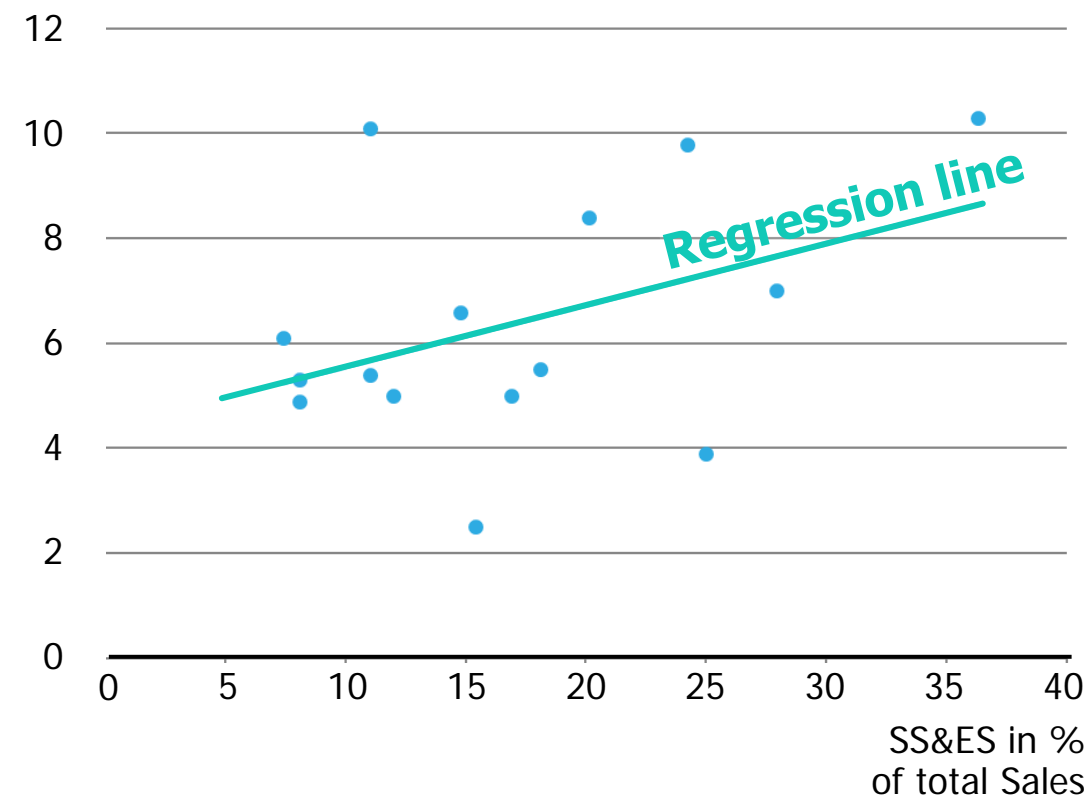


As a summary: different drivers, clear impact from security solutions and electronic security



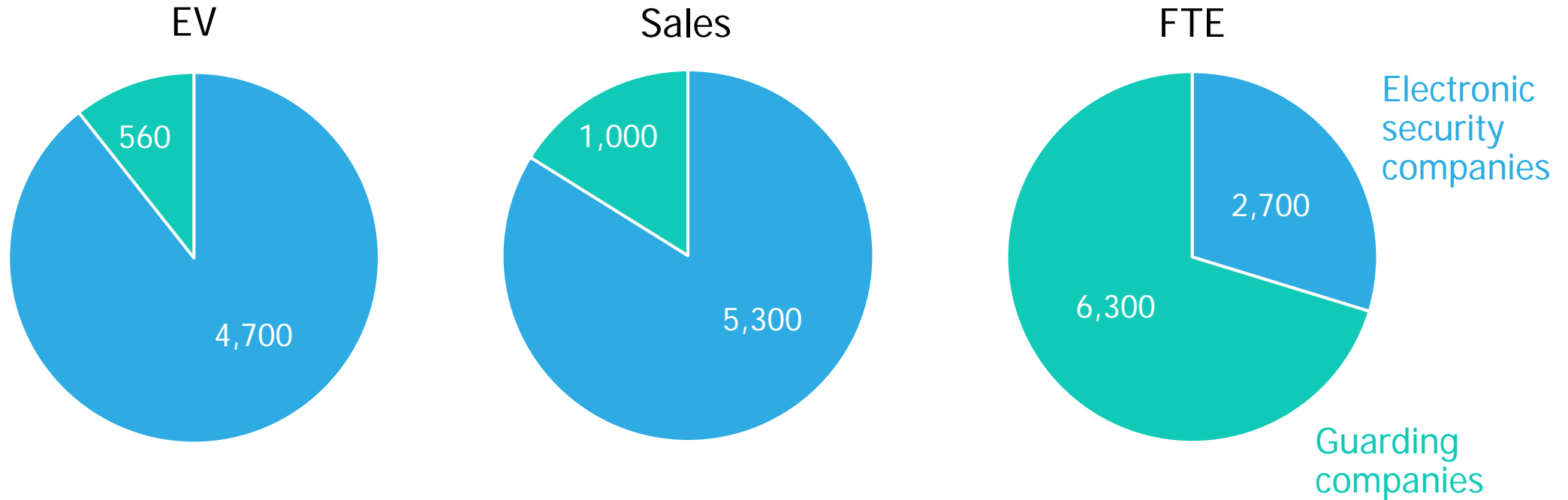
Operating
Margin, %

**Top 15 Countries/Regions
2017**



We have a focused acquisition strategy for growth...

Acquisitions 2013-2018 H1, MSEK (rounded)



Capability to further acquire and integrate

...backed up with solid financing

Recent funding activity

- MEUR 300 bond issued in March 2018, maturity March 2025 with coupon of 1.25%
- In replacement of maturing bond March 2018

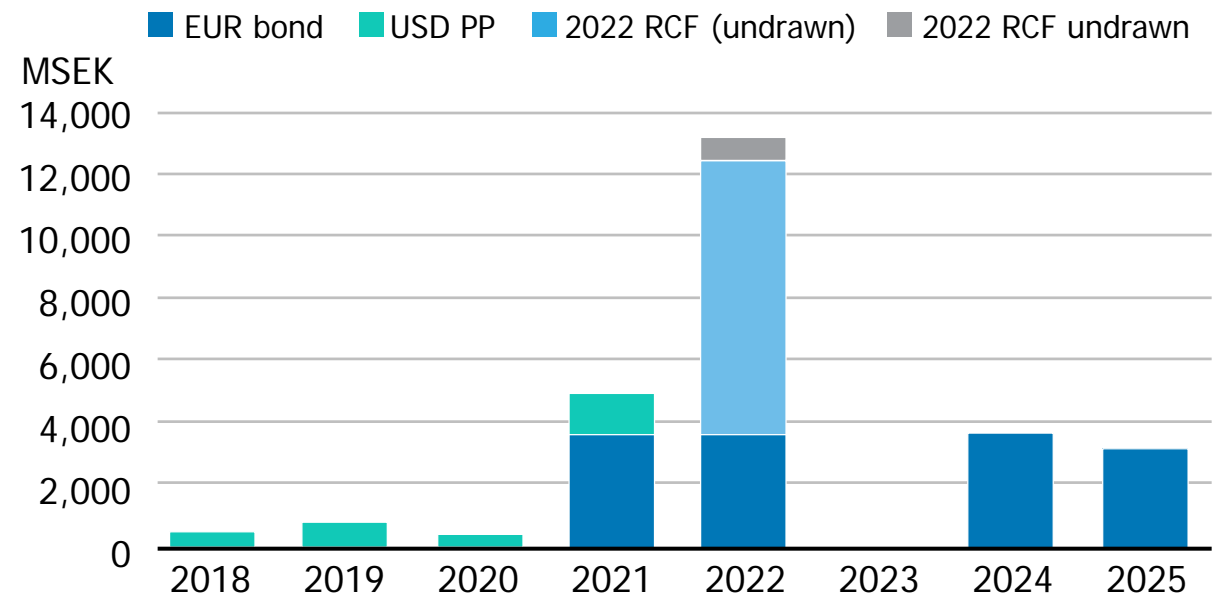
Committed to solid investment grade rating

- ✓ BBB, stable outlook
- ✓ Ample rating headroom
- ✓ Significant undrawn committed funding 8.8 BSEK
- ✓ No financial covenants

Strong Bank Group

BBVA	Danske	ING	SEB
Citibank	DnB	KBC	SocGen
Commerzbank	HSBC	Nordea	Unicredit

	2013	2014	2015	2016	2017
Net Debt, MSEK	9,610	10,422	9,863	13,431	12,333
Net Debt / EBITDA	2.2	2.3	1.9	2.4	2.1



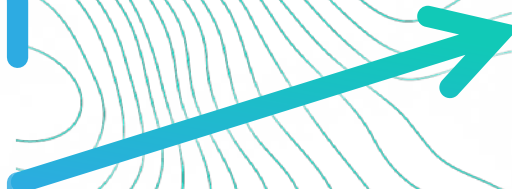
We are creating value

From 2013...

Building a tech
platform

To now ...

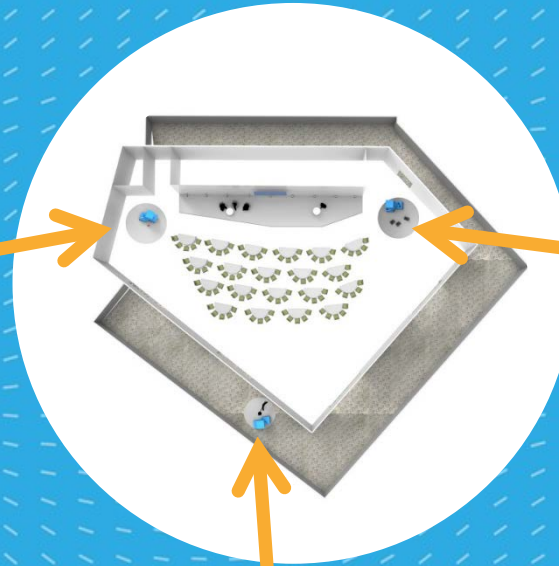
Leveraging the
tech platform for
future growth



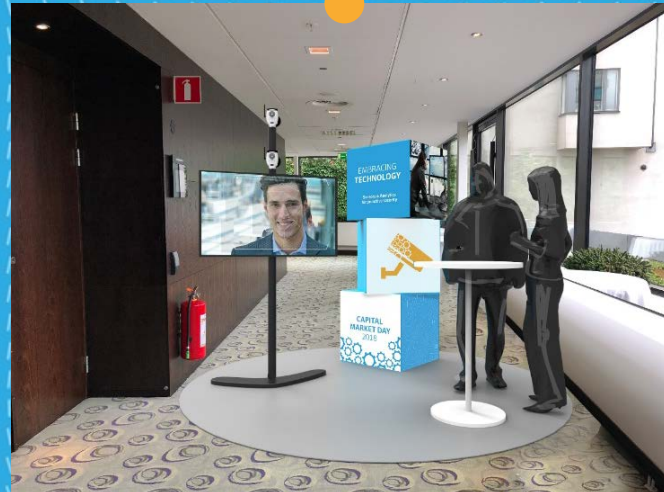
Break – 20 min – Experience stations



Virtual Reality for efficient training in Fire and Safety



Moving sensors/cameras



Sensors and analytics for proactive security

