

SECURITAS AB FULL YEAR REPORT

January–December 2020



OCTOBER–DECEMBER 2020

- Total sales MSEK 26 477 (28 257)
- Organic sales growth 1 percent (2)
- Operating income before amortization MSEK 1 404 (1 497)
- Operating margin 5.3 percent (5.3)
- Items affecting comparability (IAC) MSEK -422 (-83), relating to transformation programs and the cost-savings program in the Group
- Earnings per share SEK 1.45 (2.38)
- Earnings per share, before IAC, SEK 2.38 (2.54)
- Cash flow from operating activities 109 percent (124)

JANUARY–DECEMBER 2020

- Total sales MSEK 107 954 (110 899)
- Organic sales growth 0 percent (4)
- Operating income before amortization MSEK 4 892 (5 738)
- Operating margin 4.5 percent (5.2)
- Items affecting comparability (IAC) MSEK -640 (-209), relating to transformation programs and the cost-savings program in the Group
- Earnings per share SEK 6.63 (9.20)
- Earnings per share, before IAC, SEK 8.02 (9.61)
- Net debt/EBITDA 2.1 (2.2)
- Cash flow from operating activities 147 percent (85)
- Proposed dividend for 2020 of SEK 4.00 (4.80) per share
- Launch of business transformation program in Europe and Ibero-America

Comments from the President and CEO



Taking
the next
steps

The Group continued to show resilience in the face of the ongoing corona pandemic and ended this challenging year with positive organic sales growth of 1 percent (2) in the fourth quarter, driven by Security Services North America. The negative impact of the corona pandemic on the airport security business remains to be significant, primarily in Security Services Europe. Increased extra sales, focus on helping our clients with their security needs related to the corona pandemic, have offset some of the corona-related sales reductions in the contract portfolio. Organic sales growth for the full year was 0 percent (4).

Security solutions and electronic security sales was 22 percent (22) of total Group sales in the fourth quarter. The installation business within electronic security was negatively impacted by the corona pandemic throughout the year.

The Group's operating margin in the fourth quarter was on par with the preceding year at 5.3 percent (5.3). For the full year the operating margin was 4.5 percent (5.2), negatively impacted by the corona pandemic and the related increased provisioning to reflect the enhanced risk in the business environment. The negative impact was partly offset by cost-saving actions and government grants mostly as a compensation for temporary unemployment costs. The price and wage balance was on par in the year.

The operating result, adjusted for changes in exchange rates, increased by 4 percent in the fourth quarter while it declined by 10 percent over the full year.

The Group delivered a strong cash flow during the year, even when excluding the effects of corona-related government support measures. Supported by the Group's improving financial performance and solid financial position, the Board of Directors decided to reinstate the dividend proposal for 2019 of SEK 4.80 (4.40) per share which was resolved by an EGM in December.

Taking the next steps

At the beginning of the pandemic, we set an ambition to come out of this challenging period stronger and more focused. The corona pandemic presented all of us with an unprecedented challenge in 2020, but the Securitas team faced this demanding situation with great resilience and agility. During 2020, we executed on our transformation programs and took several actions to improve our focus and profitability.

In 2020 we initiated a cost-savings program in the Group, addressing profitability in parts of our business impacted by the corona pandemic. We previously estimated a range of restructuring costs of MSEK 350–500 with a payback period of two years. The first savings began to have an impact in the fourth quarter and will gradually increase going forward. The final amount of restructuring will largely depend on changes related to government grants and the performance of the airport security business. We expect to finalize the program at the end of the second quarter of 2021.

The business transformation in North America and the global IS/IT transformation initiated in 2019 are progressing well and are expected to be finalized according to plan by the end of 2021, in line with achieving

the financial benefits of the programs by 2022. We are now taking the next major step by launching a business transformation program in our two other segments – Europe and Ibero-America. These activities represent significant investments in the execution of our strategy, and we expect to see important benefits as a result. We will enhance the value proposition to our clients and our people. We will be able to benefit more from our scale and from common ways of working. These programs are driven by our strong ambition to change the business mix and to improve our margins.

During 2020, we acquired electronic security companies in eight focus markets. The integration of the five companies acquired from Stanley is progressing well and in December we announced the acquisition of the high-quality FE Moran business in the US. These acquisitions will greatly enhance our offering to our clients and contribute to our ambition to double our security solutions and electronic security business.

We have decided to leave 11 smaller countries where we deem the current and future business opportunities to be limited. We have by now already exited or are close to exiting from nine countries and expect this to be finalized by mid 2021.

While we continue to face high-level of uncertainty related to the corona pandemic at the beginning of 2021, we enter the year stronger and more focused and with a clear agenda for pursuing the next steps of our transformation.

Magnus Ahlqvist
President and CEO

Contents

January–December summary	2
Group development	3
Development in the Group's business segments	5
Cash flow	8
Capital employed and financing	9
Acquisitions and divestitures	10
Other significant events	12
Risks and uncertainties	12
Parent Company operations	13
Review Report	14
Consolidated financial statements	15
Segment overview	19
Notes	21
Parent Company	26
Financial information	27

January–December summary

FINANCIAL SUMMARY

MSEK	Q4		Change, %		Full year		Change, %	
	2020	2019	Total	Real	2020	2019	Total	Real
Sales	26 477	28 257	-6	3	107 954	110 899	-3	1
Organic sales growth, %	1	2			0	4		
Operating income before amortization	1 404	1 497	-6	4	4 892	5 738	-15	-10
Operating margin, %	5.3	5.3			4.5	5.2		
Amortization of acquisition related intangible assets	-79	-68			-286	-271		
Acquisition related costs	-47	-28			-137	-62		
Items affecting comparability*	-422	-83			-640	-209		
Operating income after amortization	856	1 318	-35	-25	3 829	5 196	-26	-22
Financial income and expenses	-118	-140			-500	-578		
Income before taxes	738	1 178	-37	-31	3 329	4 618	-28	-23
Net income for the period	524	872	-40	-33	2 416	3 362	-28	-24
Earnings per share, SEK	1.45	2.38	-39	-33	6.63	9.20	-28	-23
EPS before items affecting comparability, SEK	2.38	2.54	-6	1	8.02	9.61	-17	-12
Cash flow from operating activities, %	109	124			147	85		
Free cash flow	1 420	1 428			5 944	3 268		
Net debt to EBITDA ratio	-	-			2.1	2.2		

* Refer to note 6 on page 23 for further information.

EARNINGS PER SHARE AND KEY RATIOS FOR CASH FLOW AND NET DEBT

Earnings per share amounted to SEK 6.63 (9.20), a total change of -28 percent compared with the preceding year. The real change in earnings per share in 2020 was -23 percent. EPS before items affecting comparability amounted to SEK 8.02 (9.61), representing a total change of -17 percent compared with the preceding year and a real change of -12 percent in 2020.

Cash flow from operating activities was 147 percent (85). The net debt to EBITDA ratio was 2.1 (2.2). For further information, refer to note 4 on page 22.

ANNUAL GENERAL MEETING 2021

The Annual General Meeting (AGM) of Securitas AB will be held on Wednesday, May 5, 2021.

Refer to www.securitas.com/en/corporate-governance for more information regarding the 2021 AGM. The 2020 Annual and Sustainability Report of Securitas AB will be published on www.securitas.com on March 25, 2021.

PROPOSED DIVIDEND

The Board of Directors proposes a dividend for 2020 of SEK 4.00 (4.80) per share. The total proposed dividend amounts to 60 percent of net income and 50 percent of net income before items affecting comparability. Friday, May 7, 2021 is proposed as the record date for the dividend.

ORGANIC SALES GROWTH AND OPERATING MARGIN DEVELOPMENT PER BUSINESS SEGMENT

%	Organic sales growth				Operating margin			
	Q4		Full year		Q4		Full year	
	2020	2019	2020	2019	2020	2019	2020	2019
Security Services North America	4	2	2	4	6.4	6.1	5.9	6.2
Security Services Europe	-1	1	-2	2	6.0	6.1	4.6	5.5
Security Services Ibero-America	-1	10	2	14	5.3	4.8	4.5	4.7
Group	1	2	0	4	5.3	5.3	4.5	5.2

Group development

OCTOBER-DECEMBER 2020

Sales development

Sales amounted to MSEK 26 477 (28 257) and organic sales growth to 1 percent (2). The decline is due to the negative impacts of the corona pandemic through reduced service levels, mainly in the aviation segment, and lower installation sales. Increased extra sales which amounted to 17 percent (14) of total sales offset most of this decline. Security Services North America delivered organic sales growth of 4 percent (2) with positive impacts from the Guarding and Critical Infrastructure Services business units. Security Services Europe had -1 percent (1), negatively impacted by reduced airport security including the previously communicated contract loss in Norway. Security Services Ibero-America had -1 percent (10), a decline primarily related to Argentina, Peru and Spain.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 3 percent (3).

Sales of security solutions and electronic security sales amounted to MSEK 5 883 (6 145) or 22 percent (22) of total sales in the fourth quarter. Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 4 percent (7).

Operating income before amortization

Operating income before amortization was MSEK 1 404 (1 497) which, adjusted for changes in exchange rates, represented a real change of 4 percent (-2). The operating income was supported by corona-related government grants and support of approximately MSEK 230 in the quarter. These grants and support measures relate primarily to partial unemployment support where there are increased cost levels due to idle time. The operating income was hampered by increased levels of provisioning of approximately MSEK 80 to reflect the increased risk in the business environment throughout the Group, relating primarily to outstanding accounts receivable.

The Group's operating margin was 5.3 percent (5.3). Security Services North America and Security Services Ibero-America contributed to the operating margin, while Security Services Europe and the Other segment hampered the development. In the segment Other a higher amount of external fees were recognized in the fourth quarter versus a normal run rate. The corona pandemic impacted all business segments to varying degrees, but grants, support measures and short-term cost-saving actions mitigated the negative impact.

Operating income after amortization

Amortization of acquisition related intangible assets amounted to MSEK -79 (-68).

Acquisition related costs were MSEK -47 (-28). For further information refer to note 5.

Items affecting comparability were MSEK -422 (-83), related to the cost-savings program in the Group announced in the second quarter of 2020 and to the previously and newly announced transformation programs. The decided exit from 11 countries resulted in an expected net loss of MSEK -117, also included in items affecting comparability above. For further information refer to Acquisitions and Divestitures on page 10 and note 6.

Financial income and expenses

Financial income and expenses amounted to MSEK -118 (-140). The financial income and expenses were positively impacted by the favorable net debt development and the exchange rates for interest income and expenses.

Income before taxes

Income before taxes amounted to MSEK 738 (1 178).

Taxes, net income and earnings per share

The Group's tax rate was 29.0 percent (26.0). The increase compared to last year is due to a higher full year tax rate and the impact from non-deductible capital losses and impairment of assets relating to the decided exit from 11 countries. The tax rate before tax on items affecting comparability was 25.3 percent (26.3).

Net income was MSEK 524 (872).

Earnings per share amounted to SEK 1.45 (2.38). Earnings per share before items affecting comparability amounted to SEK 2.38 (2.54).

JANUARY-DECEMBER 2020

Sales development

Sales amounted to MSEK 107 954 (110 899) and organic sales growth to 0 percent (4). All business segments were negatively impacted by the corona pandemic, but to some extent offset by increased extra sales which amounted to 16 percent (14) of total sales. Organic sales growth in Security Services North America was 2 percent (4), with the decline mainly attributable to the Electronic Security and Critical Infrastructure Services business units. Security Services Europe had -2 percent (2), with a significant corona-related impact from reduced airport security as well as previously communicated contract terminations. Security Services Ibero-America declined to 2 percent (14), primarily related to Argentina, Peru and Spain.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 1 percent (6).

Sales of security solutions and electronic security sales amounted to MSEK 23 478 (23 290) or 22 percent (21) of total sales for the full year. Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 5 percent (10).

Operating income before amortization

Operating income before amortization was MSEK 4 892 (5 738) which, adjusted for changes in exchange rates, represented a real change of -10 percent (3). The operating income was supported by corona-related government grants and support measures of MSEK 780 in 2020, mostly within Security Services Europe. These grants and support measures relate primarily to partial unemployment support where there are increased cost levels due to idle time. The operating income was hampered by increased levels of provisioning of MSEK 530 to reflect the increased risk in the business environment mainly related to employee benefits and the collection of outstanding accounts receivable.

The Group's operating margin was 4.5 percent (5.2). While the corona pandemic impacted all business segments to varying degrees, the main negative impact occurred in Security Services Europe. Continued strategy-related investments at Group level and external fees in the fourth quarter, included under Other in the segment reporting, also impacted the Group's operating margin. Total price adjustments in the Group were on par with wage cost increases in 2020.

Operating income after amortization

Amortization of acquisition related intangible assets amounted to MSEK -286 (-271).

Acquisition related costs totaled MSEK -137 (-62). For further information refer to note 5.

Items affecting comparability were MSEK -640 (-209), related to the cost-savings program in the Group announced in the second quarter of 2020 and to the previous and newly announced transformation programs. The decided exit from 11 countries resulted in an expected net loss of MSEK -117, also included in items affecting comparability above. For further information refer to Acquisitions and Divestitures on page 10 and note 6.

Financial income and expenses

Financial income and expenses amounted to MSEK -500 (-578). The financial income and expenses were positively impacted by the favourable net debt development and the exchange rates for interest income and expenses but also by a non-recurring foreign currency gain that was realized in the third quarter.

Income before taxes

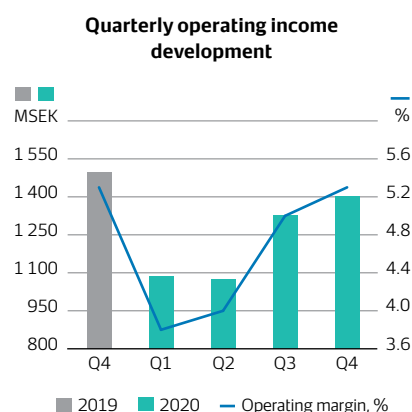
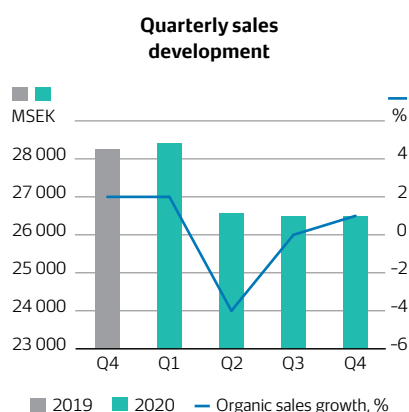
Income before taxes amounted to MSEK 3 329 (4 618).

Taxes, net income and earnings per share

The Group's tax rate was 27.4 percent (27.2). The tax rate before tax on items affecting comparability was 26.4 percent (27.2).

Net income was MSEK 2 416 (3 362).

Earnings per share amounted to SEK 6.63 (9.20). Earnings per share before items affecting comparability amounted to SEK 8.02 (9.61).



Development in the Group's business segments

Security Services North America

Security Services North America provides protective services in the US, Canada and Mexico. The operations in the US are organized in four specialized units – Guarding, Electronic Security, Pinkerton Corporate Risk Management and Critical Infrastructure Services. Guarding includes on-site, mobile and remote guarding and the unit for global and national accounts, as well as Canada and Mexico. There are also specialized client segment units, such as aviation, healthcare, manufacturing and oil and gas.

MSEK	Q4		Change, %		Full year		Change, %	
	2020	2019	Total	Real	2020	2019	Total	Real
Total sales	11 568	12 389	-7	5	47 801	48 499	-1	2
Organic sales growth, %	4	2			2	4		
Share of Group sales, %	44	44			44	44		
Operating income before amortization	740	752	-2	12	2 800	3 003	-7	-2
Operating margin, %	6.4	6.1			5.9	6.2		
Share of Group operating income, %	53	50			57	52		

October-December 2020

Organic sales growth was 4 percent (2). The improvement in organic sales growth was primarily related to the Guarding and Critical Infrastructure Services business units. The business unit Guarding was able to compensate temporarily reduced portfolio sales with increased extra sales, both corona-related. Sales in Critical Infrastructure Services also benefited from corona-related extra sales in the fourth quarter, which included some retroactive billing. Pinkerton Corporate Risk Management contributed to the improvement, while Electronic Security was hampered by the installation business. Extra sales in the business segment amounted to 19 percent (13) of total sales.

Security solutions and electronic security sales represented MSEK 1 948 (2 319) or 17 percent (19) of total sales in the business segment in the fourth quarter.

The operating margin was 6.4 percent (6.1). The improvement related primarily to the Guarding and Critical Infrastructure Services business units. The operating margin in Guarding continued to be supported by the corona-related change in the business mix with an increased share of extra sales. The operating margin in Critical Infrastructure Services was positively impacted by corona-related extra sales referred to above. Pinkerton Corporate Risk Management also contributed to the improvement, as did continued cost-saving measures. The operating income was hampered by increased levels of provisioning to reflect the increased risk in the business environment, relating primarily to outstanding accounts receivable.

The Swedish krona exchange rate strengthened against the US dollar, which had a negative effect on operating income in Swedish kronor. The real change was 12 percent (0) in the fourth quarter.

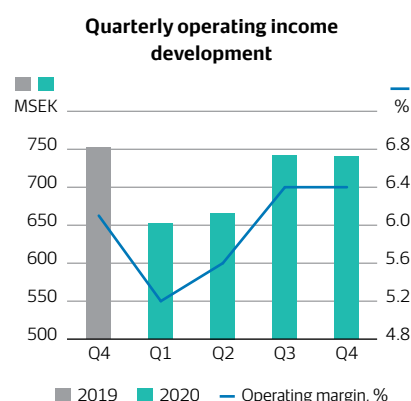
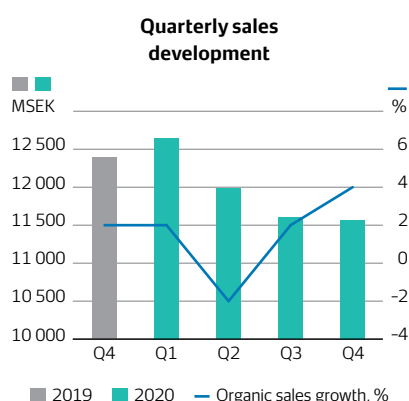
January-December 2020

Organic sales growth was 2 percent (4). The negative impacts of the corona pandemic on a full-year basis were primarily seen in the Electronic Security and Critical Infrastructure Services business units. Organic sales growth in Guarding was on par with the preceding year, since the business unit was able to compensate temporarily reduced portfolio sales with increased extra sales, both corona-related. The client retention rate was 91 percent (90), excluding the effect of corona-related temporary reductions.

Security solutions and electronic security sales represented MSEK 8 365 (8 885) or 17 percent (18) of total sales in the business segment in 2020.

The operating margin was 5.9 percent (6.2), a decline primarily related to the effects of the corona pandemic with enhanced levels of provisioning to reflect the increased risk in the business environment. The sales decline in the Electronic Security and Critical Infrastructure Services business units also hampered the operating margin, while Guarding was supported as a result of the corona-related change in the business mix with an increased share of extra sales.

The Swedish krona exchange rate strengthened against the US dollar, which had a negative effect on operating income in Swedish kronor. The real change was -2 percent (8) in 2020.



Security Services Europe

Security Services Europe provides protective services across Europe with operations in 27 countries, whereof 15 countries provide airport security. The full range of protective services includes on-site, mobile and remote guarding, electronic security, fire and safety services and corporate risk management. In addition there is a specialized unit for global client contracts.

MSEK	Q4		Change, %		Full year		Change, %	
	2020	2019	Total	Real	2020	2019	Total	Real
Total sales	11 321	12 057	-6	-1	45 188	47 248	-4	-2
Organic sales growth, %	-1	1			-2	2		
Share of Group sales, %	43	43			42	43		
Operating income before amortization	682	730	-7	-3	2 069	2 582	-20	-17
Operating margin, %	6.0	6.1			4.6	5.5		
Share of Group operating income, %	49	49			42	45		

October-December 2020

Organic sales growth was -1 percent (1), mainly due to the impact of the corona pandemic on airport security. Previously communicated contract loss in Norway also hampered organic sales growth. The negative development was partly offset by increased extra sales, primarily corona-related. Extra sales were 18 percent (17) of total sales in the business segment.

Security solutions and electronic security sales represented MSEK 2 867 (2 881) or 25 percent (24) of total sales in the business segment.

The operating margin was 6.0 percent (6.1). The decline related primarily to the effects of the corona pandemic on airport security. Corona-related government grants in several countries have offset this negative impact to some extent, including related idle-time costs. The operating income was hampered by increased levels of provisioning to reflect the increased risk in the business environment, relating primarily to outstanding accounts receivable.

The Swedish krona exchange rate strengthened against foreign currencies, primarily the euro, which had a negative effect on operating income in Swedish kronor. The real change was -3 percent (-3) in the fourth quarter.

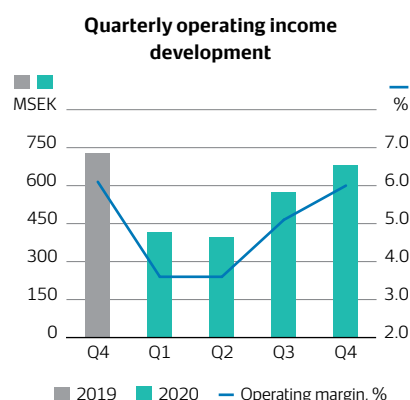
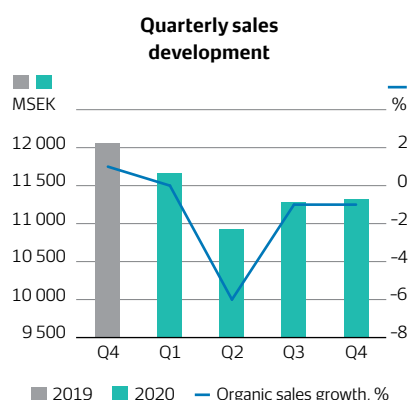
January-December 2020

Organic sales growth was -2 percent (2). The decline was mainly explained by the significant negative impact on airport security due to the corona pandemic that started in March. Organic sales growth was also impacted by the previously communicated contract losses in France, the UK and Norway. A few countries had positive organic sales growth, predominantly Sweden. The client retention rate was 90 percent (90), excluding the effect of corona-related temporary reductions.

Security solutions and electronic security sales represented MSEK 10 758 (10 611) or 24 percent (22) of total sales in the business segment.

The operating margin was 4.6 percent (5.5) and was primarily burdened by the effects of the corona pandemic with a significant impact on airport security and in the form of enhanced levels of provisioning to reflect the increased risk in the business environment. Corona-related government grants in several countries have offset this negative impact to some extent, including related idle-time costs. The operating margin was supported by some of the Nordic countries.

The Swedish krona exchange rate strengthened against foreign currencies, primarily the euro, which had a negative effect on operating income in Swedish kronor. The real change was -17 percent (1) in 2020.



Security Services Ibero-America

Security Services Ibero-America provides protective services in nine Latin American countries as well as in Portugal and Spain in Europe. Airport security is offered in seven countries. The offered services include on-site, mobile and remote guarding, electronic security, fire and safety services and corporate risk management.

MSEK	Q4		Change, %		Full year		Change, %	
	2020	2019	Total	Real	2020	2019	Total	Real
Total sales	3 003	3 263	-8	4	12 552	13 099	-4	6
Organic sales growth, %	-1	10			2	14		
Share of Group sales, %	11	12			12	12		
Operating income before amortization	160	156	3	20	570	614	-7	3
Operating margin, %	5.3	4.8			4.5	4.7		
Share of Group operating income, %	11	10			12	11		

October-December 2020

Organic sales growth was -1 percent (10). Organic sales growth declined due to the effects of the corona pandemic primarily on airport security and continued weak performance in Peru. Argentina and Spain showed positive organic sales growth, but lower than last year. Extra sales in the quarter were behind the corresponding quarter in 2019.

Security solutions and electronic security sales represented MSEK 915 (871) or 30 percent (27) of total sales in the business segment, supported by the acquisition of Techco Security in Spain in 2020.

The operating margin was 5.3 percent (4.8) and the improvement related primarily to Spain and Portugal. Spain had a strong development and was further supported by year-end reconciliation of accruals. The operating margin in Peru also improved, but on a weak comparative. Corona-related government support measures in Argentina also supported this improvement.

The Swedish krona exchange rate strengthened against the Argentinian peso and the euro, which had a negative impact on operating income in Swedish kronor. The real change in the segment was 20 percent (21) in the fourth quarter.

January-December 2020

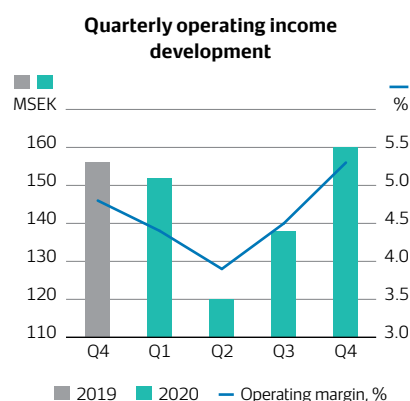
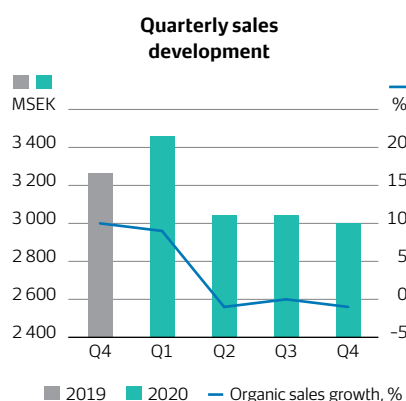
Organic sales growth was 2 percent (14). The impact from the corona pandemic showed a mixed picture in Latin America, with a significant negative impact on airport security in several

countries. Peru reported negative organic sales growth and Argentina had lower organic sales growth compared to the preceding year. Organic sales growth in Spain was 1 percent, on a strong comparative, and declined due to the effects of the corona pandemic as well as of the previously communicated reductions of short-term security solutions contracts. The client retention rate was 93 percent (92) excluding the effect of corona-related temporary reductions.

Security solutions and electronic security sales represented MSEK 3 720 (3 527) or 30 percent (27) of total sales in the business segment, supported by the acquisition of Techco Security in Spain in 2020.

The operating margin was 4.5 percent (4.7) and the decline related primarily to the corona pandemic. However, the operating margin was to some extent supported by corona-related government grants and support measures in certain countries. The operating margin was hampered by enhanced levels of provisioning to reflect the increased risk in the business environment primarily related to the collection of outstanding accounts receivable. The performance in Argentina and Peru has not been satisfactory in 2020 and actions will be taken to improve the profitability in the contract portfolio in both countries. Spain and Portugal displayed resilience throughout the year.

The Swedish krona exchange rate strengthened against the Argentinian peso and the euro, which had a negative impact on operating income in Swedish kronor. The real change in the segment was 3 percent (14) in 2020.



Cash flow

October-December 2020

Cash flow from operating activities amounted to MSEK 1 527 (1 853), equivalent to 109 percent (124) of operating income before amortization.

The impact from changes in accounts receivable was MSEK -166 (-145). Changes in other operating capital employed were MSEK 309 (535).

Free cash flow was MSEK 1 420 (1 428), equivalent to 154 percent (124) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK -1 291 (-185).

Cash flow from items affecting comparability amounted to MSEK -188 (-106). Refer to note 6 for further information.

Cash flow from financing activities was MSEK -2 329 (-685) due to dividend paid of MSEK -1 752 (0) and a net decrease in borrowings of MSEK -577 (-685).

Cash flow for the period was MSEK -2 388 (452).

January-December 2020

Cash flow from operating activities amounted to MSEK 7 207 (4 902), equivalent to 147 percent (85) of operating income before amortization.

The impact from changes in accounts receivable was MSEK 123 (-239), positively impacted by collections and by the lower organic sales growth. Changes in other operating capital employed were MSEK 2 289 (-277), positively impacted by the timing of payments and provisions made during the year. The postponed timing of payments for payroll

taxes and value added tax in Europe of approximately MSEK 100 and in North America of approximately MSEK 1 400 is a result of various government support measures in relation to the corona pandemic allowing for postponement of payments. The payments in North America are due in 2021 and 2022.

Financial income and expenses paid was MSEK -401 (-443) and current taxes paid was MSEK -862 (-1 191).

Cash flow from operating activities includes net investments in non-current tangible and intangible assets, amounting to MSEK -97 (-320), also including capital expenditures in equipment for solutions contracts. The net investments result from investments of MSEK -2 787 (-3 010) and reversal of depreciation of MSEK 2 690 (2 690).

Free cash flow was MSEK 5 944 (3 268), equivalent to 178 percent (83) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK -1 801 (-574), of which purchase price payments accounted for MSEK -1 780 (-533), assumed net debt for MSEK 98 (39) and acquisition related costs paid for MSEK -119 (-80).

Cash flow from items affecting comparability amounted to MSEK -405 (-303). Refer to note 6 for further information.

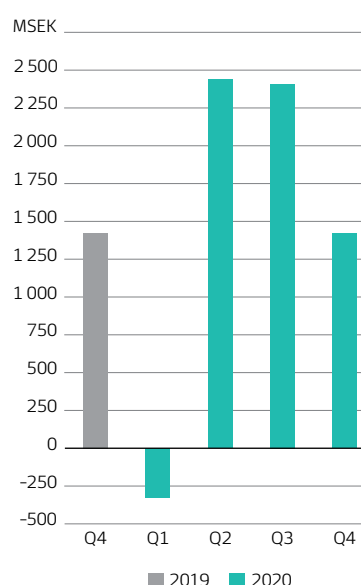
Cash flow from financing activities was MSEK -2 762 (-1 699) due to dividend paid of MSEK -1 752 (-1 606) and a net decrease in borrowings of MSEK -1 010 (-93).

Cash flow for the period was MSEK 976 (692). The closing balance for liquid funds after translation differences of MSEK -204 was MSEK 4 720 (3 948).

Free cash flow

MSEK	Jan-Dec 2020
Operating income before amortization	4 892
Net investments	-97
Change in accounts receivable	123
Change in other operating capital employed	2 289
Cash flow from operating activities	7 207
Financial income and expenses paid	-401
Current taxes paid	-862
Free cash flow	5 944

Quarterly free cash flow



Capital employed and financing

Capital employed as of December 31, 2020

The Group's operating capital employed was MSEK 8 893 (13 100), corresponding to 8 percent of sales (12), adjusted for the full-year sales figures of acquired units. The reduction is supported by the strong cash flow from operating activities. The translation of foreign operating capital employed to Swedish kronor decreased the Group's operating capital employed by MSEK 1 676.

The annual impairment test of all Cash Generating Units (CGU), which is required under IFRS, took place during the third quarter of 2020 in conjunction with the business plan process for 2021. None of the CGUs tested for impairment had a carrying amount that exceeded the recoverable amount. Consequently, no impairment losses have been recognized in 2020. No impairment losses were recognized in 2019 either.

The Group's total capital employed was MSEK 32 042 (37 140). The translation of foreign capital employed to Swedish kronor decreased the Group's capital employed by MSEK 3 941. The return on capital employed was 13 percent (15).

Financing as of December 31, 2020

The Group's net debt amounted to MSEK 14 335 (17 541). The net debt was positively impacted mainly by the free cash flow of MSEK 5 944 and by translation differences of MSEK 1 342, while it was negatively impacted mainly by

payments for acquisitions of MSEK -1 801 and a dividend of MSEK -1 752, paid to the shareholders in December 2020.

The net debt to EBITDA ratio was 2.1 (2.2). The free cash flow to net debt ratio amounted to 0.41 (0.19). The interest coverage ratio amounted to 9.1 (9.4).

On April 6, 2020, Securitas' existing MEUR 440 and MUSD 550 revolving credit facility (RCF) was replaced with a new facility with 10 key relationship banks. This new credit facility now comprises one tranche of MEUR 938 and matures in 2025 with the possibility to extend to 2027. It was undrawn at December 31, 2020. There was no new debt drawn down in the fourth quarter. A MUSD 40 Floating Rate Note (FRN) was repaid during the quarter. Further information regarding financial instruments and credit facilities is provided in note 8.

Standard and Poor's rating for Securitas was BBB/A-2 with a stable outlook.

Shareholders' equity amounted to MSEK 17 707 (19 599). The translation of foreign assets and liabilities into Swedish kronor decreased shareholders' equity by MSEK 2 599. Refer to the statement of comprehensive income on page 15 for further information.

The total number of shares amounted to 365 058 897 (365 058 897) as of December 31, 2020. Refer to page 18 for further information.

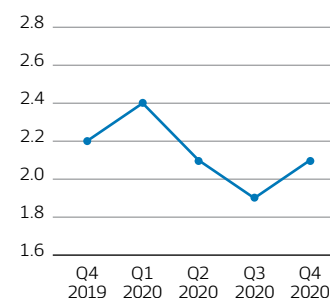
Capital employed and financing

MSEK	Dec 31, 2020
Operating capital employed	8 893
Goodwill	21 414
Acquisition related intangible assets	1 424
Shares in associated companies	311
Capital employed	32 042
Net debt	14 335
Shareholders' equity	17 707
Financing	32 042

Net debt development

MSEK	
Jan 1, 2020	-17 541
Free cash flow	5 944
Acquisitions	-1 801
Items affecting comparability	-405
Dividend paid	-1 752
Lease liabilities	-139
Change in net debt	1 847
Revaluation	17
Translation	1 342
Dec 31, 2020	-14 335

Net debt to EBITDA ratio



Acquisitions and divestitures

ACQUISITIONS AND DIVESTITURES JANUARY-DECEMBER 2020 (MSEK)

Company	Business segment ¹⁾	Included from	Acquired share ²⁾	Annual sales ³⁾	Enterprise value ⁴⁾	Goodwill	Acq. related intangible assets
Opening balance						22 157	1 563
Techco Security, Spain and Portugal ⁶⁾	Security Services Ibero-America	Jan 8	100	520	142	118	34
Fredon Security, Australia ⁶⁾	Other	Jan 9	100	240	171	152	66
STANLEY Security, Germany, Portugal, Switzerland, Singapore and India	Security Services Europe, Security Services Ibero-America and Other	Nov 2	100	748	523	367	133
FE Moran Security Solutions, the US	Security Services North America	Dec 16	100	450	665	657	-
Other acquisitions and divestitures ^{5, 6)}		-	-	-143	181	-9	11
Total acquisitions and divestitures January-December 2020				1 815	1 682	1 285	244
Reclassification						-	44
Amortization of acquisition related intangible assets						-	-286
Translation differences and remeasurement for hyperinflation						-2 028	-141
Closing balance						21 414	1 424

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/received plus acquired/divested 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: Global Elite Group, Iverify (step acquisition), the US, Cezzam, France, DAK, Turkey, SCI Proteccion Contra Incendios, Spain, Blueprint (contract portfolio) and Staysafe, Australia. Related also to divestitures of Securitas Greece, Securitas Montenegro, Securitas Latvia, Securitas Sri Lanka and Securitas Egypt, as well as to deferred considerations paid in the US, Sweden, the UK, Germany, France, Austria, Turkey, Portugal, Australia, China and Hong Kong.

⁶⁾ 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, payments made from previously recognized deferred considerations and revaluation of deferred considerations in the Group was MSEK -76. Total deferred considerations, short-term and long-term, in the Group's balance sheet amount to MSEK 295.

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 18. Transaction costs and revaluation of deferred considerations can be found in note 5 on page 23.

Techco Security, Spain and Portugal

Securitas reinforces its leadership position within the electronic security market in Spain through the acquisition of Techco Security, a leading electronic security company. Techco Security offers a comprehensive range of integrated security services including installation, maintenance and remote guarding services as well as access control, electronic alarm surveillance and fire protection, and supports clients through two operations centers in Madrid and Barcelona. The company has approximately 520 employees with a strong footprint across Spain and Portugal. The acquisition was closed and consolidated into Securitas as of January 8, 2020.

Fredon Security, Australia

Securitas has acquired Fredon Security, founded in 2012 as a division within Fredon Group, an Australian engineering and building services company. Fredon Security is specialized in high-end electronic security solutions including system design, engineering, installation, commissioning and maintenance. The company has approximately 110 employees with a strong footprint across Australia's key geographical markets; Melbourne, Canberra, Brisbane, Perth and Sydney, where it is headquartered. Through strong organic growth the company

has established a robust market position in the technology, commercial and government client segments. The acquisition was consolidated into Securitas as of January 9, 2020.

STANLEY Security in Germany, Portugal, Switzerland, Singapore and India

Securitas has acquired STANLEY Security's electronic security businesses in Germany, Portugal, Switzerland, Singapore and India. The acquisition is aligned with Securitas' ambition to double the size of its security solutions and electronic security business and expands Securitas' electronic security footprint and capabilities. The acquired entities provide an integrated electronic security offering to their clients - from design to installation and from maintenance to alarm monitoring - based on a complete portfolio of advanced security solutions such as access control, intrusion, video, fire and integrated systems. The business has approximately 580 highly skilled employees operating in five countries through 20 branch offices out of which 11 are located in Germany. The business also has two alarm monitoring centers, one in Germany and one in Portugal.

Sales of the in-scope business is mainly driven from installation sales, recurring monthly revenue and maintenance services. The acquisition related costs are expected to be MSEK 60, some was recognized in 2020 but mostly in 2021. The acquisition is expected to be EPS accretive as of 2022. The acquisition has been approved by customary regulatory authorities and was closed on November 2, 2020, and was consolidated in Securitas as of the same date.

FE Moran Security Solutions, the US

Securitas has acquired FE Moran Security Solutions, a top 30 alarm monitoring and electronic security systems integration company in the US. The acquisition increases Securitas' density and offerings in the United States' Midwest region and is aligned with Securitas' ambition to double the size of its security solutions and electronic security business.

Founded in 2003, FE Moran Security Solutions provides an integrated electronic security offering - from design to installation and from maintenance to alarm monitoring - and focuses on commercial clients in several Midwestern states across the US, as well as numerous marquee national account clients. Their portfolio includes electronic security services such as intrusion, video, fire and access control systems, as well as a UL-listed, TMA Five Diamond certified alarm monitoring center. The company has an outstanding reputation and is known for providing best-in-class service to its clients. Sales are driven from a sizeable recurring monthly revenue (RMR) base and installation sales.

FE Moran Security Solutions has become part of Securitas Electronic Security, Inc. (SES), and further strengthening Securitas' leadership in the commercial electronic security

industry across North America. SES, like FE Moran, serves the commercial alarm monitoring and systems integration market. The two companies combined further provide a unique specialization in serving large multi-site enterprise-wide national and regional clients.

The acquisition related costs are expected to be MSEK 60, to be recognized mostly in 2021. The acquisition is expected to be EPS accretive as of 2022 and was consolidated in Securitas as of December 16, 2020.

Exit of business operations in eleven countries

Securitas has exited or drawn near to the conclusion of an exit process in nine countries during the fourth quarter, where the present and future business opportunities are deemed to be limited. The countries concerned are Estonia, Egypt, Greece, Latvia, Montenegro, Panama, Paraguay, Slovenia and Sri Lanka. Securitas is planning to exit an additional two countries, with expected timing the first half year 2021. The exit from these business operations has resulted in an expected net loss of MSEK -117, recognized as items affecting comparability in 2020, relating to the capital loss, provisions and associated exit costs. The impact from the exits represents approximately MSEK 460 of Group sales on an annual basis.

Other significant events

For critical estimates and judgments, provisions and contingent liabilities refer to the 2019 Annual Report and to note 11 on page 25. If no significant events have occurred relating to the information in the Annual Report or previous Interim Reports published during 2020, no further comments are made in the Interim Report for the respective case.

Cost-savings program initiated in the Group

Securitas announced and initiated a cost-savings program in the Group during the second quarter, with an estimated range of restructuring costs of MSEK 350-500. The final amount will largely depend on changes related to government grants and the development of the airport security business. As previously announced, the program is expected to be finalized end of the second quarter 2021. The payback period is around two years and the savings will have a gradually increasing positive impact that started in the fourth quarter of 2020.

Dividend and Extraordinary General Meeting

Due to the uncertainty caused by the corona pandemic, the Annual General Meeting resolved, in accordance with the Board's revised proposal, that no dividend should be

distributed. In light of the improving financial performance and solid financial position under a continued prudent approach, the Board proposed to reinstate a dividend proposal for 2019 of SEK 4.80 (4.40) per share which was resolved by an Extraordinary General Meeting on December 9, 2020. The total proposed dividend amounted to 52 percent of net income and 50 percent of net income before items affecting comparability.

Business transformation program launched in Security Services Europe and Security Services Ibero-America

Securitas has announced a business transformation program in Europe and Ibero-America, targeting to increase the operating margin to around 6.5 percent in Security Services Europe and to around 6.0 percent in Security Services Ibero-America, upon completion in 2024. Related to the program, approximately MSEK -1 400 will be recognized as items affecting comparability over the course of the years 2021 to 2023. These costs relate primarily to the impairment of assets, systems integration and organizational restructuring charges. Capital expenditure of approximately MSEK -1 100 will be invested in IT systems over the years 2021 to 2023.

Risks and uncertainties

Risk management is necessary for Securitas to be able to fulfill its strategies and achieve its corporate objectives. Securitas' risks fall into three main categories; contract and acquisition risks, operational assignment risks and financial risks. Securitas' approach to enterprise risk management is described in more detail in the Annual Report for 2019.

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. The actual outcome may differ from these estimates and judgments under different circumstances and conditions.

Securitas as well as other companies are currently facing the challenge of the corona pandemic. As disclosed in this full year report, the corona pandemic has negatively impacted the Group's result, and poses an additional challenge when making estimates and judgments. Securitas sees reductions in sales due to reductions in regular service levels mostly related to the aviation segment. These reductions are causing costs for idle time to some extent supported by government grants.

It is currently unclear when regular services levels will return to normal levels and to what extent any costs will be further supported by government grants. Many government grants and other relief measures have also been introduced in a short time frame and include requirements that need to be fulfilled in order to be eligible for the grants. This adds new elements to the judgment in preparing the statement of income and balance sheet as well as disclosures. Further, increased risks are noticed related to the general macro economic environment, throughout the Group and mostly related to employee benefits and collection of outstanding accounts receivable. Further, it is unclear what type of impact the corona pandemic will have on the mid-term economical development of the different markets and geographies in which we operate.

For the forthcoming 12-month period, the financial impact of the corona pandemic as well as certain items affecting comparability, provisions and contingent liabilities, as described in the Annual Report for 2019 and, where applicable, under the heading Other significant events above, may vary from the current financial estimates and provisions made by management. This could affect the Group's profitability and financial position.

Parent Company operations

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

January-December 2020

The Parent Company's income amounted to MSEK 1 233 (1 449) and mainly relates to license fees and other income from subsidiaries.

Financial income and expenses amounted to MSEK 1 067 (2 209). The decrease compared with last year is mainly explained by lower dividends received from subsidiaries. Income before taxes amounted to MSEK 1 280 (2 553).

As of December 31, 2020

The Parent Company's non-current assets amounted to MSEK 45 822 (46 157) and mainly comprise shares in subsidiaries of MSEK 44 233 (43 911). Current assets amounted to MSEK 4 052 (5 944) of which liquid funds accounted for MSEK 151 (1 596).

Shareholders' equity amounted to MSEK 28 999 (29 276). A dividend of MSEK 1 752 (1 606) was paid to the shareholders in December 2020.

The Parent Company's liabilities and untaxed reserves amounted to MSEK 20 875 (22 825) and mainly consist of interest-bearing debt.

For further information, refer to the Parent Company's condensed financial statements on page 26.

Stockholm, February 4, 2021

Magnus Ahlqvist
President and Chief Executive Officer

Review Report

(Translation of Swedish Original)

Report of Review of Interim Financial Information prepared in accordance with IAS 34 and chapter 9 of the Annual Accounts Act.

Introduction

We have reviewed this report for the period January 1, 2020 to December 31, 2020 for Securitas AB. The Board of Directors and the President and CEO are responsible for the preparation and presentation of this full year report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this full year report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of

persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the full year report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, February 4, 2021
PricewaterhouseCoopers AB

Patrik Adolfson
Authorised Public Accountant
Auditor in charge

Madeleine Endre
Authorised Public Accountant

Consolidated financial statements

STATEMENT OF INCOME

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Sales	26 143	28 125	106 642	109 560
Sales, acquired business	334	132	1 312	1 339
Total sales²⁾	26 477	28 257	107 954	110 899
Organic sales growth, % ³⁾	1	2	0	4
Production expenses	-21 543	-23 355	-89 046	-91 588
Gross income	4 934	4 902	18 908	19 311
Selling and administrative expenses	-3 550	-3 428	-14 100	-13 637
Other operating income ²⁾	11	8	39	34
Share in income of associated companies	9	15	45	30
Operating income before amortization	1 404	1 497	4 892	5 738
Operating margin, %	5.3	5.3	4.5	5.2
Amortization of acquisition related intangible assets	-79	-68	-286	-271
Acquisition related costs ⁵⁾	-47	-28	-137	-62
Items affecting comparability ⁶⁾	-422	-83	-640	-209
Operating income after amortization	856	1 318	3 829	5 196
Financial income and expenses ^{7, 8)}	-118	-140	-500	-578
Income before taxes	738	1 178	3 329	4 618
Net margin, %	2.8	4.2	3.1	4.2
Current taxes	-362	-202	-1 048	-1 200
Deferred taxes	148	-104	135	-56
Net income for the period	524	872	2 416	3 362
Whereof attributable to:				
Equity holders of the Parent Company	527	869	2 419	3 357
Non-controlling interests	-3	3	-3	5
Earnings per share before and after dilution (SEK)	1.45	2.38	6.63	9.20
Earnings per share before and after dilution and before items affecting comparability (SEK)	2.38	2.54	8.02	9.61

STATEMENT OF COMPREHENSIVE INCOME

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net income for the period	524	872	2 416	3 362
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	-97	89	-78	31
Total items that will not be reclassified to the statement of income⁹⁾	-97	89	-78	31
Items that subsequently may be reclassified to the statement of income				
Remeasurement for hyperinflation net of tax ⁷⁾	24	2	62	79
Cash flow hedges net of tax	27	14	-22	36
Cost of hedging net of tax	-4	-5	34	12
Net investment hedges net of tax	556	309	528	-346
Other comprehensive income from associated companies, translation differences	-25	-23	-40	14
Translation differences	-2 143	-1 147	-3 087	405
Total items that subsequently may be reclassified to the statement of income⁹⁾	-1 565	-850	-2 525	200
Other comprehensive income for the period⁹⁾	-1 662	-761	-2 603	231
Total comprehensive income for the period	-1 138	111	-187	3 593
Whereof attributable to:				
Equity holders of the Parent Company	-1 135	109	-180	3 587
Non-controlling interests	-3	2	-7	6

Notes 2-9 refer to pages 21-25.

STATEMENT OF CASH FLOW

Operating cash flow MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Operating income before amortization	1 404	1 497	4 892	5 738
Investments in non-current tangible and intangible assets	-673	-723	-2 787	-3 010
Reversal of depreciation	653	689	2 690	2 690
Change in accounts receivable	-166	-145	123	-239
Change in other operating capital employed	309	535	2 289	-277
Cash flow from operating activities	1 527	1 853	7 207	4 902
Cash flow from operating activities, %	109	124	147	85
Financial income and expenses paid	-46	-58	-401	-443
Current taxes paid	-61	-367	-862	-1 191
Free cash flow	1 420	1 428	5 944	3 268
Free cash flow, %	154	124	178	83
Cash flow from investing activities, acquisitions and divestitures	-1 291	-185	-1 801	-574
Cash flow from items affecting comparability ⁶⁾	-188	-106	-405	-303
Cash flow from financing activities	-2 329	-685	-2 762	-1 699
Cash flow for the period	-2 388	452	976	692

Cash flow MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Cash flow from operations	1 820	1 992	8 072	5 747
Cash flow from investing activities	-1 677	-640	-3 438	-2 534
Cash flow from financing activities	-2 531	-900	-3 658	-2 521
Cash flow for the period	-2 388	452	976	692

Change in net debt MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Opening balance	-13 535	-19 415	-17 541	-14 513
Cash flow for the period	-2 388	452	976	692
Change in lease liabilities	-62	143	-139	-3 332
Change in loans	577	685	1 010	93
Change in net debt before revaluation and translation differences	-1 873	1 280	1 847	-2 547
Revaluation of financial instruments ⁸⁾	29	11	17	60
Translation differences	1 044	583	1 342	-541
Change in net debt	-800	1 874	3 206	-3 028
Closing balance	-14 335	-17 541	-14 335	-17 541

Notes 6 and 8 refer to pages 23-24.

CAPITAL EMPLOYED AND FINANCING

MSEK	Dec 31, 2020	Dec 31, 2019
Operating capital employed	8 893	13 100
Operating capital employed as % of sales	8	12
Return on operating capital employed, %	39	50
Goodwill	21 414	22 157
Acquisition related intangible assets	1 424	1 563
Shares in associated companies	311	320
Capital employed	32 042	37 140
Return on capital employed, %	13	15
Net debt	-14 335	-17 541
Shareholders' equity	17 707	19 599
Net debt equity ratio, multiple	0.81	0.89

BALANCE SHEET

MSEK	Dec 31, 2020	Dec 31, 2019
ASSETS		
Non-current assets		
Goodwill	21 414	22 157
Acquisition related intangible assets	1 424	1 563
Other intangible assets	1 788	1 813
Right-of-use assets	3 334	3 489
Other tangible non-current assets	3 262	3 546
Shares in associated companies	311	320
Non-interest-bearing financial non-current assets	1 835	1 799
Interest-bearing financial non-current assets	686	437
Total non-current assets	34 054	35 124
Current assets		
Non-interest-bearing current assets	20 209	22 984
Other interest-bearing current assets	144	134
Liquid funds	4 720	3 948
Total current assets	25 073	27 066
TOTAL ASSETS	59 127	62 190

MSEK	Dec 31, 2020	Dec 31, 2019
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Attributable to equity holders of the Parent Company	17 697	19 569
Non-controlling interests	10	30
Total shareholders' equity	17 707	19 599
Equity ratio, %	30	32
Long-term liabilities		
Non-interest-bearing long-term liabilities	265	361
Long-term lease liabilities	2 554	2 610
Other interest-bearing long-term liabilities	11 694	17 216
Non-interest-bearing provisions	2 477	2 484
Total long-term liabilities	16 990	22 671
Current liabilities		
Non-interest-bearing current liabilities and provisions	18 793	17 686
Current lease liabilities	876	944
Other interest-bearing current liabilities	4 761	1 290
Total current liabilities	24 430	19 920
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	59 127	62 190

CHANGES IN SHAREHOLDERS' EQUITY

MSEK	Dec 31, 2020			Dec 31, 2019		
	Attributable to equity holders of the Parent Company	Non-controlling interests	Total	Attributable to equity holders of the Parent Company	Non-controlling interests	Total
Opening balance January 1, 2020 / 2019	19 569	30	19 599	17 632	25	17 657
Total comprehensive income for the period	-180	-7	-187	3 587	6	3 593
Transactions with non-controlling interests	-	-13	-13	-	-1	-1
Share-based incentive schemes	60	-	60 ¹⁾	-44	-	-44
Dividend paid to the shareholders of the Parent Company	-1 752	-	-1 752	-1 606	-	-1 606
Closing balance December 31, 2020 / 2019	17 697	10	17 707	19 569	30	19 599

¹⁾ Refers to share-based remuneration for the Group's participants in the share-based incentive schemes 2020 of MSEK 170 and a swap agreement in Securitas AB shares of MSEK -110, hedging the share portion of Securitas share-based incentive scheme 2019.

DATA PER SHARE

SEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Share price, end of period	132.75	161.45	132.75	161.45
Earnings per share before and after dilution ^{1, 2, 3)}	1.45	2.38	6.63	9.20
Earnings per share before and after dilution and before items affecting comparability ^{1, 2, 3)}	2.38	2.54	8.02	9.61
Dividend	-	-	4.00 ⁵⁾	4.80
P/E-ratio after dilution and before items affecting comparability	-	-	17	17
Share capital (SEK)	365 058 897	365 058 897	365 058 897	365 058 897
Number of shares outstanding ^{1, 3)}	364 933 897	364 933 897	364 933 897	364 933 897
Average number of shares outstanding ^{1, 3, 4)}	364 933 897	364 933 897	364 933 897	364 993 486

¹⁾ There are no convertible debenture loans. Consequently there is no difference before and after dilution regarding earnings per share and number of shares.

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⁾ On June 24, 2019, 125 000 shares were repurchased.

⁴⁾ Used for calculation of earnings per share.

⁵⁾ Proposed dividend.

Segment overview October–December 2020 and 2019

OCTOBER–DECEMBER 2020

MSEK	Security Services North America	Security Services Europe	Security Services Ibero-America	Other	Eliminations	Group
Sales, external	11 553	11 321	3 002	601	-	26 477
Sales, intra-group	15	0	1	0	-16	-
Total sales	11 568	11 321	3 003	601	-16	26 477
Organic sales growth, %	4	-1	-1	-	-	1
Operating income before amortization	740	682	160	-178	-	1 404
<i>of which share in income of associated companies</i>	1	-1	-	9	-	9
Operating margin, %	6.4	6.0	5.3	-	-	5.3
Amortization of acquisition related intangible assets	-18	-32	-4	-25	-	-79
Acquisition related costs	-12	-22	-3	-10	-	-47
Items affecting comparability	-44	-251	-35	-92	-	-422
Operating income after amortization	666	377	118	-305	-	856
Financial income and expenses	-	-	-	-	-	-118
Income before taxes	-	-	-	-	-	738

OCTOBER–DECEMBER 2019

MSEK	Security Services North America	Security Services Europe	Security Services Ibero-America	Other	Eliminations	Group
Sales, external	12 383	12 056	3 263	555	-	28 257
Sales, intra-group	6	1	0	-2	-5	-
Total sales	12 389	12 057	3 263	553	-5	28 257
Organic sales growth, %	2	1	10	-	-	2
Operating income before amortization	752	730	156	-141	-	1 497
<i>of which share in income of associated companies</i>	1	-	-	14	-	15
Operating margin, %	6.1	6.1	4.8	-	-	5.3
Amortization of acquisition related intangible assets	-18	-39	-5	-6	-	-68
Acquisition related costs	-90	63	-1	0	-	-28
Items affecting comparability	-59	-14	-2	-8	-	-83
Operating income after amortization	585	740	148	-155	-	1 318
Financial income and expenses	-	-	-	-	-	-140
Income before taxes	-	-	-	-	-	1 178

Segment overview January–December 2020 and 2019

JANUARY–DECEMBER 2020

MSEK	Security Services North America	Security Services Europe	Security Services Ibero-America	Other	Eliminations	Group
Sales, external	47 773	45 188	12 551	2 442	-	107 954
Sales, intra-group	28	0	1	1	-30	-
Total sales	47 801	45 188	12 552	2 443	-30	107 954
Organic sales growth, %	2	-2	2	-	-	0
Operating income before amortization	2 800	2 069	570	-547	-	4 892
<i>of which share in income of associated companies</i>	4	-1	-	42	-	45
Operating margin, %	5.9	4.6	4.5	-	-	4.5
Amortization of acquisition related intangible assets	-80	-144	-16	-46	-	-286
Acquisition related costs	-37	-25	-55	-20	-	-137
Items affecting comparability	-140	-319	-36	-145	-	-640
Operating income after amortization	2 543	1 581	463	-758	-	3 829
Financial income and expenses	-	-	-	-	-	-500
Income before taxes	-	-	-	-	-	3 329

JANUARY–DECEMBER 2019

MSEK	Security Services North America	Security Services Europe	Security Services Ibero-America	Other	Eliminations	Group
Sales, external	48 480	47 247	13 098	2 074	-	110 899
Sales, intra-group	19	1	1	2	-23	-
Total sales	48 499	47 248	13 099	2 076	-23	110 899
Organic sales growth, %	4	2	14	-	-	4
Operating income before amortization	3 003	2 582	614	-461	-	5 738
<i>of which share in income of associated companies</i>	-11	-	-	41	-	30
Operating margin, %	6.2	5.5	4.7	-	-	5.2
Amortization of acquisition related intangible assets	-68	-159	-23	-21	-	-271
Acquisition related costs	-99	43	-1	-5	-	-62
Items affecting comparability	-119	-54	-3	-33	-	-209
Operating income after amortization	2 717	2 412	587	-520	-	5 196
Financial income and expenses	-	-	-	-	-	-578
Income before taxes	-	-	-	-	-	4 618

Notes

NOTE 1 Accounting principles

This full year report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The full year report comprises pages 1-27 and pages 1-14 are thus an integrated part of this financial report.

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 full year report, can be found in note 2 on pages 75 to 81 in the Annual Report for 2019. The accounting principles are also available on the Group's website www.securitas.com under the section Investors - Financial data - 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 42 on page 131 in the Annual Report for 2019.

Adoption and impact of new and revised IFRS 2020

As stated in the Annual Report 2019, Securitas has early adopted the amendments to IFRS 9 Financial Instruments related to hedge accounting which came into effect as of January 1, 2020. The amendments have had no impact on the Group's financial statements.

None of the other published standards and interpretations that are mandatory for the Group's financial year 2020 have had any impact on the Group's financial statements.

Introduction and effect of new and revised IFRS 2021 and onwards

Securitas has adopted phase 2 of the amendments to IFRS 9 Financial Instruments related to the IBOR reform that came into effect on January 1, 2021. Phase 2 addresses the accounting for effects on the financial statements due to the IBOR-reform, including the effects of changes to contractual cash flows or hedging relationships that may arise as a consequence of the interest rate benchmark reform. The amendments ensure that there is no impact on the Group's financial statements due to the IBOR reform.

None of the other published standards and interpretations that are mandatory for the Group's financial year 2021 are assessed to have any impact on the Group's financial statements.

Usage of key ratios not defined in IFRS

For definitions and calculations of key ratios not defined in IFRS, refer to notes 3 and 4 in this full year report as well as to note 3 in the Annual Report 2019.

NOTE 2 Revenue

MSEK	Oct-Dec 2020	%	Oct-Dec 2019	%	Jan-Dec 2020	%	Jan-Dec 2019	%
Guarding services ¹⁾	19 897	75	21 468	76	81 838	76	84 887	77
Security solutions and electronic security	5 883	22	6 145	22	23 478	22	23 290	21
Other ¹⁾	697	3	644	2	2 638	2	2 722	2
Total sales	26 477	100	28 257	100	107 954	100	110 899	100
Other operating income	11	0	8	0	39	0	34	0
Total revenue	26 488	100	28 265	100	107 993	100	110 933	100

¹⁾ Comparatives have been restated for business that relates to risk management services.

Guarding services

This comprises on-site and mobile guarding, which is services with the same revenue recognition pattern. Revenue is recognized over time, as the services are rendered by Securitas and simultaneously consumed by the customers. Such services cannot be re-performed.

Security solutions and electronic security

This comprises two broad categories regarding security solutions and electronic security.

Security solutions are a combination of services such as on-site and/or mobile guarding and/or remote guarding. These services are combined with a technology component in terms of equipment owned and managed by Securitas and used in the provision of services. The equipment is installed at the customer site. The revenue recognition pattern is over time, as the services are rendered by Securitas and simultaneously consumed by the customers. A security solution normally constitutes one performance obligation.

Electronic security consists of the sale of alarm installations comprising design and installation (time, material and related expenses). Revenue is recognized as per the contract, either upon completion of the conditions in the contract, or over time based on the percentage of completion. Remote guarding (in the form of

alarm monitoring services), that is sold separately and not as part of a security solution, is also included in this category. Revenue recognition is over time as this is also a service that is rendered by Securitas and simultaneously consumed by the customers. The category further includes maintenance services, that are either performed upon request (time and material) with revenue recognition at a point in time (when the work has been performed), or over time if part of a service level contract with a subscription fee. Finally there is also a to a limited extent product sales (alarms and components) without any design or installation. The revenue recognition is at a point in time (upon delivery).

Other

Other comprises mainly corporate risk management services that are either recognized over time or at a point in time as well as other ancillary business.

Other operating income

Other operating income consists in its entirety of trade mark fees for the use of the Securitas brand name.

Revenue per segment

The disaggregation of revenue by segment is shown in the table below. Total sales agree to total sales in the segment overviews.

MSEK	Security Services North America		Security Services Europe		Security Services Ibero-America		Other		Eliminations		Group	
	Oct-Dec 2020	Oct-Dec 2019	Oct-Dec 2020	Oct-Dec 2019	Oct-Dec 2020	Oct-Dec 2019	Oct-Dec 2020	Oct-Dec 2019	Oct-Dec 2020	Oct-Dec 2019	Oct-Dec 2020	Oct-Dec 2019
Guarding services ¹⁾	8 923	9 426	8 454	9 176	2 088	2 392	448	479	-16	-5	19 897	21 468
Security solutions and electronic security	1 948	2 319	2 867	2 881	915	871	153	74	-	-	5 883	6 145
Other ¹⁾	697	644	-	-	-	-	-	-	-	-	697	644
Total sales	11 568	12 389	11 321	12 057	3 003	3 263	601	553	-16	-5	26 477	28 257
Other operating income	-	-	-	-	-	-	11	8	-	-	11	8
Total revenue	11 568	12 389	11 321	12 057	3 003	3 263	612	561	-16	-5	26 488	28 265

¹⁾ Comparatives have been restated for business that relates to risk management services.

Note 2, cont.

MSEK	Security Services North America		Security Services Europe		Security Services Ibero-America		Other		Eliminations		Group	
	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Guarding services ¹⁾	36 798	36 892	34 430	36 637	8 832	9 572	1 808	1 809	-30	-23	81 838	84 887
Security solutions and electronic security	8 365	8 885	10 758	10 611	3 720	3 527	635	267	-	-	23 478	23 290
Other ¹⁾	2 638	2 722	-	-	-	-	-	-	-	-	2 638	2 722
Total sales	47 801	48 499	45 188	47 248	12 552	13 099	2 443	2 076	-30	-23	107 954	110 899
Other operating income	-	-	-	-	-	-	39	34	-	-	39	34
Total revenue	47 801	48 499	45 188	47 248	12 552	13 099	2 482	2 110	-30	-23	107 993	110 933

¹⁾ Comparatives have been restated for business that relates to risk management services.

NOTE 3 Organic sales growth and currency changes

The calculation of real and organic sales growth and the specification of currency changes on operating income before and after amortization, income before taxes, net income and earnings per share are specified below. The impact from remeasurement for hyperinflation due to the application of IAS 29 is included in currency change.

MSEK	Oct-Dec 2020	Oct-Dec 2019	%	Jan-Dec 2020	Jan-Dec 2019	%
Total sales	26 477	28 257	-6	107 954	110 899	-3
Currency change from 2019	2 487	-		4 390	-	
Currency adjusted sales growth	28 964	28 257	3	112 344	110 899	1
Acquisitions/divestitures	-334	-14		-1 312	-18	
Organic sales growth	28 630	28 243	1	111 032	110 881	0
Operating income before amortization	1 404	1 497	-6	4 892	5 738	-15
Currency change from 2019	160	-		281	-	
Currency adjusted operating income before amortization	1 564	1 497	4	5 173	5 738	-10
Operating income after amortization	856	1 318	-35	3 829	5 196	-26
Currency change from 2019	126	-		237	-	
Currency adjusted operating income after amortization	982	1 318	-25	4 066	5 196	-22
Income before taxes	738	1 178	-37	3 329	4 618	-28
Currency change from 2019	78	-		213	-	
Currency adjusted income before taxes	816	1 178	-31	3 542	4 618	-23
Net income for the period	524	872	-40	2 416	3 362	-28
Currency change from 2019	58	-		155	-	
Currency adjusted net income for the period	582	872	-33	2 571	3 362	-24
Net income attributable to equity holders of the Parent Company	527	869	-39	2 419	3 357	-28
Currency change from 2019	58	-		155	-	
Currency adjusted net income attributable to equity holders of the Parent Company	585	869	-33	2 574	3 357	-23
Average number of shares outstanding	364 933 897	364 933 897		364 933 897	364 993 486	
Currency adjusted earnings per share	1.60	2.38	-33	7.05	9.20	-23

NOTE 4 Definitions and calculation of key ratios

The calculations below relate to the period January-December 2020.

Interest coverage ratio

Operating income before amortization (rolling 12 months) plus interest income (rolling 12 months) in relation to interest expenses (rolling 12 months).
Calculation: $(4\,892 + 31) / 542 = 9.1$

Free cash flow as % of adjusted income

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).
Calculation: $5\,944 / (4\,892 - 500 - 1 - 1\,048) = 178\%$

Free cash flow in relation to net debt

Free cash flow (rolling 12 months) in relation to closing balance net debt.
Calculation: $5\,944 / 14\,335 = 0.41$

Net debt to EBITDA ratio

Net debt in relation to operating income after amortization (rolling 12 months) plus amortization of acquisition related intangible assets (rolling 12 months) and depreciation (rolling 12 months).
Calculation: $14\,335 / (3\,829 + 286 + 2\,690) = 2.1$

Operating capital employed as % of total sales

Operating capital employed as a percentage of total sales adjusted for the full-year sales of acquired and divested entities.
Calculation: $8\,893 / 108\,832 = 8\%$

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.
Calculation: $(4\,892 - 640) / ((8\,893 + 13\,100) / 2) = 39\%$

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.
Calculation: $(4\,892 - 640) / 32\,042 = 13\%$

Net debt equity ratio

Net debt in relation to shareholders' equity.
Calculation: $14\,335 / 17\,707 = 0.81$

NOTE 5 Acquisition related costs

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Restructuring and integration costs	-15	-3	-92	-18
Transaction costs	-30	-8	-40	-24
Revaluation of deferred considerations	-2	68	-5	65
Step acquisitions	-	-85	-	-85
Total acquisition related costs	-47	-28	-137	-62

For further information regarding the Group's acquisitions, refer to the section Acquisitions and divestitures.

NOTE 6 Items affecting comparability

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Recognized in the statement of income				
Transformation programs, Group ¹⁾	-192	-83	-351	-209
Cost savings program, Group ²⁾	-230	-	-289	-
Total recognized in the statement of income before tax	-422	-83	-640	-209
Taxes	79	25	133	57
Total recognized in the statement of income after tax	-343	-58	-507	-152
Cash flow impact				
Transformation programs, Group ¹⁾	-90	-72	-251	-171
Cost savings program, Group ²⁾	-84	-	-111	-
Cost savings program, Security Services Europe	-14	-34	-43	-132
Total cash flow impact	-188	-106	-405	-303

¹⁾ Related to the business transformation program in Security Services North America, the newly announced transformation program in Security Services Europe and Security Services Ibero-America, as well as the global IS/IT transformation program.

²⁾ Includes costs related to exit of business operations. Cash flow related to exit of business operations is accounted for as cash flow from investing activities.

NOTE 7 Remeasurement for hyperinflation

The impact on the consolidated statement of income from IAS 29 Financial reporting in Hyperinflationary economies is illustrated below. The index used by Securitas for the remeasurement of the financial statements is the consumer price index with base period January 2003.

EXCHANGE RATES AND INDEX

	Dec 31, 2020	Dec 31, 2019
Exchange rate SEK/ARS	0.10	0.16
Index	23.35	17.15

NET MONETARY GAIN RECOGNIZED IN THE CONSOLIDATED STATEMENT OF INCOME

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Financial income and expenses	6	12	14	25
Total monetary gain	6	12	14	25

NOTE 8 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. Cost of hedging (and the subsequent recycling into the statement of income) is recognized on the corresponding line in other comprehensive income.

The amount disclosed in the specification of change in net debt is the total revaluation before tax in the table below.

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Recognized in the statement of income				
Revaluation of financial instruments	0	0	1	-1
Deferred tax	-	-	-	-
Impact on net income	0	0	1	-1
Recognized in the statement of comprehensive income				
Cash flow hedges	34	17	-28	45
Cost of hedging	-5	-6	44	16
Deferred tax	-6	-2	-4	-13
Total recognized in the statement of comprehensive income	23	9	12	48
Total revaluation before tax	29	11	17	60
Total deferred tax	-6	-2	-4	-13
Total revaluation after tax	23	9	13	47

Fair value hierarchy

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are disclosed in note 7 in the Annual Report 2019.

Further information regarding the accounting principles for financial instruments is disclosed in note 2 in the Annual Report 2019.

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
December 31, 2020				
Financial assets at fair value through profit or loss	-	20	-	20
Financial liabilities at fair value through profit or loss	-	-11	-295	-306
Derivatives designated for hedging with positive fair value	-	362	-	362
Derivatives designated for hedging with negative fair value	-	-159	-	-159
December 31, 2019				
Financial assets at fair value through profit or loss	-	13	-	13
Financial liabilities at fair value through profit or loss	-	-14	-425	-439
Derivatives designated for hedging with positive fair value	-	213	-	213
Derivatives designated for hedging with negative fair value	-	-194	-	-194

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 7 in the Annual Report 2019.

MSEK	Dec 31, 2020		Dec 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Long-term loan liabilities	10 118	10 336	14 194	14 475
Short-term loan liabilities	3 528	3 531	-	-
Total financial instruments by category	13 646	13 867	14 194	14 475

SUMMARY OF CREDIT FACILITIES AS OF DECEMBER 31, 2020

Type	Currency	Facility amount (million)	Available amount (million)	Maturity
EMTN FRN private placement	USD	40	0	2021
EMTN FRN private placement	USD	60	0	2021
EMTN FRN private placement	USD	40	0	2021
EMTN Eurobond, 2.625% fixed	EUR	350	0	2021
EMTN Eurobond, 1.25% fixed	EUR	350	0	2022
EMTN Eurobond, 1.125% fixed	EUR	350	0	2024
EMTN FRN private placement	USD	50	0	2024
EMTN FRN private placement	USD	105	0	2024
EMTN Eurobond, 1.25% fixed	EUR	300	0	2025
Multi Currency Revolving Credit Facility	EUR (or equivalent)	938	938	2025
Commercial Paper (uncommitted)	SEK	5 000	5 000	n/a

NOTE 9 Deferred tax on other comprehensive income

MSEK	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Deferred tax on remeasurements of defined benefit pension plans	22	-31	19	-11
Deferred tax on cash flow hedges	-7	-3	6	-9
Deferred tax on cost of hedging	1	1	-10	-4
Deferred tax on net investment hedges	-152	-84	-144	94
Total deferred tax on other comprehensive income	-136	-117	-129	70

NOTE 10 Pledged assets

MSEK	Dec 31, 2020	Dec 31, 2019
Pension balances, defined contribution plans	144	124
Total pledged assets	144	124

NOTE 11 Contingent liabilities

MSEK	Dec 31, 2020	Dec 31, 2019
Guarantees	-	-
Guarantees related to discontinued operations	15	16
Total contingent liabilities	15	16

For critical estimates and judgments, provisions and contingent liabilities, refer to note 4 and note 38 in the Annual Report 2019 as well as to the section Other significant events in this report.

Parent Company

STATEMENT OF INCOME

MSEK	Jan-Dec 2020	Jan-Dec 2019
License fees and other income	1 233	1 449
Gross income	1 233	1 449
Administrative expenses	-949	-1 000
Operating income	284	449
Financial income and expenses	1 067	2 209
Income after financial items	1 351	2 658
Appropriations	-71	-105
Income before taxes	1 280	2 553
Taxes	150	-189
Net income for the period	1 430	2 364

BALANCE SHEET

MSEK	Dec 31, 2020	Dec 31, 2019
ASSETS		
Non-current assets		
Shares in subsidiaries	44 233	43 911
Shares in associated companies	112	112
Other non-interest-bearing non-current assets	344	759
Interest-bearing financial non-current assets	1 133	1 375
Total non-current assets	45 822	46 157
Current assets		
Non-interest-bearing current assets	571	654
Other interest-bearing current assets	3 330	3 694
Liquid funds	151	1 596
Total current assets	4 052	5 944
TOTAL ASSETS	49 874	52 101
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Restricted equity	7 730	7 737
Non-restricted equity	21 269	21 539
Total shareholders' equity	28 999	29 276
Untaxed reserves	723	687
Long-term liabilities		
Non-interest-bearing long-term liabilities/provisions	169	296
Interest-bearing long-term liabilities	11 679	17 189
Total long-term liabilities	11 848	17 485
Current liabilities		
Non-interest-bearing current liabilities	960	1 161
Interest-bearing current liabilities	7 344	3 492
Total current liabilities	8 304	4 653
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	49 874	52 101

Financial information

PRESENTATION OF THE FULL YEAR REPORT

Analysts and media are invited to participate in a telephone conference on February 4, 2021, at **9:30 a.m. (CET)** where President and CEO Magnus Ahlqvist and CFO Bart Adam will present the report and answer questions. The telephone conference will also be audio cast live via Securitas' website. To participate in the telephone conference, please dial in five minutes prior to the start of the conference call:

US: **+1 631 913 1422**
Sweden: **+46 8 566 426 51**
UK: **+44 333 3000 804**

Please use the following pin code for the telephone conference: **621 490 78#**

To follow the audio cast of the telephone conference via the web, please follow the link www.securitas.com/investors/webcasts.

A recorded version of the audio cast will be available at www.securitas.com/investors/webcasts after the telephone conference.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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FINANCIAL INFORMATION CALENDAR

May 5, 2021, app. 1.00 p.m. (CET)	Interim Report January–March 2021
May 5, 2021	Annual General Meeting 2021
July 29, 2021, app. 1.00 p.m. (CET)	Interim Report January–June 2021
October 29, 2021, app. 1.00 p.m. (CET)	Interim Report January–September 2021

For further information regarding Securitas IR activities, refer to www.securitas.com/investors/financial-calendar

ABOUT SECURITAS

Securitas has a leading global and local market presence with operations in 56 countries. Our operations are organized in three business segments: Security Services North America, Security Services Europe and Security Services Ibero-America. We also have operations in Africa, the Middle East and Asia, which form the AMEA division. Securitas serves a wide range of clients of all sizes in a variety of industries and segments. Security solutions based on client-specific needs are built through different combinations of on-site, mobile and remote guarding, electronic security, fire and safety, and corporate risk management. Securitas clients' are found in all different industries and they are of all sizes. We adapt our security solutions based on the risks and needs of each client through increased client engagement and continuously enhanced knowledge. Securitas is listed in the Large Cap segment at Nasdaq Stockholm.

Group strategy

At Securitas, we are leading the transformation of the security industry by putting our clients at the heart

of our business. We solve our clients' security needs by offering qualified and engaged people, in-depth expertise and innovation within each of our protective services, the ability to combine services into solutions and by using data to add further intelligence. To execute on our strategy to become the intelligent protective services partner, we are focusing on four areas: empowering our people, client engagement, protective services leadership and innovation, and efficiency.

Group financial targets

Securitas has three financial targets:

- An annual average increase in earnings per share of 10 percent
- Net debt to EBITDA ratio of on average 2.5
- An operating cash flow of 70 to 80 percent of operating income before amortization

Securitas has also set a strategic transformation ambition – to double our security solutions and electronic security sales by 2023, compared with 2018.

This is information that Securitas AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 a.m. (CET) on Thursday, February 4, 2021.

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