GUNNEBO

YEAR-END RELEASE 2012

CEO Comments

Order intake and sales both developed stably during the fourth quarter of 2012. We are seeing a trend where development outside of Europe is still very strong. Our Asian markets showed a 20% increase in order intake during the quarter, and both South Africa and Australia reported growth of above 30%. The operations in Brazil and the US also developed well during the quarter. Development on the majority of markets in Europe, however, has been slower, particularly during the latter part of the year.

Operating profit excluding expenses of a non-recurring nature amounted to MSEK 136 (138) during the quarter. Profit has been burdened with expenses of a non-recurring nature amounting to MSEK -29, mainly related to cost-cutting in Europe.

An important part of Gunnebo's strategy is to gradually move the businesses' point of gravity outside of Europe, to markets with good growth potential. We have made a number of major investments during the year as the acquisition of US Hamilton Safe and establishment of a sales company in Malaysia.

Altogether we are seeing that growth on markets outside Europe is good. At the end of the fourth quarter this part of our business totalled as much as 39%, at the end of 2011 the corresponding figure was 31%. The cost structure, together with an unstable market development in Europe, is still one of the Group's biggest challenges.

At the end of the year the Group has a stable financial position with an equity ratio of 39% (45%).

Fourth quarter 2012

- Order intake increased to MSEK 1,317 (1,223), in constant currency rates it increased by 12%. Acquired units contributed MSEK 163.
- Net sales increased to MSEK 1,517 (1,492), in constant currency rates they increased by 6%. Acquired units contributed MSEK 117.
- Operating profit amounted to MSEK 107 (166) and the operating margin to 7.1% (11.1%). Acquired units had a positive effect on operating profit of MSEK 12.
- Operating profit excluding expenses of a non-recurring nature of MSEK -29 (28) amounted to MSEK 136 (138) and the operating margin to 9.0% (9.2%).
- Result for the period was burdened with an expense of non-recurring nature for write-down of financial assets of MSEK -45 and re-evaluations of deferred tax assets in Sweden of MSEK -25.
- Profit after tax for the period totalled MSEK 0 (153).
- Earnings per share were SEK -0.03 (1.98).

Full Year 2012

- Order intake increased to MSEK 5,250 (5,091), in constant currency rates it increased by 5%. Acquired units contributed MSEK 318.
- Net sales increased to MSEK 5,236 (5,137), in constant currency rates they increased by 4%. Acquired units contributed MSEK 275.
- Operating profit amounted to MSEK 176 (324) and the operating margin to 3.4% (6.3%). Acquired units had a positive effect on operating profit of MSEK 36.
- Operating profit excluding expenses of a non-recurring nature of MSEK -87 (7) amounted to MSEK 263 (317) and the operating margin to 5.0% (6.2%).
- Result for the period was burdened with an expense of non-recurring nature for write-down of financial assets of MSEK -45 and re-evaluations of deferred tax assets in Sweden of MSEK -25.
- Profit after tax for the period totalled MSEK 22 (230).
- Earnings per share were SEK 0.23 (3.00).
- The proposed dividend is SEK 1.00 (1.00).

In Brief

	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Order intake	**1,317**	1,223	**5,250**	5,091
Net sales	**1,517**	1,492	**5,236**	5,137
Operating profit before depreciation (EBITDA)	**139**	190	**271**	405
Operating margin before depreciation (EBITDA), %	**9.2**	12.7	**5.2**	7.9
Operating profit before non-recurring items [1]	**136**	138	**263**	317
Operating margin before non-recurring items, % [1]	**9.0**	9.2	**5.0**	6.2
Operating profit (EBIT)	**107**	166	**176**	324
Operating margin (EBIT), %	**7.1**	11.1	**3.4**	6.3
Profit/loss for the period	**0**	153	**22**	230
Earnings per share, SEK [2]	**-0.03**	1.98	**0.23**	3.00

[1] Items of a non-recurring nature amounted to MSEK -87 (7) for the period January - December

[2] Earnings per share before and after dilution

Business Area Summary

Order intake

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Business Area Bank Security & Cash Handling	**656**	554	**2,374**	2,215
Business Area Secure Storage	**212**	191	**801**	736
Business Area Global Services	**224**	245	**1,138**	1,144
Business Area Entrance Control	**172**	175	**674**	713
Business Area Developing Businesses	**53**	58	**263**	283
Total	**1,317**	1,223	**5,250**	5,091

Net sales

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Business Area Bank Security & Cash Handling	**734**	690	**2,386**	2,276
Business Area Secure Storage	**200**	200	**781**	731
Business Area Global Services	**302**	301	**1,143**	1,120
Business Area Entrance Control	**197**	209	**663**	720
Business Area Developing Businesses	**84**	92	**263**	290
Total	**1,517**	1,492	**5,236**	5,137

Operating profit/loss, excl non-recurring items

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Business Area Bank Security & Cash Handling	**66**	81	**158**	167
Business Area Secure Storage	**13**	6	**30**	16
Business Area Global Services	**37**	40	**110**	138
Business Area Entrance Control	**36**	25	**47**	51
Business Area Developing Businesses	**-4**	-9	**-42**	-35
Central items	**-12**	-5	**-40**	-20
Operating profit, excluding non-recurring items	**136**	138	**263**	317
Non-recurring items	**-29**	28	**-87**	7
Operating profit	**107**	**166**	**176**	324

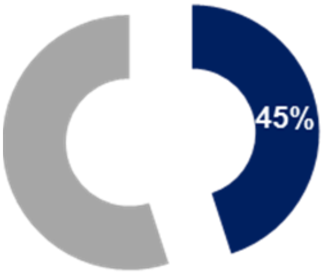
Operating margin, excl non-recurring items

%	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Business Area Bank Security & Cash Handling	**9.0**	11.7	**6.6**	7.3
Business Area Secure Storage	**6.5**	3.0	**3.8**	2.2
Business Area Global Services	**12.3**	13.3	**9.6**	12.3
Business Area Entrance Control	**18.3**	12.0	**7.1**	7.1
Business Area Developing Businesses	**-4.8**	-9.8	**-16.0**	-12.1
Operating margin, excluding non-recurring items	**9.0**	9.2	**5.0**	6.2

Business Area Bank Security & Cash Handling

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Order intake	**656**	554	**2,374**	2,215
Net sales	**734**	690	**2,386**	2,276
Operating profit/loss excl. non-recurring items	**66**	81	**158**	167
Operating margin excl. non-recurring items, %	**9.0**	11.7	**6.6**	7.3
Non-recurring items	**-9**	-17	**-13**	-20
Operating profit/loss	**57**	64	**145**	147

% of Group sales: 45%



Order intake for the fourth quarter increased to MSEK 656 (554), in constant currency rates it increased by 25%. Net sales for the same period totalled MSEK 734 (690), in constant currency rates they increased by 11%. Organically, i.e. excluding acquired units and currency effects, order intake fell by 2% and net sales by 4%. Order intake for the whole of 2012 increased to MSEK 2,374 (2,215), in constant currency rates it increased by 10%. Net sales increased to MSEK 2,386 (2,276), in constant currency rates they increased by 8%. Organically, order intake decreased by 2% and net sales by 2%. Operating profit for the year excluding items of a non-recurring nature amounted to MSEK 158 (167) and the operating margin to 6.6% (7.3%).

The market for bank security and cash handling

The global market for bank security and cash handling continues to develop positively. Gunnebo has strong positions on some of the world's fastest growing markets such as India, Indonesia and Brazil.

There is a clear market trend of integrated security developing with comprehensive solutions combining physical and electronic applications, with software solutions increasing in importance. Other factors driving the market for bank security and cash handling are regulations and common practice on both a national and an international level.

Development 2012

Growth on the Asian markets, primarily India, has been excellent during the year. Order intake in the region increased by 20% during the year, and in India the increase was close to 30%.

Development in the Americas region has also been good during the year. The operation in Canada is continuing to grow and the acquired units in Brazil and the US have also developed well.

Market development in Europe has been weak throughout the year.

Since a high proportion of the Business Area's business is project based, the order intake varies from quarter to quarter.

Profit analysis

Acquired units made a positive contribution to operating profit of MSEK 32 over the whole year. Weak profit development in Europe during the year has been compensated for by the positive development of operating profit on other markets, particularly India.

QUARTER IN BRIEF

- Bank of China is equipping another of its major branches with a robotized Safe Store Auto system.
- Several orders from a major French banking Group on electronic security for upgraded security in its nation-wide branch network.
- Spanish Bank Sabadell has commissioned Gunnebo to renovate its head office and several local branches.
- The European External Action Service (European Union) increases security at its offices with electronic security solutions from Gunnebo.

GUNNEBO'S OFFERING

Bank Security & Cash Handling primarily targets central banks, banks, retail and cash-in-transit (CIT) companies.

Gunnebo provides solutions that increase efficiency and security in the form of software applications, services, solutions for secure depositing and storage, as well as physical and electronic security.

Business Area Secure Storage				
	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Order intake	**212**	191	**801**	736
Net sales	**200**	200	**781**	731
Operating profit/loss excl. non-recurring items	**13**	6	**30**	16
Operating margin excl. non-recurring items, %	**6.5**	3.0	**3.8**	2.2
Non-recurring items	**-11**	-1	**-11**	-1
Operating profit/loss	**2**	5	**19**	15

% of Group sales:15%

Order intake for the fourth quarter increased to MSEK 212 (191), in constant currency rates it increased by 15%. Net sales for the fourth quarter were unchanged at MSEK 200 (200), in constant currency rates they increased by 3%. Organically, i.e. excluding acquired units and currency effects, order intake rose by 7% while net sales fell by 2%. Order intake for the whole of 2012 increased to MSEK 801 (736), in constant currency rates the increase was 10%. Net sales for the same period increased to MSEK 781 (731), in constant currency rates they increased by 8%. Organically, order intake increased by 8% and net sales by 7%. Operating profit for the year excluding items of a non-recurring nature amounted to MSEK 30 (16) and the operating margin to 3.8% (2.2%).

The market for secure storage

The market for secure storage is driven largely by increased awareness about the importance of protecting valuables against fire and theft. On the growth markets the advent of an increasing middle class which means growing sales through partners and distributors. This states that the largest increase in demand at present is on the markets in Asia.

One trend is an increase in sales of safes with lower classification, while demand for safes with high-security classification is stable or declining slightly. More and more professional customers also require that the safe's electronic security applications, such as seismic detectors and electronic locks, are connected and linked to other applications in the operation's security system.

Gunnebo has a leading position on the global market for secure storage through the strong brands Chubbsafes, Fichet-Bauche, Rosengrens and Steelage.

Development 2012

Both order intake and net sales developed well during the year.

Geographically speaking, the Asian markets have driven the positive development of order intake, particularly the distributor-driven sales in Indonesia, China, India and in Southeast Asia. The company in Malaysia, which was started up in October, has also contributed positively to the development.

In Europe, the order intake has been good in France, Belgium, the UK and Sweden. On other markets, it has become progressively weaker during the year.

The order intake for safes for global manufacturers of ATMs has developed very well during the year.

Profit analysis

Both the operating profit and the operating margin, adjusted for items of a non-recurring nature improved during the year thanks to a better market and product mix.

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QUARTER IN BRIEF

- Large order to protect sensitive data received from a Swedish authority.
- Continued good order intake and deliveries of safes for ATMs from several global ATM manufacturers.
- Continued good development of distributor-based sales in Asia, particularly in India and Indonesia.

GUNNEBO'S OFFERING

Safes and cabinets, fire-resistant and burglary-resistant safes, mechanical and electronic locks, modular vaults and safes for ATMs.

Business Area Global Services

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Order intake	**224**	245	**1,138**	1,144
Net sales	**302**	301	**1,143**	1,120
Operating profit/loss excl. non-recurring items	**37**	40	**110**	138
Operating margin excl. non-recurring items, %	**12.3**	13.3	**9.6**	12.3
Non-recurring items	**-3**	-17	**-9**	-17
Operating profit/loss	**34**	23	**101**	121

% of Group sales:22%

Order intake for the fourth quarter amounted to MSEK 224 (245), in constant currency rates it decreased by 5%. Net sales for the same period were unchanged at MSEK 302 (301), in constant currency rates they increased by 4%. Organically, i.e. excluding acquired units and currency effects, order intake fell by 5% while net sales rose by 4%. Order intake for the whole of 2012 totalled to MSEK 1,138 (1,144), in constant currency rates the increase was 2%. During the same period net sales increased to MSEK 1,143 (1,120), in constant currency rates the increase was 4%. Organically, order intake decreased by 1% while net sales were up 1%. Operating profit for the year excluding items of a non-recurring nature amounted to MSEK 110 (138) and the operating margin to 9.6% (12.3%).

The market for services

The service offering of the security industry varies greatly from one market to the next. One universal trend, however, is that the complexity of the offering is expected to increase, which creates higher entry barriers for new players to become established. This allows more opportunities for a limited number of established players, like Gunnebo, to grow and win market share. At the same time customers are placing increasing demands on the scope of responsibility assumed by the service provider within the framework of a service contract.

In the years to come, customers are also expected to place higher demands on co-ordination between physical security products and software, i.e. the ability to link together different products and systems. This results in the development and inclusion of more sophisticated service solutions in the offering.

Development 2012

The order intake was on pair with last year. One important trend is that sales of service linked to contracts are continuing to increase, which is positive for Gunnebo.

The markets in Asia and Americas have developed well during the year, while development on other markets has been weaker.

Profit analysis

The operating profit and operating margin for the whole year were lower than for last year due to weak development in Europe. Profit from operations outside of Europe developed far better. During the year profit was also burdened by expenses for streamlining the service operation.

QUARTER IN BRIEF

- A British bank has signed a national agreement with Gunnebo regarding entrance control service.
- Cole Express (formerly Shell) in Australia has a far-reaching collaboration with Gunnebo on solutions for cash handling, which now has been upgraded to the next generation.

GUNNEBO'S OFFERING

Within Global Services, Gunnebo provides a complete offering that helps customers obtain the best possible return from their investment in products and solutions throughout their lifecycle.

Lifecycle Care represents a portfolio of product-related security services linked to design, implementation, maintenance and development.

Business Care represents security-related services linked to the customer's business processes such as outsourcing, consultancy services and software adaptation.

Business Area Entrance Control

	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Order intake	**172**	175	**674**	713
Net sales	**197**	209	**663**	720
Operating profit/loss excl. non-recurring items	**36**	25	**47**	51
Operating margin excl. non-recurring items, %	**18.3**	12.0	**7.1**	7.1
Non-recurring items	**-5**	-15	**-33**	-15
Operating profit/loss	**31**	10	**14**	36

% of Group sales: 13%

Order intake for the fourth quarter amounted to MSEK 172 (175), in constant currency rates it increased by 2%. Net sales for the same period totalled MSEK 197 (209), in constant currency rates they decreased by 3%. Organically, i.e. excluding acquired units and currency effects, order intake rose by 2% while net sales fell by 3%. Order intake for the whole of 2012 amounted to MSEK 674 (713), in constant currency rates it decreased by 4%. Net sales amounted to MSEK 663 (720), in constant currency rates it decreased by 6%. Organically, order intake decreased by 5% and net sales by 7%. Operating profit for the year excluding items of a non-recurring nature amounted to MSEK 47 (51) and the operating margin to 7.1% (7.1%).

The market for entrance control

One of the most important driving forces for the entrance control market is stricter demands on having constant control over who is where in a building. One clear trend is that the requirement for authorised individuals to be able to move around unhindered within an office building, through a metro system barrier, at an arena or through a border control at an airport, is increasing.

The rising number of people living in cities is increasing the need for efficient regulation and control of passengers in mass transit, as well as visitors at sports arenas, exhibition centres and other sites that hold public events.

Development 2012

The Business Area's order intake showed weak development at the beginning of the year, but has progressively strengthened during the third and fourth quarters. During the fourth quarter a good level of order intake was noted on the markets in China, Southeast Asia, India, the Middle East and France. On other markets, development has been stable or has fallen slightly during the year.

Since a high proportion of the Business Area's business is project based, the order intake varies from quarter to quarter.

Profit analysis

Excluding expenses of a non-recurring nature, the operating profit and operating margin were on a par with last year. Expenses of a non-recurring nature that burdened the Business Area include the MSEK 23 of compensation Gunnebo was obliged to pay a former commercial agent during the third quarter following arbitration.

QUARTER IN BRIEF

- Good development of business in China within the metro and nuclear facilities segment
- A European Ministry of Defence is ordering Gunnebo solutions for entrance control for its headquarters
- A major Canadian airport has chosen solutions from Gunnebo as it upgrades security

GUNNEBO'S OFFERING

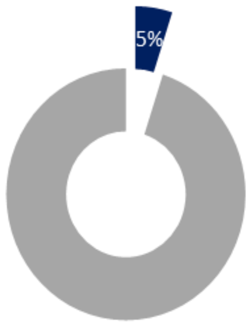
A complete offering of effective solutions for access and entrance control, system solutions for mass transit and solutions for airports such as anti-return gates, boarding gates and immigration gates.

In India and Indonesia, Gunnebo also offers a complete range of fire systems.

Developing Businesses

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Order intake	**53**	58	**263**	283
Net sales	**84**	92	**263**	290
Operating profit/loss excl. non-recurring items	**-4**	-9	**-42**	-35
Operating margin excl. non-recurring items, %	**-4.8**	-9.8	**-16.0**	-12.1
Non-recurring items	**-1**	0	**-1**	0
Operating profit/loss	**-5**	-9	**-43**	-35

% of Group sales: 5%



Order intake for the fourth quarter amounted to MSEK 53 (58), in constant currency rates it decreased by 7%. Net sales for the same period totalled MSEK 84 (92), in constant currency rates it decreased by 7%. Organically, the unit developed as in constant currency rates. Order intake for the whole of 2012 amounted to MSEK 263 (283), in constant currency rates it decreased by 6%. Net sales for the same period totalled MSEK 263 (290), in constant currency rates it decreased by 8%. Organic development for the whole year was as in constant currency rates. Operating profit for the year excluding items of a non-recurring nature amounted to MSEK -42 (-35) and the operating margin to -16.0% (-12.1%).

SafePay

The order intake has shown a weak development during the second half of the year.

Reliability on new systems delivered is now stable, however the result continues to be burdened with costs related to the quality of older systems.

SAFEPAY

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Order intake	**24**	28	**169**	174
Net sales	**55**	62	**167**	180
Operating profit/loss excl. non-recurring items	**-3**	-5	**-35**	-36
Operating margin excl. non-recurring items, %	**-5.5**	-8.1	**-21.0**	-20.0
Non-recurring items	**-1**	0	**-1**	0
Operating profit/loss	**-4**	-5	**-36**	-36

Gateway

Order intake developed stably during the fourth quarter. Gateway did however have a weak start to the first half of the year, which meant that development for the year as a whole has been weak. This is primarily attributable to the prevailing economic uncertainty on several large markets in Europe, which has resulted in a lower rate of investment in the retail sector.

GATEWAY

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Order intake	**29**	30	**94**	109
Net sales	**29**	30	**96**	110
Operating profit/loss excl. non-recurring items	**-1**	-4	**-7**	1
Operating margin excl. non-recurring items, %	**-3.4**	-13.3	**-7.3**	0.9
Non-recurring items	**0**	0	**0**	0
Operating profit/loss	**-1**	-4	**-7**	1

OCTOBER-DECEMBER 2012

Order intake and net sales

The Group's order intake improved by 8% during the fourth quarter of 2012 and totalled MSEK 1,317 (1,223). Acquired units contributed MSEK 163. In constant currency rates order intake increased by 12%.

Adjusted for altered exchange rates, order intake fell by 11% in Europe. Owing to the financial crisis and recession in Southern Europe, the market situation in all Business Areas remained weak. A lower order intake was also reported in other markets in Europe. The weak development in Europe was offset by the acquired unit in the US, and by continued good development in Africa, Asia and the Middle East.

Net sales rose to MSEK 1,517 (1,492), of which acquired units accounted for MSEK 117. In constant currency rates net sales increased by 6%. The improvement can primarily be attributed to the acquisition in the US, and to Asia and Brazil. In Asia, it is primarily the operations in India and Malaysia that have contributed to the increase. In Europe, net sales decreased by a total of 8% in constant currency rates.

Financial results

Operating profit amounted to MSEK 107 (166) and the operating margin to 7.1% (11.1%). Acquired units contributed MSEK 12 to operating profit. Currency effects had a negative impact on profit of MSEK -3.

Restructuring costs, along with certain other expenses of a non-recurring nature, burdened the result by MSEK -29 (28) in total. The majority of these costs can be attributed to structural measures in the Bank Security & Cash Handling Business Area, and to staff cuts in the Group's European sales companies. Adjusted for such expenses of a non-recurring nature, operating profit amounted to MSEK 136 (138) and the operating margin to 9.0% (9.2%).

2012 AS A WHOLE

Order intake and net sales

Group order intake amounted to MSEK 5,250 (5,091), of which acquired units contributed MSEK 318. In constant currency rates order intake increased by 5%. Above all, American Hamilton Safe and increased demand in Asia and Brazil had a positive impact on the order intake.

Net sales increased in constant currency rates by 4% and amounted to MSEK 5,236 (5,137). Acquired units contributed MSEK 275 to sales.

Net sales in the Asia-Pacific region increased by 20%, and in India sales growth was 39%. In Europe demand showed weak development and net sales fell by 4%.

Financial results

Operating profit amounted to MSEK 176 (324) and the operating margin to 3.4% (6.3%). Operating profit excluding expenses of a non-recurring nature of MSEK -87 (7) amounted to MSEK 263 (317) and the operating margin to 5.0% (6.2%). Currency effects had a negative impact on profit of MSEK -16. The acquired units in Brazil and the US had a positive impact of MSEK 36 on profit.

Net financial items decreased to MSEK -65 (-26) due to write-downs of financial assets totalling MSEK -45 attributable to the discontinued Perimeter Protection operation. Adjusted for such write-downs, net financial items improved to MSEK -20 (-26) as the result of a lower interest rate situation, increased interest income from financial receivables and lower banking costs.

Group profit after financial items amounted to MSEK 111 (298). Net profit for the period totalled MSEK 22 (230), and earnings per share attributable to the parent company's shareholders were SEK 0.23 (3.00) per share.

The tax expense increased by MSEK 37 and totalled MSEK -89 (-52). The reduction in Swedish company tax from the current 26.3% to 22.0% has resulted in a reassessment of deferred tax assets regarding Swedish loss carry-forwards. The related tax expense amounts to MSEK -25 and has burdened profit for the year. Tax expense for the year has also been adversely affected regarding non-deductible write-downs of financial assets and by a less favourable composition, with lower profits in countries where the Group is not in a tax position. The low tax expense last year was mainly attributable to non-taxable income of a non-recurring nature.

Acquisition of Hamilton Safe

On August 8, 2012 Gunnebo acquired Hamilton Safe, the US's second largest manufacturer and supplier of physical security products to the bank and government sectors. The acquired operation has annual net sales of approximately MSEK 450 and just over 220 employees. The purchase sum is expected to total MSEK 408. Group surplus value arising from the acquisition has not been finally established as the acquisition analysis is still preliminary, but it is expected to be MSEK 340. Acquisition costs which burdened profit totalled MSEK -13. After the acquisition the company has had sales of MSEK 162 and an operating profit of MSEK 23.

Capital expenditure and depreciation

Investments made in intangible assets and in property, plant and equipment during the period totalled MSEK 116 (90). Investments relating to continuing operations totalled MSEK 116 (85). Depreciation in the Group and in continuing operations amounted to MSEK 87 (90) and MSEK 87 (81) respectively.

Cash flow

Cash flow from operating activities amounted to MSEK 136 (65). Payments related to restructuring measures burdened cash flow for the year by MSEK 40 (54) and an increase in working capital tied up had an impact of MSEK -20 (-169).

Cash flow from operating activities before changes in working capital amounted to MSEK 156 (234). The operating cash flow after deductions for capital expenditure but before net financial items affecting cash flow and paid tax amounted to MSEK 112 (71).

Liquidity and financial position

The Group's liquid funds at the end of the period amounted to MSEK 350 (239). Equity amounted to MSEK 1,652 (1,776) and the equity ratio to 39% (45%).

The deterioration in equity can primarily be attributed to dividend to shareholders which burdened equity by MSEK -76. Other comprehensive income comprising translation differences, hedges of net investments abroad, cash flow hedges and income tax related to these components reduced equity by MSEK -71 during the period.

Net debt amounted to MSEK 876 (498), mainly due to acquisitions and dividend to shareholders. The debt/equity ratio was 0.5 (0.3). Net debt excluding pension commitments amounted to MSEK 684 (299).

During the third quarter Gunnebo agreed on 18 months of acquisition financing in the form of a new credit framework amounting to MUSD 35, with the aim of part-funding the acquisition of Hamilton Safe. Furthermore, the Group extended its former borrowing facility by 12 months up to and including June 2015.

The Group's guaranteed credit framework amounted to MSEK 1,434 on December 31, 2012. The Group's total credit framework, including non-guaranteed facilities, totalled MSEK 1,738.

Parent company

The Group's parent company, Gunnebo AB, is a holding company which has the main task of owning and managing shares in other Group companies, as well as providing Group-wide services. In the first quarter all participations in the Group's Swedish finance company Gunnebo Treasury AB were acquired from Gunnebo Treasury SA. The purchase sum totalled MSEK 900. The purpose with the transaction was to prepare a liquidation of the latter company that has been dormant, since the Group's finance was transferred to Gunnebo Treasury AB.

Net sales for the period January-December amounted to MSEK 137 (142), of which MSEK 2 (1) related to sales to external customers. During the period a dividend of MSEK 1,671 was received from Gunnebo Treasury SA. The dividend resulted in the shares in the Swiss subsidiary being written down by MSEK 1,226 and in the phasing-out of hedging instruments in the form of loans and forward contracts in Swiss francs. The aim of the hedging instruments was to hedge the investment in Gunnebo Treasury SA, and the phasing-out of the instruments gave rise to an exchange loss of MSEK 594. Altogether these transactions had a negative impact on net financial items of MSEK 149 and the loss after financial items totalled MSEK -82 (97). The liquidation of Gunnebo Treasury SA and the settlement of associated hedging instruments have not had any impact on the Group's results.

Net profit for the period amounted to MSEK 45 (97) and was positively affected by a deferred tax income of MSEK 131 (0) attributable to deferred tax assets regarding unutilised loss carry-forwards.

Employees

The number of employees at the end of the period was 5,673 (5,499 at the beginning of the year). The number of employees outside of Sweden increased by 178 during the year, totalling 5,476 at the end of the period (5,298 at the beginning of the year). The increase in the number of employees outside of Sweden can mainly be attributed to the acquisition of Hamilton Safe.

Share data

Earnings per share after dilution were SEK 0.23 (3.00) and for continuing operations SEK 0.23 (3.20). The number of shareholders totalled 9,900 (10,200).

Transactions with related parties

There have been no transactions with related parties during the period that affect Gunnebo's position and result to any significant extent, except for the dividend paid to shareholders.

Events after the closing day

No significant events occurred after the closing day, except that Christian Johansson was appointed CFO.

Accounting principles

Gunnebo complies with the International Financial Reporting Standards adopted by the EU, and the official interpretations of these standards (IFRIC). The Interim Report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting, and the Interim Report for the parent company has been prepared in accordance with the Annual Accounts Act and the recommendation of the Swedish Financial Reporting Board, RFR 2 Accounting for Legal Entities. The same accounting principles and methods of calculation have been used as in the latest annual report.

Reporting of discontinued operations

The divestment of Perimeter Protection in December 2011 has been recognised in this report in accordance with IFRS 5, Non-current assets held for sale and discontinued operations. In the Group income statement the profit for the period for the discontinued operation is reported separately under "Profit for the period from discontinued operation". This means that income and costs for Perimeter Protection have been excluded from other income statement items for all reported periods. In the Group cash flow statement, which is reported in summary, the discontinued operation has not been separated in the corresponding way. Information about cash flows for this operation is instead reported in Note 2. The balance sheet only includes the assets and liabilities that remain in the Group after the divestments.

New accounting principles

The revised IAS 19, Employee Benefits, is applicable from 1 January 2013. The change means that actuarial gains and losses shall be recognized immediately through other comprehensive income, and that the so-called corridor method Gunnebo applies is removed. The amendment means that pension obligation reported in the balance sheet will increase with some MSEK 150.

Significant risks and uncertainties

The Group's and parent company's significant risks and uncertainties include operational risks in the form of raw material risks, product risks, insurance risks and legal risks. In addition there are for example financial risks such as financing risks, liquidity risks, interest rate risks and currency risks, as well as credit and counterparty risks. The Group's risk management is described in more detail on pages 88-91 of Gunnebo's 2011 Annual Report, and in Note 3. Gunnebo considers this risk description to still be correct.

Annual General Meeting

Gunnebo's Annual General Meeting will be held at 4.00 pm CET on Tuesday April 9, 2013 at the Chalmers Student Union building, Chalmersplatsen 1, Göteborg, Sweden. Shareholders who wish to participate in the Annual General Meeting must have their names entered in the register of shareholders maintained by Euroclear Sweden by no later than Wednesday April 3, 2013, and notify Gunnebo's head office preferably by no later than 4.00 pm CET on Wednesday April 3, 2013:

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Website www.gunnebogroup.com.

The Annual Report will be distributed to shareholders who have ordered a copy and will be available from the Gunnebo head office and on www.gunnebogroup.com from the end of the week beginning March 11, 2013.

Proposed dividend

The Board and the President propose that a dividend of SEK 1.00 per share (SEK 1.00 per share) be paid for the 2012 financial year.

Financial goals

- The Group shall earn a long-term return on capital employed of at least 15% and an operating margin of at least 7%.
- The equity ratio shall not fall below 30%.
- The Group shall achieve organic growth of at least 5%.

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

Göteborg, January 30, 2013

Per Borgvall
President and CEO

The Group

Summary group income statement				
	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Net sales	**1,517**	1,492	**5,236**	5,137
Cost of goods sold	**-1,052**	-1,026	**-3,666**	-3,572
Gross profit	**465**	466	**1,570**	1,565
Other operating costs, net	**-358**	-300	**-1,394**	-1,241
Operating profit/loss	**107**	166	**176**	324
Net financial items	**-51**	-7	**-65**	-26
Profit/loss after financial items	**56**	159	**111**	298
Taxes	**-56**	-3	**-89**	-52
Profit/loss for the period from continuing operations	**0**	156	**22**	246
Profit/loss for the period from discontinued operations	**-**	-3	**-**	-16
Profit/loss for the period	**0**	153	**22**	230
Whereof attributable to:				
Parent company shareholders	**-3**	151	**17**	228
Holdings without controlling influence	**3**	2	**5**	2
	0	153	**22**	230
Earnings per share before dilution, SEK	**-0.03**	1.98	**0.23**	3.00
Whereof continuing operations	*-0.03*	*2.01*	***0.23***	*3.20*
Whereof discontinued operations	*-*	*-0.03*	***-***	*-0.20*
Earnings per share after dilution, SEK	**-0.03**	1.98	**0.23**	3.00
Whereof continuing operations	*-0.03*	*2.01*	***0.23***	*3.20*
Whereof discontinued operations	*-*	*-0.03*	***-***	*-0.20*

Changes in comprehensive income in brief

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Profit/loss for the period	**0**	153	**22**	230
Other comprehensive income for the period				
Translation differences in foreign operations	**-11**	-73	**-64**	2
Hedging of net investments*	**0**	53	**-3**	-33
Cancellation of accumulated currency differences and hedges from discontinued operations*	**-**	-	**0** **	-3
Cash-flow hedges*	**-2**	2	**-4**	0
Total other comprehensive income, net of taxes	**-13**	-18	**-71**	-34
Total comprehensive income for the period	**-13**	135	**-49**	196
Whereof attributable to:				
Parent company shareholders	**-15**	133	**-52**	194
Holdings without controlling influence	**2**	2	**3**	2
	-13	135	**-49**	196

*Net of taxes

**Wherof MSEK -438 relates to cancellation of accumulated currency differences and MSEK 438 as hedges related to Gunnebo Treasury SA. The company is under liquidation and equity capital has been repaid to the parent company, Gunnebo AB.

Summary group balance sheet

MSEK	31 December 2012	31 December 2011
Goodwill	**1,320**	1,104
Other intangible assets	**182**	111
Property, plant and equipment	**327**	316
Financial assets	**60**	139
Deferred tax assets	**232**	253
Inventories	**580**	564
Current receivables	**1,201**	1,239
Liquid funds	**350**	239
Total assets	**4,252**	3,965
Equity	**1,652**	1,776
Long-term liabilities	**1,278**	800
Current liabilities	**1,322**	1,389
Total equity and liabilities	**4,252**	3,965

Changes in equity in brief

	Full year	
MSEK	**2012**	**2011**
Opening balance	**1,776**	1,606
Total comprehensive income for the period	**-49**	196
Share-based remuneration	**-**	0
Issue of warrants*	**1**	1
Transaction with holdings without controlling influence	**-**	11
Dividend	**-76**	-38
Closing balance	**1,652**	1,776

*Refers to the issue of warrants to participants in incentive programmes

Summary group cash flow statement

	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Cash flow from operating activities before changes in working capital	**125**	132	**156**	234
Cash flow from changes in working capital	**68**	14	**-20**	-169
Cash flow from operating activities	**193**	146	**136**	65
Net investments	**-49**	-25	**-115**	-88
Investment in securities	**-**	-	**-**	-5
Acquisition of operations	**-15**	-58	**-408**	-100
Divestment of operations	**-**	-	**-**	172
Disposal of participations in associated companies	**19**	-	**19**	-
Cash flow from investing activities	**-45**	-83	**-504**	-21
Change in interest-bearing receivables and liabilities	**-56**	-32	**573**	58
Issue of warrants	**-**	-	**1**	1
Dividend	**-**	-	**-76**	-38
Cash flow from financing activities	**-56**	-32	**498**	21
Cash flow for the period	**92**	31	**130**	65
Liquid funds at the beginning of the period	**263**	214	**239**	189
Translation difference in liquid funds	**-5**	-6	**-19**	-15
Liquid funds at the end of the period	**350**	239	**350**	239

Summary group operating cash flow statement

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Cash flow from operating activities	**193**	146	**136**	65
Reversal of paid tax and net financial items affecting cash flow	**41**	16	**91**	94
Net investments	**-49**	-25	**-115**	-88
Operating cash flow	**185**	137	**112**	71

Reconciliation to profit/loss after financial items

MSEK	Oct-Dec 2012	Oct-Dec 2011	Full year 2012	Full year 2011
Operating profit/loss Bank Security & Cash Handling	**57**	64	**145**	147
Operating profit/loss Secure Storage	**2**	5	**19**	15
Operating profit/loss Global Services	**34**	23	**101**	121
Operating profit/loss Entrance Control	**31**	10	**14**	36
Operating profit/loss Developing Businesses	**-5**	-9	**-43**	-35
Central items	**-12**	73	**-60**	40
Operating profit/loss	**107**	166	**176**	324
Net financial items	**-51**	-7	**-65**	-26
Profit/loss after financial items	**56**	159	**111**	298

Sales per market

	Oct-Dec 2012	Oct-Dec 2011	Full Year 2012	Full Year 2011
France	**20%**	22%	**22%**	23%
India	**5%**	5%	**6%**	5%
UK	**5%**	5%	**6%**	6%
Hungary	**5%**	4%	**5%**	5%
Germany	**4%**	7%	**5%**	5%
Spain	**5%**	5%	**5%**	6%
Canada	**4%**	4%	**5%**	4%
USA	**8%**	1%	**4%**	1%
Indonesia	**3%**	4%	**3%**	3%
Belgium	**4%**	3%	**3%**	3%
Others	**37%**	40%	**36%**	39%
Total	**100%**	100%	**100%**	100%

Parent Company

Summary parent company income statement				
	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Net sales	**67**	103	**137**	142
Administrative expenses	**-37**	-30	**-135**	-123
Operating profit/loss	**30**	73	**2**	19
Net financial items	**63**	66	**-84**	78
Profit/loss after financial items	**93**	139	**-82**	97
Taxes	-29	-	**127**	-
Profit/loss for the period	**64**	139	**45**	97

Changes in comprehensive income in brief				
	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Profit/loss for the period	**64**	139	**45**	97
Other comprehensive income, net after tax	**-**	-	**-**	-
Total comprehensive income for the period	**64**	139	**45**	97

Summary parent company balance sheet		
	31 December	
MSEK	**2012**	**2011**
Other intangible assets	**8**	12
Property, plant and equipment	**3**	4
Financial assets	**1,693**	1,870
Current receivables	**67**	689
Liquid funds	**1**	0
Total assets	**1,772**	2,575
Equity	**1,556**	1,586
Current liabilities	**216**	989
Total equity and liabilities	**1,772**	2,575

Changes in equity in brief		
	Full year	
MSEK	**2012**	**2011**
Opening balance	**1,586**	1,526
period	**45**	97
Issue of warrants*	**1**	1
Dividend	**-76**	-38
Closing balance	**1,556**	1,586

*Refers to the issue of w arrants to participants in incentive programmes

Key ratios for the Group

Key ratios	Full year 2012	Full year 2011
Gross margin, %	**30.0**	30.5
Operating margin before depreciation (EBITDA) excl non-recurring items, %	**6.8**	7.7
Operating margin before depreciation (EBITDA), %	**5.2**	7.9
Operating margin (EBIT) excl non-recurring items, %	**5.0**	6.2
Operating margin (EBIT), %	**3.4**	6.3
Profit margin (EBT), %	**2.1**	5.8
Return on capital employed, % [1] [2]	**7.0**	13.5
Return on equity, % [1] [2]	**8.9**	14.1
Capital turnover rate, times [2]	**1.9**	2.3
Equity ratio, %	**39**	45
Interest coverage ratio, times [2]	**5.5**	18.0
Debt/equity ratio, times	**0.5**	0.3

[1] During the last 12-month period

[2] The figures relates to continuing and discontinued operations

Data per share, continuing operations	Full year 2012	Full year 2011
Earnings per share before dilution, SEK	**0.23**	3.20
Earnings per share after dilution, SEK	**0.23**	3.20
No. of shares at end of period, thousands	**75,856**	75,856
Average no. of shares, thousands	**75,856**	75,856

Data per share, continuing and discontinued operations	Full year 2012	Full year 2011
Earnings per share before dilution, SEK	**0.23**	3.00
Earnings per share after dilution, SEK	**0.23**	3.00
Equity per share, SEK	**21.58**	23.24
Cash flow per share, SEK	**1.80**	0.86
No. of shares at end of period, thousands	**75,856**	75,856
Average no. of shares, thousands	**75,856**	75,856

Quarterly data, MSEK												
	2010				2011				2012			
Income statement	**1**	**2**	**3**	**4**	**1**	**2**	**3**	**4**	**1**	**2**	**3**	**4**
Net sales	1,213	1,331	1,278	1,441	1,132	1,266	1,247	1,492	1,169	1,270	1,280	**1,517**
Costs of goods sold	-885	-924	-885	-1,029	-815	-856	-875	-1,026	-825	-889	-900	**-1,052**
Gross profit	328	407	393	412	317	410	372	466	344	381	380	**465**
Other operating costs, net	-322	-359	-315	-347	-294	-336	-311	-300	-334	-339	-363	**-358**
Operating profit/loss	6	48	78	65	23	74	61	166	10	42	17	**107**
Net financial items	-21	-20	-16	-18	-6	-8	-5	-7	-4	-4	-6	**-51**
Profit/loss after financial items	-15	28	62	47	17	66	56	159	6	38	11	**56**
Taxes	-4	-8	-27	-2	-5	-27	-17	-3	-9	-14	-10	**-56**
Profit/loss for the period from continuing operations	-19	20	35	45	12	39	39	156	-3	24	1	**0**
Profit/loss for the period from discontinued operations	-26	18	4	101	-19	1	5	-3	-	-	-	**-**
Profit/loss for the period	-45	38	39	146	-7	40	44	153	-3	24	1	**0**
Key ratios												
Gross margin, %	27.0	30.6	30.8	28.6	28.0	32.4	29.8	31.2	29.4	30.0	29.7	**30.7**
Operating margin, %	0.5	3.6	6.1	4.5	2.0	5.8	4.9	11.1	0.8	3.3	1.3	**7.1**
Operating profit (EBIT) excl non-recurring items, MSEK	24	70	88	142	23	82	74	138	14	50	63	**136**
Operating profit (EBIT) excl non-recurring items, %	2.0	5.3	6.9	9.9	2.0	6.5	5.9	9.2	1.2	3.9	4.9	**9.0**
Earnings per share, SEK [1)]	*-0.59*	*0.50*	*0.51*	*1.93*	*-0.09*	*0.53*	*0.58*	*1.98*	*-0.04*	*0.32*	*-0.02*	***-0.03***

[1)] Before and after dilution

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Notes

Note 1 Income statement discontinued operations

MSEK	Oct-Dec 2012 Perimeter Protection	Oct-Dec 2012 Total	Oct-Dec 2011 Perimeter Protection	Oct-Dec 2011 Total
Net sales	-	-	-	-
Cost of goods sold	-	-	-3	-3
Gross profit	-	-	-3	-3
Other operating costs, net	-	-	-	-
Operating profit/loss	-	-	-3	-3
Net financial items	-	-	-	-
Profit/loss after financial items	-	-	-3	-3
Taxes	-	-	-	-
Profit/loss for the period	-	-	-3	-3
Profit on divestment	-	-	-	-
Taxes on profit on divestment	-	-	-	-
Transaction costs	-	-	-	-
Profit/loss from exchange rate differences and hedges	-	-	-	-
Profit/loss for the period	-	-	-3	-3

MSEK	Full year 2012 Perimeter Protection	Full year 2012 Total	Full year 2011 Perimeter Protection	Full year 2011 Total
Net sales	-	-	443	443
Cost of goods sold	-	-	-375	-375
Gross profit	-	-	68	68
Other operating costs, net	-	-	-82	-82
Operating profit/loss	-	-	-14	-14
Net financial items	-	-	-4	-4
Profit/loss after financial items	-	-	-18	-18
Taxes	-	-	-	-
Profit/loss for the period	-	-	-18	-18
Profit on divestment	-	-	8	8
Taxes on profit on divestment	-	-	-	-
Transaction costs	-	-	-9	-9
Profit/loss from exchange rate differences and hedges	-	-	3	3
Profit/loss for the period	-	-	-16	-16

Note 2 Cash flow statement, discontinued operations

	Oct-Dec		Full year	
MSEK	**2012**	**2011**	**2012**	**2011**
Cash flow from operating activities	-	-	-	-78
Cash flow from investing activities*	-	-	-	-5
Cash flow from financing activities	-	-	-	84
Cash flow for the period	-	-	-	1

*The figures are disclosed excluding cash flow from divestment of operations.

Note 3 Aquisition of operations*

MSEK	2012	2011
Assets and liabilities in aquired operations		
Intangible assets	90	25
Property, plant and equipment	5	25
Financial assets	1	1
Inventories	27	30
Current receivables	80	48
Liquid funds	-	22
Holdings without controlling influence	-	-11
Current liabilities	-41	-34
Long-term liabilities	-33	-44
Identifiable net assets	**129**	**62**
Goodwill	279	173
Group value of associated companies at aquisition date	-	-27
Revaluation of previously owned shares in associated companies	-	-86
Total purchase sums	**408**	**122**
Less:		
Liquid funds in aquired operations	-	-22
Effect on group liquid funds	**408**	**100**

*August 8, 2012, Gunnebo acquired Hamilton Safe, the second largest supplier of physical security products to banks and government in the US. Group surplus value arising from the acquisition has not finally been determined due to that the acquisition analysis is still preliminary. The figures for 2011 relates to the acquisition of Alltech (South Africa) and a further 30 percent of the capital and votes in Gunnebo´s Brazilian sales company.

Note 4 Non-recurring items per function

	Jan-Dec incl. non-recurring items	Non-recurring items	Jan-Dec excl. non-recurring items
MSEK	**2012**	**2012**	**2012**
Net sales	5,236	-	5,236
Cost of goods sold	-3,666	16	-3,650
Gross profit	**1,570**	**16**	**1,586**
Gross margin	**30.0%**		**30.3%**
Other operating costs, net	-1,394	71	-1,323
Operating profit/loss	**176**	**87**	**263**
Operating margin	**3.4%**		**5.0%**

Definitions

Capital employed:
Total assets less non interest-bearing provisions and liabilities.

Capital turnover rate:
Net sales in relation to average capital employed.

Cash flow per share:
Cash flow from operating activities divided by the average number of shares in issue after dilution.

Debt/equity ratio:
Net debt in relation to equity.

Earnings per share:
Profit/loss after tax attributable to the shareholders of the parent company divided by the average number of shares.

Equity per share
Equity attributable to the shareholders of the parent company divided by the number of shares at the end of the period.

Equity ratio:
Equity as a percentage of the balance sheet total.

Gross margin:
Gross profit as a percentage of net sales.

Interest coverage ratio:
Profit/loss after financial items plus interest costs, divided by interest costs.

Net debt:
Interest-bearing provisions and liabilities less liquid funds and interest-bearing receivables.

Operating cash flow:
Cash flow from operating activities, after capital expenditure but before net financial items affecting cash flow and tax paid.

Operating margin:
Operating profit/loss as a percentage of net sales.

Profit margin:
Profit/loss after financial items as a percentage of net sales.

Return on capital employed:
Operating profit/loss plus financial income as a percentage of average capital employed.

Return on equity:
Profit/loss for the year as a percentage of average equity.

Financial Calendar	
Annual General Meeting 2013	April 9, 2013
Interim Report January-March	April 25, 2013
Interim report January-June	July 17, 2013
Capital Market Day	September 19, 2013
Interim report January-September	October 24, 2013

This interim report is a translation of the original in Swedish language. In the event of any textual inconsistencies between the English and the Swedish, the latter shall prevail.

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The Gunnebo Security Group provides efficient and innovative security solutions to customers around the globe. It employs 5,700 people in 32 countries across Europe, Asia, Africa, Australia and Americas, and has a turnover of €580m. Gunnebo focuses its global offering on Bank Security & Cash Handling, Secure Storage, Entrance Control and Services.

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