

Gothenburg, February 4, 2016

GUNNEBO

YEAR-END RELEASE 2015

The CEO's comments on the fourth quarter

Order intake during the quarter was good and increased organically in all regions. Organic order intake for the Group as a whole increased by 3%, primarily driven by the Entrance Security and Cash Management product groups.

In Entrance Security, orders were received during the quarter from Hamburg Airport and two large airports in Canada, and also from metro lines in the Chinese cities of Tianjin and Shenzhen. These orders all involved the delivery and installation of entrance security gates.

Growth has been good in Cash Management during the quarter. By introducing the Group's offering on new markets, Gunnebo is working actively to develop its business in this area. For instance, the offering was successfully launched in Mexico during the quarter, and the first order has been received.

Another important part of the Group's strategic agenda is to grow the business with both national and international key customers. During the quarter, a French jewellery chain the Group has been working with for a long time ordered vaults for its stores in the USA. Meanwhile, the French grocery chain, Carrefour, has engaged Gunnebo to provide a complete electronic security solution for its stores in Brazil.

Net sales amounted to MSEK 1,677 during the fourth quarter, which equates to organic growth of 2%. This positive development is primarily attributable to increased sales of solutions for Cash Management and Entrance Security as well as Service. The EMEA and Asia-Pacific regions both showed organic growth, while in Region Americas the trend was negative due to weaker sales in the bank sector in North America.

Gunnebo continued to optimise the production structure for Cash Management during the quarter, as a consequence of acquiring Sallén in July 2015. Manufacturing will therefore be relocated from the factory in Trier, Germany, to other Gunnebo factories during 2016.

Operating profit amounted to MSEK 121 (116) during the quarter, and the operating margin to 7.2% (7.4%). The operating profit includes one-off costs of MSEK 28 (32) relating to the relocation of production from Trier and ongoing cost adaptations in Europe. The operating margin excluding one-off costs totalled 8.9% (9.4%).

*Henrik Lange, President and CEO
Gunnebo AB*

FOURTH QUARTER 2015

- Order intake increased to MSEK 1,345 (1,266), organically it increased by 3%.
- Net sales increased to MSEK 1,677 (1,574), organically they increased by 2%.
- Operating profit increased to MSEK 121 (116) and the operating margin was 7.2% (7.4%).
- Operating profit excluding items of a non-recurring nature amounted to MSEK 149 (148) and the operating margin to 8.9% (9.4%).
- Profit after tax for the period totalled MSEK 80 (88).
- Earnings per share were SEK 1.05 (1.15).
- The free cash flow amounted to MSEK 218 (271).

2015 AS A WHOLE

- Order intake increased to MSEK 6,191 (5,433), organically it increased by 5%.
- Net sales increased to MSEK 6,052 (5,557), organically they were unchanged.
- Operating profit amounted to MSEK 320 (352, of which MSEK 73 related to the gain from the sale of Fichet-Bauche Télésurveillance). The operating margin totalled 5.3% (6.3%).
- Operating profit excluding items of a non-recurring nature amounted to MSEK 397 (366) and the operating margin to 6.6% (6.6%).
- Profit after tax for the period amounted to MSEK 168 (227).
- Earnings per share were SEK 2.18 (2.98).
- Free cash flow amounted to MSEK 56 (223).
- The Board proposes a dividend of SEK 1.00 (SEK 1.00) per share.

In Brief

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Order intake	1,345	1,266	6,191	5,433
Net sales	1,677	1,574	6,052	5,557
Operating profit before depreciation (EBITDA)	153	139	428	440
Operating margin before depreciation (EBITDA), %	9.1	8.8	7.1	7.9
Operating profit excl. non-recurring items ¹⁾	149	148	397	366
Operating margin excl. non-recurring items, % ¹⁾	8.9	9.4	6.6	6.6
Operating profit (EBIT)	121	116	320	352
Operating margin (EBIT), %	7.2	7.4	5.3	6.3
Profit/loss for the period	80	88	168	227
Earnings per share, SEK ²⁾	1.05	1.15	2.18	2.98
Free cash flow	218	271	56	223

¹⁾ Items of a non-recurring nature amounted to MSEK -28 (-32) for the period October - December and to MSEK -77 (-14) for the period January-December

²⁾ Earnings per share before dilution

Regional review

Order intake				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	848	804	3,836	3,620
Region Asia-Pacific	249	225	1,167	987
Region Americas	248	237	1,188	826
Total	1,345	1,266	6,191	5,433

Net sales				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	1,084	1,013	3,860	3,644
Region Asia-Pacific	323	299	1,085	1,029
Region Americas	270	262	1,107	884
Total	1,677	1,574	6,052	5,557

Operating profit/loss, excl non-recurring items				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	69	57	151	109
Region Asia-Pacific	41	47	115	140
Region Americas	39	44	131	117
Total	149	148	397	366

Operating margin, excl non-recurring items				
%	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	6.4	5.6	3.9	3.0
Region Asia-Pacific	12.7	15.7	10.6	13.6
Region Americas	14.4	16.8	11.8	13.2
Total	8.9	9.4	6.6	6.6

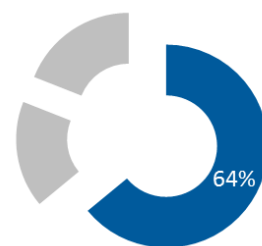
Non-recurring items				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	-26	-29	-67	-1
Region Asia-Pacific	-2	-3	-7	-9
Region Americas	0	0	-3	-4
Total	-28	-32	-77	-14

Operating profit/loss				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	43	28	84	108
Region Asia-Pacific	39	44	108	131
Region Americas	39	44	128	113
Total	121	116	320	352

Region Europe, Middle East & Africa

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Order intake	848	804	3,836	3,620
<i>Organic growth, %</i>	3		0	
Net sales	1,084	1,013	3,860	3,644
<i>Organic growth, %</i>	3		0	
Operating profit/loss excl. non-recurring items	69	57	151	109
Operating margin excl. non-recurring items, %	6.4	5.6	3.9	3.0
Non-recurring items	-26	-29	-67	-1
Operating profit/loss	43	28	84	108

Percentage of Group sales: 64%

**Region EMEA**

Europe, Middle East & Africa (EMEA) is the Group's largest region. It is divided into eight sub-regions: Nordic, Central Europe, Southern Europe, UK/Ireland, France, Eastern Europe, Middle East and Africa.

Gunnebo's offering in EMEA comprises Cash Management, Safes and Vaults, Entrance Security and Electronic Security, along with security-related Service, and is available on most markets. The largest customer segments are bank, retail, CIT companies, mass transit, public and commercial buildings, as well as industrial and high-risk sites.

October – December 2015

Order intake in EMEA increased organically by 3% due to good development in the Nordic region, UK/Ireland, Southern Europe and the Middle East. Order intake in Cash Management and Entrance Security are the primary contributors to the positive development. Development was stable on the markets in Central Europe and France, while it decreased in Eastern Europe.

The positive development of business in Entrance Security for airports is continuing. During the quarter, Hamburg Airport decided to increase efficiency in passenger flows by ordering security gates from Gunnebo. In the UK, the Group received its first Electronic Security order from the bank sector, and in the Netherlands retail chain Vomar signed an order for the installation of the closed cash management system, SafePay.

Net sales increased organically by 3%, mainly due to strong development in France and Southern Europe. The Nordic region and Central Europe also showed positive development, while sales in Eastern Europe and the Middle East were weaker.

Sales of closed cash management to the retail sector showed good growth during the quarter.

Operating profit excluding items of a non-recurring nature increased to MSEK 69 (57) and the operating margin totalled 6.4% (5.6%). During the fourth quarter, items of a non-recurring nature totalled MSEK -26 (-29), of which MSEK -15 related to restructuring the production platform in cash management.

QUARTER IN BRIEF

- Hamburg Airport improves efficiency in passenger flow with entrance gates from Gunnebo.
- Order received from Dutch retail chain Vomar for closed cash management system, SafePay.
- Gunnebo protects ATM's in the UK against gas attacks in strategic partnership with GPX.
- Major UK bank chooses Electronic Security solution from Gunnebo/Clear Image to improve branch security.
- Good order intake for Electronic Security, high-security doors and Cash Management from several major French bank customers.

FACTS EMEA

- SVP: Morten Andreasen
- Sales companies: 20

Nordic: Denmark, Norway, Sweden

Central Europe: Austria, Belgium, Germany, Luxembourg, Netherlands, Switzerland

Southern Europe: Italy, Portugal, Spain

France

Eastern Europe: Czech Republic, Hungary, Poland

UK/Ireland

Middle East: UAE

Africa: South Africa

Region Asia-Pacific				
MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Order intake	249	225	1,167	987
<i>Organic growth, %</i>	4		4	
Net sales	323	299	1,085	1,029
<i>Organic growth, %</i>	1		-8	
Operating profit/loss excl. non-recurring items	41	47	115	140
Operating margin excl. non-recurring items, %	12.7	15.7	10.6	13.6
Non-recurring items	-2	-3	-7	-9
Operating profit/loss	39	44	108	131

Percentage of Group sales: 18%



Region Asia-Pacific

Asia-Pacific is divided into six sub-regions: Australia/New Zealand, China, India, Indonesia, South-East Asia and South Korea. In addition Gunnebo has a wide network of Channel Partners on many of the region's markets.

Gunnebo's offering in Asia-Pacific mainly comprises the sale of Safes and Vaults for the bank sector and Entrance Security for public and commercial buildings and for industrial and high-risk sites and mass transit. There is also a growing business in Cash Management in the region.

October – December 2015

Order intake in Region Asia-Pacific increased organically by 4% thanks to a strong development in demand in China, India and Australia. Other markets in the region saw weaker development.

In India, which comprises a significant proportion of the Group's business in the region, the decline in orders in the bank sector reported in the most recent quarters has begun to stabilise. ATM safes is the main business that has developed well during the quarter.

For many years, Gunnebo has enjoyed a strong market position in China in Entrance Security for metro systems. During the quarter, two major orders were signed to deliver security gates for newly built metro lines in the cities of Tianjin and Shenzhen. Other important Entrance Security orders during the quarter came from Samsung and Hyundai in South Korea, who have chosen Gunnebo entrance gates to increase security and efficiency at their new research centres. In the core Safes and Vaults business, Indonesian Bank Rakyat has chosen Gunnebo to upgrade security in its national branches.

Net sales increased organically by 1% during the quarter. Australia and Indonesia showed strong growth, which partly compensates for other countries' weaker development during the quarter. Sales in the Entrance Security and Service segments increased during the quarter, while sales in bank remained weak.

Operating profit excluding items of a non-recurring nature amounted to MSEK 41 (47), which equates to an operating margin of 12.7% (15.7%). Items of a non-recurring nature burdened the operating profit by MSEK -2 (-3).

QUARTER IN BRIEF

- Gunnebo China receives an order to deliver Entrance Security solutions for metro projects in Tianjin & Shenzhen.
- Samyangsa (part of Samsung) R&D Center and Hyundai Motors Plant & R&D Center places Entrance Security order in South Korea.
- Bank Rakyat Indonesia continues to use Gunnebo Indonesia as its primary supplier of Safes & Vaults.

FACTS ASIA-PACIFIC

- SVP: Sacha de La Noë
- Sales companies: 8

Australia/New Zealand

India

Indonesia

China

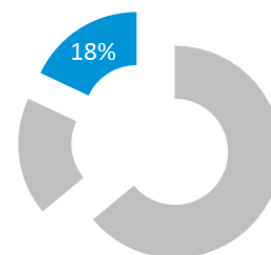
South-Korea

South-East Asia: Malaysia, Singapore (with offices in Thailand, Vietnam and Myanmar)

Region Americas

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Order intake	248	237	1,188	826
<i>Organic growth, %</i>	6		26	
Net sales	270	262	1,107	884
<i>Organic growth, %</i>	-2		8	
Operating profit/loss excl. non-recurring items	39	44	131	117
Operating margin excl. non-recurring items, %	14.4	16.8	11.8	13.2
Non-recurring items	0	0	-3	-4
Operating profit/loss	39	44	128	113

Percentage of Group sales: 18%

**Region Americas**

Region Americas is divided into two sub-regions: North America and Latin America.

Gunnebo's offering in Region Americas comprises security-related Service, Safes and Vaults for the bank and retail sectors, Entrance Security, Electronic Security solutions for banks and public and commercial buildings, and Cash Management solutions for retail and CIT companies.

October – December 2015

In Region Americas, order intake increased organically by 6%, primarily as a result of strong demand in Latin America where Gunnebo has a strong position as a supplier of Electronic Security and related Service, electronic article surveillance (EAS) systems and a growing business in Cash Management. In North America order intake decreased, primarily as a result of weaker demand from banks.

A French jewellery chain, a customer of Gunnebo's for many years, is increasing its collaboration and has ordered vaults for its stores in the USA. Another French company that works internationally with Gunnebo is the grocery chain Carrefour. During the quarter Carrefour ordered an Electronic Security Solution for its stores in Brazil. The quarter also saw the successful introduction of the Group's solutions for Cash Management on the Mexican market, and the first order has been received.

Net sales in the region decreased organically during the fourth quarter by 2%. Sales in Latin America continued to develop well, while sales in North America showed weaker development, primarily due to a bank market that remains weak.

Operating profit excluding items of a non-recurring nature amounted to MSEK 39 (44) and the operating margin to 14.4% (16.8%).

QUARTER IN BRIEF

- French jewellery chain orders vaults for stores in the US.
- Cash Management is introduced to the Mexican market, and a first order is placed.
- Order for Entrance Security placed by major airports in Canada.
- Brazilian pharmacy chain, Drogasil, reduces shrinkage with continued investment in EAS solutions from Gunnebo.
- Carrefour orders EAS and video surveillance solutions for its stores in Brazil.

FACTS AMERICAS

- SVP: Dan Schroeder
- Sales companies: 4

North America: Canada, USA
Latin America: Brazil, Mexico

OCTOBER – DECEMBER 2015

Order intake and net sales

The Group's order intake during the fourth quarter of 2015 amounted to MSEK 1,345, an increase on the corresponding period last year (MSEK 1,266). Organically, the order intake increased by 3%.

Net sales totalled MSEK 1,667 (1,574) with organic growth of 2%.

Financial results

Operating profit improved to MSEK 121 (116), which equates to an operating margin of 7.2% (7.4%). This is a result of increased sales coupled with a relatively low increase in operating expenses. Currency effects had an adverse effect of MSEK 6 during the quarter.

Items of a non-recurring nature totalled MSEK -28 (-32) and mainly comprised restructuring costs relating to workforce reductions in Europe, and the relocation of the production plant in Trier, Germany. Operating profit excluding items of a non-recurring nature amounted to MSEK 149 (148), which equates to an operating margin of 8.9% (9.4%).

2015 AS A WHOLE

Order intake and net sales

The Group's order intake in 2015 amounted to MSEK 6,191, an increase on the corresponding period last year (MSEK 5,433). Organic order intake increased by 5%.

Net sales totalled MSEK 6,052 (5,557). Organically, net sales remained unchanged.

Financial results

Operating profit amounted to MSEK 320 (352) and the operating margin to 5.3% (6.3%). Currency effects had a positive impact of MSEK 33.

Restructuring costs, along with certain other expenses of a non-recurring nature, burdened the result by MSEK -77 in total (-14, of which MSEK 73 was a capital gain from the divestment of an operation, and MSEK -87 one-off costs).

The majority of the restructuring costs during the year were related to workforce reductions in Europe, changes in management and the relocation of the production plant in Trier, Germany. Operating profit adjusted for items of a non-recurring nature amounted to MSEK 397 (366), which equates to an operating margin of 6.6% (6.6%).

Net financial items amounted to MSEK -43 (-35), the change mainly being due to negative currency effects relating to financial receivables and liabilities. Group profit after financial items totalled MSEK 277 (317).

Taxes totalled MSEK -109 (-90) of which MSEK -88 (-106) was current tax and MSEK -21 (+16) deferred tax.

Net profit for the period totalled MSEK 168 (227), and earnings per share attributable to the parent company's shareholders were SEK 2.18 (2.98) per share.

Acquisition of Grupo Sallén

On July 30, 2015 Gunnebo acquired 100% of the shares in Spanish Grupo Sallén Tech S.L., a leading producer and supplier of cash management solutions. The operation has annual sales of approximately MEUR 14. The purchase sum is expected to total MSEK 200, of which approximately MSEK 48 is estimated additional payments. According to the preliminary acquisition analysis, Group goodwill arising from the acquisition is primarily linked to acquired technology and customer relations. The acquisition has been consolidated in the Group accounts for the third quarter of 2015 under Region EMEA, and has contributed positively to earnings per share.

Capital expenditure and depreciation/amortisation

Investments made in intangible assets and property, plant and equipment during the period totalled MSEK 135 (78). Depreciation and amortisation amounted to MSEK 108 (88).

Cash flow

Cash flow from operating activities decreased compared to the same period last year as a result of higher working capital tied up, and amounted to MSEK 186 (271). Payments related to restructuring measures burdened the cash flow by MSEK 55 (56).

Cash flow from investing activities amounted to MSEK -291 (-15), which can mainly be attributed to acquisitions of operations and non-current assets.

Free cash flow, i.e. operating cash flow after deductions for net financial items affecting cash flow and paid tax, amounted to MSEK 56 (223). The decrease was primarily attributable to higher working capital tied up and higher net investments.

Liquidity and financial position

The Group's liquid funds at the end of the period amounted to MSEK 496 (447 at the beginning of the year). Equity amounted to MSEK 1,747 (1,694 at beginning of year) and the equity ratio to 34% (35% at beginning of year).

Equity has increased, and this is mainly attributable to the profit for the year. It was also positively affected by actuarial gains of MSEK 42. At the same time, equity was burdened by a dividend paid to shareholders of MSEK 76 and by negative translation differences in foreign operations totalling MSEK 82, reported in other comprehensive income.

Net debt increased by MSEK 173 to MSEK 1,212 (1,039 at beginning of year), primarily due to the acquisition of Grupo Sallén Tech S.L.

The debt/equity ratio totalled 0.7 (0.6 at beginning of year). Net debt excluding pension commitments amounted to MSEK 849 (613 at beginning of year).

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. Net sales for January-December amounted to MSEK 265 (260). Net profit for the period amounted to MSEK 111 (121).

Employees

The number of employees at the end of the period was 5,482 (5,670 at beginning of year). The number of employees outside of Sweden at the end of the period was 5,318 (5,498 at beginning of year). 50 employees joined the Group through the acquisition of Grupo Sallén Tech S.L.

Share data

Earnings per share before and after dilution were SEK 2.18 (2.98). The number of shareholders totalled 11,000 (12,000).

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.

Organisational changes

It was announced during the fourth quarter that Gunnebo would strengthen its Group Executive Team from 1 January 2016. Daniel Schroeder has been appointed SVP Region Americas and Tomas Wängberg, formerly SVP Region Americas, is taking the post of SVP Business Development. Both positions are part of Gunnebo's Group Executive Team.

Events after the closing day

No significant events have occurred since the closing day.

Accounting principles

Gunnebo complies with the International Financial Reporting Standards adopted by the EU, and the official interpretations of these standards (IFRIC). The Year End Release 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. New and amended IFRS standards and interpretations from IFRIC which take effect as of 2015 have not had any significant effect on the Group's financial statements.

Significant risks and uncertainties

The Group's and parent company's significant risks and uncertainties include operational risks and financial risks. Operational risks for Gunnebo mainly include risks posed by the global economy and commercial risks. The Group's risk management is described in more detail on pages 44-47 of Gunnebo's 2014 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 12, 2016 at the Chalmers Student Union building, Chalmersplatsen 1, Gothenburg, Sweden. Shareholders who wish to participate in the Annual General Meeting must be recorded in the register of shareholders maintained by Euroclear Sweden AB on Wednesday, April 6, 2016, and must notify Gunnebo of their intention to attend the Annual General Meeting no later than Wednesday, April 6, 2016 (preferably before 4 p.m. CET), on the company's website www.gunnebogroup.com, or by telephone: +46 (0)10 209 50 32, or by written notice under address Gunnebo AB, Annual General Meeting, P.O. Box 5181, SE-402 26 Göteborg, Sweden, whereby notification should also be given of the attendance of any assistants.

The Swedish version of the Annual Report and Auditor's Report will be available from the company and via the company's website, www.gunnebogroup.com, from March 10, 2016. It will also be distributed at no cost to shareholders who have ordered a copy and have made their postal address known.

Proposed dividend

The Board propose a dividend of SEK 1.00 (SEK 1.00) per share for the 2015 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 interim report is a translation of the original report in Swedish and has not been reviewed by the company's auditors.

Gothenburg, February 4, 2016

Henrik Lange
President and CEO

Group

Summary Group income statement

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Net sales	1,677	1,574	6,052	5,557
Cost of goods sold	-1,202	-1,088	-4,278	-3,911
Gross profit	475	486	1,774	1,646
Other operating costs, net	-354	-370	-1,454	-1,294
Operating profit/loss	121	116	320	352
Net financial items	-7	-8	-43	-35
Profit/loss after financial items	114	108	277	317
Taxes	-34	-20	-109	-90
Profit/loss for the period	80	88	168	227
<i>Whereof attributable to:</i>				
Parent company shareholders	80	87	166	226
Non-controlling interests	0	1	2	1
	80	88	168	227
Earnings per share before dilution, SEK	1.05	1.15	2.18	2.98
Earnings per share after dilution, SEK	1.05	1.15	2.18	2.98

Statement of comprehensive income in brief

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Profit/loss for the period	80	88	168	227
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or loss				
Actuarial gains and losses*	19	3	42	-30
Total items that will not be reclassified to profit or loss subsequently	19	3	42	-30
Items that may be reclassified subsequently to profit or loss				
Translation differences in foreign operations	-13	26	-82	94
Hedging of net investments*	0	3	-3	5
Cash-flow hedges*	0	-1	1	-7
Total items that may be reclassified to profit or loss subsequently	-13	28	-84	92
Total other comprehensive income	6	31	-42	62
Total comprehensive income for the period	86	119	126	289
<i>Whereof attributable to:</i>				
Parent company shareholders	91	118	129	287
Non-controlling interests	-5	1	-3	2
	86	119	126	289

*Net of taxes

Summary Group balance sheet

MSEK	31 Dec	
	2015	2014
Goodwill	1,517	1,490
Other intangible assets	295	185
Property, plant and equipment	358	304
Financial assets	14	16
Deferred tax assets	304	339
Inventories	678	694
Current receivables	1,423	1,350
Liquid funds	496	447
Total assets	5,085	4,825
Equity	1,747	1,694
Long-term liabilities	1,594	1,449
Current liabilities	1,744	1,682
Total equity and liabilities	5,085	4,825

Changes in Group equity in brief

MSEK	Full year	
	2015	2014
Opening balance	1,694	1,463
Total comprehensive income for the period	126	289
Non-cash issue*	1	10
Share-based remuneration	2	-
New share issue**	0	8
Dividend	-76	-76
Closing balance	1,747	1,694
<i>Whereof non-controlling interests</i>	21	24

*Refers to purchase price for the Dissamex acquisition consisting of shares in Gunnebo Mexico

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

Summary Group cash flow statement

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Cash flow from operating activities before changes in working capital	130	115	305	246
Cash flow from changes in working capital	131	167	-119	25
Cash flow from operating activities	261	282	186	271
Net investments	-44	-11	-131	-48
Acquisition of operations	-	-30	-160	-44
Divestment of operations	-	-	-	77
Cash flow from investing activities	-44	-41	-291	-15
Change in interest-bearing receivables and liabilities	-139	-80	252	-180
New share issue	-	6	0	8
Dividend	-	-	-76	-76
Cash flow from financing activities	-139	-74	176	-248
Cash flow for the period	78	167	71	8
Liquid funds at the beginning of the period	427	259	447	392
Translation difference in liquid funds	-9	21	-22	47
Liquid funds at the end of the period	496	447	496	447

Summary Group operating cash flow statement

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Operating profit/loss	121	116	320	352
Adjustment for non-cash items	50	39	127	40
Cash flow from changes in working capital	131	167	-119	25
Net investments	-44	-11	-131	-48
Operating cash flow	258	311	197	369
Net financial items affecting cash flow	-4	-5	-46	-33
Taxes paid	-36	-35	-95	-113
Free cash flow	218	271	56	223

Reconciliation to profit/loss after financial items

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Region Europe, Middle East & Africa	43	28	84	108
Region Asia-Pacific	39	44	108	131
Region Americas	39	44	128	113
Operating profit/loss	121	116	320	352
Net financial items	-7	-8	-43	-35
Profit/loss after financial items	114	108	277	317

Sales by market

	Oct-Dec		Full year	
	2015	2014	2015	2014
France	18%	18%	17%	19%
USA	9%	9%	9%	9%
India	6%	7%	7%	8%
UK	6%	6%	6%	6%
Spain	4%	4%	4%	4%
Germany	4%	4%	4%	4%
Indonesia	5%	3%	4%	3%
Sweden	4%	3%	3%	4%
Mexico	2%	2%	3%	1%
Canada	3%	4%	3%	3%
Others	39%	40%	40%	39%
Total	100%	100%	100%	100%

Parent company

Summary parent company income statement

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Net sales	129	120	265	260
Administrative expenses	-77	-108	-181	-204
Operating profit/loss	52	12	84	56
Net financial items	-3	-4	-11	31
Profit/loss after financial items	49	8	73	87
Appropriations	75	47	75	47
Taxes	-29	-11	-37	-13
Profit/loss for the period	95	44	111	121

Changes in parent company comprehensive income in brief

MSEK	Oct-Dec		Full year	
	2015	2014	2015	2014
Profit/loss for the period	95	44	111	121
Other comprehensive income, net after tax	-	-	-	-
Total comprehensive income for the period	95	44	111	121

Summary parent company balance sheet

MSEK	31 Dec	
	2015	2014
Other intangible assets	4	6
Property, plant and equipment	2	2
Financial assets	1,673	1,716
Current receivables	40	27
Liquid funds	0	0
Total assets	1,719	1,751
Equity	1,520	1,485
Current liabilities	199	266
Total equity and liabilities	1,719	1,751

Changes in parent company equity in brief

MSEK	Full year	
	2015	2014
Opening balance	1,485	1,432
Total comprehensive income for the period	111	121
New share issue*	0	8
Dividend	-76	-76
Closing balance	1,520	1,485

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

Key ratios for the Group

Key ratios

	Full year	
	2015	2014
Gross margin, %	29.3	29.6
Operating margin before depreciation (EBITDA) excl. non-recurring items, %	8.4	8.2
Operating margin before depreciation (EBITDA), %	7.1	7.9
Operating margin (EBIT) excl. non-recurring items, %	6.6	6.6
Operating margin (EBIT), %	5.3	6.3
Profit margin (EBT), %	4.6	5.7
Return on capital employed, % ¹⁾	10.1	12.1
Return on equity, % ¹⁾	9.9	14.7
Capital turnover rate, times	1.8	1.8
Equity ratio, %	34	35
Interest coverage ratio, times	7.8	9.6
Debt/equity ratio, times	0.7	0.6

¹⁾ During the last twelve-month period

Data per share

	Full year	
	2015	2014
Earnings per share before dilution, SEK	2.18	2.98
Earnings per share after dilution, SEK	2.18	2.98
Equity per share, SEK	22.65	21.93
Free cash flow per share, SEK	0.73	2.94
No. of shares at end of period, thousands	76,185	76,174
Average no. of shares, thousands	76,180	75,979

Quarterly data, MSEK

Income statement	2013				2014				2015			
	1	2	3	4	1	2	3	4	1	2	3	4
Net sales	1,155	1,325	1,314	1,477	1,250	1,419	1,314	1,574	1,397	1,516	1,462	1,677
Costs of goods sold	-827	-918	-908	-1,036	-894	-1,007	-922	-1,088	-995	-1,053	-1,028	-1,202
Gross profit	328	407	406	441	356	412	392	486	402	463	434	475
Other operating costs, net	-327	-350	-345	-338	-338	-271	-315	-370	-373	-383	-344	-354
Operating profit/loss	1	57	61	103	18	141	77	116	29	80	90	121
Net financial items	-9	-7	-8	-51	-8	-11	-8	-8	-17	-9	-10	-7
Profit/loss after financial items	-8	50	53	52	10	130	69	108	12	71	80	114
Taxes	-4	-16	-21	-4	-13	-24	-33	-20	-23	-20	-32	-34
Profit/loss for the period	-12	34	32	48	-3	106	36	88	-11	51	48	80
Key ratios												
Gross margin, %	28.4	30.7	30.9	29.9	28.5	29.0	29.8	30.9	28.8	30.5	29.7	28.3
Operating margin, %	0.1	4.3	4.6	7.0	1.5	9.9	5.9	7.4	2.0	5.3	6.2	7.2
Operating profit (EBIT) excl. non-recurring items, MSEK	11	69	93	133	38	98	82	148	38	102	108	149
Operating profit (EBIT) excl. non-recurring items, %	0.9	5.2	7.1	9.0	3.1	6.9	6.2	9.4	2.7	6.7	7.4	8.9
Earnings per share, SEK ¹⁾	-0.16	0.45	0.39	0.61	-0.04	1.40	0.47	1.15	-0.13	0.64	0.62	1.05

¹⁾ Before dilution

Notes

Note 1 Non-recurring items per function

MSEK	Jan-Dec incl.	Non-recurring	Jan-Dec excl.
	non-recurring items 2015	items 2015	non-recurring items 2015
Net sales	6,052	-	6,052
Cost of goods sold	-4,278	26	-4,252
Gross profit	1,774	26	1,800
<i>Gross margin</i>	29.3%		29.7%
Other operating costs, net	-1,454	51	-1,403
Operating profit/loss	320	77	397
<i>Operating margin</i>	5.3%		6.6%

Note 2 Acquisition of operations*

MSEK	Full year	
	2015	2014
Assets and liabilities in acquired operations, at acquisition date		
Intangible assets	123	-
Property, plant and equipment	33	2
Financial assets	9	0
Inventories	13	4
Current receivables	31	34
Liquid funds	14	2
Current liabilities	-89	-24
Long-term liabilities	-	-2
Identifiable net assets	134	16
Goodwill	88	52
Total purchase sums	222	68
<i>Less:</i>		
Purchase sums not paid	-47	-12
Non-cash issue**	-1	-10
Liquid funds in acquired operations	-14	-2
Effect on group liquid funds	160	44

*The data for 2015 refers primarily to the acquisition of Grupo Sallén Tech S.L. in Spain and the acquisition of the remaining shares of K/H Enterprises Inc. in USA. Additionally, adjustments of the acquisition analyses from the acquisitions of Diseños Inteligentes de Seguridad S.A de C.V (Dissamex) in Mexico and Clear Image in Great Britain are included. The data for 2014 refers to the acquisitions of Dissamex and Clear Image.

**Refers to purchase price consisting of shares in the subsidiary Gunnebo Mexico

Definitions

Capital employed

Total assets less interest-free provisions and liabilities

Capital turnover rate

Net sales in relation to average capital employed

Debt/equity ratio

Net debt in relation to equity

Earnings per share

Profit after tax attributable to the parent company's shareholders divided by the average number of shares outstanding

EBITDA

Operating profit before depreciation/amortisation and write-downs on intangible assets and property, plant and equipment

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

Free cash flow per share

Cash flow from operating and investing activities, excluding acquisitions and divestments, divided by the average number of shares in issue after dilution

Gross margin

Gross profit as a percentage of net sales.

Interest coverage ratio

Profit 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

Organic growth

Growth in net sales, or order intake, adjusted for acquisitions, divestments and exchange rate effects

Operating margin

Operating profit as a percentage of net sales

Profit margin

Profit after financial items as a percentage of net sales

Return on equity

Profit for the year as a percentage of average equity

Return on capital employed

Operating profit plus financial income as a percentage of average capital employed

Financial Calendar

Capital Market Day 2016	March 10, 2016
Publishing of Annual Report 2015	March 10, 2016
Annual General Meeting 2016	April 12, 2016
Interim report January-March 2016	April 27, 2016
Interim report January-June 2016	July 19, 2016
Interim report January-September 2016	October 24, 2016
Year-end Release 2016	February 2, 2017

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The Gunnebo Group is a global leader in security products, services and solutions with an offering covering cash management, safes and vaults, entrance security and electronic security for banks, retail, CIT, mass transit, public & commercial buildings, and industrial & high-risk sites.

The Group has an annual turnover of MSEK 6,000 and 5,500 employees in 32 countries across Europe, the Middle East & Africa, Asia-Pacific and the Americas as well as a network of Channel Partners on 100 additional markets.

For a safer world.