ASSA ABLOY

Press Release

12 February 2010
No. 02/10

Continued high profit level in a slightly improved market

Fourth quarter

- Sales amounted to SEK 8,799 M (9,444), a decrease by 7%, comprising of –8% organic growth, 3% acquired growth and a negative currency effect of -2%.
- Europe stabilized, Asia grew and North America remained negative.
- Operating income (EBIT) amounted to SEK 1,398 M* (1,469*), a decrease by 5%. The EBIT margin increased to 15.9%* (15.6*).
- Net income amounted to SEK 200 M** (92**).
- Earnings per share decreased by 2% and amounted to SEK 2.41* (2.45*).
- Continued investments in product development led to strengthened market leadership through a number of important product launches.
- The 2009 restructuring program was fully expensed during the fourth quarter, totaling SEK 930 M.
- Significant savings were achieved from the on-going restructuring and efficiency programs during the quarter.
- Strongest-ever operating cash flow, totaling SEK 2,296 M (1,916).

Full year

- Sales were unchanged and totaled SEK 34,963 M (34,829), comprising –12% organic growth, 3% acquired growth and exchange-rate effects of 9%.
- Operating income (EBIT) amounted to SEK 5,413 M* (5,526*), a decrease by 2%. The EBIT margin was 15.5%* (15.9*).
- Net income amounted to SEK 2,659 M** (2,438**).
- Earnings per share were unchanged and amounted to SEK 9.22* (9.21*).
- Strongest-ever operating cash flow, totaling SEK 6,843 M (4,769).
- Total restructuring costs during the year amounted to SEK 1,039 M.
- The Board of Directors proposes a dividend of SEK 3.60 per share (3.60).

* Excluding restructuring and non-recurring costs in 2008 amounting to SEK 1,010 M for the quarter and to SEK 1,257 M for the year. Excluding restructuring and non-recurring costs in 2009 amounting to SEK 930 M for the quarter and to SEK 1,039 M for the year.

** In 2008, excluding restructuring and non-recurring costs, net income for the quarter was SEK 918 M and for the year SEK 3,451 M. In 2009, excluding restructuring and non-recurring costs, net income for the quarter was SEK 905 M and for the year SEK 3,474 M.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

Press Release

SALES AND INCOME

	Fourth quarter			Full year		
	2008	2009	Change	2008	2009	Change
Sales, SEK M	**9,444**	**8,799**	**-7%**	**34,829**	**34,963**	**+0%**
of which,						
Organic growth			- 8%			-12%
Acquisitions			+3%			+ 3%
Exchange-rate effects		-185	- 2%		+3,491	+ 9%
Operating income (EBIT), SEK M	**1,469***	**1,398***	**-5%**	**5,526***	**5,413***	**-2%**
Operating margin (EBIT), %	15.6*	15.9*		15.9*	15.5*	
Income before tax, SEK M	1,286*	1,292*	+0%	4,756*	4,779*	+0%
Net income, SEK M	92**	200**	-	2,438**	2,659**	-
Operating cash flow, SEK M	1,916	2,296	+20%	4,769	6,843	+43%
Earnings per share (EPS), SEK	**2.45***	**2.41***	**-2%**	**9.21***	**9.22***	**+0%**

* Excluding restructuring and non-recurring costs in 2008 amounting to SEK 1,010 M for the quarter and to SEK 1,257 M for the year. Excluding restructuring and non-recurring costs in 2009 amounting to SEK 930 M for the quarter and to SEK 1,039 M for the year.

** In 2008, excluding restructuring and non-recurring costs, net income for the quarter was SEK 918 M and for the year SEK 3,451 M. In 2009, excluding restructuring and non-recurring costs, net income for the quarter was SEK 905 M and for the year SEK 3,474 M.

COMMENTS BY THE PRESIDENT AND CEO

"Even though 2009 was in market terms the most challenging year in the Group's history, I can proudly conclude that ASSA ABLOY achieved its highest sales yet, with continued strong earnings and its strongest-ever cash flow," said Johan Molin, President and CEO.

"It was especially pleasing that investments in product development continued at a high level, which has strengthened the Group's market leadership and laid the ground for good organic growth as the economic situation progressively improves.

"During the year our work on the Group's production structure and adjustment to the demand situation was successfully carried through. This has resulted in a total workforce reduction by 25% since the market decline started.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

“The financial crisis meant that we stopped the acquisition activity at the beginning of the year. The situation gradually improved and several important acquisitions were completed. I look forward to a continued high activity in 2010.

“For 2010 the organic growth is expected to be about zero percent. This is mainly because the turnaround of the American market will take at least another six months. Our focus will therefore be on selective investments in growth where the market is good and continued cost control where market remains weak.”

FOURTH QUARTER

The Group’s sales totaled SEK 8,799 M (9,444), a fall of 7% compared with 2008. Organic growth for comparable units was –8% (–4). Acquired units contributed 3% (4). Exchange-rate effects had a negative impact of SEK 185 M on sales, i.e. –2% (9).

Operating income before depreciation, EBITDA, excluding restructuring costs, amounted to SEK 1,648 M (1,703). The corresponding EBITDA margin was 18.7% (18.0). The Group’s operating income, EBIT, excluding restructuring costs, amounted to SEK 1,398 M (1,469), a fall of 5%. The operating margin, excluding restructuring costs, was 15.9% (15.6).

Net financial items amounted to SEK 106 M (184), which corresponds to an average interest rate of 4%. The Group’s income before tax, excluding restructuring costs, amounted to SEK 1,292 M (1,286), effectively unchanged from the previous year. Exchange-rate effects had a positive impact of SEK 18 M on the Group’s income before tax. The profit margin, excluding restructuring costs, was 14.7% (13.6). The Group’s tax charge totaled SEK 162 M (184). Earnings per share, excluding restructuring costs, amounted to SEK 2.41 (2.45), a decrease of 2%.

FULL YEAR

Sales for 2009 totaled SEK 34,963 M (34,829), unchanged compared with 2008. Organic growth was –12% (0). Acquired units contributed 3% (4). Exchange-rate effects affected sales positively by SEK 3,491 M.

Operating income before depreciation, EBITDA, amounted to SEK 6,426 M (6,447) excluding restructuring and non-recurring costs. The corresponding margin was 18.4% (18.5). The Group’s operating income, EBIT, excluding restructuring and non-recurring costs, amounted to SEK 5,413 M (5,526), a fall of 2%. The corresponding operating margin (EBIT) was 15.5% (15.9).

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

Press Release

Earnings per share, excluding restructuring and non-recurring costs, were unchanged and amounted to SEK 9.22 (9.21). Operating cash flow amounted to SEK 6,843 M (4,769).

RESTRUCTURING MEASURES

Payments related to the restructuring programs amounted to SEK 161 M in the quarter.

Progress of the 2006 and 2008 restructuring programs
The two restructuring programs launched in 2006 and 2008 have surpassed the expected cost savings and have led to reductions in personnel of respectively 2,718 and 1,913 people since the projects began, a total of 4,631 people. A further 347 people will leave during 2010.

The 2009 restructuring program
The two successful restructuring programs of 2006 and 2008 have been followed up by a new project launched in the fourth quarter of 2009. The program has been expanded compared to earlier communication and will lead to the closing of 11 production units and the conversion of 4 to final assembly. In addition, 11 mainly administrative units will be closed. The total cost is SEK 930 M, which was expensed against earnings during the quarter. The program started during the quarter and will achieve a reduction of 1,200 employees in high-cost countries.

Provisions
For all three programs described above, provisions of SEK 1,577 were made in the balance sheet at year-end for the remaining parts of the programs.

Total personnel reductions
The world economy began to weaken towards the end of 2007 and adjustments of the workforce were initiated at that time. From the fourth quarter of 2007 up to the end of 2009 a total of 8,174 people (including 3,898 people during 2009) – that is, 25% of the total number of employees – left the Group as a result of the capacity changes made and the restructuring programs carried out. Of the 8,174, 3,598 arose from the restructuring programs described above and 4,576 from other efficiency programs and ongoing capacity changes.

ASSA ABLOY

Press Release

COMMENTS BY DIVISION

EMEA

Sales in EMEA division during the quarter totaled SEK 3,544 M (3,614), with organic growth of –3%. Demand improved markedly throughout the region during the quarter, with the UK, Scandinavia and Africa moving to positive growth while Italy, Spain and eastern Europe remained weak. Acquired growth amounted to 0%. Operating income amounted to SEK 595 M (562), which represents an operating margin (EBIT) of 16.8% (15.5). The effects of the restructuring programs and other efficiency measures made a very substantial contribution to the rise in income. Return on capital employed, excluding restructuring and non-recurring costs, amounted to 21.2% (17.5). Operating cash flow before interest paid totaled SEK 1,133 M (938).

AMERICAS

The quarter’s sales in Americas division totaled SEK 2,108 M (2,886), with –21% organic growth. All units were affected by the continuing low activity in the non-residential construction sector, and security doors were especially hard-hit. Canada, Mexico and South America were affected to a rather lesser extent. Acquired growth amounted to 0%. By means of restructuring and capacity changes, the operating margin was maintained at a very strong level and amounted to 19.5% (19.9). Operating income totaled SEK 412 M (574). Return on capital employed amounted to 19.6% (23.1). Operating cash flow before interest paid totaled SEK 545 M (707).

ASIA PACIFIC

Sales for the quarter totaled SEK 1,044 M (881), with 10% organic growth. The major markets in Australia, New Zealand and China all showed growth. Acquired growth amounted to 4%. Operating income totaled SEK 144 M (92), which represents an operating margin (EBIT) of 13.8% (10.4). The quarter’s return on capital employed amounted to 20.6% (13.8). Operating cash flow before interest paid totaled SEK 231 M (194).

GLOBAL TECHNOLOGIES

Sales for the quarter totaled SEK 1,145 M (1,310), with organic growth of –9%. The division was affected by the downturn in construction on the North American market, and all units showed negative growth. Acquired growth amounted to 0%. The division’s operating income amounted to SEK 186 M (203), giving an operating margin (EBIT) of 16.2% (15.5). Return on capital employed, excluding restructuring costs, amounted to 13.3% (13.8). Operating cash flow before interest paid totaled SEK 361 M (275).

ASSA ABLOY

Press Release

ENTRANCE SYSTEMS

Entrance Systems division reported sales of SEK 1,152 M (952) for the quarter, representing organic growth of –4%. Continued good sales on the service side compensated for much of the reduction in new-product sales. Acquired growth amounted to 29%. Operating income totaled SEK 196 M (150), giving an operating margin (EBIT) of 17.0% (15.8). Acquisitions, principally Ditec, affected the operating margin negatively by 2.8%. Return on capital employed amounted to 19.1% (18.1). Operating cash flow before interest paid totaled SEK 189 M (104).

ACQUISITIONS

During the year eight acquisitions were consolidated and payment was made for the last minority shares in iRevo in Korea. The combined acquisition price for these acquisitions amounts to SEK 1,107 M, and preliminary acquisition analyses indicate that goodwill and other intangible assets with indefinite useful life amount to SEK 800 M. The acquisition price is adjusted for acquired net debt and estimated earn-outs. During the year also, three operations were sold off as part of the ongoing restructuring.

On 13 November 2009 the acquisition of the Swedish company Portsystem 2000 was reported. Portsystem has annual sales of SEK 125 M and supplies industrial doors and docking systems.

On 17 December 2009 the acquisition of the Colombian company Cerracol was reported. Cerracol has annual sales of SEK 140 M and is a leader on the Central American lock market.

On 20 January 2010 it was reported that the competition authority has approved the acquisition of the Chinese company Pan Pan and that consolidation will take place as soon as the necessary business license has been obtained. This is expected to happen during the first quarter.

SUSTAINABLE DEVELOPMENT

Sustainable development also affects workplace conditions and responsibilities – for example in terms of health and safety – and these issues form part of the Company's long-term sustainability program. In order to obtain continual feedback in this area, ASSA ABLOY regularly has so-called independent workplace reviews carried out with the help of an external party.

Press Release

In 2009 reviews were carried out in South Africa and Mexico. These were performed in accordance with internationally accepted procedures and involved meetings with the local company managements and key personnel, visits to factories, interviews with senior officers, reviews of documentation, interviews with employees and follow-up meetings with management. The reviews were carried out independently by the external party and no-one from Head Office was present on site.

The reviews yielded valuable information and suggestions for improvements as well as a good overview of ASSA ABLOY's work and the commitment shown by the local managements in their work on these issues.

The 2009 Sustainability Report, reporting on the Group's targets and giving other information about sustainable development, will be published at the time of the Annual General Meeting in April 2010.

PARENT COMPANY

'Other operating income' for the Parent company ASSA ABLOY AB totaled SEK 1,398 M (1,775) for the full year. Income before tax amounted to SEK 1,694 M (1,589). Investments in tangible and intangible assets totaled SEK 1 M (0). Liquidity is good and the equity ratio was 55.6% (39.8).

DIVIDEND AND ANNUAL GENERAL MEETING

The Board of Directors proposes a dividend of SEK 3.60 (3.60) per share for the 2009 financial year. The Annual General Meeting will be held on 22 April 2010.

ACCOUNTING PRINCIPLES

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are detailed on pages 56-60 of the 2008 Annual Report. ASSA ABLOY has implemented the revised International Accounting Standard 1, which came into force on 1 January 2009. The change means that additional items are now included in total income in the Group's income statement. These items were previously reported in changes to shareholders' equity. ASSA ABLOY has also implemented IFRS 8, which contains rules about segment reporting. ASSA ABLOY reports the same operating segments as before. The Group's Quarterly Reports are prepared in accordance with IAS 34. The Parent company applies RFR 2.2.

The Group has made a reclassification that affects direct distribution costs and depreciation on capitalized product development expenditure. The reason is to give a true and fair view of the allocation between direct and indirect costs as well as for product development expenses. In order to maintain comparability, the financial statements for 2008 and 2009

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

have been adjusted. The reclassification involves the transfer of direct distribution costs from Selling expenses and Administrative expenses, and where appropriate from Sales, to Cost of goods sold. In addition, depreciation on product development has been moved from Cost of goods sold to Selling expenses and Administrative expenses. Both these adjustments affect Gross income. The effects are reported in the attached financial statements. Operating income is not affected.

TRANSACTIONS WITH RELATED PARTIES

No transactions that significantly affected the company's position and income have taken place between ASSA ABLOY and related parties.

RISKS AND UNCERTAINTY FACTORS

As an international Group with a wide geographic spread, ASSA ABLOY is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity, the giving of credit, raw materials and financial instruments. Risk management in ASSA ABLOY aims to identify, control and reduce risks. This work begins with an assessment of the probability of risks occurring and their potential effect on the Group. For a more detailed description of risks and risk management, see the 2008 Annual Report. No significant risks other than the risks described there are judged to have occurred.

ASSA ABLOY

Press Release

OUTLOOK

Long-term outlook
Long term, ASSA ABLOY expects an increase in security-driven demand. Focus on end-user value and innovation as well as leverage on ASSA ABLOY's strong position will accelerate growth and increase profitability.

Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well.

Outlook for 2010
The organic growth is expected to be about 0 percent.

Stockholm, 12 February 2010

Johan Molin

President and CEO

The End-of-year Report has not been reviewed by the Company's Auditor.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

Press Release

FINANCIAL INFORMATION

The Quarterly Report for the first quarter will be published on 21 April 2010. The Annual General Meeting will be held on 22 April at the Museum of Modern Art in Stockholm.

FURTHER INFORMATION CAN BE OBTAINED FROM:

Johan Molin, President and CEO, Tel: +46 8 506 485 42
Tomas Eliasson, Chief Financial Officer, Tel: +46 8 506 485 72

ASSA ABLOY is holding an **analysts' meeting** at **10.00 today**
at Klarabergsviadukten 90 in **Stockholm**.

The analysts' meeting can also be followed on the Internet at www.assaabloy.com.
It is possible to submit questions by telephone on:
+46 8 5052 0270, +44 208 817 9301 or **+1 718 354 1226**

This information is that which ASSA ABLOY is required to disclose under the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act.
The information is released for publication at 08.00 on 12 February.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

FINANCIAL INFORMATION - GROUP

INCOME STATEMENT	Jan-Dec 2008 SEK M	Jan-Dec 2009 SEK M	Oct-Dec 2008 SEK M	Oct-Dec 2009 SEK M
Sales	34,829	34,963	9,444	8,799
Cost of goods sold	-21,843	-21,780	-6,437	-5,996
Gross Income	**12,986**	**13,183**	**3,007**	**2,803**
Selling and administrative expenses	-8,729	-8,821	-2,550	-2,338
Share in earnings of associated companies	12	12	3	3
Operating income	**4,269**	**4,374**	**460**	**468**
Financial items	-770	-634	-184	-106
Income before tax	**3,499**	**3,740**	**276**	**362**
Tax	-1,061	-1,081	-184	-162
Net income	**2,438**	**2,659**	**92**	**200**
Allocation of net income:				
Shareholders in ASSA ABLOY AB	2,413	2,626	84	192
Minority interests	25	32	9	9

EARNINGS PER SHARE	Jan-Dec 2008 SEK	Jan-Dec 2009 SEK	Oct-Dec 2008 SEK	Oct-Dec 2009 SEK
Earnings per share after tax and before dilution [1]	6.60	7.18	0.23	0.52
Earnings per share after tax and dilution [2]	6.55	7.06	0.29	0.54
Earnings per share after tax and dilution, excl items affecting comparability [2] [10]	9.21	9.22	2.45	2.41

COMPREHENSIVE INCOME	Jan-Dec 2008 SEK M	Jan-Dec 2009 SEK M	Oct-Dec 2008 SEK M	Oct-Dec 2009 SEK M
Profit for the period	**2,438**	**2,659**	**92**	**200**
Other comprehensive income				
Exchange differences on translating foreign operations	2,131	-826	1,300	459
Total comprehensive income for the period	**4,569**	**1,833**	**1,392**	**659**
Total comprehensive income in:				
-Parent company shareholders	4,525	1,814	1,358	646
-Minority interest	44	19	34	13

CASH FLOW STATEMENT	Jan-Dec 2008 SEK M	Jan-Dec 2009 SEK M	Oct-Dec 2008 SEK M	Oct-Dec 2009 SEK M
Cash flow from operating activities	4,369	5,924	1,813	2,117
Cash flow from investing activities	-2,648	-1,835	-796	-523
Cash flow from financing activities	-1,311	-3,741	-747	-2,577
Cash flow	**410**	**348**	**270**	**-983**
Cash and cash equivalents at beginning of period	**1,338**	**1,931**	**1,572**	**3,177**
Cash flow	410	348	270	-983
Effect of exchange-rate differences	183	-44	89	41
Cash and cash equivalents at end of period	**1,931**	**2,235**	**1,931**	**2,235**

ASSA ABLOY

Press Release

BALANCE SHEET	31 Dec 2008 SEK M	31 Dec 2009 SEK M
Intangible assets	22,662	22,324
Tangible fixed assets	5,952	5,550
Financial fixed assets	1,112	1,187
Total non-current assets	**29,726**	**29,061**
Inventories	5,383	4,349
Trade receivables	6,372	5,618
Other non-interest-bearing current assets	1,213	1,171
Interest-bearing current assets	2,266	2,419
Total current assets	**15,234**	**13,557**
Total assets	**44,960**	**42,618**
Equity before minority interest	18,675	19,172
Minority interest	163	162
Total equity	**18,838**	**19,334**
Interest-bearing non-current liabilities	8,948	11,810
Non-interest-bearing non-current liabilities	1,660	2,068
Total non-current liabilities	**10,608**	**13,878**
Interest-bearing current liabilities	7,588	1,901
Non-interest-bearing current liabilities	7,926	7,505
Total current liabilities	**15,514**	**9,406**
Total equity and liabilities	**44,960**	**42,618**

CHANGE IN EQUITY	Jan-Dec 2008 SEK M	Jan-Dec 2009 SEK M
Opening balance	**15,668**	**18,838**
Total comprehensive income for the year	4,569	1,833
Dividend	-1,317	-1,317
Minority interest, net	-82	-20
Closing balance	**18,838**	**19,334**

KEY DATA	Jan-Dec 2008	Jan-Dec 2009
Return on capital employed excl items affecting comparability, %	17.2	16.2
Return on capital employed incl items affecting comparability, %	13.3	13.1
Return on shareholders' equity, %	12.8	12.7
Equity ratio, %	41.9	45.4
Interest coverage ratio, times	5.7	7.2
Interest on convertible debentures net after tax, SEK M	81.0	31.9
Number of shares, thousands	365,918	365,918
Number of shares after dilution, thousands	380,713	372,931
Weighted average number of shares after dilution, thousands	380,713	376,534
Average number of employees	32,723	29,375

ASSA ABLOY

Press Release

FINANCIAL INFORMATION - PARENT COMPANY

INCOME STATEMENT	Jan-Dec 2008 SEK M	Jan-Dec 2009 SEK M
Operating income	992	566
Income before tax	1,589	1,694
Net income	1,154	1,536

BALANCE SHEET	31 Dec 2008 SEK M	31 Dec 2009 SEK M
Non-current assets	19,274	19,473
Current assets	15,329	4,176
Total assets	**34,603**	**23,649**
Equity	13,776	13,150
Provisions	58	5
Non-current liabilities	5,145	5,720
Current liabilities	15,624	4,774
Total equity and liabilities	**34,603**	**23,649**

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

Press Release

QUARTERLY INFORMATION - GROUP

THE GROUP IN SUMMARY

All amounts in SEK M if not noted otherwise.

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Full Year 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009
Sales	8,181	8,503	8,701	9,444	34,829	8,859	8,899	8,405	8,799	34,963
Organic growth [3)]	0%	5%	1%	-4%	0%	-12%	-14%	-13%	-8%	-12%
Gross income										
excl items affecting comparability	**3,287**	**3,447**	**3,491**	**3,792**	**14,017**	**3,550**	**3,502**	**3,370**	**3,603**	**14,025**
Gross income / Sales	40.2%	40.5%	40.1%	40.2%	40.2%	40.1%	39.4%	40.1%	41.0%	40.1%
Operating income before depreciation (EBITDA)										
excl items affecting comparability	**1,476**	**1,599**	**1,669**	**1,703**	**6,447**	**1,594**	**1,601**	**1,584**	**1,648**	**6,426**
Gross margin (EBITDA)	18.0%	18.8%	19.2%	18.0%	18.5%	18.0%	18.0%	18.8%	18.7%	18.4%
Depreciation	-232	-222	-234	-233	-921	-266	-261	-237	-249	-1,014
Operating income (EBIT)										
excl items affecting comparability	**1,244**	**1,378**	**1,435**	**1,469**	**5,526**	**1,328**	**1,340**	**1,346**	**1,398**	**5,413**
Operating margin (EBIT)	15.2%	16.2%	16.5%	15.6%	15.9%	15.0%	15.1%	16.0%	15.9%	15.5%
Items affecting comparability [10)]	-	-	-247	-1,010	-1,257	-109	-	-	-930	-1,039
Operating income (EBIT)	**1,244**	**1,378**	**1,188**	**460**	**4,269**	**1,219**	**1,340**	**1,346**	**468**	**4,374**
Financial items	-189	-190	-207	-184	-770	-205	-165	-159	-106	-634
Income before tax	**1,055**	**1,188**	**980**	**276**	**3,499**	**1,015**	**1,176**	**1,187**	**362**	**3,740**
Profit margin (EBT)	12.9%	13.9%	11.2%	2.9%	10.0%	11.4%	13.2%	14.1%	4.1%	10.7%
Tax	-283	-323	-271	-184	-1,061	-296	-323	-300	-162	-1,081
Net income	**772**	**865**	**709**	**92**	**2,438**	**718**	**852**	**888**	**200**	**2,659**
Allocation of net income:										
Shareholders in ASSA ABLOY AB	772	857	700	84	2,413	716	843	876	192	2,626
Minority interests	0	8	8	9	25	3	9	12	9	32

OPERATING CASH FLOW

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Full Year 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009
Operating income (EBIT)	1,244	1,378	1,188	460	4,269	1,219	1,340	1,346	468	4,374
Restructuring costs	-	-	247	933	1,180	109	0	0	930	1,039
Depreciation	232	222	234	233	921	266	261	237	249	1,014
Net capital expenditure	-164	-173	-199	-293	-829	-187	-186	-99	-191	-664
Change in working capital	-581	-113	-111	801	-5	-316	346	612	818	1,460
Paid and received interest	-162	-206	-134	-217	-718	-193	-157	-38	-119	-507
Adjustment for non-cash items	14	-26	-36	-1	-49	-60	-20	67	140	127
Operating cash flow [4)]	**583**	**1,081**	**1,189**	**1,916**	**4,769**	**838**	**1,584**	**2,125**	**2,296**	**6,843**
Operating cash flow / Income before tax [4)]	0.55	0.91	0.97	1.49	1.02	0.75	1.35	1.79	1.78	1.43

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

CHANGE IN NET DEBT

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Full Year 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Full Year 2009
Net debt at beginning of the period	12,953	12,414	13,549	14,010	12,953	14,013	14,317	14,239	12,432	14,013
Operating cash flow	-583	-1,081	-1,189	-1,916	-4,769	-838	-1,584	-2,125	-2,296	-6,843
Restructuring payment	111	97	126	152	485	144	224	147	161	676
Tax paid	127	251	81	283	742	298	397	2	210	907
Acquisitions/Disposals	126	473	717	503	1,819	263	66	511	331	1,171
Dividend	-	1,317	-	-	1,317	-	1,317	-	-	1,317
Translation differences and other	-320	78	726	981	1,466	437	-498	-341	210	-193
Net debt at end of period	**12,414**	**13,549**	**14,010**	**14,013**	**14,013**	**14,317**	**14,239**	**12,432**	**11,048**	**11,048**
Net debt / Equity, times	0.79	0.87	0.80	0.74	0.74	0.71	0.74	0.67	0.57	0.57

NET DEBT

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Long-term interest-bearing receivables	-102	-83	-89	-256	-269	-256	-236	-244
Short-term interest-bearing investments	-332	-191	-133	-688	-2,632	-2,250	-1,989	-840
Cash and bank balances	-953	-1,221	-1,534	-1,579	-1,280	-1,800	-1,303	-1,579
Pension provisions	1,151	1,150	1,131	1,182	1,222	1,200	1,093	1,118
Other long-term interest-bearing liabilities	7,707	7,683	7,539	7,766	8,659	11,227	10,471	10,692
Short-term interest-bearing liabilities	4,943	6,212	7,096	7,589	8,617	6,117	4,395	1,901
Total	**12,414**	**13,549**	**14,010**	**14,013**	**14,317**	**14,239**	**12,432**	**11,048**

CAPITAL EMPLOYED AND FINANCING

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Capital employed	28,116	29,045	31,538	32,850	34,540	33,494	31,108	30,382
- of which other intangibles and fixed assets	6,480	6,572	7,116	7,945	8,214	7,972	7,379	7,541
- of which shares in associates	39	40	43	38	55	54	52	39
- of which goodwill	16,508	17,068	18,851	20,669	21,443	20,857	19,992	20,333
Net debt	12,414	13,549	14,010	14,013	14,317	14,239	12,432	11,048
Minority interest	181	188	211	163	163	152	149	162
Shareholders' equity (excl minority interest)	15,521	15,308	17,317	18,674	20,060	19,110	18,526	19,172

DATA PER SHARE	Q1 2008 SEK	Q2 2008 SEK	Q3 2008 SEK	Q4 2008 SEK	Full Year 2008 SEK	Q1 2009 SEK	Q2 2009 SEK	Q3 2009 SEK	Q4 2009 SEK	Full Year 2009 SEK
Earnings per share after tax and before dilution [1)]	2.11	2.34	1.91	0.23	6.60	1.96	2.30	2.39	0.52	7.18
Earnings per share after tax and dilution [2)]	2.08	2.30	1.89	0.29	6.55	1.92	2.25	2.36	0.54	7.06
Earnings per share after tax and dilution excl items affecting comparability [2) 10)]	2.08	2.30	2.38	2.45	9.21	2.20	2.25	2.36	2.41	9.22
Shareholders' equity per share after dilution [2)]	46.64	46.13	51.61	55.91	55.91	59.55	54.28	53.47	55.29	54.76

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

RESULTS BY DIVISION

SEK M	EMEA [5]		Americas [6]		Asia Pacific [7]		Global Technologies [8]		Entrance Systems		Other		Total	
Oct - Dec and 31 Dec respectively	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
Sales, external	3,528	3,472	2,876	2,090	809	976	1,291	1,124	940	1,136			9,444	8,799
Sales, intragroup	85	72	10	17	72	67	20	21	11	15	-198	-192		
Sales	**3,614**	**3,544**	**2,886**	**2,108**	**881**	**1,044**	**1,310**	**1,145**	**952**	**1,152**	**-198**	**-192**	**9,444**	**8,799**
Organic growth [3]	-9%	-3%	1%	-21%	-8%	10%	-8%	-9%	3%	-4%			-4%	-8%
Operating income (EBIT)	**562**	**595**	**574**	**412**	**92**	**144**	**203**	**186**	**150**	**196**	**-111**	**-134**	**1,469**	**1,398**
Operating margin (EBIT)	*15.5%*	*16.8%*	*19.9%*	*19.5%*	*10.4%*	*13.8%*	*15.5%*	*16.2%*	*15.8%*	*17.0%*			*15.6%*	*15.9%*
Items affecting comparability [10]	-789	-680	-6	-	-32	-2	-86	-167	-97	-81	-	-	-1,010	-930
Operating income (EBIT) incl items affecting comparability	**-226**	**-85**	**568**	**412**	**60**	**141**	**116**	**19**	**53**	**116**	**-111**	**-134**	**460**	**468**
Capital employed	12,306	9,814	9,639	8,687	2,768	2,768	6,112	5,464	3,425	4,116	-1,400	-467	32,850	30,382
- of which other intangibles and fixed assets	3,450	3,097	1,944	1,757	914	933	1,282	1,138	207	485	148	130	7,945	7,541
- of shares in associates	31	39	2	-	5	-	-	-	-	-			38	39
- of which goodwill	5,766	5,540	6,236	6,003	1,628	1,536	4,275	4,030	2,763	3,223			20,669	20,333
Return on capital employed excl items affecting comparability	*17.5%*	*21.2%*	*23.1%*	*19.6%*	*13.8%*	*20.6%*	*13.8%*	*13.3%*	*18.1%*	*19.1%*			*17.8%*	*18.1%*
Operating income (EBIT)	-226	-85	568	412	60	141	116	19	53	116	-111	-134	460	468
Restructuring costs	712	680	6	-	32	2	86	167	97	81	-	-	933	930
Depreciation	123	112	54	58	22	29	27	39	9	9	-2	2	233	249
Net capital expenditure	-121	-97	-75	-21	-27	-25	-40	-39	-8	-6	-21	-4	-293	-191
Movement in working capital	450	523	153	96	107	84	85	175	-47	-11	51	-49	801	818
Cash flow [4]	**938**	**1,133**	**707**	**545**	**194**	**231**	**275**	**361**	**104**	**189**			**2,134**	**2,275**
Adjustment for non-cash items											-1	140	-1	140
Paid and received interest											-217	-119	-217	-119
Operating cash flow [4]													**1,916**	**2,296**

SEK M	EMEA [5]		Americas [6]		Asia Pacific [7]		Global Technologies [8]		Entrance Systems		Other		Total	
Jan - Dec and 31 Dec respectively	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
Sales, external	13,517	13,275	10,415	9,831	3,031	3,507	4,730	4,664	3,134	3,685			34,829 [9]	34,963
Sales, intragroup	410	327	41	49	290	282	136	102	39	47	-915	-807		
Sales	**13,927**	**13,601**	**10,456**	**9,880**	**3,321**	**3,789**	**4,866**	**4,766**	**3,173**	**3,733**	**-915**	**-807**	**34,829**	**34,963**
Organic growth [3]	-2%	-12%	4%	-19%	0%	-1%	0%	-12%	3%	-3%			0%	-12%
Operating income (EBIT)	**2,289**	**2,056**	**2,101**	**1,925**	**357**	**459**	**729**	**766**	**453**	**587**	**-404**	**-380**	**5,526**	**5,413**
Operating margin (EBIT)	16.4%	15.1%	20.1%	19.5%	10.8%	12.1%	15.0%	16.1%	14.3%	15.7%			15.9%	15.5%
Items affecting comparability [10]	-863	-789	-77	-	-65	-2	-149	-167	-103	-81	-	-	-1,257	-1,039
Operating income (EBIT) incl items affecting comparability	**1,426**	**1,267**	**2,024**	**1,925**	**293**	**457**	**580**	**599**	**350**	**506**	**-404**	**-380**	**4,269**	**4,374**
Capital employed	12,306	9,814	9,639	8,687	2,768	2,768	6,112	5,464	3,425	4,116	-1400	-467	32,850	30,382
- of which other intangibles and fixed assets	3,450	3,097	1,944	1,757	914	933	1,282	1,138	207	485	148	130	7,945	7,541
- of shares in associates	31	39	2	-	5	-	-	-	-	-			38	39
- of which goodwill	5,766	5,540	6,236	6,003	1,628	1,536	4,275	4,030	2,763	3,223			20,669	20,333
Return on capital employed excl items affecting comparability	19.9%	16.9%	24.5%	20.5%	13.2%	16.1%	12.7%	12.9%	13.8%	15.2%			17.2%	16.2%
Operating income (EBIT)	1,426	1,267	2,024	1,925	293	457	580	599	350	506	-404	-380	4,269	4,374
Restructuring costs	786	789	77	-	65	2	149	167	103	81	-	-	1,180	1,039
Depreciation	455	473	205	236	80	99	136	156	37	38	8	11	921	1,014
Net capital expenditure	-328	-281	-214	-134	-98	-80	-129	-127	-31	-33	-29	-9	-829	-664
Movement in working capital	82	602	5	649	120	132	-64	211	-60	88	-88	-222	-5	1,460
Cash flow [4]	**2,421**	**2,850**	**2,097**	**2,677**	**460**	**610**	**672**	**1005**	**399**	**680**			**5,536**	**7,222**
Adjustment for non-cash items											-49	127	-49	127
Paid and received interest											-718	-507	-718	-507
Operating cash flow [4]													**4,769**	**6,843**
Average number of employees	11,903	10,138	8,573	6,897	7,065	7,560	2,811	2,416	2,260	2,253	111	112	32,723	29,375

[1] Number of shares, thousands, used for the calculation amount to 365,918 for all periods.
[2] Number of shares, thousands, used for calculation: Oct-Dec 372,931 (380,713), Jan-Dec: 376,534 (380,713).
[3] Organic growth concern comparable units after adjustment for acqusitions and currency effects.
[4] Excluding restructuring items.
[5] Europe, Middle East and Africa.
[6] North, Central and South America.
[7] Asia, Australia and New Zealand.
[8] ASSA ABLOY Hospitality and HID Global.
[9] Sales Jan-Dec 2009 (2008) by Geography: Europe 16,046 (16,157), North America 12,383 (12,771), Central and South America 616 (631), Africa 651 (558), Asia 3,427 (2,865), Pacific 1,839 (1,848).
[10] Items affecting comparability consist of restructuring costs and non-recurring costs. The non-recurring costs 2008 relate to EMEA and amounted SEK 77 M, both for Q4 2008 and the full year 2008.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575

ASSA ABLOY

Press Release

INCOME STATEMENT - Reclassification

	Jan-Dec 2009 SEK M	Dev.	Jan-Dec 2009 SEK M	Oct-Dec 2009 SEK M	Dev.	Oct-Dec 2009 SEK M
Sales	35,049	-86	34,963	8,821	-22	8,799
Cost of goods sold	-21,489	-291	-21,780	-5,866	-130	-5,996
Gross Income	**13,560**	**-377**	**13,183**	**2,955**	**-152**	**2,803**
Selling and administrative expenses	-9,198	377	-8,821	-2,490	152	-2,338
Share in earnings of associated companies	12	0	12	3	0	3
Operating income	**4,374**	**0**	**4,374**	**468**	**0**	**468**
Financial items	-634	0	-634	-106	0	-106
Income before tax	**3,740**	**0**	**3,740**	**362**	**0**	**362**
Tax	-1,081	0	-1,081	-162	0	-162
Net income	**2,659**	**0**	**2,659**	**200**	**0**	**200**

	Jan-Dec 2008 SEK M	Dev.	Jan-Dec 2008 SEK M	Oct-Dec 2008 SEK M	Dev.	Oct-Dec 2008 SEK M
Sales	34,918	-89	34,829	9,468	-24	9,444
Cost of goods sold	-21,532	-311	-21,843	-6,355	-82	-6,437
Gross Income	**13,386**	**-400**	**12,986**	**3,113**	**-106**	**3,007**
Selling and administrative expenses	-9,129	400	-8,729	-2,656	106	-2,550
Share in earnings of associated companies	12	0	12	3	0	3
Operating income	**4,269**	**0**	**4,269**	**460**	**0**	**460**
Financial items	-770	0	-770	-184	0	-184
Income before tax	**3,499**	**0**	**3,499**	**276**	**0**	**276**
Tax	-1,061	0	-1,061	-184	0	-184
Net income	**2,438**	**0**	**2,438**	**92**	**0**	**92**

The Group has made a reclassification that affects direct distribution costs and depreciation on capitalized product development expenditure. The reason is to give a true and fair view of the allocation between direct and indirect costs as well as for product development expenses. In order to maintain comparability, the financial statements for 2008 and 2009 have been adjusted. The reclassification involves the transfer of direct distribution costs from Selling expenses and Administrative expenses, and where appropriate from Sales, to Cost of goods sold. In addition, depreciation on product development has been moved from Cost of goods sold to Selling expenses and Administrative expenses. Both these adjustments affect Gross income. Operating income is not affected.

ASSA ABLOY AB (publ)
Box 70340
SE-107 23 Stockholm, Sweden
Visiting address:
Klarabergsviadukten 90

Tel: +46 (0)8 506 485 00
Fax: +46 (0)8 506 485 85
www.assaabloy.com
Corporate Identity nr: 556059-3575