



Interim report for January–June 2010

Well on the way to the margin goal

- ▲ Revenue decreased during the period to MSEK 5,577 (6,205). Organic growth was –2 percent (–2).
- ▲ Operating income (EBITA)¹⁾ amounted to MSEK 379 (368), of which exchange rate effects comprised MSEK –39, and the operating margin was 6.8 percent (5.9).
- ▲ Income before taxes amounted to MSEK 316 (297) and net income after tax was MSEK 207 (208).
- ▲ Earnings per share before dilution were SEK 2.84 (2.85), and Earnings per share after dilution were SEK 2.74 (2.85).
- ▲ Cash flow from operating activities amounted to MSEK 481 (288), which is equivalent to 127 percent (78) of operating income (EBITA).

¹⁾ Earnings Before Interest, Taxes and Amortization of acquisition-related intangible fixed assets.

Comments by the President and CEO

Loomis' operating income, including negative exchange rate effects, has increased to MSEK 379 (368) compared with the corresponding period for 2009. The fact that this has been possible, despite decreased revenue is primarily due to the outcome of the efficiency improvement program which has been undertaken throughout the Group in recent years.

The operating margin improved to 6.8 percent compared to 5.9 percent during the first six-month period of 2009.

Cash flow improved and corresponded to 127 percent of the operating income, compared with 78 percent in the first six-month period of 2009. This is attributable to our concerted efforts to establish effective control over customer credit periods and over investments.

In the majority of the countries in which we operate, the cash handling market continued to recover after the marked economic downturn during late 2008 and most of 2009. The recovery has primarily taken place in Europe, with the exception of Spain. However, we do not view the ongoing structural transformation of the Spanish savings banks as a threat either now or in the future. The market in the USA has stabilized, if at a lower level than previously. The flow of cash in the USA has not altered significantly during the last quarters.

The fact that the Group's revenue has decreased during the first six-month period, with negative organic growth of –2 percent as a result, can predominantly be explained by the reduced volumes in the USA, partly attributable to the effects of the recession, but also due to the fact that we have lost a number of contracts as a result of our prioritization of price over volume. In consequence, we will see negative organic growth in the USA during the remainder of 2010, although marketing efforts have begun to show positive effects.

All the more positive, then, is the fact that operating income in the USA has increased to a new, sustainable level, and that the operating margin has increased by two percentage points to 7.3 percent.

In Europe, we have noted a certain increase in volumes on the majority of markets. Earnings have developed favorably on European markets, with the exception of France, where extensive restructuring initiated in March is continuing according to plan. The operating margin in Europe was 7.9 percent during the first six-month period, which is unchanged compared with the same period in 2009.

The operating margin at Group level has increased due to the improvements in earnings in the USA, which, despite the restructuring in France, implies that our goal, an operating margin of 8 percent for the full year 2010, remains.

Lars Blecko
President and CEO

Loomis offers safe and effective solutions for the distribution, handling and recycling of cash for banks, retailers and other commercial companies via an international network of more than 370 branch offices in 12 European countries and in the USA. The Group has approximately 20,000 employees and annual revenues of SEK 12 billion. Loomis is a Mid-Cap listed Company on the NASDAQ OMX Stockholm.

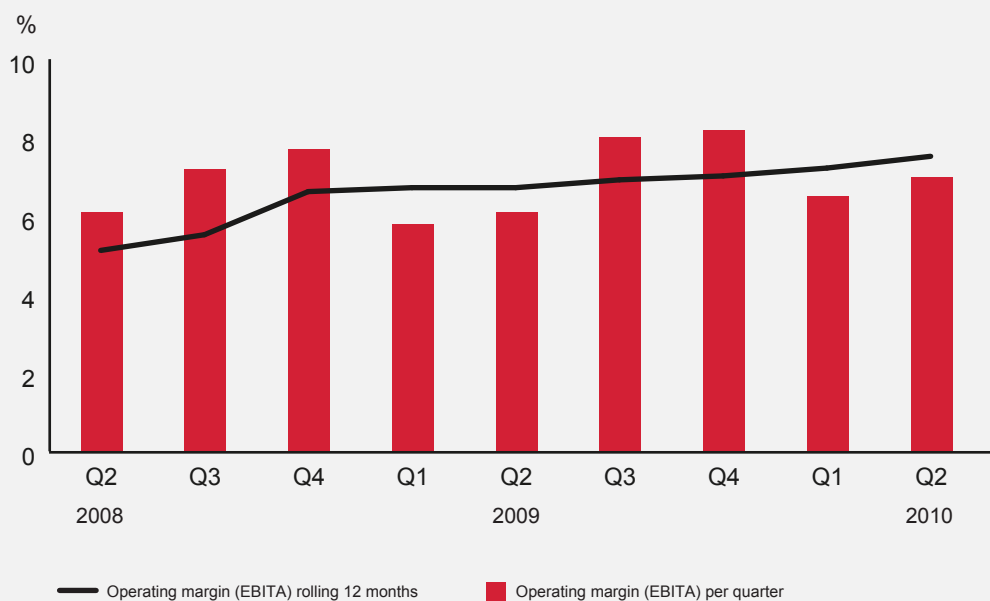
The Group in Brief

Statement of income	2010	2009		2010	2009		2009
MSEK	Apr–Jun	Apr–Jun	Change (%)	Jan–jun	Jan–jun	Change (%)	Full year
Revenue	2,806	3,018	–7	5,577	6,205	–10	11,989
Operating income (EBITA) ¹⁾	198	183	8	379	368	3	837
Earnings per share before dilution, SEK	1.41	1.42		2.84	2.85		6.85
Earnings per share after dilution, SEK	1.36	1.42		2.74	2.85		6.85
Key ratios							
Organic growth, %	–1	–4		–2	–2		–3
Operating margin, %	7.0	6.1		6.8	5.9		7.0
Cash flow from operating activities as % of operating income (EBITA)	163	106		127	78		94

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets.

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets.

Operating margin (EBITA)



Revenue and operating income

April–June 2010

Revenue in the second quarter amounted to MSEK 2,806 (3,018), corresponding to a reduction of 7 percent compared with the same period in the previous year. Organic growth in revenue (adjusted for exchange rate effects, acquisitions and divestitures) amounted to –1 percent, primarily as a result of lost contracts and recession effects on the market in the USA. Lost contracts are, to a great extent, a consequence of Loomis' strategy to prioritize price and profitability over volume. The weak economic climate has, amongst other things, resulted in a number of customers reducing the number of stops, as well as in a decrease in consumption and, therefore, volumes. The fuel surcharges which Loomis passes on to its customers have had a marginal impact on the Group's organic growth in the second quarter. General price increases in line with expected salary increases have been undertaken during the quarter.

Operating income (EBITA) increased to MSEK 198 (183), including exchange rate effects of MSEK –16. The operating margin amounted to 7.0 percent (6.1). The continuous work to reduce costs and improve efficiency at under-performing branch offices, combined with the introduction of a flatter organization giving rise to a reduction in administrative costs, has improved the margin, in spite of negative organic growth. The continuation of a low staff turnover has also had a positive impact on income.

Operating income (EBIT) increased to MSEK 193 (179).

Financial net amounted to MSEK –26, compared to MSEK –31 during the second quarter of 2009. This change is a result of a lower average net debt and lower interest rates.

Income before taxes amounted to MSEK 167 (148), whilst net income after taxes was MSEK 103 (103). The tax rate for the period April–June 2010 was 38 percent (30). The tax rate for the second quarter of 2010 was negatively impacted by new tax legislation in France, and by a provision for ongoing tax audits throughout the Group. Furthermore, the tax rate was negatively impacted by the fact that a larger proportion of the Group's earnings was generated in the USA, which has a higher tax rate than the Group as a whole.

January–June 2010

During the first six-month period, revenue decreased by 10 percent to MSEK 5,577 (6,205). Organic growth in revenue (adjusted for exchange rate effects, acquisitions and divestitures) was –2 percent. The negative organic growth is primarily attributable to lost contracts and recession effects on the market in the USA. Lost contracts are, to a great extent, a consequence of Loomis' strategy to prioritize price and profitability over volume. The weaker economic climate and lost contracts have been partially compensated for by general price increases in line with expected wage increases. During the first six-month period in 2010, the fuel surcharges which Loomis passes on to its customers have had a marginal impact on the Group's organic growth.

Operating income (EBITA) increased to MSEK 379 (368). The increase included exchange rate effects of MSEK –39. The continuing cost-saving and efficiency improvement efforts which have been undertaken, as well as the prioritization of price and profitability over volume of customer contracts, has facilitated the improvement of the operating margin, which increased to 6.8 percent (5.9).

Operating income (EBIT) increased to MSEK 370 (360).

Financial net amounted to MSEK –54 (–62), a decrease resulting from a lower average net debt and lower interest rates.

Income before taxes amounted to MSEK 316 (297) whilst net income after taxes was MSEK 207 (208). The tax rate for the period was 34 percent (30). The tax rate for the first six-month period of 2010 was negatively impacted by new tax legislation in France, and by a provision for ongoing tax audits throughout the Group. Furthermore, the tax rate was negatively impacted by the fact that a larger proportion of the Group's earnings is generated in the USA, which has a higher tax rate than the Group as a whole.

Cash flow

April–June 2010

Cash flow from operating activities of MSEK 323 (193) corresponded to 163 percent (106) of operating income (EBITA). A decrease in the number of customer credit days in comparison with the previous quarter had a positive impact on cash flow. In addition, cash flow from operating activities developed positively not only due to the fact that decreased volumes have diminished the need for investments, but also as a consequence of measures taken with the aim of achieving a better balance between payments and the seasonal variations in revenue.

Cash flow from operations amounted to MSEK 407 (306), and from investing activities to MSEK –177 (–218). Cash flow from financing activities amounted to MSEK –430 (–257). Cash flow for the period included a dividend to shareholders of MSEK 193.

The cash flow effect from items affecting comparability and acquisition-related restructuring costs amounted to MSEK –1 (–1).

Net investments in fixed assets for the period amounted to MSEK 168 (209), which can be compared with the depreciation of fixed assets, MSEK 177 (196). Of total investments for the period, investments in vehicles and security equipment, which comprise the two major categories of recurring maintenance investments, amounted to MSEK 101 (94).

January–June 2010

Cash flow from operating activities of MSEK 481 (288) comprised 127 percent (78) of operating income (EBITA). A marginal increase in the number of customer credit days since the beginning of 2009 had a negative impact on cash flow. Cash flow from operating activities developed positively not only due to the fact that decreased volumes have diminished the need for investments, but also as a consequence of measures taken with the aim of achieving a better balance between payments and the seasonal variations in revenue.

Cash flow from operations amounted to MSEK 620 (490), and from investing activities to MSEK –304 (–386). Cash flow from financing activities amounted to MSEK –393 (–447).

The cash flow effect from items affecting comparability and acquisition-related restructuring costs amounted to MSEK –6 (–3).

Net investments in fixed assets for the period amounted to MSEK 284 (377), which can be compared with the depreciation of fixed assets, MSEK 355 (393). Of total investments for the period, investments in vehicles and security equipment, amounted to 164 MSEK (168).

Capital employed

Capital employed amounted to MSEK 4,915 (5,028 per December 31, 2009). The return on capital employed amounted to 17 percent (17 per December 31, 2009).

Shareholders' equity and financing

Shareholders' equity amounted to MSEK 3,089 (3,129 per December 31, 2009). The return on shareholders' equity was 16 percent (16 per December 31, 2009). The equity ratio was 37 percent (38 per December 31, 2009). During the second quarter, MSEK 193 was distributed to the shareholders. Net debt amounted to MSEK 1,826 (1,899 per December 31, 2009).

Significant events during the period

In January 2010, Loomis' subsidiary in the USA, Loomis Armored US, Inc., acquired the assets and customer contracts of Hammond Services in the state of Idaho. Customer contracts refer to customers based in Idaho and Montana and the acquisition will provide annual sales amounting to approximately TUSD 750. Loomis will also take on a limited number of employees.

In March 2010, Loomis' subsidiary in the USA, Loomis Armored US, Inc., acquired the assets and customer contracts of 1st Armored, Inc. in the state of Michigan. The customer contracts refer to customers in Michigan and the acquisition will provide annual sales of approximately MUSD 1. Loomis will also take on 1st Armored's employees.

At the Annual General Meeting on April 29, 2010, Signhild Arnegård Hansen was elected as a new Board member.

In accordance with the proposal of the Board of Directors, the Annual General Meeting resolved to support a further development of the existing performance-based cash bonus schemes into also comprising a share-related part. In brief, the new incentive scheme program involves the replacement of a third of the total amount of bonus earned with the right to receipt of shares with delayed allotment and subject to continued employment within Loomis. The introduction of the new incentive program makes it possible for approximately 350 top managers in Loomis to become shareholders in the long-term, thereby strengthening employee participation in the success and development of Loomis, to the benefit of all shareholders.

During the period, Loomis' subsidiary in Austria, Loomis Österreich GmbH, acquired the assets and liabilities of the cash handling division of Siwacht Bewachungsdienst Gesellschaft m.b.H. The acquisition will contribute annual sales of approximately MEUR 0.2.

Number of full-time employees

The average number of full-time employees during 2009 was 18,178. No significant change has occurred during the first six-month period of 2010. The ongoing cost-savings program has primarily reduced the number of overtime hours and extra employees, but has also included a reduction in the number of regular employees.

Segments

Loomis Europe									
MSEK	2010	2009		2010	2009		2009		
	Apr–Jun	Apr–Jun	Change (%)	Jan–Jun	Jan–Jun	Change (%)	Full year		
Revenue	1,749	1,902	–8	3,514	3,835	–8	7,618		
Organic growth, %	0	–4		–0	–3		–2		
Operating income EBITA) ¹⁾	142	154	–8	277	302	–8	691		
Operating margin, %	8.1	8.1		7.9	7.9		9.1		

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets.

EUROPE

Revenue and operating income

April–June 2010

Revenue amounted to MSEK 1,749 (1,902), which is equivalent to a decrease of 8 percent compared to the corresponding period for the previous year. Organic growth (adjusted for exchange rate effects, acquisitions and divestitures) amounted to 0 percent. The recession effects which were observed during the first quarter of 2009, and which worsened during the second quarter of 2009 have now, to a great extent, ceased, and the market as a whole has stabilized at the lower volumes. The majority of European countries, with the exception of the UK and Spain, demonstrated increases in revenue. The ongoing implementation of general price increases in line with expected salary increases has continued successfully during the quarter.

Operating income (EBITA) amounted to MSEK 142 (154). The operating margin for the period amounted to 8.1 percent (8.1). The ongoing restructuring program in the French operations continues according to plan.

Revenue and operating income

January–June 2010

Revenue in Europe during the first six-month period, amounted to MSEK 3,514 (3,835) which is equivalent to a decrease of 8 percent. Organic growth (adjusted for exchange rate effects, acquisitions and divestitures) amounted to 0 percent. The negative organic growth under 2009, which was primarily an effect of the downturn in the economy has now stabilized at lower volumes. Several markets show signs of increases in revenue, although the markets in the UK and Spain continue to be challenging.

Operating income (EBITA) decreased by MSEK 25 to MSEK 277 (302) and the operating margin amounted to 7.9 percent (7.9). Despite a positive earnings development in the majority of European countries, the operating margin remained unchanged, primarily due to the restructuring in the French operations.

Segments

Loomis USA MSEK	2010			2009			2009 Full year
	Apr–Jun	Apr–Jun	Change (%)	Jan–Jun	Jan–Jun	Change (%)	
Revenue	1,057	1,115	–5	2,063	2,370	–13	4,372
Organic growth, %	–3	–4		–4	–1		–4
Operating income EBITA ¹⁾	80	58	37	150	125	20	251
Operating margin, %	7.6	5.2		7.3	5.3		5.7

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets.

USA

Revenue and operating income

April–June 2010

Compared with the same period for the previous year, revenue in the USA decreased by 5 percent during the second quarter to MSEK 1,057 (1,115). Organic growth (adjusted for exchange rate effects, acquisitions and divestitures) amounted to –3 percent, primarily attributable to lost contracts and the downturn in the economy. Lost contracts are to a great extent a consequence of Loomis' strategy to prioritize price and profitability over volume. The general price increases which have been carried out during the year have, to some extent, compensated for these negative effects. Increased fuel surcharges had a positive impact of 1 percent on organic growth during the period.

Operating income (EBITA) increased to MSEK 80 (58).

The operating margin for the period was 7.6 percent (5.2), an improvement of 2.4 percentage points compared to the previous year. The cost-savings and efficiency improvement efforts which were undertaken during 2009 and continued during 2010 have contributed to the improved margin, despite the negative effect of lower revenue. This has been facilitated by major reorganization, leading to a flatter structure, which has resulted in reductions in administrative costs. In addition, the operating margin has been positively impacted by work undertaken with route planning and other efficiency improvement measures. These measures, combined, have resulted in fewer overtime hours and a reduction in the number of employees.

Revenue and operating income

January–June 2010

Revenue in the USA during the first six-month period amounted to MSEK 2,063 (2,370), which corresponds to a decrease of 13 percent. Organic growth (adjusted for exchange rate effects, acquisitions and divestitures) amounted to –4 percent, of which increased fuel surcharges comprised 1 percent. General price increases in line with expected salary increases have contributed to a reduction in the negative effects of lost contracts, technical development and the current downturn in the economy. Lost contracts are to a great extent a consequence of Loomis' strategy to prioritize price and profitability over volume. Technical developments refer to the conversion of bank ATMs to electronically scan and register checks. The majority of these conversions of bank ATMs have now been implemented.

Operating income (EBITA) increased by 20 percent to MSEK 150 (125) and the operating margin for the period amounted to 7.3 percent (5.3). Compared with the previous year, the margin thereby increased by two percentage points. The significant improvement in margin is predominantly a result of the cost-savings and efficiency improvements undertaken in 2009. The restructuring work in the USA is continuing during 2010.

Risks and Uncertainties

Operational Risks

Operational risks are risks associated with the day-to-day operations and the services offered by the Company to its customers. These risks can result in negative consequences when the services performed do not meet the established requirements and result in loss of property, damage to property or personal injury.

Loomis' strategy for operational risk management is based on two fundamental principles:

- No loss of life.
- Balance between profitability and risk of theft and robbery.

Although the risk of robbery is unavoidable in cash handling, Loomis continually endeavors to minimize this risk. The most vulnerable situations are at the roadside, in the vehicles and during counting.

Loomis' operations are insured, implying that the maximum cost of each theft or robbery incident is limited to the deductible amount, as stipulated in the insurance cover.

The Parent Company, Loomis AB, is deemed not to have any significant operational risks, as the Company does not engage in operations, other than the conventional control of subsidiaries and the management of certain Group matters.

The major risks deemed to apply to the Parent Company refer to fluctuations in exchange rates, particularly as regards USD and EUR, increased interest rates and the risk of possible write-down requirements.

Factors of uncertainty

Specific uncertainties for 2010 relate to the effects of the restructuring in France.

The economic trend has impacted certain countries and geographic markets during the first six-month period, and it cannot be ruled out that revenue and income for 2010 may be further impacted.

An economic downturn has both positive and negative effects on the market for cash handling services. Positive effects include an increase in the proportion of cash purchases compared with credit card purchases, and lower rates of employee turnover. Negative effects include the increased risk of robbery, reduced consumption and an increased risk of bad debt losses. Among the negative effects, an increased risk of robbery and reduced consumption are the most notable.

Seasonal Variations

The Company's earnings fluctuate across the seasons, which should be taken into consideration when making assessments on the basis of interim financial information. The primary reason for these seasonal variations is that the need for cash handling services increases during the vacation period, July–August, and during holidays at the end of the year, i.e. in November–December.

Parent Company

Summary Statement of Income			
MSEK	2010	2009	2009
	Jan–Jun	Jan–Jun	Full year
Gross income	122	131	215
Operating income (EBIT)	78	87	148
Income after financial items	112	150	490
Net income for the period	82	111	358
Summary Balance Sheet			
MSEK	2010	2009	2009
	Jun 30	Jun 30	Dec 31
Fixed assets	6,914	7,063	6,823
Current assets	1,012	678	1,000
Total assets	7,926	7,741	7,823
Shareholders' equity	4,597	4,379	4,609
Liabilities	3,330	3,362	3,215
Total shareholders' equity and liabilities	7,926	7,741	7,823

The Parent Company of the Group does not conduct operating activities, but is comprised of the Group management and central functions. The number of employees at the head office was 14 during the first six-month period of 2010.

The Parent Company's revenue refers, primarily, to franchise fees and other revenues from subsidiaries. The change in results refers primarily to a reduction in net financial items.

The Parent Company's fixed assets are comprised primarily of shares in subsidiaries and loan receivables with subsidiaries. Liabilities are primarily comprised of interest-bearing liabilities.

The Swedish Tax Agency has rejected a number of deductions related to Loomis AB's costs for the LCM operations, and the case has been appealed at the County Administrative Court. The cases are described in the annual report from 2009. Any negative outcome in these matters will have a cash flow effect only on the Parent Company and the Loomis AB Group.

Other significant events

For critical estimates and assessments and contingent liabilities, refer to pages 44 and 69 in the annual report for 2009. As no material changes have taken place compared with the information presented in the 2009 annual report, no further comments regarding such matters have been presented in this interim report.

Accounting principles

The Group's financial reports are prepared in accordance with International Financial Reporting Standards (IAS/IFRS, as adopted by the European Union), issued by the International Accounting Standards Board and statements issued by the International Financial Reporting Interpretations Committee (IFRIC).

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The main accounting principles according to IFRS, which comprise the accounting standards for the preparation of this interim report, can be found in Note 2 on pages 38–43 of the 2009 Annual Report.

The impact on the Group of the new and revised standards and interpretations coming into effect on January 1, 2010 are described in Note 2, on pages 38–39 of the published 2009 Annual Report. The revised standards affecting the consolidated accounts are IFRS 3 (Revised, "Business Combinations" and IAS 27 (Amendment), "Consolidated and Separate Financial Statements". The new accounting principles have been applied from January 1, 2010, without the recalculation of comparative figures for previous years.

In France, as of January 1, 2010, a tax component which was previously reported in operating income has been replaced by a new tax which comprises two components. In line with IAS 12, Loomis assesses that one of these components should be reported as a tax expense for the purpose of comparability with similar taxes in other countries in which the Group operates.

The Group has introduced a new incentive program, in which those taking part in the program receive a bonus of which two thirds is paid out in cash after the year in which the bonus is incurred, and shares in the Company are re-purchased with the remaining third of the bonus. These shares are distributed to the employee one year after their re-purchase, in the event the individual in question is still employed by the Group. The cost to Loomis is reported in the income statement in the period to which the bonus refers, however, the share-related provision is classified as a portion of shareholders' equity. At the conclusion of the program, any possible deviations from the original estimations, for example, discrepancies resulting from the departure of an employee from the Group without receipt of his/her allocated shares, are reported in the income statement, with corresponding adjustments made in shareholders' equity.

The Parent Company's financial reports have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities. The main accounting principles for the Parent Company can be found in Note 36 on page 75 of the 2009 Annual Report.

Outlook for 2010

The Company deems the premises for reaching the previously communicated goal of an operating margin of 8 percent during 2010 as good.

The undersigned hereby certify that the interim financial report provides a true and fair review of the Parent Company's and the Group's operations, financial position and income, and describes significant risks and uncertainties to which the Parent Company and those companies included in the Group are exposed.

Stockholm, July 30, 2010

Alf Göransson
Chairman of the Board of Directors

Ulrik Svensson
Board member

Signhild Arnegård Hansen
Board member

Marie Ehrling
Board member

Jan Svensson
Board member

Lars Blecko
President and CEO

(Translation of the Swedish original)

Review Report

We have reviewed this report for the period 1 January 2010 to 30 June 2010 for Loomis AB (publ.). The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

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

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

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

Stockholm July 30, 2010

PricewaterhouseCoopers AB

Anders Lundin
Authorized Public Accountant

Financial reports in brief

Income Statement MSEK	2010	2009		2010	2009		2009	
	Apr–Jun	Apr–Jun	Change (%)	Jan–Jun	Jan–Jun	Change (%)	Full year	R12
Revenue, continuing operations	2,804	2,994	–6	5,575	6,154	–9	11,934	11,355
Revenue, acquisitions, net	2	23		2	51		55	6
Total revenue	2,806	3,018	–7	5,577	6,205	–10	11,989	11,361
Production costs	–2,186	–2,375		–4,336	–4,882		–9,374	–8,829
Gross income	620	643	–4	1,241	1,324	–6	2,615	2,532
Selling and administration expenses	–422	–460		–862	–956		–1,778	–1,684
Operating income before amortization (EBITA)¹⁾	198	183	8	379	368	3	837	848
Amortization of acquisition-related intangible assets	–5	–4		–9	–8		–17	–17
Operating income (EBIT)	193	179	8	370	360	3	821	831
Net financial items	–26	–31		–54	–62		–115	–106
Income before taxes	167	148	13	316	297	6	706	725
Income tax	–64	–44		–109	–89		–206	–225
Net income for the period²⁾	103	103	0	207	208	–0	500	499
Key ratios								
Organic growth, %	–1	–4		–2	–2		–3	–3
Gross margin, %	22.1	21.3		22.2	21.3		21.8	22.3
Operating margin before amortization, %	7.0	6.1		6.8	5.9		7.0	7.5
Selling and administration expenses as % of total revenue	–15.0	–15.3		–15.5	–15.4		–14.8	–14.8
Net margin, %	3.7	3.4		3.7	3.4		4.2	4.4

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

²⁾ Net income for the period is entirely attributable to the Parent Company's shareholders.

Statement of comprehensive income MSEK	2010	2009	2009	
	Jan–Jun	Jan–Jun	Full year	R12
Net income for the period	207	208	500	499
Actuarial gains and losses after tax	–114	–94	–49	–68
Translation differences (Exchange rate differences)	56	44	–150	–137
Cash flow hedges after tax	–4	0	–6	–10
Other comprehensive income for the period, net after tax	–61	–50	–205	–216
Total comprehensive income for the period ¹⁾	146	158	295	283

¹⁾ Comprehensive income for the period is entirely attributable to the Parent Company's shareholders.

Data per share SEK	2010	2009	2010	2009	2009	
	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	R12
Earnings per share before dilution	1.41	1.42	2.84	2.85	6.85	6.84
Earnings per share after dilution ¹⁾	1.36	1.42	2.74	2.85	6.85	6.67
Earnings per share, fully diluted ²⁾	1.36	1.37	2.74	2.75	6.62	6.61
Dividend	2.65	2.25	2.65	2.25	2.25	2.65
Number of remaining shares (millions)	73.0	73.0	73.0	73.0	73.0	73.0
Average number of remaining shares (millions)	73.0	73.0	73.0	73.0	73.0	73.0

¹⁾ The average price per share during the second quarter of 2010 amounted to SEK 79.89. For the first six-month period the corresponding figure was SEK 83.72, and for the rolling 12 month period the corresponding figure was SEK 78.33.

²⁾ Earnings per share, fully diluted, show the earnings per share as if all outstanding warrants had been converted into shares. At full dilution, the number of outstanding shares would amount to 75.6 million.

Financial reports in brief

Balance Sheet	2010	2009	2009	2008
MSEK	Jun 30	Jun 30	Dec 31	Dec 31
ASSETS				
Fixed assets				
Goodwill	2,883	2,959	2,760	2,965
Acquisition-related intangible assets	69	77	65	79
Other intangible assets	67	47	41	49
Tangible fixed assets	2,768	2,995	2,878	2,967
Non-interest-bearing financial fixed assets	416	371	343	319
Interest-bearing financial fixed assets	53	83	46	60
Total fixed assets	6,256	6,532	6,132	6,439
Current assets				
Non-interest-bearing current assets	1,858	2,030	1,631	1,851
Interest-bearing financial current assets	3	11	3	355
Liquid funds	311	305	387	268
Total current assets	2,171	2,346	2,020	2,474
TOTAL ASSETS	8,428	8,878	8,153	8,913
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity¹⁾	3,089	2,992	3,129	2,976
Long-term liabilities				
Interest-bearing long-term liabilities	1,349	1,563	1,480	72
Non-interest-bearing provisions	988	864	820	808
Total long-term liabilities	2,337	2,427	2,299	880
Current liabilities				
Tax liabilities	248	162	171	209
Non-interest-bearing current liabilities	1,910	2,014	1,699	1,860
Interest-bearing current liabilities	844	1,283	855	2,987
Total current liabilities	3,002	3,459	2,725	5,057
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	8,428	8,878	8,153	8,913
Key ratios				
<i>Equity ratio, %</i>	37	34	38	33

¹⁾ Shareholders' equity is entirely attributable to the Company's shareholders.

Financial reports in brief

Additional information
intangible assets

MSEK	Jun 30, 2010			Jun 30, 2009			Dec 31, 2009		
	Goodwill	Acquisition-related	Other	Goodwill	Acquisition-related	Other	Goodwill	Acquisition-related	Other
Opening balance	2,760	65	41	2,965	79	49	2,965	79	49
Acquisitions/ investments	–	16	2	–	7	9	–	7	20
Amortization/ Impairment	–	–9	–9	–	–8	–10	–	–17	–24
Divestitures	–	–	–0	–	–	–0	–	–	–0
Translation difference	124	–3	–2	–6	–0	–0	–205	–4	–2
Reclassifications	–	–	35	–	–	–1	–	–	–2
Closing balance	2,883	69	67	2,959	77	47	2,760	65	41

Change in shareholders' equity

MSEK	2010	2009	2009	R12
	Jan–Jun	Jan–Jun	Full year	
Opening shareholders' equity	3,129	2,976	2,976	2,992
Actuarial gains and losses after tax	–114	–94	–49	–68
Translation differences	56	44	–150	–137
Cash flow hedges after tax	–4	0	–6	–10
Total revenue and expenses reported directly in shareholders' equity	–61	–50	–205	–216
Net income for the period	207	208	500	499
Comprehensive income for the period	146	158	295	283
Dividend paid to Parent Company's shareholders	–193	–164	–164	–193
Issue of warrants	–	22	22	–
Share-related remuneration	8	–	–	8
Closing shareholders' equity	3,089	2,992	3,129	3,089

Financial reports in brief

Statement of cash flows	2010	2009	2010	2009	2009	
MSEK	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	R12
Income before taxes	167	148	316	297	706	725
Items not affecting cash flow, items affecting comparability and acquisition-related restructuring costs	206	230	412	461	880	830
Financial items paid/received	–23	–15	–55	–53	–109	–110
Paid income tax	–58	–81	–85	–120	–147	–113
Change in accounts receivable	52	–0	–12	15	85	59
Change in other operating capital employed	65	24	44	–111	–82	72
Cash flow from operating activities	407	306	620	490	1,333	1,463
Cash flow from investment activities	–177	–218	–304	–386	–813	–730
Cash flow from financing activities	–430	–257	–393	–447	–747	–693
Cash flow for the period	–200	–169	–77	–343	–226	40
Liquid funds at beginning of the period	500	465	387	623	623	305
Translation differences in liquid funds	11	10	1	25	–10	–35
Liquid funds at end of period	311	305	311	305	387	311

Statement of cash flows	2010	2009	2010	2009	2009	
MSEK	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	R12
Additional information						
Operating income before amortization (EBITA) ¹⁾	198	183	379	368	837	848
Amortization	177	196	355	393	752	713
Change in accounts receivable	52	–0	–12	15	85	59
Change in other operating capital employed	65	24	44	–111	–82	72
Cash flow from operating activities before investments	490	402	765	665	1,592	1,692
Investments in fixed assets, net	–168	–209	–284	–377	–803	–710
Cash flow from operating activities	323	193	481	288	789	982
Paid and received financial items	–23	–15	–55	–53	–109	–110
Paid income tax	–58	–81	–85	–120	–147	–113
Non-restricted cash flow	241	98	341	116	533	759
Cash flow effect of items affecting comparability and acquisition-related restructuring costs	–1	–1	–6	–3	–3	–6
Acquisition of operations	–10	–9	–20	–9	–9	–20
Dividend paid	–193	–164	–193	–164	–164	–193
Repayments of leasing liabilities	–5	–12	–7	–20	–38	–25
Change in interest-bearing net debt excluding liquid funds	–232	–80	–193	–263	–545	–475
Cash flow for the period	–200	–169	–77	–343	–226	40
Key ratios						
Cash flow from operating activities as % of operating income before amortization (EBITA)	163	106	127	78	94	116
Investments in relation to depreciation	0.9	1.1	0.8	1.0	1.1	1.0
Investments in % of total revenue	6.0	6.9	5.1	6.1	6.7	6.3

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

Financial reports in brief

Segment overview	2010	2009	2010	2009	2009	
MSEK	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	R12
Europe						
Revenue	1,749	1,902	3,514	3,835	7,618	7,297
Organic growth, %	0	–4	–0	–3	–2	–1
Operating income before amortization (EBITA) ¹⁾	142	154	277	302	691	666
Operating margin before amortization, %	8.1	8.1	7.9	7.9	9.1	9.1
USA						
Revenue	1,057	1,115	2,063	2,370	4,372	4,064
Organic growth, %	–3	–4	–4	–1	–4	–6
Operating income before amortization (EBITA) ¹⁾	80	58	150	125	251	276
Operating margin before amortization, %	7.6	5.2	7.3	5.3	5.7	6.8
Other²⁾						
Revenue	–	–	–	–	–	–
Operating income before amortization (EBITA) ¹⁾	–24	–30	–48	–59	–104	–94
Group total						
Revenue	2,806	3,018	5,577	6,205	11,989	11,361
Organic growth, %	–1	–4	–2	–2	–3	–3
Operating income before amortization (EBITA) ¹⁾	198	183	379	368	837	848
Operating margin before amortization, %	7.0	6.1	6.8	5.9	7.0	7.5

Segment overview – By quarter	2010		2009				2008		
MSEK	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
Europe									
Revenue	1,749	1,765	1,892	1,891	1,902	1,932	1,931	1,855	1,773
Organic growth, %	0	–1	–1	–2	–4	–2	1	2	3
Operating income before amortization (EBITA) ¹⁾	142	135	186	203	154	147	199	175	139
Operating margin before amortization, %	8.1	7.6	9.8	10.7	8.1	7.6	10.3	9.4	7.8
USA									
Revenue	1,057	1,006	988	1,013	1,115	1,255	1,176	981	896
Organic growth, %	–3	–6	–6	–7	–4	2	4	9	7
Operating income before amortization (EBITA) ¹⁾	80	70	71	55	58	67	66	52	48
Operating margin before amortization, %	7.6	7.0	7.1	5.4	5.2	5.3	5.6	5.3	5.3
Other²⁾									
Revenue	–	–	–	–	–	–	–	–	–
Operating income before amortization (EBITA) ¹⁾	–24	–24	–20	–25	–30	–29	–26	–22	–24
Group total									
Revenue	2,806	2,771	2,880	2,904	3,018	3,187	3,107	2,836	2,669
Organic growth, %	–1	–3	–3	–4	–4	–1	2	4	4
Operating income before amortization (EBITA) ¹⁾	198	181	237	233	183	185	239	205	163
Operating margin before amortization, %	7.0	6.5	8.2	8.0	6.1	5.8	7.7	7.2	6.1

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

²⁾ The category Other consists of the Parent Company's costs and certain other Group items.

Financial reports in brief

Quarterly data MSEK	2010		2009				2008		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
Income Statement									
Revenue	2,806	2,771	2,880	2,904	3,018	3,187	3,107	2,836	2,669
Gross income	620	621	643	648	643	681	673	647	579
Operating income before amortization (EBITA) ¹⁾	198	181	237	233	183	185	239	205	163
Operating income after amortization, before items affecting comparability and acquisition-related restructuring costs	193	177	233	229	179	181	235	202	159
Key ratios									
Operating margin before amortization, %	7.0	6.5	8.2	8.0	6.1	5.8	7.7	7.2	6.1
Cash flow									
Current activities	407	212	537	306	306	184	428	517	–102
Investment activities	–177	–126	–274	–153	–218	–168	–292	–205	–263
Financing activities	–430	37	–296	–4	–257	–190	301	–329	374
Cash flow for the period	–200	123	–32	149	–169	–174	436	–17	9
Capital employed and financing									
Operating capital employed	2,026	2,150	2,231	2,319	2,358	2,480	2,353	2,091	2,037
Goodwill	2,883	2,739	2,760	2,713	2,959	3,100	2,965	2,666	2,416
Acquisition-related intangible assets	69	73	65	68	77	76	79	74	67
Operating capital	–63	–46	–27	1	45	–49	–45	76	170
Operating capital	4,915	4,916	5,028	5,101	5,439	5,607	5,351	4,907	4,690
Key ratios									
Operating capital employed as % of revenue	18	19	19	19	19	21	21	19	18
Capital employed as a % of revenue	43	42	42	42	45	48	48	45	42
Net debt									
Shareholders' equity	1,826	1,776	1,899	2,131	2,447	2,448	2,375	2,399	3,333
	3,089	3,140	3,129	2,970	2,992	3,159	2,976	2,508	1,357

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

Financial reports in brief

Statement of income – by quarter MSEK	2010		2009				2008		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
Revenue, continuing operations	2,804	2,771	2,879	2,901	2,994	3,160	3,081	2,796	2,521
Revenue, acquisitions, net	2	0	1	3	23	28	26	40	148
Total revenue	2,806	2,771	2,880	2,904	3,018	3,187	3,107	2,836	2,669
Production expenses	–2,186	–2,150	–2,237	–2,256	–2,375	–2,507	–2,434	–2,189	–2,090
Gross income	620	621	643	648	643	681	673	647	579
Selling and administration expenses	–422	–440	–407	–415	–460	–495	–433	–441	–416
Operating income before amortization (EBITA)¹⁾	198	181	237	233	183	185	239	205	163
Amortization of acquisition-related intangible assets	–5	–4	–4	–4	–4	–4	–4	–3	–3
Operating income (EBIT)	193	177	233	229	179	181	235	202	159
Net financial items	–26	–27	–26	–26	–31	–31	–43	–45	–40
Income before taxes	167	149	206	202	148	150	192	157	119
Income tax	–64	–45	–56	–61	–44	–45	–78	–73	38
Net income for the period²⁾	103	104	150	142	103	105	115	84	157
Key ratios									
Organic growth, %	–1	–3	–3	–4	–4	–1	2	4	4
Gross margin, %	22.1	22.4	22.3	22.3	21.3	21.4	21.6	22.8	21.7
Selling and administration expenses as % of total revenue	–15.0	–15.9	–14.1	–14.3	–15.3	–15.5	–14.0	–15.6	–15.6
Operating margin before amortization, %	7.0	6.5	8.2	8.0	6.1	5.8	7.7	7.2	6.1
Net margin, %	3.7	3.8	5.2	4.9	3.4	3.3	3.7	3.0	5.9
Earnings per share before dilution (SEK)	1.41	1.43	2.06	1.94	1.42	1.44	1.57	1.15	2.15

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

²⁾ Net income for the period is entirely attributable to the Parent Company's shareholders.

Financial reports in brief

Balance Sheet – by quarter MSEK	2010		2009				2008		
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
ASSETS									
Fixed assets									
Goodwill	2,883	2,739	2,760	2,713	2,959	3,100	2,965	2,666	2,416
Acquisition-related intangible assets	69	73	65	68	77	76	79	74	67
Other intangible assets	67	36	41	39	47	46	49	45	44
Tangible fixed assets	2,768	2,738	2,878	2,754	2,995	3,026	2,967	2,674	2,501
Non interest-bearing financial fixed assets	416	367	343	323	371	340	319	322	339
Interest-bearing financial fixed assets	53	45	46	86	83	51	60	60	152
Total fixed assets	6,256	5,999	6,132	5,983	6,532	6,638	6,439	5,840	5,518
Current assets									
Non interest-bearing current assets	1,858	1,931	1,631	1,843	2,030	2,139	1,851	2,030	2,007
Interest-bearing financial current assets	3	3	3	1	11	112	355	1,068	–
Liquid funds ¹⁾	311	500	387	414	305	352	268	174	177
Total current assets	2,171	2,433	2,020	2,259	2,346	2,603	2,474	3,271	2,183
TOTAL ASSETS	8,428	8,432	8,153	8,242	8,878	9,241	8,913	9,112	7,701
SHAREHOLDERS' EQUITY AND LIABILITIES									
Shareholders' equity ²⁾	3,089	3,140	3,129	2,970	2,992	3,159	2,976	2,508	1,357
Long-term liabilities									
Interest-bearing long-term liabilities	1,349	1,276	1,480	1,450	1,563	64	72	69	79
Non interest-bearing provisions	988	857	820	720	864	864	808	852	770
Total long-term liabilities	2,337	2,133	2,299	2,170	2,427	929	880	921	849
Current liabilities									
Tax liabilities	248	191	171	162	162	235	209	170	134
Non interest-bearing current liabilities	1,910	1,920	1,699	1,757	2,014	2,020	1,860	1,882	1,779
Interest-bearing current liabilities	844	1,048	855	1,183	1,283	2,899	2,987	3,632	3,583
Total current liabilities	3,002	3,159	2,724	3,102	3,459	5,154	5,057	5,683	5,496
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	8,428	8,432	8,153	8,242	8,878	9,241	8,913	9,112	7,701
Key ratios									
<i>Equity ratio, %</i>	<i>37</i>	<i>37</i>	<i>38</i>	<i>36</i>	<i>34</i>	<i>34</i>	<i>33</i>	<i>28</i>	<i>18</i>

¹⁾ Liquid funds include cash pools as of December 2008. Cash pools previously formed a portion of internal financing from Securitas and were therefore netted against other internal financing.

²⁾ Shareholders' equity is entirely attributable to the Company's shareholders.

Financial reports in brief

Cash flow – By quarter MSEK	2010		2009				2008		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
Additional information									
Operating income before amortization (EBITA) ¹⁾	198	181	237	233	183	185	239	205	163
Amortization	177	178	175	184	196	198	187	169	162
Change in accounts receivable	52	–63	132	–62	–0	15	172	17	–33
Change in other operating capital employed	65	–21	15	13	24	–135	–84	175	64
Cash flow from operating activities before investments	490	275	559	368	402	263	514	566	355
Investments in fixed assets, net	–168	–116	–274	–153	–209	–168	–292	–196	–222
Cash flow from operating activities	323	159	286	215	193	95	222	370	133
Paid and received financial items	–23	–31	–25	–31	–15	–38	–45	–45	–42
Paid income tax	–58	–27	3	–31	–81	–39	–16	12	–6
Non-restricted cash flow	241	100	264	154	98	18	161	337	85
Cash flows effect of items affecting comparability and acquisition-related re-restructuring costs	–1	–4	–0	–0	–1	–2	–25	–15	–410
Divestiture of operations	–	–	–	–	–	–	–	1	–
Acquisitions of operations	–10	–10	–	–	–9	–	–	–11	–41
Dividend paid	–193	–	–	–	–164	–	–	–	–
Shareholders' contribution received	–	–	–	–	–	–	500	400	–
Repayments of leasing liabilities	–5	–2	–6	–12	–12	–8	–1	–8	–12
Change in interest-bearing net debt excl liquid funds	–232	39	–290	8	–80	–183	–199	–720	386
Cash flow for the period	–200	123	–32	149	–169	–174	436	–17	9
Key ratios									
Cash flow from operating activities as % of operating income before amortization (EBITA)	163	88	121	93	106	51	93	180	82

¹⁾ Earnings Before Interest, Tax and Amortization of acquisitions-related intangible fixed assets. This item also excludes acquisition-related restructuring costs and other items affecting comparability.

Financial reports in brief

Key ratios	2010	2009	2010	2009	2009	R12
	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Operating margin before amortization, %	7.0	6.1	6.8	5.9	7.0	7.5
Cash flow from operating activities as % of operating income before amortization (EBITA)	163	106	127	78	94	116
Return on capital employed, %	17	15	17	15	17	17
Organic growth, %	–1	–4	–2	–2	–3	–3
Total growth, %	–7	13	–10	17	6	–6
Earnings per share before dilution, SEK	1.41	1.42	2.84	2.85	6.85	6.84
Equity ratio, %	37	34	37	34	38	37
Net debt, MSEK	1,826	2,447	1,826	2,447	1,899	1,826

Definitions

Cash flow from operating activities as % of operating income before amortization (EBITA)

Cash flow for the period before financial items, income tax, items affecting comparability, acquisitions and divestitures of operations and financing activities, as a percentage of operating income before amortization (EBITA).

Return on capital employed, %

Operating income before amortization (EBITA) (rolling 12 months) as a percentage of the closing balance of capital employed.

Organic growth, %

Increase in revenue for the period, adjusted for acquisition/divestitures and changes in exchange rates, as a percentage of the previous year's revenue adjusted for divestitures.

Total growth, %

Increase in revenue for the period as a percentage of the previous year's income.

Earnings per share before dilution

Net income for the period in relation to the number of shares outstanding at the end of the period.

Calculation for Apr–Jun 2010: $103 / 73,011,780 \times 1,000,000 = 1.41$

Operating income before amortization (EBITA)

Earnings before interest, taxes and amortization of acquisition-related intangible fixed assets, acquisition-related restructuring expenses and other items affecting comparability.

Operating margin before amortization

Earnings before interest, taxes and amortization of acquisition-related intangible fixed assets, acquisition-related restructuring expenses and other items affecting comparability, as a percentage of revenue.

Operating income after amortization (EBIT)

Earnings before interest and tax.

R12

Rolling 12-months period (July 2009 up to and including June 2010)

Return on equity

Net income for the period (rolling 12 months) as a percentage of the closing balance of shareholders' equity.

Net margin

Net income for the period after tax as a percentage of total revenue.

Other

Amounts in tables and other combined amounts have been rounded off on an individual basis. Minor differences due to this rounding-off, may, therefore, appear in the totals.

Information meeting

An information meeting will be held on July 30, 2010 (09:30 CET).

This meeting will be held at Hallvarsson & Halvarsson, Sveavägen 20, Stockholm.

To listen to the meeting proceedings by telephone (and to participate in the question and answer session), please register in advance by using the following link:

<https://eventreg2.conferencing.com/webportal3/reg.html?Acc=007175&Conf=201978> and follow the instructions, or by calling +46 (0)8 505 201 14 or +44 (0)20 7162 0177.

The meeting can also be viewed online at www.loomis.com/investors-and-media/presentations.

A recording of the webcast will be available at www.loomis.com/webcats after the information meeting, and a telephone recording of the meeting will be available until midnight on August 13 on telephone number +46(0)8 505 203 33 and +44 (0)20 7031 4064, code 869934.

Future reporting and meetings

Interim report January-September

November 5, 2010

Full-year report January–December

February 10, 2011

For further information:

Lars Blecko, CEO +46 (0)70 641 49 10, e-mail: lars.blecko@loomis.com

Questions can also be sent to: ir@loomis.com. Refer also to the Loomis website: www.loomis.com

Loomis AB discloses information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. This information was submitted for publication on Friday, July 30, 2010 at 08:00 (CET).



Managing Cash in Society

Loomis AB (publ.)

Corporate Identity Number 556620-8095, Box 902, SE-170 09 Solna

Telephone: +46 8-522 920 00, Fax: +46 8-522 920 10

www.loomis.com