GUNNEBO

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GUNNEBO
INTERIM REPORT
JANUARY-SEPTEMBER 2005

Third quarter 2005 *

- The order intake rose by 6% to MSEK 1,588 (1,499). Organically, the order intake declined by one percentage point.
- Invoiced sales rose by 5% to MSEK 1,559 (1,491). Organically, sales declined by 3%.
- The result after financial items was a profit of MSEK 64 (81) before items affecting comparability, and to MSEK 37 (81) including them.
- Net costs of MSEK 27 (-) affecting comparability consist for the most part of a provision for the rental cost of unoccupied factory premises.
- The result after tax was a loss of MSEK 63 (profit 64).
- The loss per share amounted to SEK 1.40 (profit 1.45).
- In the third quarter a provision of MSEK 89 was taken to cover lost tax litigation which is MSEK 34 lower than previously announced.

January - September 2005 *

- The order intake rose by 7% to MSEK 4,953 (4,639). After adjustment for acquisitions and currency effects, the order intake was unchanged.
- Invoiced sales increased by 4% to MSEK 4,609 (4,418). Organically, invoiced sales declined by 3%.
- The result after financial items, excluding items affecting comparability, was a profit of MSEK 100 (196), while including them it amounted to MSEK 29 (104).
- Net costs affecting comparability amounted to MSEK 71 (cost 92). They were mainly due to the closure of a factory in India, final settlement of a major project relating to previous years, and a provision to cover the rental cost of unoccupied factory premises.
- The result after tax was a loss of MSEK 69 (profit 66).
- The loss per share amounted to SEK 1.55 (profit 1.50)

Outlook for second half of 2005 *

- It was stated in the previous report that the profit after financial items (excluding Gunnebo Industrier and excluding items affecting comparability) for the second half of 2005 was expected to be slightly lower than for the previous year (210). This forecast remains unchanged.

** These figures relate to the continuing business, i.e. excluding Gunnebo Industrier.*

Gunnebo is an international security group with 90 companies located in 30 countries. The Group has sales to a further hundred markets via agents and distributors. Annual turnover amounts to some MEUR 730. Gunnebo's security products mainly include fire and burglar resistant safes, security products and systems for secure cash handling for the retail trade and banks, electronic security systems, fire protection, entrance control and access control, alarm centres and indoor and outdoor perimeter protection. Gunnebo has at its disposal some of the world's leading brand names in security: Chubbsafes, Fichet-Bauche, Rosengrens, Ritzenthaler, Garny, Leicher, Elkosta and Troax.

The Group

Information for the third quarter and for January-September, including the corresponding comparative data for the previous year, relate to the business remaining in the Group, i.e. excluding Gunnebo Industrier, except where otherwise stated.

Third quarter - Remaining operations

The Group's order intake increased by 6% to MSEK 1,588 during the third quarter (1,499). At organic level, there was a decline of one percentage point. Acquisitions accounted for five points and currency effects for 2 points of the increase. At Gunnebo Physical Security and Gunnebo Perimeter Security the order intake rose, whereas Gunnebo Integrated Security and Gunnebo Asia Pacific noted a decline in their order intake.

Invoiced sales increased by 5 % during the third quarter to MSEK 1,559 (1,491). After adjustment for acquisitions and currency effects, invoiced sales declined by 3 %. Company acquisitions accounted for five percentage points of the increase and currency effects for three.

The consolidated operating profit amounted to MSEK 83 (90) excluding items affecting comparability, which gives an operating margin of 5.3 % (6.0). The deterioration in the result is mainly due to lower invoiced sales and narrower margins at Gunnebo Integrated Security.

Net financial costs amounted to MSEK 19 (cost 9).

The profit after financial items amounted to MSEK 64 (81) excluding items affecting comparability. Acquisitions had a positive effect of MSEK 10 on the result and currency fluctuations of MSEK 1.

Items affecting comparability amounted to a net cost of MSEK 27 (-) and consist largely of a provision to cover the costs associated with unoccupied factory premises

The profit after net financial items and items affecting comparability amounted to MSEK 37 (81).

Tax costs amounted to MSEK 100 (17), of which a provision for a lost tax litigation in the Administrative Court of Appeal amounts to MSEK 89. Following an appeal against the tax assessment, a new decision from the Tax Authority has been received reducing the total cost from the previous assessment of MSEK 123 to the MSEK 89.

The operative cash flow, after deduction of capital expenditure but before interest, paid tax and restructuring costs, amounted to MSEK 40 (63).

January-September 2005 - Group total

For the Group as a whole, including Gunnebo Industrier, invoiced sales amounted to MSEK 4,934 (5,340).

The operating profit amounted to MSEK 98 (199) and the profit after net financial items to MSEK 45 (160). These figures include Gunnebo Industrier for the first quarter of this year and for the entire period in the previous year.

January-September 2005 - Remaining operations

Order intake and invoiced sales

For the period as a whole the order intake amounted to MSEK 4,953 (4,639), an improvement of 7%. After adjustment for acquisitions and currency effects, the order intake remained unchanged, with acquisitions accounting for all the growth.

The Group's invoiced sales increased by 4% to MSEK 4,609 (4,418). Acquisitions contributed seven percentage points to invoiced sales, while organically they declined by 3%. The foreign sales ratio was 94% (94).

Result

The consolidated operating profit, before items affecting comparability, amounted to MSEK 150 (222). Gunnebo Perimeter Security improved its result while all the other divisions experienced poorer operating results and narrower margins.

Items affecting comparability amounted to a net cost of MSEK 71 (cost 92) and consisted mainly of costs associated with the closure of the factory in Mumbai, India, and the relocation of production to Halol, the final settlement of a large project in Great Britain attributable to previous years, and a provision for unoccupied factory premises. The net costs of MSEK 92 affecting comparability for the previous year after IFRS adjustments consist of restructuring costs for acquisitions carried out in 2004 that where stated in accordance with previously applicable accounting principles in the acquisition balance.

The operating result, including items affecting comparability, was a profit of MSEK 79 (130). This result include depreciation according to plan of MSEK 100 (87).

Net financial costs deteriorated to MSEK 50 (cost 26), largely owing to acquisitions.

The result after financial items excluding items affecting comparability was a profit of MSEK 100 (196) and including them a profit of MSEK 29 (104). Currency effects increased the result by MSEK 4, while company acquisitions had a positive effect of MSEK 10 on the result.

Capital expenditure

Fixed capital expenditure, excluding company acquisitions, amounted to MSEK 110 (99).

Cash flow

The cash absorbed by continuing operations amounted to MSEK 50 (positive 62), of which restructuring costs affecting the cash flow accounted for MSEK 97 (44).

At operative level, the cash flow after investment activities but before interest, paid tax and restructuring costs, amounted to MSEK 50 (115).

Structuring programme

Costs aggregating MSEK 112, consisting of the cost of two factory closures and the transfer or production to other units, were stated in the fourth quarter of 2004 as items affecting comparability, and a further MSEK 44 were stated in the first quarter of 2005. Additions to this programme and certain cost increases have previously been estimated at a further MSEK 45 or thereabouts. These costs are now estimated at some MSEK 65 as a result of addition of further restructurings. MSEK 27 were taken against the third quarter.

As a result of the above programme and of structuring measures with Elkosta and Lips Vago, two companies acquired in 2004, annual savings are estimated to amount to some MSEK 120, with almost full effect as of the fourth quarter of 2005.

Divisions *- adjusted for IFRS with effect from 2004*

Gunnebo Physical Security

	July - Sept		Jan - Sept		Full year	
MSEK	**2005**	2004	**2005**	2004	2004	2003
Invoiced sales	**628**	596	**1,912**	1,861	2,543	2,618
Operating profit						
excl. items affecting comparability	**36**	32	**78**	109	171	209
incl. items affecting comparability	**18**	32	**52**	82	54	209
Operating margin, %						
excl. items affecting comparability	**5.7**	5.4	**4.1**	5.9	6.7	8.0
incl. items affecting comparability	**2.9**	5.4	**2.7**	4.4	2.1	8.0

During the later part of the period the demand for traditional banking products such as vaults, vault doors and high-graded safes picked up on a number of important markets such as France, Spain and England, and on several agency markets including the Middle East, North Africa and Russia.

In banking automation, an agreement has been reached with Rabobank of the Netherlands for the upgrading of existing and installation of new "intelligent" deposit safes, coupled with a service contract. This new generation of deposit safes will markedly improve the service the bank can offer its customers as the deposits are immediately credited to the customer's account – at any time of day or night. Demand for banking automation systems has also been firm on other markets such as Germany and France.

Within the framework of the agreement with ICA AB, orders have been booked from all ICA-Maxi stores in Norway, which will install SafePay units, all incorporating IDU intelligent deposit units, and cash transfer units integrated into burglar-resistant safes (CTU). During the second quarter, a framework agreement was signed with Statoil in Sweden, Norway and Denmark for the supply of all components in the SafePay system.

At the beginning of October Bauhaus Sweden also signed a general agreement with the same scope for its eleven DIY stores.

Gateway Security, the article surveillance company acquired in December 2004, has booked several large orders for article surveillance systems from England and Russia.

The markets for the division's products are experiencing mixed conditions – with a weak situation in Germany and France, whilst England and Spain, as well as the agency markets in the Middle East, have developed more strongly.

The closure of the division's factory in Sarreguemines in France has now been completed and production transferred to its factories in Bazancourt, France, and Granollers, Spain.

Operating profit has, after a weak start on the beginning of the year showed successive improvement due to somewhat increased volumes and rationalization measures.

Gunnebo Integrated Security

	July - Sept		Jan - Sept		Full year	
MSEK	**2005**	2004	**2005**	2004	2004	2003
Invoiced sales	**464**	488	**1,429**	1,477	2,014	1,945
Operating profit						
excl. items affecting comparability	**29**	43	**65**	108	176	171
incl. items affecting comparability	**27**	43	**40**	108	156	171
Operating margin, %						
excl. items affecting comparability	**6.2**	8.8	**4.5**	7.3	8.7	8.8
incl. items affecting comparability	**5.8**	8.8	**2.8**	7.3	7.7	8.8

Electronic security systems for the banking markets in France, Italy and Spain have become exposed to growing competition. Nonetheless, during the period a number of substantial orders were booked from several leading French and Spanish banks, although the market segment as a whole was slightly weaker than during the corresponding period of last year. It was possible to compensate for much of this with orders from logistics centres, telecom companies, the chemical industry, prisons, airports, hotels, casinos, and customers in the public sector. Typical of the growing service operations within the segment known as Facility Management are the many service contracts signed with public authorities during the period.

Large orders for electronic security and access control systems have been received from Spanish banks, among them Banco de España for a fire protection system for its head office in Madrid.

The rental ratio for the division's complete mobile banks was very high during the period.

Within Gunnebo Entrance Control, the inflow of orders for entrance and access control systems for underground railways ("Metro" sector) and "Stadia and Leisure" increased very strongly, with orders being booked from underground railway authorities in New Delhi, Taipei, and Singapore. At the beginning of October Metro booked some large orders from China and Colombia.

The ImmSec immigration security gate, which incorporates a multibiometric identity verification function and consists of a combination of fingerprint, face and iris recognition systems, has attracted considerable interest. At the end of the period an order was booked to supply ImmSec gates to five airports in England.

Ritzenthaler has booked several orders for security booths for nuclear power stations, prisons and railway authorities.

Some of the division's companies in access control, security booths, and bullet-resistant glass partitions have been experiencing substantial profitability problems, mainly as a consequence of weaker sales. The capacity of these units is being adapted into line with the lower volumes.

Gunnebo Perimeter Security

MSEK	July - Sept 2005	July - Sept 2004	Jan - Sept 2005	Jan - Sept 2004	Full year 2004	Full year 2003
Invoiced sales	**395**	338	**1,086**	900	1,275	1,038
Operating profit/loss						
excl. items affecting comparability	**25**	18	**41**	28	54	28
incl. items affecting comparability	**25**	18	**41**	-37	-11	28
Operating margin, %						
excl. items affecting comparability	**6.3**	5.3	**3.8**	3.1	4.2	2.7
incl. items affecting comparability	**6.3**	5.3	**3.8**	-4.1	-0.9	2.7

Gunnebo Perimeter Security consists of Gunnebo Perimeter Protection and Gunnebo Troax.

Gunnebo Perimeter Protection, after experiencing the normal, seasonally weak demand at the beginning of the year, developed strongly during the later part of the period.

The market in Region Northern Europe has developed very well, with substantial orders for airports, prisons, military installations, process industries, nuclear power stations, and other high security-graded public authorities.

The markets in Region Central Europe noted a considerably weaker trend; this is especially true of the German market. Elkosta's factory in Salzgitter is now being closed and production relocated to the division's factory in Salzkotten.

In Region Western Europe the market in Great Britain developed well with a number of significant orders from British embassies, for instance, for Elkosta's anti-terrorist products. Demand for Elkosta's programme of anti-terrorist products is expected to remain firm, with for example substantial orders being booked for delivery to the Middle East in 2005 and 2006.

Gunnebo Troax has been doing well on its markets in the Nordic region, Great Britain, the Netherlands and Spain, whereas the markets in Germany, France, Austria, Belgium and Switzerland were weaker. The strong performance in the Nordic region is mainly due to the strength of the building industry, whilst developments in Great Britain are mainly driven by a strong manufacturing economy. The new, modular product programme launched during the period has been well received on the markets in question. This project, which was largely completed towards the end of the period, will result in significantly improved flexibility and major logistical benefits. Customers will also have access to an improved and more modern range of products.

A new, automated welding machine line and an automated surface treatment unit were commissioned during the later part of the period at the factory in Hillerstorp.

Gunnebo Asia Pacific

MSEK	July - Sept 2005	July - Sept 2004	Jan - Sept 2005	Jan - Sept 2004	Full year 2004	Full year 2003
Invoiced sales	**94**	91	**260**	247	346	309
Operating profit/loss						
excl. items affecting comparability	**6**	6	**9**	12	20	13
incl. items affecting comparability	**6**	6	**-5**	12	18	13
Operating margin, %						
excl. items affecting comparability	**6.4**	6.6	**3.5**	4.9	5.8	4.2
incl. items affecting comparability	**6.4**	6.6	**-1.9**	4.9	5.2	4.2

The market for traditional bank products has continued to develop strongly in India, whereas the market for Minimax fire-extinguishing products was weaker. In the Fire Projects business unit conditions have been weak and several major projects have been postponed.

All market segments in Indonesia have been doing well.

Singapore – where the division's head office was established during the year – has continued to do well, as have agency markets run from that office.

After a weak start to the year, the business in Australia has been doing successively better, with the market for traditional bank products improving notably.

The factory in Mumbai was closed during the year and all production of high-graded bank products has been relocated to the new and enlarged plant in Halol.

Parent company

The parent company's profit after net financial items amounted to MSEK 50 (36). Fixed capital expenditure amounted to MSEK 0 (1). The parent company's liquid funds amounted to MSEK 16 (31 Dec 2004: MSEK 10). The closing equity ratio was 32 % (39).

New organisation with effect from 1 January 2006

In order to further focus and expand the security business in relation to Gunnebo's key customers – banks, retailers, and customers who require high-security perimeter protection, Gunnebo is to be re-organised. The new organisation will come into effect from 1 January 2006. Customers will be serviced by only one Customer Center in each country, while process development, product development, production and logistics will be run from six Competence Centers. Information regarding the financial implications of the re-organisation will be provided in the year-end communiqué.

Liquidity and financial position

The Group's liquid funds amounted to MSEK 150.

The Group's net debt amounted to MSEK 1,692.

The equity ratio was 25% and the debt-equity ratio was 1.4.

A new 5-year syndicated MEUR 200 loan was arranged in October. It has replaced the syndicated loan for the same amount that was raised in 2003.

Acquisitions

Eurofence, a French company with an annual turnover of some MSEK 225 and 135 employees, was acquired at the beginning of January, and has been consolidated since 1 January 2005 within the Gunnebo Perimeter Security division. Further information pursuant to IFRS 3 is provided on page 13.

Employees

The number of employees in the Group at the end of the period was 6,853, which may be compared with 7,006 at the end of the previous year. The number of employees abroad was 6,369 (6,513).

Göran Gezelius succeeded Bjarne Holmqvist as the Group's President and CEO on 2 May 2005.

Per share data

The loss per share after dilution was SEK 1.30 (profit 2.35).

Equity per share after dilution amounted to SEK 29.85.

The company has 10,500 shareholders.

Accounting principles

Gunnebo began to apply the new International Financial Reporting Standards (IFRS) with effect from 1 January 2005.

Prior to and including 2004, Gunnebo applied the Swedish Financial Accounting Standards Council's recommendations. This interim report is made up in accordance with RR31 and IAS 34 Interim Financial Reporting. In this interim report, Gunnebo has re-computed its historical information as of 1 January 2004. The net effect of the change in accounting principles has been taken direct to equity in accordance with IFRS 1.

The most important difference between the old and new principles are in IFRS 3 (Company Acquisitions), which states that goodwill may no longer be amortised. Instead, a review shall be made each year to determine the need, if any, for write-downs in the value of goodwill. Nor may a transfer to Structuring Reserve be made in the acquisition balance sheet; instead, the costs associated with restructuring measures that are a result of the acquisition will be taken direct against the result. Gunnebo has decided, in accordance with IFRS 1, not to re-compute acquisitions completed before 1 January 2004. Goodwill relating to acquisitions prior to that date is taken into the accounts on the basis of the residual goodwill value stated in the balance sheet as at 31 December 2003.

Apart from this, some leasing agreements have been reclassified and are now stated as financial leasing agreements in accordance with IAS 17. Minority interests are stated in accordance with IAS 1 as a separate component within equity in the balance sheet instead of between liabilities and equity. In the income statement minority interests in the result are included in the result stated for the period, with seperate disclosures.

IAS 39 (Financial instruments) has been applied with effect from 1 January 2005 in its new version from May 2005, although this version has not yet been adopted by the EU Commission. Derivative instruments are always stated at their market value in the balance sheet in accordance with IAS 39. Changes in the market value of derivative instruments are to be stated in the income statement if hedge accounting is not applied. Gunnebo uses hedge accounting to control currency risks associated with its net investments and transaction flows as well a to control interest rate risks associated with its loan portfolio. The difference between the values stated in accordance with IAS 39 and the previously applied principles is taken direct to a fair value reserve in equity as of 1 January 2005. The change in the fair value reserve during the year is disclosed in the change in equity, page 7. Applying IFRS 1, Gunnebo has decided not to re-compute the comparative figures for 2004.

Other accounting principles and the transitional rules applied in accordance with IFRS 1 are explained in Note 29 in the Annual Report for 2004. The reconciliation of equity and result in accordance with the previously applied principles and IFRS is shown on pages 11-12 in this interim report.

Nominations committee

The Annual General Meeting held in 2005 resolved in favour of appointing a Nominations Committee, consisting of the chairman of the Board and one representative of each of the three largest shareholders on 30 September 2005.

The three largest shareholders on that date were Vätterledens Invest AB, Stena Adactum AB, and IF Skadeförsäkrings AB.

The third of these has waived its right to join the committee; consequently, the fourth largest shareholder Odin Forvaltning AS, will be represented on the committee.

The members of the nominations committee for the period until the AGM on 30 March 2006 are: Nils-Olov Jönsson, Vätterledens Invest AB; Dan Sten Olsson, Stena Adactum AB; Nils Petter Hollekim, Odin Forvaltning AS; and Roger Holtback, Chairman of the Board and convener.

Outlook for second half of 2005

It was stated in the previous interim report that the profit after financial items (excluding Gunnebo Industrier and items affecting comparability) for the second half of 2005 was expected to be slightly lower than for the previous year (210). This forecast remains unchanged.

Göteborg, 26 October 2005
Göran Gezelius
President and CEO

Examination report, Gunnebo AB (publ)
Co. reg. no 556438-2629

We have made a general examination of this interim report as of September 30, 2005 in accordance with recommendations issued by FAR. A general examination is significantly more limited than an audit. No facts have emerged to suggest than the interim report does not satisfy the requirements of the Listing Act and the Annual Reports Act.

Göteborg 26 October 2005
PricewaterhouseCoopers AB
Bror Frid
Authorised public accountant

All the figures in the statements relate to the total Group, i.e. including Gunnebo Industrier until 31 March, 2005. All financial information according to IFRS as of 2004.

Consolidated income statement, MSEK

	July - Sept		Jan - Sept		Full year	
	2005	2004	**2005**	2004	2004	2003
Invoiced sales	**1,559**	1,784	**4,934**	5,340	7,326	6,961
Cost of goods sold	**-1,053**	-1,187	**-3,371**	-3,597	-4,910	-4,680
Gross operating profit	**506**	597	**1,563**	1,743	2,416	2,281
Other operating costs *	**-450**	-479	**-1,465**	-1,544	-2,151	-1,882
Operating profit	**56**	118	**98**	199	265	399
Net financial items	**-19**	-15	**-53**	-39	-60	-58
Profit after financial items	**37**	103	**45**	160	205	341
Taxes	**-100**	-24	**-103**	-56	-64	-81
Net profit for the period	**-63**	79	**-58**	104	141	260
Whereof attributable to:						
Equity holders of the company	**-63**	78	**-58**	103	140	259
Minority interest	**-**	1	**-**	1	1	1
	-63	79	**-58**	104	141	260
Earnings per share, SEK	**-1.40**	1.85	**-1.30**	2.40	3.20	6.00
Earnings per share after dilution, SEK	**-1.40**	1.80	**-1.30**	2.35	3.20	5.95
* whereof items affecting comparability	-27	-	**-71**	-92	-204	-

Cash flow analysis, MSEK

	July - Sept		Jan - Sept		Full year	
	2005	2004	**2005**	2004	2004	2003
Cash flow from current operations before change in working capital	**1**	105	**-16**	245	379	360
Change in working capital	**-25**	-32	**-60**	-124	-75	105
Cash flow from current operations	**-24**	73	**-76**	121	304	465
Investments, net	**-40**	-24	**-119**	-90	-142	-190
Acquisitions of subsidiary companies	**-**	3	**-101**	-57	-155	-56
Distribution of subsidiary companies	**-**	-	**-32**	-	-	-
Cash flow from investment activities	**-40**	-21	**-252**	-147	-297	-246
Change in interest-bearing receivables and liabilities	**81**	-55	**360**	66	77	-260
New issue	**-**	-	**6**	-	-	-
Dividend	**-**	-	**-99**	-99	99	-85
Cash flow from financing activities	**81**	-55	**267**	-33	-22	-345
Cash flow for the period	**17**	-3	**-61**	-59	-15	-126
Opening liquid funds	**134**	167	**203**	221	221	362
Translation differences on liquid funds	**-1**	-1	**8**	1	-3	-15
Closing liquid funds	**150**	163	**150**	163	203	221

Key ratios, excl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Return on capital employed, % *	**10.7**	12.8	13.6	12.1
Return on equity, % *	**14.3**	16.8	18.4	14.8
Operating margin before depreciation, % (EBITDA)	**5.7**	7.8	8.7	9.0
Operating profit, % (EBIT)	**3.4**	5.4	6.4	5.7
Profit margin, % (EBT)	**2.4**	4.7	5.6	4.9

* For the past 12-month period

Consolidated balance sheet, MSEK

	30 Sept		31 Dec
	2005	2004	2004
Goodwill	**1,090**	1,045	1,089
Other intangible fixed assets	**119**	107	121
Tangible fixed assets	**749**	1,028	1,021
Financial fixed assets	**210**	130	169
Inventory	**972**	1,226	1,195
Operating receivables	**1,606**	1,817	1,851
Liquid funds	**150**	163	203
Total assets	**4,896**	5,516	5,649
Equity	**1,232**	1,772	1,759
Interest-bearing provisions and liabilities	**1,909**	1,898	1,931
Other provisions and liabilities	**1,755**	1,846	1,959
Total equity and liabilities	**4,896**	5,516	5,649

Change in equity during the period, MSEK

	30 Sept		31 Dec
	2005	2004	2004
Opening balance	**1,759**	1,777	1,751
Dividends paid	**-99**	-99	-99
Distribution of Gunnebo Industrier	**-397**	-	-
New issue	**6**	-	-
Currency translations differences	**22**	-10	-34
Change of accounting principles	**8**	-	-
Change of fair value reserves	**-9**	-	-
Net profit for the period	**-58**	104	141
Closing equity	**1,232**	1,772	1,759
Whereof minority interest	**-**	6	7

Operating cash flow, MSEK

	July - Sept		Jan - Sept		Full year	
	2005	2004	**2005**	2004	2004	2003
Cash flow from current operations	**-24**	73	**-76**	121	304	465
Re-entry of paid tax and net financial items affecting cash	**54**	23	**121**	103	151	138
Net investments	**-40**	-24	**-119**	-90	-142	-190
Operating cash flow	**-10**	72	**-74**	134	313	413
Re-entry of structuring costs affecting cash flow	**50**	21	**97**	44	73	87
Operating cash flow excluding structuring costs	**40**	93	**23**	178	386	500

Key ratios, incl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Return on capital employed, % *	**5.4**	10.2	7.9	12.1
Return on equity, % *	**-1.4**	11.7	8.0	14.8
Gross margin, %	**31.7**	32.6	33.0	32.8
Operating margin before depreciation, % (EBITDA)	**4.3**	6.0	5.9	9.0
Operating margin, % (EBIT)	**2.0**	3.7	3.6	5.7
Profit margin, % (EBT)	**0.9**	3.0	2.8	4.9
Capital turnover rate *	**2.0**	2.0	2.0	2.0
Equity ratio, %	**25**	32	31	37
Interest cover	**1.8**	5.9	4.3	5.8
Debt-equity ratio	**1.4**	1.0	1.0	0.7

* For the past 12-month period

Data per share, excl. items affecting comparability

	Jan - Sept		Full year
	2005	2004	2004
Earnings per share, SEK	**2.05**	4.50	7.35
Earnings per share after dilution, SEK	**2.05**	4.45	7.30

Data per share, incl. items affecting comparability

	Jan - Sept		Full year
	2005	2004	2004
Earnings per share, SEK	**-1.30**	2.40	3.20
Earnings per share after dilution, SEK	**-1.30**	2.35	3.20
Equity per share, SEK	**28.10**	40.50	40.15
Equity per share after dilution, SEK	**29.85**	42.05	41.75
Cash flow per share, SEK	**-1.70**	2.75	7.05
No. of shares at end of period, thousand	**43,855**	43,780	43,780
Average no. of shares, thousand	**43,813**	43,780	43,780
No. of shares after full dilution, thousand	**46,213**	45,780	45,780

Invoiced sales, operating profit and operating margin, SEK

	Invoiced sales					Operating profit					Operating margin, %				
	July - Sept		Jan - Sept		Full year	July - Sept		Jan - Sept		Full year	July - Sept		Jan - Sept		Full year
	2005	2004	**2005**	2004	2004	**2005**	2004	**2005**	2004	2004	**2005**	2004	**2005**	2004	2004
Gunnebo Physical Security	**628**	596	**1,912**	1,861	2,543	**36**	32	**78**	109	171	**5.7**	5.4	**4.1**	5.9	6.7
Gunnebo Integrated Security	**464**	488	**1,429**	1,477	2,014	**29**	43	**65**	108	176	**6.2**	8.8	**4.5**	7.3	8.7
Gunnebo Perimeter Security	**395**	338	**1,086**	900	1,275	**25**	18	**41**	28	54	**6.3**	5.3	**3.8**	3.1	4.2
Gunnebo Asia Pacific	**94**	91	**260**	247	346	**6**	6	**9**	12	20	**6.4**	6.6	**3.5**	4.9	5.8
Items affecting comparability	**-**		**-**		-	**-27**	-	**-71**	-92	-204	**-**	-	**-**	-	-
Central items	**-22**	-22	**-78**	-67	-92	**-13**	-9	**-43**	-35	-53	**-**	-	**-**	-	-
Continuing operations, total	**1,559**	1,491	**4,609**	4,418	6,086	**56**	90	**79**	130	164	**3.6**	6.0	**1.7**	2.9	2.7
Discontinued operations	**-**	293	**325**	922	1,240	**-**	28	**19**	69	101	**-**	9.6	**5.8**	7.5	8.1
Group total	**1,559**	1,784	**4,934**	5,340	7,326	**56**	118	**98**	199	265	**3.6**	6.6	**2.0**	3.7	3.6

Quarterly data, MSEK

					IFRS						
	2003				2004				**2005**		
Consolidated income statement	1	2	3	4	1	2	3	4	1	2	**3**
Continuing operations											
Invoiced sales	1,354	1,504	1,381	1,578	1,336	1,591	1,491	1,668	1,438	1,612	**1,559**
Cost of goods sold	-910	-999	-922	-1,039	-897	-1,060	-988	-1,099	-996	-1,089	**-1,053**
Gross operating profit	444	505	459	539	439	531	503	569	442	523	**506**
Items affecting comparability	-	-	-	-	-	-92	-	-112	-44	-	**-27**
Depreciation of goodwill	-15	-14	-15	-15	-	-	-	-	-	-	**-**
Other operating costs	-402	-399	-368	-399	-406	-432	-413	-423	-438	-460	**-423**
Operating profit	27	92	76	125	33	7	90	34	-40	63	**56**
Net financial items	-12	-10	-8	-8	-8	-9	-9	-17	-12	-19	**-19**
Profit after financial items	15	82	68	117	25	-2	81	17	-52	44	**37**
Taxes	-3	-19	-14	-23	-3	-18	-17	1	14	-12	**-100**
Profit after tax for continuing operations	12	63	54	94	22	-20	64	18	-38	32	**-63**
Discontinued operations											
Profit after tax for discontinued operations, *	4	12	10	11	7	16	15	19	11	-	**-**
Total net profit	16	75	64	105	29	-4	79	37	-27	32	**-63**
Key ratios continuing operations											
Gross margin, %	32.8	33.6	33.2	34.2	32.9	33.4	33.7	34.1	30.7	32.4	**32.5**
Operating margin before items affecting comparability and depreciation of goodwill, %	3.1	7.0	6.6	8.9	2.5	6.2	6.0	8.8	0.3	3.9	**5.3**
Operating margin, %	2.0	6.1	5.5	7.9	2.5	0.4	6.0	2.0	-2.8	3.9	**3.6**

* Refers to Gunnebo Industrier, who was distributed to the shareholders in June 2005

Consolidated income statement January - September, MSEK

	Continuing operations		Discontinued operations			Group total
	2005	2004	2005	2004	2005	2004
Invoiced sales	4,609	4,418	325	922	4,934	5,340
Cost of goods sold	-3,138	-2,945	-233	-652	-3,371	-3,597
Gross operating profit	**1,471**	**1,473**	**92**	**270**	**1,563**	**1,743**
Other operating costs *	-1,392	-1,343	-73	-201	-1,465	-1,544
Operating profit	**79**	**130**	**19**	**69**	**98**	**199**
Net financial items	-50	-26	-3	-13	-53	-39
Profit after financial items	**29**	**104**	**16**	**56**	**45**	**160**
Taxes	-98	-38	-5	-18	-103	-56
Net profit	**-69**	**66**	**11**	**38**	**-58**	**104**
Earnings per share after dilution but excl. items affecting comparability, SEK	1.80	3.60	0.25	0.85	2.05	4.45
Earnings per share after dilution, SEK	-1.55	1.50	0.25	0.85	-1.30	2.35
* Whereof items affecting comparability	-71	-92	-	-	-71	-92

Consolidated income statement full year, MSEK

	Continuing operations		Discontinued operations			Group total
	2004	2003	2004	2003	2004	2003
Invoiced sales	6,086	5,817	1,240	1,144	7,326	6,961
Cost of goods sold	-4,044	-3,870	-866	-810	-4,910	-4,680
Gross operating profit	**2,042**	**1,947**	**374**	**334**	**2,416**	**2,281**
Other operating costs *	-1,878	- 1,627	-273	-255	-2,151	-1,882
Operating profit	**164**	**320**	**101**	**79**	**265**	**399**
Net financial items	-43	-38	-17	-20	-60	-58
Profit after financial items	**121**	**282**	**84**	**59**	**205**	**341**
Taxes	-37	-59	-27	-22	-64	-81
Net profit	**84**	**223**	**57**	**37**	**141**	**260**
Earnings per share after dilution but excl. items affecting comparability, SEK	6.00	5.10	1.30	0.85	7.30	5.95
Earnings per share after dilution, SEK	1.90	5.10	1.30	0.85	3.20	5.95
* Whereof items affecting comparability	-204	-	-	-	-204	-

Consolidated balance sheet, MSEK

	Continuing operations		Discontinued operations			Group total
	30 Sept 2005	31 Dec 2004	30 Sept 2005	31 Dec 2004	30 Sept 2005	31 Dec 2004
Intangible fixed assets	1,209	1,119	-	91	1,209	1,210
Tangible fixed assets	749	676	-	345	749	1,021
Financial fixed assets	210	164	-	5	210	169
Inventory	972	847	-	348	972	1,195
Operating receivables	1,606	1,690	-	161	1,606	1,851
Liquid funds	150	172	-	31	150	203
Total assets	**4,896**	**4,668**	**-**	**981**	**4,896**	**5,649**
Equity	1,232	1,383	-	376	1,232	1,759
Interest-bearing provisions and liabilites	1,909	1,521	-	410	1,909	1,931
Other provisions and liabilities	1,755	1,764	-	195	1,755	1,959
Total equity and liabilities	**4,896**	**4,668**	**-**	**981**	**4,896**	**5,649**

Operating cash flow January - September, MSEK

	Continuing operations		Discontinued operations		Group total	
	2005	2004	**2005**	2004	**2005**	2004
Cash flow from current operations	**-50**	62	**-26**	59	**-76**	121
Re-entry of paid tax and net financial items affecting cash	**110**	76	**11**	27	**121**	103
Net investments	**-107**	-67	**-12**	-23	**-119**	-90
Operating cash flow	**-47**	**71**	**-27**	**63**	**-74**	**134**
Re-entry of structuring costs affecting cash flow	**97**	44	**-**	-	**97**	44
Operating cash flow excluding structuring costs	**50**	**115**	**-27**	**63**	**23**	**178**

Operating cash flow full year, MSEK

	Continuing operations		Discontinued operations		Group total	
	2004	2003	**2004**	2003	**2004**	2003
Cash flow from current operations	204	354	100	111	304	465
Re-entry of paid tax and net financial items affecting cash	115	103	36	35	151	138
Net investments	-110	-145	-32	-45	-142	-190
Operating cash flow	**209**	**312**	**104**	**101**	**313**	**413**
Re-entry of structuring costs affecting cash flow	73	87	-	-	73	87
Operating cash flow excluding structuring costs	**282**	**399**	**104**	**101**	**386**	**500**

Key ratios for continuing operations, excl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Return on capital employed, % *	**10.4**	13.5	14.1	13.0
Return on equity, % *	**14.2**	18.1	19.4	16.3
Operating margin before depreciation, % (EBITDA)	**5.4**	7.0	7.9	8.5
Operating profit, % (EBIT)	**3.3**	5.0	6.0	5.5
Profit margin, % (EBT)	**2.3**	4.4	5.3	4.8

* For the past 12-month period

Key ratios for continuing operations, incl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Return on capital employed, % *	**4.2**	10.1	6.6	13.0
Return on equity, % *	**-3.9**	11.5	6.1	16.3
Gross margin, %	**31.9**	33.3	33.6	33.5
Operating margin before depreciation, % (EBITDA)	**3.9**	4.9	4.6	8.5
Operating profit, % (EBIT)	**1.7**	2.9	2.7	5.5
Profit margin, % (EBT)	**0.6**	2.3	2.0	4.8
Debt-equity ratio *	**2.1**	2.2	2.3	2.2

* For the past 12-month period

Data per share for continuing operations, excl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Earnings per share, SEK	**1.80**	3.60	6.00	5.15
Earnings per share after dilution, SEK	**1.80**	3.60	6.00	5.10

Data per share for continuing operations, incl. items affecting comparability

	Jan - Sept		Full year	
	2005	2004	2004	2003
Earnings per share, SEK	**-1.55**	1.50	1.90	5.15
Earnings per share after dilution, SEK	**-1.55**	1.50	1.90	5.10

Reconciliation of IFRS

The tables below show how the comparative figures have been converted from the previously applied Swedish accounting principles (Swedish Financial Accounting Standards Council's recommendations) to the now applicable international financial reporting standards (IFRS).

Reconciliation of balance sheet at 1 January 2004

	GAAP	Effect of adoption of IAS 19 *	Other	IFRS
Intangible fixed assets	1,048.4			1,048.4
Tangible fixed assets	1,010.6		16.5	1,027.1
Financial fixed assets	81.2	53.1	-2.3	132.0
Inventory	2,728.6			2,728.6
Liquid funds	221.2			221.2
Total assets	5,090.0	53.1	14.2	5,157.3
Equity	1,870.1	-123.6	4.6	1,751.1
Minority interests	5.9		-5.9	-
Interest-bearing provisions and liabilities	1,541.1	175.1	15.4	1,731.6
Other provisions and liabilities	1,672.9	1.6	0.1	1,674.6
Total equity and liabilities	5,090.0	53.1	14.2	5,157.3

* IAS 19 - Employee benefits where adopted during 2004 when Swedish Financial Accounting Standards Council's recommendation RR 29 came into effect.

Reconciliation of balance sheet at 31 March 2004

	GAAP	IFRS 3 Goodwill-depreciation	IFRS 3 Restructuring costs	Other	IFRS
Intangible fixed assets	1,191.8	55.6	-94.8		1,152.6
Tangible fixed assets	1,012.4			15.4	1,027.8
Financial fixed assets	132.3			-2.2	130.1
Inventory	3,043.5				3,043.5
Liquid funds	162.6				162.6
Total assets	5,542.6	55.6	-94.8	13.2	5,516.6
Equity	1,806.2	55.6	-94.8	4.8	1,771.8
Minority interests	6.2			-6.2	-
Interest-bearing provisions and liabilities	1,883.6			14.5	1,898.1
Other provisions and liabilities	1,846.6			0.1	1,846.7
Total equity and liabilities	5,542.6	55.6	-94.8	13.2	5,516.6

Reconciliation of balance sheet at 31 December 2004

	GAAP	IFRS 3 Goodwill-depreciation	IFRS 3 Restructuring costs	Other	IFRS
Intangible fixed assets	1,229.5	75.1	-94.8		1,209.8
Tangible fixed assets	1,007.1			14.4	1,021.5
Financial fixed assets	170.5			-2.0	168.5
Inventory	3,046.1				3,046.1
Liquid funds	203.3				203.3
Total assets	5,656.5	75.1	-94.8	12.4	5,649.2
Equity	1,772.7	75.1	-94.8	5.6	1,758.6
Minority interests	7.5			-7.5	-
Interest-bearing provisions and liabilities	1,917.4			14.2	1,931.6
Other provisions and liabilities	1,958.9			0.1	1,959.0
Total equity and liabilities	5,656.5	75.1	-94.8	12.4	5,649.2

Reconciliation of balance sheet at 1 January 2005

	IFRS 31 December, 2004	Effects of adoption of IAS 32 and IAS 39	IFRS 1 January, 2005
Intangible fixed assets	1,209.8		1,209.8
Tangible fixed assets	1,021.5		1,021.5
Financial fixed assets	168.5	10.9	179.4
Inventory	3,046.1		3,046.1
Liquid funds	203.3		203.3
Total assets	5,649.2	10.9	5,660.1
Equity	1,758.6	7.8	1,766.4
Interest-bearing provisions and liabilities	1,931.6		1,931.6
Other provisions and liabilities	1,959.0	3.1	1,962.1
Total equity and liabilities	5,649.2	10.9	5,660.1

Reconciliation of income statement for the period July - September 2004

	GAAP	IRFS 3 Goodwill-depreciations	Other	IFRS
Invoiced sales	1,783.5			1,783.5
Cost of goods sold	-1,187.0		0.2	-1,186.8
Gross operating profit	596.5		0.2	596.7
Other operating costs	-498.0	19.5	-	-478.5
Operating profit	98.5	19.5	0.2	118.2
Net financial items	-14.4		-0.2	-14.6
Profit after financial items	84.1	19.5	-	103.6
Minority interests	-0.3		0.3	-
Taxes	-24.2			-24.2
Net profit for the period	59.6	19.5	0.3	79.4

Reconciliation of income statement for the period January - September 2004

	GAAP	IRFS 3 Goodwill-depreciations	IFRS 3 Restructuring costs	Other	IFRS
Invoiced sales	5,339.6				5,339.6
Cost of goods sold	-3,597.0			0.5	-3,596.5
Gross operating profit	1,742.6			0.5	1,743.1
Other operating costs	-1,504.8	55.6	-94.8	-	-1,544.0
Operating profit	237.8	55.6	-94.8	0.5	199.1
Net financial items	-38.1			-0.7	-38.8
Profit after financial items	199.7	55.6	-94.8	-0.2	160.3
Minority interests	-0.7			0.7	-
Taxes	-55.9				-55.9
Net profit for the period	143.1	55.6	-94.8	0.5	104.4

Reconciliation of income statement 2004

	GAAP	IFRS 3 Goodwill-depreciations	IFRS 3 Restructuring costs	Other	IFRS
Invoiced sales	7,325.6				7,325.6
Cost of goods sold	-4,910.3				-4,909.6
Gross operating profit	2,415.3			0.7	2,416.0
Other operating costs	-2,131.6	75.1	-94.8		-2,151.3
Operating profit	283.7	75.1	-94.8	0.7	264.7
Net financial items	-59.2			-1.0	-60.2
Profit after financial items	224.5	75.1	-94.8	-0.3	204.5
Minority interests	-1.0			1.0	-
Taxes	-63.7			0.1	-63.6
Net profit for the period	159.8	75.1	-94.8	0.8	140.9

Acquisitions

100% of the share capital of Eurofence, a French company that manufactures and sells fencing, fenceposts and gates, was acquired on 4 January 2005. Eurofence's turnover for the January-September 2005 period amounted to MSEK 164 and its net profit to MSEK 8.

Specification of acquired net assets and goodwill	
Price paid, including acquisition costs	102.4
Market value of acquired net assets	-62.4
Goodwill	40.0

The goodwill is due to the high profitability of the acquired company and the synergies that are expected to arise as a result of the acquisition.

Specification of assets and liabilities of acquired company

	Fair value	Value in books of Eurofence
Intangible fixed assets	0.1	0.1
Tangible fixed assets	40.6	40.6
Financial fixed assets	0.5	0.5
Inventories and operating receivables	111.4	110.5
Liquid funds	3.6	3.6
Total assets	156.2	155.3
Interest-bearing provisions and liabilities	-28.5	-28.5
Other provisions and liabilities	-65.3	-62.8
Total acquired net assets	62.4	64.0

Financial information	
Year-end communiqué 2005	7 February 2006
Annual report 2005	March 2006
Annual General Meeting 2005	30 March 2006
Interim report January-March 2006	26 April 2006

GUNNEBO
For a safer world

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