



Press Release from Securitas AB

February 9, 2006

The Board of Securitas AB proposes:

Securitas to list three new specialized security companies on the Stockholm Stock Exchange

Securitas AB, a world leader in security, proposes to transform three of its divisions into independent, specialized security companies: Loomis Cash Handling Services AB, Securitas Direct AB and Securitas Systems AB. The three new companies will, subject to a decision by an Extraordinary General Meeting proposed for September 25, 2006, be distributed to the shareholders by way of a dividend and listed on the O-list of the Stockholm Stock Exchange immediately thereafter.

Securitas has grown into a world leader in security with more than 200,000 employees and sales of BSEK 66, by organic sales growth and acquisitions during the last 20 years. Securitas' strategy has been instrumental in developing and consolidating the security industry to become more focused and independent with clear market players delivering professional security. Through its substantial market position in many countries, Securitas has been, and is, a driving force in the industry. The key words in this development are professionalism, specialization and segmentation reflecting ever more growing and differentiated customer needs thus creating new markets and specialized businesses with their own logic.

Thomas Berglund, Securitas CEO comments:

“Our decision to create and list three new companies and release the entrepreneurial spirit is a logical step considering our history and our ambitions for the future. It is a clear signal to customers, employees and the financial markets that we intend to stay ahead”.

Melker Schörling, chairman of the Board, comments:

“Securitas has been a successful Swedish blue-chip company in terms of increasing shareholder value during the last 15 years as a public company. The drivers for the development has been and will be specialization and focus on core business. This was the case when Assa Abloy was created and distributed to the shareholders in 1994 and when Attendo took the same route in 2000. This is also now the main reason for the proposed creation of three new listed companies”.

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The press release is also available on: www.securitasgroup.com

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General information

MOTIVES

The overall motives behind the proposed transactions are to further enhance customer satisfaction, profit growth and business potential leading to increased shareholder value:

The security market

- Security needs of companies, institutions, authorities and households grow in step with increased costs of disruptions in a more complex, integrated and network dependent economy
- Demand of security services develops into a higher degree of specialization. Companies and industries increasingly ask for adapted and customized solutions
- Deep knowledge of customer needs and capacity for creative security solutions in close partnership with customers are increasingly important competitive advantages

Securitas development

- The divisions of Securitas have reached such a size, level of specialization of the customer offer, market position, customer segmentation and business development that the advantages of complete independence are greater than the advantages of Group integration
- The divisions of Securitas have sufficient maturity in management, administration, business control and development to be fully prepared to continue stand alone in line with their own more profiled business logic
- Securitas' culture of entrepreneurship gives the new companies competitive advantages in a market where innovation is a key to success

THE NEW COMPANIES

Loomis Cash Handling Services - Giving new content to an old industry

Loomis Cash Handling Services (currently Cash Handling Services to be renamed) will be dedicated to manage the whole supply chain for cash in society and thus further improve its professionalism to enhance efficiency and safety in cash circulation.

Securitas Direct - Turning home-security into consumer business

With a standardized high security offering, Securitas Direct will continue to focus on the opportunity to satisfy the needs of a growing consumer market for home and local business protection.

Securitas Systems – Changing a fragmented industry

Securitas Systems will continue as a security systems integrator for customers with high security demands. The systems market is highly fragmented and the industry is characterized by fast technological changes. This creates an opportunity to take a leading position in the transformation of this industry.

The new Securitas - Transforming guarding to security solutions

After the distribution of the three new companies, Securitas will continue to focus on its ability to deliver total security solutions based on guarding and technology. With a leading position in Europe and North America as a base, the new Securitas will expand this ability into new and faster growing markets.

This new step will give all divisions the independence required to use their dedication and entrepreneurship to focus on their clients and their service development. This will increase each company's competitive edge and ability to continue the value creation for Securitas' shareholders. Size will not be the ultimate divider in the future – the critical elements will be knowledge, innovation and differentiation.

THE PROCESS

The listing process

The intention is that the distribution of the divisions will take the form of a dividend of all shares in Loomis Cash Handling Services, Securitas Direct and Securitas Systems to Securitas' shareholders pursuant to Sweden's Lex Asea rules, whereby the dividend will have no immediate tax consequence for Securitas and its shareholders in Sweden. It is further intended that each share in Securitas shall entitle its holder to receive one share in each of the distributed companies and that A-shares and B-shares in Securitas shall entitle to A-shares and B-shares, respectively, in the distributed companies. A detailed Board proposal regarding the dividend is intended to be presented in late August 2006 (which will be replaced by OMX Nordic List on October 2, 2006).

An Extraordinary General Meeting to vote on the proposal is planned to be held on September 25, 2006. Prospectuses for the distribution and listing of Loomis Cash Handling Services, Securitas Direct and Securitas Systems are planned to be issued in early September. The intention is that the new companies shall be listed on the O-list of the Stockholm Stock Exchange on September 29, 2006.

Dividend policies and capital structures

Following listing, the four separate companies are expected to have dividend and capitalisation policies similar to what Securitas AB has today, which is based on a dividend level of 40-50 percent of the annual free cash flow and a debt level amounting to 4-5 times the annual free cash flow. For Securitas Systems and Loomis Cash Handling Services this is expected to imply a net debt relative to capital employed of approximately 40 percent. For Securitas Direct and the New Securitas, the corresponding ratios are expected to be approximately 0 (zero) percent and 50 percent, respectively.

Individual dividend policies and capital structures will be further specified during the preparations for the listing of the three new companies. Details will be presented in the prospectuses that are planned to be issued in the beginning of September.

Securitas AB intends to maintain its existing financing strategy and financing facilities with an active presence in the bank, bond and commercial paper markets also after the listing of the newly created companies. The newly created companies will be financed on a stand alone basis with new financing facilities.

The 2002 Incentive programme

The conversion prices of the four convertible debenture loans under Securitas' employee incentive program 2002 will be recalculated in order to reflect the contemplated distribution.

Further information

More details on the divisions will be published in connection with the first and second quarterly reports 2006. All information on the distribution and the listing process will be found on Securitas' website at www.securitasgroup.com/threenewcompanies

Financial adviser

SEB Enskilda is acting as financial adviser to the Securitas Group in connection with the distribution and listings of Loomis Cash Handling Services, Securitas Direct and Securitas Systems.

The Securitas Group today

A world leader in Security

During 20 years Securitas has grown through organic sales growth and acquisitions to become the world's largest focused security company with more than 200,000 employees and operations in more than 20 countries mainly in Europe and North America. The driving forces behind this development have been a clear focus on security, customer segmentation and specialization of services, as well as strong entrepreneurship and ownership.

Securitas Group is today organized in five divisions: *Security Services USA* and *Security Services Europe* for security services solutions, *Securitas Systems* for systems integration, *Securitas Direct* for high security monitoring and assistance to homes and local businesses, and *Cash Handling Services* for transport and management of cash in circulation. The Group has a market share of 8 percent of the total world security market, where Europe and North America represent 75 percent of the total world market. Securitas has been listed on the Stockholm Stock Exchange since 1991 and currently has a market capitalization of approximately BSEK 51.

Profitable growth

The core strategy has been to focus solely on security and deliver customer satisfaction, profitable growth and shareholder value. The business model -The Securitas Model – has been created to deliver organic sales growth and to refine the service content. The organic development is leveraged by acquisitions which establish the company in new markets and strengthen its position in existing markets.

From a Swedish guarding company to a world leader in security

Securitas was founded in Sweden in 1934 as a family business and was built into a market leader both in Sweden and other countries in Europe. During the late 1970s the group was split in two - Group 4 (outside of Sweden) and Securitas (in Sweden). The Swedish operation was sold by the family in 1983 and a new era started with the Swedish operation as a base.

A new strategy was developed to focus solely on security and the Securitas Model was developed. The European expansion started in 1989 with acquisitions in the Nordic countries, Portugal, Spain, Germany, France and Great Britain among others. In 1999 Securitas acquired Pinkerton in the USA followed by Burns and several regional security companies. Securitas thus became a market leader in both Europe and North America.

In 2001 Securitas moved from a geographical based organization into a divisional organization with clear focus, strategy and dedicated resources for the separate businesses.

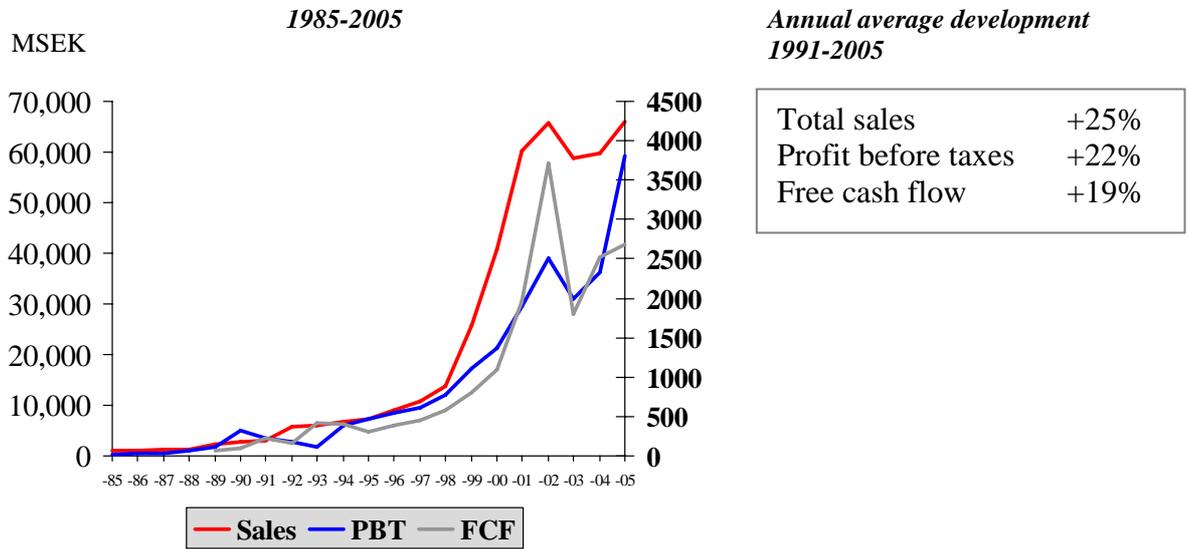
Securitas has moved in three major steps: *Focus on security* as a professional service in the 1980s, *Consolidation* of companies in Europe and the USA in the 1990s and *Specialization* into market segments and divisions in the 2000s. Along with Securitas' development, the whole security industry has grown to become a more independent industry with focused market players delivering professional security. Through the substantial market position in many countries, Securitas has been a driving force in this development.

One Step Ahead

In order to stay at the forefront of the development of the security industry, the next step of creating individual security companies is logical to both Securitas and the industry. This step of *Differentiation* will enable greater focus on service development for different customer segments as well as increased market recognition and enhanced ability to create shareholder value.

Size and consolidation have been key words in the building of Securitas and other market leaders within the security industry over the past 20 years. For the future, *knowledge* and *innovation* are becoming the most important drivers.

Securitas Group - Development of sales, profit before tax and free cash flow



The Securitas B-share including dividend and the split of Assa Abloy 1994 compared to SIX Return Index (Average return on Stockholm Stock Exchange including dividend) 1991-2005.

SEK *The value of SEK 1 invested 1991 is in January 2006 SEK 24*



Loomis Cash Handling Services - Giving new content to an old industry

Managing cash in society

Loomis Cash Handling Services (to be renamed) offers secure and efficient cash distribution, processing and recycling solutions for financial institutions, retailers and other commercial enterprises through an international network of 440 operating locations in 10 European countries and the USA. Chief Executive Officer will be *Clas Thelin* and *Björn Larsson* will be Chief Financial Officer.

From transportation to cash management

The market development is primarily influenced by a trend towards greater outsourcing. Throughout much of Europe, cash processing activities are outsourced by commercial banks and retailers to a greater extent than in the USA. Additionally, many central banks in Europe have reduced the scope of their networks and involvement in the physical cash flows which has created a demand for recycling services.

In addition to Loomis, there are two major international competitors, G4S and Brinks, as well as numerous regional competitors within individual markets. The total outsourced market is currently estimated to be BSEK 35 in Europe and BSEK 21 in the USA. The market share for Loomis Cash Handling Services is in the range of 20-25 percent in the USA and Western Europe.

Extending the value chain drives growth and margin

With the long-term vision to manage cash in society, the objective is to create a more efficient and secure cash distribution system. By offering solutions which integrate secure transport, cash processing, recycling and timely consolidated reporting, Loomis offers a compelling value proposition to encourage greater outsourcing of work currently undertaken in-house. This will also drive margin improvement and growth.

To achieve the vision, Loomis will continue to build confidence among large customers in the ability to deliver integrated cash handling solutions, reduce the total cost of cash for retail customers with customized products, develop the scope of total ATM solutions, and emphasize a culture of risk management throughout the organization.

Financial development and key ratios - Loomis Cash Handling Services

MSEK	<u>2004</u>	<u>2005</u>
Sales	10,082	11,581
<i>Organic sales growth, %</i>	5	2
Operating income	714	831*
<i>Operating margin, %</i>	7.1	7.2*
Operating capital employed	2,721	2,416
<i>In % of sales</i>	24	21
Capital employed	5,341	5,295
<i>Return on capital employed, %</i>	13	16
Employees, no.	21,800	20,400

*Excluding the capital loss of MSEK -151 arising from the divestment of Cash Handling Services Germany

Securitas Direct - Turning home-security into consumer business

Securing people by high security for homes and local businesses

Securitas Direct provides high security for homes and local businesses. It is an all included 24H monitoring and assistance service. The alarm product includes installation, secure transmission and advanced verification and is designed for easy use. The added value is a user friendly high security service at an affordable price.

Market leader through innovation

Securitas Direct is a leading security company in nine European countries with a market share of 25 percent in net new monitored alarm sales, where the total European market is estimated to be 600,000 net new customers annually. The total market growth is estimated to be 6 percent for homes and local businesses. Less than 3 percent of European households have a monitored alarm. Key drivers are proactive sales, service content and price, which in turn are driven by technology and service concept development. The competition is predominantly local and national security companies.

Organized for sole focus on homes and local businesses

Securitas Direct is organized in wireless consumer products in each country and wired professional products in the Nordic region. Chief Executive Officer will be *Dick Seger* and Chief Financial Officer will be *Lars Andersson*.

High growth and fast payback from quality and high security

By providing a quality and high security service and by acquiring and retaining new customers, high growth and good pay-back on investment is created. Securitas Directs' business model has since 1989 generated a more than 20 percent annual net-portfolio growth with customer cancellations of less than 6 percent. The pay-back for new customer acquisitions has been less than 4 years. This performance is expected to continue.

Financial development and key ratios – Securitas Direct

MSEK	<u>2004</u>	<u>2005</u>
Sales	2,148	2,706
<i>Organic sales growth, %</i>	28	23
Operating income	201	258
<i>Operating margin, %</i>	9.4	9.5
Operating capital employed	831	1,103
<i>In % of sales</i>	39	41
Capital employed	857	1,209
<i>Return on capital employed, %</i>	24	21
No. of Installations	548,184	689,245
No. New Installations	148,672	168,935

Securitas Systems - Changing a fragmented industry

Systems integration for demanding customers

Securitas Systems is a security systems integrator which offers complete security solutions for customers with high security demands within market segments such as banking, industry and retail. The services are based on modern technology and concepts include access control, video surveillance, and intrusion and fire alarm systems.

Securitas Systems operates in 13 countries in Europe and in the USA, with a strong and focused country-based organization for sales and delivery to selected customer segments. Chief Executive Officer will be *Juan Vallejo* and Chief Financial will be Officer *Peter Ragnarsson*.

Opportunity to lead the transition of a fragmented market and industry

The demand for technical security solutions continues to grow and the European and U.S. markets are worth approximately BSEK 220. These markets are driven by technology development and more globally operating customers, demanding new types of IT-based security and surveillance solutions.

The industry is very fragmented and main competition consists of strong local companies and a number of large and international businesses. Securitas Systems global market share is 3 percent.

Growth and return from customer segmentation

The strategy is based on customer segmentation, global sourcing with long-term partners and strategic acquisitions. By focusing on specialization and customer segmentation Securitas Systems can obtain sufficient knowledge and thereby cover the whole electronic security value chain in selected market sectors. In addition, efficiently sourcing products with long-term partners reduces costs and strengthens the offers to the different customer segments. Future acquisitions will be characterized by finding growing companies with new ideas and technologies along with a clear market sector focus. The main financial objectives are an annual sales growth of 8-10 percent and a return on capital employed of above 20 percent.

Financial development and key ratios – Securitas Systems

MSEK	2004	2005
Sales	4,724	5,798
<i>Organic sales growth, %</i>	<i>1</i>	<i>6</i>
Operating income	554	669
<i>Operating margin, %</i>	<i>11.7</i>	<i>11.5</i>
Operating capital employed	575	899
<i>In % of sales</i>	<i>11</i>	<i>15</i>
Capital employed	2,719	3,547
<i>Return on capital employed, %</i>	<i>20</i>	<i>19</i>
Employees, no.	4,600	4,800

The new Securitas - Transforming guarding to security solutions

Security through our people

The new Securitas will be a focused security company delivering professional security solutions based on guarding through a network of 1,500 local branches in 23 countries mainly in Europe and North America. Total sales were approximately BSEK 46 in 2005, representing a global market share of 12 percent – 18 percent in North America and 15 percent in Europe. With a presence in 75 percent of the world market, the new Securitas remains a world leader in security.

The service offering comprises Specialized Guarding Solutions, Mobile Services, Alarm Monitoring and Response Services, Security Consulting and Investigations and Total Security Solutions.

Management and Organization

Group Management – Chief Executive Officer, *Thomas Berglund*; Chief Financial Officer, *Håkan Winberg*; President of North American operations, *Santiago Galaz*; President of European operations, *Tore K Nilsen*.

The organization is customer based and structured in clear operating units to fulfil qualified customer needs within the respective segments:

North American operations - 10 guarding regions in the USA form the national base with 500 local branches, predominantly serving large customers. Other customer segments are National Accounts, Energy and Government. The operations in Canada and Mexico are also included. The responsibility for ***Global Customers*** is organised within the North American organization with operational units for Consulting and Investigations, Automotive and Global Accounts.

European operations – Operating units for large customers in 17 countries, Transport and Aviation services organizations in 9 countries, Mobile services organizations in 11 countries and specialized Alarm Monitoring organizations in 6 countries. 850 local branches is the base for the European organization. Within the European organization a ***New Markets*** organization is established to focus on further expansion into new geographies.

Strategy and the way forward – Growth and profitability

The new Securitas will have resources focused entirely on the refinement and specialization of services. Over a business cycle, the organic sales growth is expected to be more than the market average with a continued improvement in operating margin and return on capital employed of above 20 percent.

The strategic focus for *U.S. Large customers* is to build further strength and maturity in the recently developed decentralized organization. Gradually thereafter the U.S. operations will move from a predominantly geographically based organization into a customer segment driven organization to gain higher professionalism and added value. The *Global customer* organization will combine the local strength of the Securitas organization with global coordination for customers who seek this type of solution.

For *European Large customers* the focus is on implementing more customer segment organizations and to expand further the sales of security solutions. The *New Markets* organization is going to expand Securitas into South America and Asia. For *European Small customers* the aim is to open up a new and expanding market based on mobile services and alarm monitoring.

The Securitas journey continues

With the combined strength of the global presence and 20 years of industry expertise, the new Securitas is ready to once again bring security forward and continue the value creating journey for customers, employees and shareholders.

Financial development and key ratios – the new Securitas

MSEK	<u>2004</u>	<u>2005</u>
Sales	42,733	45,929
<i>Organic sales growth, %</i>	<i>1</i>	<i>4</i>
Operating income	2,557	2,687
<i>Operating margin, %</i>	<i>6.0</i>	<i>5.9</i>
Operating capital employed	2,614	3,764
<i>In % of sales</i>	<i>6</i>	<i>8</i>
Capital employed	13,559	16,741
<i>Return on capital employed, %</i>	<i>19</i>	<i>16</i>
Employees, no.	179,200	188,500
