

Gunnebo invests in South America through increased ownership in Brazilian joint-venture

The Gunnebo Security Group has increased its ownership from 50 to 80 per cent in the Brazilian joint-venture company Gateway Security SA, which therewith becomes a subsidiary. The company will be Gunnebo's platform for growth in South America.

Gunnebo foresees strong growth in the South American security market in the years to come. Today Gunnebo is a leading provider of security solutions to the Brazilian retail sector. The business comprises a solid platform from which to grow the Group's complete security offering in Brazil as well as in other growing South American markets.

Gunnebo has 90 employees in Brazil and an annual turnover of MEUR 14. During the past years, the business has shown strong and very profitable growth. The investment sum amounts to some MSEK 80 and will be paid in cash. The new shareholder agreement includes an adjusted profit sharing and an option for Gunnebo to acquire the remaining shares.

"To invest in growth markets like Brazil is very much in line with the Group's overall strategy to shift the point of gravity of the Group's business outside of Europe," says Gunnebo's President and CEO, Per Borgvall. "Five years ago, sales outside of Europe accounted for just over 10 per cent of Group sales, while at the end of the third quarter 2011 that figure had risen to 32 per cent. Our ambition is to continue this shift, which will be done through market investments in parts of the world with strong growth within our core business."

"Bank and retail are two sectors with strong growth in Brazil as well as in many other South American markets," says Rubens Bulgarelli Filho, Manager of Gunnebo's operations in Brazil. "The fact that Brazil is to host the football World Cup in 2014 and the Olympic games in 2016 means that the market for entrance control will also see good growth during the years to come. Now when we also start to market and sell Gunnebo's full portfolio of solutions and services, I see good opportunities for increased strong and profitable growth in Brazil as well as in other South American markets."

GUNNEBO AB (publ)
Group Communications

Tomas Wängberg, SVP Developing Businesses Gunnebo AB, tel. +46 10 2095 030, or
Karin Wallström, Communication Manager & IR Director, Gunnebo AB, tel. 46 10 209 5026, mobile: 46 708 283339 or e-mail
karin.wallstrom@gunnebo.com

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The Gunnebo Security Group provides efficient and innovative security solutions to customers around the globe. It employs 5 300 people in 30 countries across Europe, Asia, Africa, Australia and North America, and has a turnover in excess of €580m. Gunnebo focuses its global offering on Bank Security & Cash Handling, Secure Storage, Entrance Control and Global Services.

We make your world safer.