# Securitas AB

## Full Year Report
## January–December 2010

**OCTOBER–DECEMBER 2010**

- **Total sales MSEK 15,718 (15,233)**
- **Organic sales growth 4 percent (–2)**
- **Operating margin 6.7 percent (7.0)**
- **Earnings per share SEK 1.60 (1.67)**

**JANUARY–DECEMBER 2010**

- **Total sales MSEK 61,340 (62,667)**
- **Organic sales growth 1 percent (–1)**
- **Operating margin 6.1 percent (6.0)**
- **Earnings per share SEK 5.71 (5.80)**
- **Free cash flow/net debt 0.24 (0.26)**
- **Proposed dividend SEK 3.00 (3.00)**

**COMMENTS FROM THE PRESIDENT AND CEO**

The security services market is recovering, even though the development in a few countries in Europe remains stagnant. In the fourth quarter organic sales growth was 4 percent. Including acquisitions, the real sales growth was 10 percent in the final quarter of 2010.

In 2010 the real improvement in operating income continued and reached 6 percent. The operating margin improved compared to previous year, in spite of a few major acquisitions diluting the margin during the latter part of 2010.

During 2010 we have made 15 major acquisitions with total annual sales of approximately MSEK 4,100 and 19,500 employees. Among others, the acquisition of Reliance in the United Kingdom was closed in the fourth quarter. The agreement to acquire Chubb in the United Kingdom was recently signed, subject to customary closing conditions and approval from the United Kingdom Office of Fair Trading. Favorable acquisition opportunities continue to present themselves in both mature and new markets and we intend to remain active and selectively take advantage of such opportunities as they arise.

Through acquisitions and start ups, Securitas is now present in 45 countries and we intend to strengthen our position in the countries we are, but also continue to expand geographically in order to serve our global customers, with the target to be present in approximately 60 countries within three years.

*Alf Göransson*
President and Chief Executive Officer

**Contents**

**FINANCIAL SUMMARY**

| MSEK | Q4 2010 | Q4 2009 | *Total change, %* | FY 2010 | FY 2009 | *Total change, %* |
|---|---|---|---|---|---|---|
| **Sales** | **15,718** | **15,233** | **3** | **61,340** | **62,667** | **–2** |
| *Organic sales growth, %* | *4* | *–2* | | *1* | *–1* | |
| *Real sales growth, including acquisitions, %* | *10* | *–1* | | *5* | *2* | |
| **Operating income before amortization** | **1,056** | **1,061** | **0** | **3,724** | **3,756** | **–1** |
| *Operating margin, %* | *6.7* | *7.0* | | *6.1* | *6.0* | |
| *Real change, %* | *7* | *14* | | *6* | *6* | |
| **Income before taxes and items affecting comparability** | **834** | **874** | **–5** | **2,968** | **3,022** | **–2** |
| *Real change, %* | *0* | *14* | | *5* | *3* | |
| **Income before taxes** | **834** | **874** | **–5** | **2,968** | **3,022** | **–2** |
| *Real change, %* | *0* | *19* | | *5* | *4* | |
| **Net income** | **585** | **610** | **–4** | **2,081** | **2,118** | **–2** |
| Earnings per share (SEK) | 1.60 | 1.67 | –4 | 5.71 | 5.80 | –2 |

**EARNINGS PER SHARE AND FREE CASH FLOW TO NET DEBT**

Earnings per share amounted to SEK 5.71 (5.80), which was a decrease of 2 percent compared to last year. Adjusted for the strengthening of the Swedish krona during 2010 the earnings per share improved 5 percent in real terms over previous year.

Free cash flow to net debt was 0.24 (0.26).

**ANNUAL GENERAL MEETING 2011**

Securitas Annual General Meeting will be held on Wednesday, May 4, 2011 at **15.30 p.m. CET** at the Grand Hôtel, Royal Entré, Stallgatan 6, Stockholm. Securitas Annual Report 2010 will be published on www.securitas.com on April 13, 2011.

**PROPOSED DIVIDEND**

The Board of Directors proposes a dividend for 2010 of SEK 3.00 (3.00) per share. The total proposed dividend amounts to 54 percent of free cash flow. Monday, May 9, 2011 is proposed as record date for the dividend.

***Dividend policy***

With a free cash flow averaging 75 to 80 percent of adjusted income** and a balanced growth strategy comprising both organic and acquisition-driven growth, Securitas should be able to sustain a dividend level of 40 to 50 percent of the annual free cash flow.

***Change of dividend policy***

The Board of Directors has decided to change the dividend policy into: With a free cash flow averaging 80 to 85 percent of adjusted income** and a balanced growth strategy comprising both organic and acquisition-driven growth, Securitas should be able to sustain a dividend level of approximately 50 percent of the annual free cash flow.

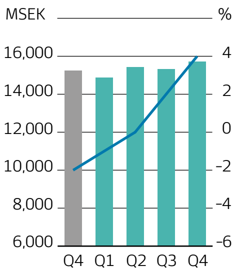
**ORGANIC SALES GROWTH AND OPERATING MARGIN DEVELOPMENT PER BUSINESS SEGMENT**

| | Organic sales growth | | | | Operating margin | | | |
|---|---|---|---|---|---|---|---|---|
| | Q4 | | FY | | Q4 | | FY | |
| **%** | **2010** | **2009*** | **2010** | **2009*** | **2010** | **2009*** | **2010** | **2009*** |
| Security Services North America | 3 | –6 | –2 | –4 | 6.7 | 6.7 | 6.1 | 5.9 |
| Security Services Europe | 3 | –1 | 2 | 0 | 6.4 | 6.9 | 5.6 | 5.7 |
| Mobile and Monitoring | 3 | 1 | 2 | 3 | 13.1 | 13.0 | 12.4 | 12.0 |
| **Group** | **4** | **–2** | **1** | **–1** | **6.7** | **7.0** | **6.1** | **6.0** |

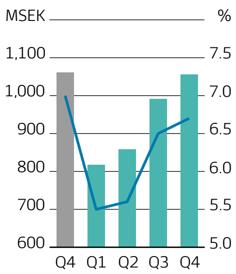
* The comparatives have been restated due to operations moved between the segments Security Services Europe and Mobile and Monitoring. Refer to note 7 on page 23 for quarterly information for 2009.

** Definition of adjusted income: Operating income before amortization, adjusted for financial income and expenses (excluding revaluation of financial instruments) and current taxes.

**Group quarterly sales development**




**Group quarterly operating income development**




## OCTOBER–DECEMBER 2010

### *Sales and market development*

Sales amounted to MSEK 15,718 (15,233) and organic sales growth was 4 percent (-2). The development is a result of the positive net change trend in the contract portfolio. The security market in North America, as well as in most countries in Europe, is recovering from the recession and Securitas organic sales growth is estimated to be on par with market growth. The level of extra sales in the Group has slightly increased compared to the same period last year.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 10 percent (-1).

### *Operating income before amortization*

Operating income before amortization was MSEK 1,056 (1,061) which, adjusted for changes in exchange rates, represented an increase of 7 percent.

The Group's operating margin was 6.7 percent (7.0). Last year, the operating margin was positively impacted by the lower employee turnover, with related positive effects, and the final outcome of employee related accruals made during the year. The operating margin was positively impacted in the fourth quarter 2010 as a result of the increase in sales volume, continued focus on cost control and lower bad debt losses and provisions for bad debt losses. However, due to the acquisitions of Reliance in the United Kingdom and Paragon Systems in the USA the operating margin was diluted by –0.2 percent.

Price adjustments corresponded approximately to total wage cost increases within the Group in the fourth quarter.

### *Operating income after amortization*

Amortization of acquisition related intangible assets amounted to MSEK –47 (-36).

Acquisition related costs impacted the quarter by MSEK –57 (-2). The majority, MSEK –45, relates to the acquisition of Reliance and consists of restructuring and integration costs of MSEK -28 and transaction costs of MSEK -17. Further information is provided in note 4.

### *Financial income and expenses*

Financial income and expenses amounted to MSEK -118 (-149). The decrease for the quarter is explained partly by a lower average interest rate on the net debt as well as a stronger Swedish krona, which had a positive impact on the finance net.

### *Income before taxes*

Income before taxes was MSEK 834 (874). The real change was 0 percent.

### *Taxes, net income and earnings per share*

The Group's tax rate was 29.9 percent (30.2).

Net income was MSEK 585 (610). Earnings per share amounted to SEK 1.60 (1.67).

## JANUARY–DECEMBER 2010

***Sales and market development***
Sales amounted to MSEK 61,340 (62,667) and organic sales growth was 1 percent (–1). The organic sales growth is gradually recovering. Security Services North America's organic sales growth was negative but with an improving trend quarter by quarter while Security Services Europe and Mobile and Monitoring had positive organic sales growth. Development is estimated to be in line with security market growth in Europe as well as in North America.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 5 percent (2).

***Operating income before amortization***
Operating income before amortization was MSEK 3,724 (3,756) which, adjusted for changes in exchange rates, represented an increase of 6 percent.

The operating margin was 6.1 percent (6.0). The Group's focus on profitability, cost control and lower bad debt losses and provisions for bad debt losses, have lead to an improved operating margin. The acquisitions of Reliance in United Kingdom and Paragon Systems in the USA had a diluting impact of –0.1 percent on the operating margin in 2010.

Price adjustments approximately corresponded to the total wage cost increases within the Group in the year.

***Operating income after amortization***
Amortization of acquisition related intangible assets amounted to MSEK –164 (–138).

Acquisition related costs impacted 2010 by MSEK –90 (–6) of which MSEK –45 relates to the acquisition of Reliance and consists of restructuring and integration costs of MSEK –28, and transactions costs of MSEK –17. Further information is provided in note 4.

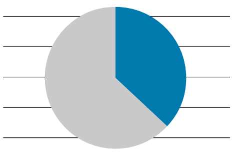
***Financial income and expenses***
Financial income and expenses amounted to MSEK –502 (–590). The decrease in 2010 is explained partly by a lower average interest rate on the net debt as well as a stronger Swedish krona, which had a positive impact on the finance net.

***Income before taxes***
Income before taxes was MSEK 2,968 (3,022). The real change was 5 percent.

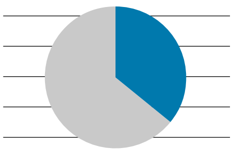
***Taxes, net income and earnings per share***
The Group's tax rate was 29.9 percent (29.9).

Net income was MSEK 2,081 (2,118). Earnings per share amounted to SEK 5.71 (5.80).

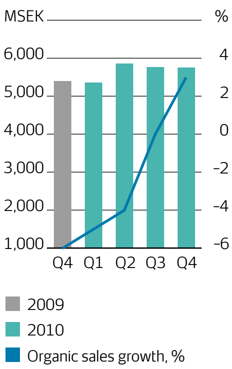
Share of Group sales



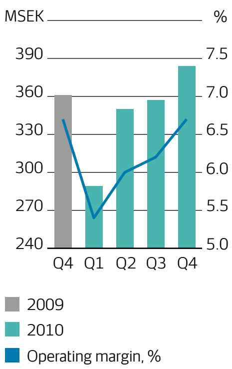

Share of Group operating income




Quarterly sales development




Quarterly operating income development




## SECURITY SERVICES NORTH AMERICA

**Security Services North America provides specialized guarding services in the USA, Canada and Mexico and comprises 19 business units: one organization for national and global accounts, ten geographical regions and five specialty customer segments in the USA, plus Canada, Mexico and Pinkerton Consulting & Investigations (C&I). In total, there are 97 geographical areas, over 300 branch offices, more than 600 branch managers and approximately 100,000 employees.**

| Security Services North America | October–December | | January–December | |
|---|---|---|---|---|
| MSEK | 2010 | 2009 | 2010 | 2009 |
| **Total sales** | **5,745** | **5,397** | **22,731** | **23,530** |
| *Organic sales growth, %* | 3 | -6 | -2 | -4 |
| **Operating income before amortization** | **384** | **361** | **1,380** | **1,400** |
| *Operating margin, %* | 6.7 | 6.7 | 6.1 | 5.9 |
| *Real change, %* | 9 | 1 | 4 | 2 |

### *October–December 2010*

Organic sales growth was 3 percent (-6) in the fourth quarter. This is the fourth consecutive quarter of positive development in organic sales growth and derives from a positive net change trend in the contract portfolio.

The new sales rate in the fourth quarter improved compared to the same quarter last year.

The operating margin was 6.7 percent (6.7). The operating margin was strengthened in the fourth quarter, as a result of the increase in sales volume, continued focus on cost control, such as lower overhead costs, and lower bad debt losses and provisions for bad debt losses. However, the operating margin was diluted by -0.2 percent due to the acquisition of Paragon Systems.

The U.S. dollar exchange rate had a negative effect on the operating result in Swedish kronor. The real change was 9 percent in the fourth quarter.

### *January–December 2010*

Organic sales growth was -2 percent (-4) in 2010. The recovery in the security market during 2010 has improved organic sales growth compared to last year. As a result of Securitas strategy of specializing the business and focusing on profitability by offering the customers specialized solutions, the sales of specialized solutions as percentage of total sales has increased during the year.

The new sales rate in 2010 was lower than in 2009, when it was supported mainly by good growth in the Healthcare customer segment.

The operating margin increased to 6.1 percent (5.9). The improvement is primarily supported by cost reductions and lower bad debt losses and provisions for bad debt losses, as well as the strategy of focusing on profitability. The acquisition of Paragon Systems had a diluting impact of -0.1 percent in 2010.

The U.S. dollar exchange rate had a negative effect on the operating result in Swedish kronor. The real improvement was 4 percent in 2010.

The client retention rate was 90 percent which is a slight improvement compared to last year. The employee turnover rate in the U.S. was 39 percent (39).

## SECURITY SERVICES EUROPE

**Security Services Europe provides specialized security and safety services for large and medium-sized customers in 25 countries, while Aviation – part of the Security Services Europe business segment – provides airport security services in 13 countries. Security Services Europe has a combined total of over 800 branch offices and more than 120,000 employees.**

| Security Services Europe | October–December | | January–December | |
|---|---|---|---|---|
| **MSEK** | **2010** | **2009*** | **2010** | **2009*** |
| **Total sales** | **7,796** | **7,852** | **30,284** | **31,517** |
| *Organic sales growth, %* | 3 | -1 | 2 | 0 |
| **Operating income before amortization** | **498** | **543** | **1,704** | **1,800** |
| *Operating margin, %* | 6.4 | 6.9 | 5.6 | 5.7 |
| *Real change, %* | 1 | 12 | 3 | 4 |

* The comparatives have been restated due to operations moved between the segments Security Services Europe and Mobile and Monitoring. Refer to note 7 on page 23 for quarterly information for 2009.

### *October–December 2010*

Organic sales growth was 3 percent (-1) in the fourth quarter. Most countries in the European guarding operation had positive organic sales growth in the fourth quarter supported by the portfolio development. Extra sales volume increased in the quarter and contributed to the positive development. In Spain, the negative organic sales growth continued.

The new sales rate was lower in the fourth quarter compared to the fourth quarter last year.

The operating margin was 6.4 percent (6.9). Last year, the operating margin was positively impacted by the reduction in employee turnover, with related positive effects, and the final outcome of employee related accruals made during the year. In the fourth quarter 2010, the operating margin was diluted by -0.3 percent due to the acquisition of Reliance in the United Kingdom. The increase in extra sales and lower bad debt losses and provisions for bad debt losses had a positive impact. Aviation's operating margin decreased in the fourth quarter mainly due to provisions for bad debts.

The euro exchange rate had a negative impact on the operating income in Swedish kronor. The real change was 1 percent for the quarter.

### *January–December 2010*

Organic sales growth was 2 percent (0) in 2010. The development in the security market is reflected in positive organic sales growth in most European countries. Positive organic sales growth was seen in countries such as Austria, Belgium, Denmark, Finland, Germany, Netherlands, Sweden, Switzerland, Turkey and the United Kingdom. However, in a country like Spain where the economical recovery is lagging, the organic sales growth was negative.

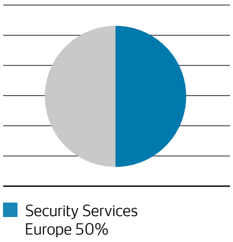
The new sales rate was lower in 2010 compared to the same period last year.

The operating margin was 5.6 percent (5.7). The operating margin in the guarding operation was flat, in spite of a slight diluting impact from the acquisition of Reliance in the United Kingdom. Aviation's operating margin declined in the year due to provisions for bad debts and negative impact related to the flight interruptions caused by the ash cloud in April.

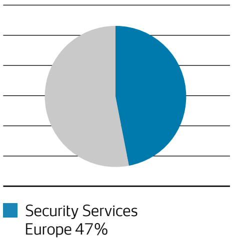
The euro exchange rate had a negative impact on the operating income in Swedish kronor. The real change was 3 percent in 2010.

The client retention rate was 90 percent, an improvement compared to last year. The employee turnover rate was 27 percent (26).

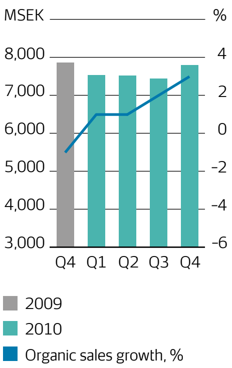
**Share of Group sales**



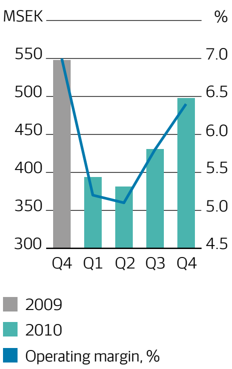

**Share of Group operating income**



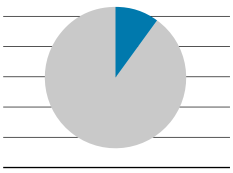

**Quarterly sales development**



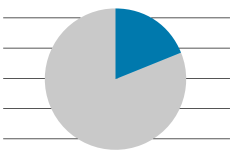

**Quarterly operating income development**



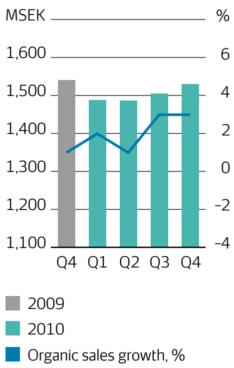
Share of Group sales



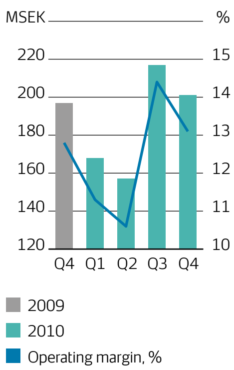

Share of Group operating income




Quarterly sales development




Quarterly operating income development




## MOBILE AND MONITORING

**Mobile provides mobile security services for small and medium-sized businesses and residential sites, while Monitoring provides electronic alarm surveillance services. Mobile operates in 11 countries across Europe and has approximately 8,900 employees in 28 areas and 327 branches.**

**Monitoring, with approximately 900 employees, operates in 11 countries in Europe and covers the other European countries via partnerships.**

| Mobile and Monitoring | October–December | | January–December | |
|---|---|---|---|---|
| **MSEK** | **2010** | **2009*** | **2010** | **2009*** |
| **Total sales** | **1,530** | **1,551** | **6,009** | **6,168** |
| *Organic sales growth, %* | *3* | *1* | *2* | *3* |
| **Operating income before amortization** | **201** | **202** | **743** | **740** |
| *Operating margin, %* | *13.1* | *13.0* | *12.4* | *12.0* |
| *Real change, %* | *6* | *2* | *6* | *7* |

*The comparatives have been restated due to operations moved between the segments Security Services Europe and Mobile and Monitoring. Refer to note 7 on page 23 for quarterly information for 2009.

### *October–December 2010*

Organic sales growth was 3 percent (1). In the Mobile operation, all countries except Denmark and Spain showed positive organic sales growth. In the Monitoring operation, all countries except Belgium had positive organic sales growth.

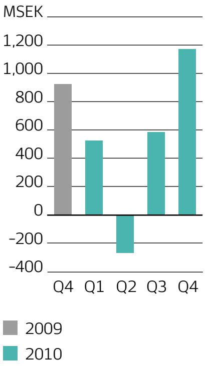
The operating margin was 13.1 percent (13.0), a development supported primarily by lower bad debt losses and provisions for bad debt losses. The real change was 6 percent for the quarter.

### *January–December 2010*

Organic sales growth was 2 percent (3). In the Mobile operation, countries such as Germany, the Netherlands, Norway, Portugal, Sweden and the United Kingdom showed positive organic sales growth. The Monitoring operation showed good organic sales growth in countries such as Finland, Norway, Poland and Sweden.

The operating margin was 12.4 percent (12.0). Operational improvements, cost control and lower bad debt provisions and losses had a positive effect on the operating margin. The entry into the Monitoring market in Spain also contributed to the improved margin. The real change was 6 percent in 2010.

Quarterly free cash flow




***October–December 2010***

Operating income before amortization amounted to MSEK 1,056 (1,061). Net investments in non-current tangible and intangible assets amounted to MSEK –65 (–17).

Changes in accounts receivable amounted to MSEK 234 (499). The quarter was positively impacted by a reduction in days of sales outstanding (DSO), which was partly offset by an increase due to the organic sales growth. Changes in other operating capital employed amounted to MSEK 208 (–326). The fourth quarter 2009 was negatively impacted by payroll timing in the North American operations.

Cash flow from operating activities amounted to MSEK 1,433 (1,217), equivalent to 136 percent (115) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –53 (–109). Current taxes paid amounted to MSEK –209 (–185).

Free cash flow was MSEK 1,171 (923), equivalent to 152 percent (123) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –712 (–386).

Cash flow from items affecting comparability was MSEK –5 (–6).

Cash flow from financing activities was MSEK –298 (–1,064).

Cash flow for the period was MSEK 156 (–533).

***January–December 2010***

Operating income before amortization amounted to MSEK 3,724 (3,756). Net investments in non-current tangible and intangible assets amounted to MSEK –1 (–23).

Changes in accounts receivable amounted to MSEK –769 (198). The year was negatively impacted by an increase in days of sales outstanding (DSO) and by the increased organic sales growth in the fourth quarter. Changes in other operating capital employed amounted to MSEK 313 (–556).

Cash flow from operating activities amounted to MSEK 3,267 (3,375), equivalent to 88 percent (90) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –521 (–482). Current taxes paid amounted to MSEK –735 (–728).

Free cash flow was MSEK 2,011 (2,165), equivalent to 81 percent (88) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –1,359 (–758).

Cash flow from items affecting comparability was MSEK –63 (–12) of which the settlement with the trustee of the Heros bankrupcy estate was MSEK –54.

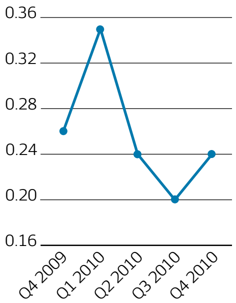
Cash flow from financing activities was MSEK –424 (–2,775).

Cash flow for the period was MSEK 165 (–1,380).

**Net debt development**

| MSEK | |
|---|---|
| **Jan 1, 2010** | **-8,388** |
| Free cash flow | 2,011 |
| Acquisitions | -1,359 |
| IAC payments | -63 |
| Dividend paid | -1,095 |
| **Change in net debt** | **-506** |
| Translation and revaluation | 685 |
| **Dec 31, 2010** | **-8,209** |

**Free cash flow/net debt**




***Capital employed as of December 31, 2010***

The Group's operating capital employed was MSEK 2,587 (2,623) corresponding to 4 percent of sales (4) adjusted for the full year sales figures of acquired units.

Acquisitions decreased operating capital employed by MSEK –56 during the year.

Acquisitions increased consolidated goodwill by MSEK 909. Adjusted for negative translation differences of MSEK -1,128, total goodwill for the Group amounted to MSEK 13,339 (13,558).

The annual impairment test of all Cash Generating Units (CGU), which is required under IFRS, took place during the third quarter 2010 in conjunction with the business plan process for 2011. None of the CGUs tested for impairment had a carrying amount that exceeded the recoverable amount. Consequently no impairment losses have been recognized in 2010. No impairment losses were recognized in 2009 either.

Acquisitions have increased acquisition related intangible assets by MSEK 440. After amortization of MSEK -164 and negative translation differences of MSEK –75, acquisition related intangible assets amounted to MSEK 1,096 (895).

The Group's total capital employed was MSEK 17,147 (17,209). The translation of foreign capital employed to Swedish kronor decreased the Group's capital employed by MSEK -1,488.

The return on capital employed was 22 percent (22).

***Financing as of December 31, 2010***

The Group's net debt amounted to MSEK 8,209 (8,388). Acquisitions and acquisition related payments increased the Group's net debt by MSEK 1,359, of which purchase price payments accounted for MSEK 1,299, assumed net debt for MSEK –5 and acquisition related costs paid accounted for MSEK 65. The Group's net debt decreased by MSEK –617 due to the translation of net debt in foreign currency to Swedish kronor.

A dividend of MSEK 1,095 (1,059) was paid to the shareholders in May 2010.

The free cash flow to net debt ratio amounted to 0.24 (0.26).

The main debt instruments drawn as of the end of December 2010 were six bonds issued under the Group's Euro Medium Term Note Program. These comprised the 6.50 percent MEUR 500 Eurobond loan maturing in 2013, and five floating rates notes (FRN's). Two of these FRN's are denominated in SEK, and each of these is for MSEK 500 and mature in 2014. Another two FRN's are denominated in USD, one for MUSD 40 and one for MUSD 62. Both of these loans mature in 2015. There is also a MEUR 45 FRN maturing in 2014.

In addition to the above, at year end Securitas had access to committed financing through the MUSD 1,100 Revolving Credit Facility maturing in 2012. In January 2011, MUSD 1,000 of the Revolving Credit Facility has been cancelled and replaced with a new Revolving Credit Facility comprising two respective tranches of MUSD 550 and MEUR 420. This new facility matures in 2016.

The Group also has access to uncommitted bank borrowings and a MSEK 5,000 Swedish Commercial Paper Program for short-term borrowing needs.

Securitas has ample liquidity headroom under the committed credit facilities in line with established policies, which combined with the strong free cash flow generation means that the future liquidity requirements for the Company's operations are met.

Summary of credit facilities as of December 31, 2010:

| Type | Currency | Facility amount (million) | Available amount (million) | Maturity |
|---|---|---|---|---|
| Multi Currency Revolving Credit Facility | USD (or equivalent) | 1,100 | 712 | 2012 |
| EMTN Eurobond, 6.50% fixed | EUR | 500 | 0 | 2013 |
| EMTN FRN Private Placement | EUR | 45 | 0 | 2014 |
| EMTN FRN Private Placement | SEK | 500 | 0 | 2014 |
| EMTN FRN Private Placement | SEK | 500 | 0 | 2014 |
| EMTN FRN Private Placement | USD | 62 | 0 | 2015 |
| EMTN FRN Private Placement | USD | 40 | 0 | 2015 |
| Commercial Paper (uncommitted) | SEK | 5,000 | 2,850 | n/a |

The interest cover ratio amounted to 7.4 (6.1).

Shareholders' equity amounted to MSEK 8,938 (8,821). The translation of foreign assets and liabilities into Swedish kronor decreased shareholders' equity by MSEK –871 after taking into account net investment hedging of MSEK 361 and MSEK –1,232 before net investment hedging. Refer to the statement of comprehensive income on page 17 for further information.

The total number of outstanding shares amounted to 365,058,897 as of December 31, 2010.

## ACQUISITIONS JANUARY–DECEMBER 2010 (MSEK)

| Company | Business segment [1] | Included from | Acquired share [2] | Annual sales [3] | Enter-prise value [4] | Goodwill | Acq. related intangible assets |
|---|---|---|---|---|---|---|---|
| **Opening balance** | | | | | | **13,558** | **895** |
| Seccredo, Sweden [7] [8] | Other | Jan 1 | 51 | 25 | 16 | 36 | - |
| Claw Protection Services, South Africa [7] | Other | Mar 1 | 100 | 38 | 7 | 10 | 5 |
| Dan Kontrol Systemer, Denmark | Security Services Europe | Apr 1 | 100 | 21 | 24 | 19 | 11 |
| Bren Security, Sri Lanka [7] [8] | Other | Jun 1 | 60 | 16 | 23 | 40 | 9 |
| Paragon Systems, USA | Security Services North America | Jun 8 | 100 | 1,102 | 268 | 219 | 17 |
| Legend Group Holding International, Singapore [7] | Other | Jul 1 | 100 | 76 | 28 | 13 | 17 |
| Guardian Security, Montenegro [7] [8] | Security Services Europe | Aug 1 | 75 | 40 | 25 | 17 | 16 |
| Nikaro, United Kingdom | Mobile and Monitoring | Sep 1 | 100 | 27 | 28 | 19 | 13 |
| ESC and SSA Guarding Company, Thailand [7] [8] | Other | Oct 1 | 49 | 36 | 24 | 17 | 7 |
| Nordserwis.pl, Poland [7] | Security Services Europe | Nov 1 | 100 | 22 | 7 | 5 | 5 |
| Security Professionals and Security Management, USA [7] | Security Services North America | Nov 1 | 100 | 211 | 70 | 35 | 40 |
| Reliance Security Services, United Kingdom | Security Services Europe<br>Mobile and Monitoring | Nov 9 | 100 | 2,315 | 403 | 333 | 131 |
| Alarm West Group, Bosnia and Herzegovina [7] [8] | Security Services Europe | Dec 1 | 85 | 127 | 90 | 74 | 45 |
| Piranha Security, South Africa [7] | Other | Dec 1 | - | 28 | 8 | 9 | 7 |
| Cobra Security, Romania | Security Services Europe | Dec 2 | 100 | 50 | 26 | 23 | 4 |
| G4S, Germany | Security Services Europe<br>Mobile and Monitoring | n/a | n/a | n/a | –32 | –32 | - |
| Other acquisitions [5] | | | | 326 | 279 | 72 | 113 |
| **Total acquisitions January–December 2010** | | | | **4,460** | **1,294** | **909** [6] | **440** |
| Amortization of acquisition related intangible assets | | | | | | - | –164 |
| Exchange rate differences | | | | | | –1,128 | –75 |
| **Closing balance** | | | | | | **13,339** | **1,096** |

1) Refers to business segment with main responsibility for the acquisition.

2) Refers to voting rights for acquisitions in the form of share purchase agreements. For asset deals no voting rights are stated.

3) Estimated annual sales.

4) Purchase price paid plus acquired net debt.

5) Related to other acquisitions for the period and updated previous year acquisition calculations for the following entities: Hamilton, USA, Atlantis Securite, Canada, Navicus, C&I, Addici (contract portfolio) and Jourman (contract portfolio), Services Sweden, Dalslands Bevakning (contract portfolio), Sörmlands Bevakning (contract portfolio) and Labelå (contract portfolio), Mobile Sweden, Verdisikring Vest (contract portfolio), Mobile Norway, Ferssa Group, Services France, Staff Sécurité (contract portfolio), AGSPY, SCPS (contract portfolio), IGPS and GPSA (contract portfolio), Mobile France, LB Protection (contract portfolio) and Eryma (contract portfolio), Alert Services France, Swallow Security Services, Mobile UK, Tecniserv, Alert Services Spain, WOP Protect (contract portfolio) and Alpha Protect (contract portfolio), Services Switzerland, GPDS (contract portfolio), Mobile Belgium, EMS (contract portfolio), Alert Services Belgium, Hose, Services Netherlands, Hadi Bewaking (contract portfolio), Mobile Netherlands, Agency of Security Fenix, Services Czech Republic, Gordon and Security 018, Serbia, ICTS, Services Turkey, GMCE Gardiennage, Morocco, Vigilan and El Guardian, Argentina, Trancilo and Gadonal, Uruguay, Worldwide Security and Protec Austral, Chile, Guardforce, Hong Kong, MKB Tactical, South Africa, Globe Partner Services, Egypt and Long Hai Security, Vietnam. Related also to deferred considerations paid in the USA, Mexico, Spain, Belgium, Switzerland, Turkey and Argentina.

6) Goodwill that is expected to be tax deductible amounts to MSEK 15.

7) Deferred considerations have been recognized mainly based on an assessment of the future profitability development in the acquired entities for an agreed period. The net of new deferred considerations and payments made from previously recognized deferred considerations was MSEK 32. Total deferred considerations, short-term and long-term, in the Group's balance sheet amount to MSEK 297.

8) No non-controlling interests have been accounted for since Securitas has an option to buy the remaining shares and the seller has an option to sell the remaining shares. Consequently, 100 percent of the company is consolidated.

All acquisition calculations are finalized no later than one year after the acquisition is made. Transactions with non-controlling interests are specified in the statement of changes in shareholders' equity on page 19. Transaction costs can be found in note 4 on page 22.

***Seccredo, Sweden***
Securitas has acquired 51 percent of the shares in Seccredo, a leading consulting company providing crisis management and risk and security services. Seccredo has 20 employees. The company helps customers to prevent, control and mitigate disturbances and losses in organizations and operations and of assets. Seccredo's customers represent a broad cross section of leading brands from both the private and public sectors.

***Claw Protection Services, South Africa***
Securitas has acquired all shares in the security services company Claw Protection Services in South Africa. Claw Protection Services has approximately 800 employees and specializes in guarding services, mainly in the areas of Johannesburg and Pretoria.

***Dan Kontrol Systemer, Denmark***
Securitas subsidiary in Denmark, Dansikring, has acquired all shares in the monitoring company Dan Kontrol Systemer in Denmark. Dan Kontrol Systemer, with 25 employees, is the largest independent monitoring company in Denmark. The acquisition has enabled Securitas to expand in the monitoring market in Denmark.

***Bren Security, Sri Lanka***
Securitas has acquired 60 percent of the shares in the security services company Bren Security in Sri Lanka. Bren Security has approximately 1,050 employees and operates guarding services in the Colombo city area.

***Paragon Systems, USA***
Pinkerton Government Services, a company within the Securitas Group, has acquired all shares in the security services company Paragon Systems in the USA. With this acquisition, Securitas is expanding in the primary government security services market in the USA. Paragon, with approximately 3,000 employees, specializes in providing high level, armed security officer services to various government agencies and facilities under the oversight of the U.S. Federal Protective Service and the U.S. Government Department of Defense. Paragon is one of the leading companies in the prime government sector in the U.S.

***Legend Group Holding International, Singapore***
Securitas has acquired all shares in the security services company Legend Group Holding International in Singapore. Legend has approximately 600 employees.

***Guardian Security, Montenegro***
Securitas has acquired 75 percent of the shares in the security services company Guardian Security in Montenegro. Guardian has approximately 600 employees.

***Nikaro, United Kingdom***
Securitas has acquired all shares in the mobile security services company Nikaro in the United Kingdom. Nikaro operates as a national security network and is one of the top five market leaders in key holding and response services in the United Kingdom.

***ESC and SSA Guarding Company, Thailand***
Securitas has acquired 49 percent of the shares in the security services company ESC and SSA Guarding Company in Thailand with approximately 1,400 employees. Securitas has indirect control of the operations.

***Nordserwis.pl, Poland***
Securitas has acquired all shares in the security services company Nordserwis.pl in Poland. Nordserwis.pl is a local security services company, well established in the North-Eastern region of Poland with approximately 250 employees.

***Security Professionals and Security Management, USA***
Securitas has acquired all shares in the security services companies Security Professionals and Security Management, based in Chicago, Illinois, USA. Security Professionals and Security Management have approximately 1,000 employees.

***Reliance Security Services, United Kingdom***
Securitas has agreed with Reliance Security Group to acquire all shares in their security services operations in the United Kingdom. With 8,000 employees, Reliance Security Services is one of the leading security services companies in the United Kingdom. The company has a well diversified contract portfolio with a stable customer portfolio within guarding, mobile services, aviation security and security specialist services. With this acquisition, Securitas will become among the largest security services companies in the United Kingdom. The acquisition was approved by the European Commission on November 9, 2010.

***Alarm West Group, Bosnia and Herzegovina***
Securitas has acquired 85 percent of the shares in the security services company Alarm West Group in Bosnia and Herzegovina. The agreement includes an option of acquiring the remaining 15 percent. Alarm West Group has approximately 1,200 employees. With this acquisition, Securitas enters the security market in Bosnia and Herzegovina.

***Piranha Security, South Africa***
Securitas has acquired the operations in the security services company Piranha Security in South Africa. Piranha Security has approximately 500 employees.

***Cobra Security, Romania***
Securitas has acquired all shares in the security services company Cobra Security in Romania. Cobra Security has approximately 1,000 employees.

## ACQUISITIONS AFTER THE FOURTH QUARTER

***Interseco, Netherlands***
Securitas has acquired the security consulting company Interseco in the Netherlands. Interseco has approximately 50 employees and focuses on advising and assisting their customers to detect and gain control of crime risks. The acquisition was consolidated in Securitas as of January 1, 2011.

***Adria Ipon Security, Bosnia and Herzegovina***
Securitas has acquired 85 percent of the shares in the security services company Adria Ipon Security in Bosnia and Herzegovina. The agreement includes an option of acquiring the remaining 15 percent. Adria Ipon Security has approximately 200 employees. The acquisition was consolidated in Securitas as of January 1, 2011.

***Chubb Security Personnel, United Kingdom***
Securitas has agreed with UTC Fire & Security to acquire the security services company Chubb Security Personnel in the United Kingdom. With 5,000 employees, Chubb Security Personnel is a leading manned guarding security services provider in the United Kingdom. The company has a well diversified contract portfolio with a stable customer portfolio within guarding. The acquisition is subject to customary closing conditions and approval from the United Kingdom Office of Fair Trading.

For critical estimates and judgments and items affecting comparability and contingent liabilities refer to page 72 and pages 103–104 in the Annual Report 2009. If no significant events have occurred relating to the information in the Annual Report, no further comments are made in the Interim Report for the respective case.

***Heros dispute settled***
On July 22, 2010 Securitas signed an out of court settlement agreement with the Trustee of the Heros bankruptcy estate (Germany). Securitas has during the third quarter made a total payment of MSEK 54 (MEUR 5.9) in return for Heros waiving all claims whatsoever against the Securitas Group. The Securitas companies have simultaneously waived all claims against the bankruptcy estate. The settlement amount was covered by previously recognized provisions.

***Tax Audit of Securitas USA***
The U.S. tax authorities have, after finalizing an audit of Securitas USA for the years 2003–04, issued a notice on July 1, 2010 disallowing certain deductions for interest expenses and insurance premiums. Securitas is of the opinion that it has acted in accordance with the law and will defend its position in U.S. Tax courts. It may take several years until a final judgment is awarded. If the notice is finally upheld by the U.S. Tax courts a judgment could result in a tax of MUSD 60 plus interest.

***Changes in Group Management***
The Divisional President of the Mobile Division, Morten Rønning, left Securitas on July 8, 2010. On September 1, 2010, Erik-Jan Jansen was appointed new Divisional President of Mobile Division. Aimé Lyagre was appointed new Chief Operating Officer of Security Services Europe.

***Securitas bonus and shares scheme***
The Annual General Meeting held on May 4, 2010 resolved with the requisite majority to adopt the incentive program and in order to enable the Board to deliver the shares according to said incentive scheme, to authorize the Board to enter into a share swap agreement with a third party, which was one of the suggested hedging arrangements proposed by the Board. The incentive program has been implemented throughout the Group.

# Risks and uncertainties

Risk management is necessary in order for Securitas to be able to fulfill its strategies and achieve its corporate objectives. Securitas' risks fall into three main categories; contract risk, operational assignment risk and financial risks. Securitas approach to enterprise risk management is described in more detail in the Annual Report for 2009.

In the preparation of financial reports the Board of Directors and Group Management are required to make estimates and judgments. These estimates and judgments impact the statement of income and balance sheet as well as disclosures such as contingent liabilities. Actual results may differ from these estimates and judgments under different circumstances and conditions.

For the forthcoming twelve-month period, the financial impact of certain items affecting comparability and contingent liabilities, as described in the Annual Report for 2009 and above under the heading "Other significant events", may vary from the current financial estimates and provisions made by management. This could affect the Groups profitability and financial position.

# Parent Company operations

The Group's Parent Company, Securitas AB, is not involved in any operating activities. Securitas AB provides Group Management and support functions for the Group.

***January–December 2010***
The Parent Company's income amounted to MSEK 955 (974) and mainly relates to administrative contributions and other income from subsidiaries.

Financial income and expenses amounted to MSEK 1,818 (1,364). Income after financial items amounted to MSEK 2,319 (1,938).

***As of December 31, 2010***
The Parent Company's non-current assets amounted to MSEK 40,659 (40,604) and mainly comprise shares in subsidiaries of MSEK 40,027 (40,074). Current assets amounted to MSEK 4,021 (4,527) of which liquid funds amounted to MSEK 2 (2).

Shareholders' equity amounted to MSEK 22,392 (21,855).

A dividend of MSEK 1,095 (1,059) was paid to the shareholders in May 2010.

The Parent Company's liabilities amounted to MSEK 22,288 (23,276) and mainly consist of interest-bearing debt.

For further information, refer to the Parent Company's condensed financial statements on page 24.

***In general***
This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

Securitas' consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups. The most important accounting principles under IFRS, which is the basis for the preparation of this interim report, can be found in note 2 on pages 62 to 68 in the published Annual Report for 2009. The accounting principles are also available on the Group's website www.securitas.com under the section Investor Relations—Financials—Accounting Principles.

The Parent Company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 2 Accounting for Legal Entities. The most important accounting principles used by the Parent Company can be found in note 39 on page 109 in the published Annual Report for 2009.

The effects on the Group from new and revised standards and interpretations that came into effect on January 1, 2010 have been described in note 2 on pages 62 to 63 in the published Annual Report for 2009. The revised standards that impact the Group's financial statements are IFRS 3 (revised) Business combinations and IAS 27 (revised) Consolidated and separate financial statements. The new accounting principles adopted from January 1, 2010 without restatement of the comparative years are:

***IFRS 3 (revised) Business combinations***
The acquisition method is applied to business combinations. All payments to acquire a business are recorded at fair value at the acquisition date, with contingent considerations classified as debt subsequently re-measured through the statement of income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition related transaction costs are expensed. These costs are in the Group accounted for on a line in the statement of income named acquisition related costs. Costs accounted for on this line are transaction costs, revaluation of contingent considerations, revaluation to fair value of previously acquired shares in step acquisitions and, as previously, acquisition related restructuring costs.

***IAS 27 (revised) Consolidated and separate financial statements***
Transactions with non-controlling interests are recorded in equity if there is no change in control. When control is lost by the Parent Company, any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in the statement of income.

Stockholm, February 8, 2011

Alf Göransson
President and Chief Executive Officer

## STATEMENT OF INCOME

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| **Continuing operations** | | | | | |
| Sales | 14,800.3 | 14,973.3 | 59,097.5 | 61,216.7 | 55,247.9 |
| Sales, acquired business | 917.9 | 260.1 | 2,242.3 | 1,450.0 | 1,323.7 |
| **Total sales** | **15,718.2** | **15,233.4** | **61,339.8** | **62,666.7** | **56,571.6** |
| *Organic sales growth, %* [1] | 4 | –2 | 1 | –1 | 6 |
| Production expenses | –12,721.9 | –12,228.2 | –50,076.0 | –50,983.9 | –46,122.9 |
| **Gross income** | **2,996.3** | **3,005.2** | **11,263.8** | **11,682.8** | **10,448.7** |
| Selling and administrative expenses | –1,942.0 | –1,945.6 | –7,551.3 | –7,933.5 | –7,196.3 |
| Other operating income [2] | 4.4 | 2.5 | 12.7 | 11.3 | 18.7 |
| Share in income of associated companies [3] | –2.6 | –1.2 | –1.0 | –4.1 | –0.4 |
| **Operating income before amortization** | **1,056.1** | **1,060.9** | **3,724.2** | **3,756.5** | **3,270.7** |
| *Operating margin, %* | 6.7 | 7.0 | 6.1 | 6.0 | 5.8 |
| Amortization of acquisition related intangible assets | –47.4 | –35.6 | –164.3 | –138.3 | –102.2 |
| Acquisition related costs [4] | –56.5 | –2.2 | –89.6 | –5.9 | –52.6 |
| Items affecting comparability | - | - | - | - | –29.3 |
| **Operating income after amortization** | **952.2** | **1,023.1** | **3,470.3** | **3,612.3** | **3,086.6** |
| Financial income and expenses [5] | –117.9 | –148.7 | –502.3 | –589.8 | –469.6 |
| **Income before taxes** | **834.3** | **874.4** | **2,968.0** | **3,022.5** | **2,617.0** |
| *Net margin, %* | 5.3 | 5.7 | 4.8 | 4.8 | 4.6 |
| Current taxes | –169.9 | –162.5 | –735.7 | –715.4 | –651.8 |
| Deferred taxes | –79.4 | –101.5 | –151.5 | –189.1 | –75.3 |
| **Net income for the period, continuing operations** | **585.0** | **610.4** | **2,080.8** | **2,118.0** | **1,889.9** |
| Net income for the period, discontinued operations | - | - | - | - | 431.8 |
| **Net income for the period, all operations** | **585.0** | **610.4** | **2,080.8** | **2,118.0** | **2,321.7** |
| | | | | | |
| **Whereof attributable to:** | | | | | |
| Equity holders of the Parent Company | 585.5 | 610.0 | 2,083.1 | 2,116.2 | 2,323.6 |
| Non-controlling interests | –0.5 | 0.4 | –2.3 | 1.8 | –1.9 |
| | | | | | |
| Earnings per share before dilution, continuing operations (SEK) | 1.60 | 1.67 | 5.71 | 5.80 | 5.18 |
| Earnings per share before dilution, discontinued operations (SEK) | - | - | - | - | 1.18 |
| **Earnings per share before dilution, all operations (SEK)** | **1.60** | **1.67** | **5.71** | **5.80** | **6.36** |
| | | | | | |
| Earnings per share after dilution, continuing operations (SEK) | 1.60 | 1.67 | 5.71 | 5.80 | 5.18 |
| Earnings per share after dilution, discontinued operations (SEK) | - | - | - | - | 1.18 |
| **Earnings per share after dilution, all operations (SEK)** | **1.60** | **1.67** | **5.71** | **5.80** | **6.36** |

## STATEMENT OF COMPREHENSIVE INCOME

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| **Net income for the period, all operations** | **585.0** | **610.4** | **2,080.8** | **2,118.0** | **2,321.7** |
| | | | | | |
| **Other comprehensive income** | | | | | |
| Actuarial gains and losses net of tax, all operations | 30.9 | 20.9 | –117.9 | 16.2 | –464.6 |
| Cash flow hedges net of tax, all operations | 22.0 | 22.5 | 53.2 | 56.8 | –130.2 |
| Net investment hedges, all operations | 61.2 | –61.3 | 361.0 | 254.9 | –232.8 |
| Translation differences, all operations | –74.9 | 213.8 | –1,232.2 | –1,073.8 | 2,188.1 |
| **Other comprehensive income for the period, all operations** [6] | **39.2** | **195.9** | **–935.9** | **–745.9** | **1,360.5** |
| **Total comprehensive income for the period, all operations** | **624.2** | **806.3** | **1,144.9** | **1,372.1** | **3,682.2** |
| | | | | | |
| **Whereof attributable to:** | | | | | |
| Equity holders of the Parent Company | 624.8 | 805.8 | 1,147.6 | 1,370.8 | 3,683.0 |
| Non-controlling interests | –0.6 | 0.5 | –2.7 | 1.3 | –0.8 |

Notes 1–6 refer to pages 22–23.

## STATEMENT OF CASH FLOW

| Operating cash flow MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| **Continuing operations** | | | | | |
| **Operating income before amortization** | **1,056.1** | **1,060.9** | **3,724.2** | **3,756.5** | **3,270.7** |
| Investments in non-current tangible and intangible assets | –288.6 | –254.5 | –901.9 | –950.7 | –977.0 |
| Reversal of depreciation | 224.2 | 237.7 | 900.7 | 927.5 | 839.9 |
| Change in accounts receivable | 233.7 | 499.4 | –768.4 | 197.6 | 7.8 |
| Change in other operating capital employed | 208.0 | –326.6 | 312.8 | –556.4 | 107.3 |
| **Cash flow from operating activities** | **1,433.4** | **1,216.9** | **3,267.4** | **3,374.5** | **3,248.7** |
| *Cash flow from operating activities, %* | *136* | *115* | *88* | *90* | *99* |
| Financial income and expenses paid | –53.4 | –108.8 | –521.7 | –481.6 | –433.4 |
| Current taxes paid | –208.6 | –184.9 | –735.1 | –728.2 | –803.5 |
| **Free cash flow** | **1,171.4** | **923.2** | **2,010.6** | **2,164.7** | **2,011.8** |
| *Free cash flow, %* | *152* | *123* | *81* | *88* | *94* |
| Cash flow from investing activities, acquisitions | –712.0 | –386.5 | –1,359.0 | –757.7 | –1,021.5 |
| Cash flow from items affecting comparability | –5.3 | –5.8 | –62.5 | –12.0 | –110.8 |
| Cash flow from financing activities | –297.9 | –1,063.8 | –424.5 | –2,775.5 | –199.3 |
| **Cash flow for the period, continuing operations** | **156.2** | **–532.9** | **164.6** | **–1,380.5** | **680.2** |
| Cash flow for the period, discontinued operations | - | - | - | - | –790.5 |
| **Cash flow for the period, all operations** | **156.2** | **–532.9** | **164.6** | **–1,380.5** | **–110.3** |

| Cash flow MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| Cash flow from operations, continuing operations | 1,419.2 | 1,165.6 | 2,784.7 | 3,069.3 | 2,858.1 |
| Cash flow from operations, discontinued operations | - | - | - | - | 436.8 |
| **Cash flow from operations, all operations** | **1,419.2** | **1,165.6** | **2,784.7** | **3,069.3** | **3,294.9** |
| Cash flow from investing activities, continuing operations | –965.1 | –634.7 | –2,195.6 | –1,674.3 | –1,978.6 |
| Cash flow from investing activities, discontinued operations | - | - | - | - | –764.5 |
| **Cash flow from investing activities, all operations** | **–965.1** | **–634.7** | **–2,195.6** | **–1,674.3** | **–2,743.1** |
| Cash flow from financing activities, continuing operations | –297.9 | –1,063.8 | –424.5 | –2,775.5 | –199.3 |
| Cash flow from financing activities, discontinued operations | - | - | - | - | –462.8 |
| **Cash flow from financing activities, all operations** | **–297.9** | **–1,063.8** | **–424.5** | **–2,775.5** | **–662.1** |
| **Cash flow for the period, continuing operations** | **156.2** | **–532.9** | **164.6** | **–1,380.5** | **680.2** |
| Cash flow for the period, discontinued operations | - | - | - | - | –790.5 |
| **Cash flow for the period, all operations** | **156.2** | **–532.9** | **164.6** | **–1,380.5** | **–110.3** |

| Change in net debt MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| **Opening balance** | **–8,685.4** | **–8,775.4** | **–8,387.7** | **–9,412.6** | **–9,878.0** |
| Cash flow for the period, all operations | 156.2 | –532.9 | 164.6 | –1,380.5 | –110.3 |
| Change in loans, all operations | 297.9 | 1,063.8 | –670.7 | 1,716.8 | –469.6 |
| **Change in net debt before revaluation and translation differences, all operations** | **454.1** | **530.9** | **–506.1** | **336.3** | **–579.9** |
| Revaluation of financial instruments, all operations [5)] | 27.9 | 30.7 | 67.6 | 76.7 | –178.2 |
| Translation differences, all operations | –5.5 | –173.9 | 617.3 | 611.9 | –1,313.0 |
| Impact from dividend of discontinued operations | - | - | - | - | 2,536.5 |
| **Change in net debt, all operations** | **476.5** | **387.7** | **178.8** | **1,024.9** | **465.4** |
| **Closing balance** | **–8,208.9** | **–8,387.7** | **–8,208.9** | **–8,387.7** | **–9,412.6** |

Note 5 refers to page 22.

## CAPITAL EMPLOYED AND FINANCING

| MSEK | Dec 31, 2010 | Sep 30, 2010 | Dec 31, 2009 | Sep 30, 2009 | Dec 31, 2008 |
|---|---|---|---|---|---|
| **Operating capital employed** | **2,586.5** | **3,098.0** | **2,623.4** | **2,790.4** | **2,959.4** |
| *Operating capital employed as % of sales* | *4* | *5* | *4* | *4* | *5* |
| *Return on operating capital employed, %* | *143* | *130* | *135* | *127* | *108* |
| Goodwill | 13,338.8 | 12,816.7 | 13,558.3 | 13,121.2 | 14,104.3 |
| Acquisition related intangible assets | 1,096.5 | 890.0 | 894.9 | 785.6 | 751.3 |
| Shares in associated companies | 125.6 | 126.2 | 132.1 | 91.0 | 104.9 |
| **Capital employed** | **17,147.4** | **16,930.9** | **17,208.7** | **16,788.2** | **17,919.9** |
| *Return on capital employed, %* | *22* | *22* | *22* | *22* | *18* |
| **Net debt** | **–8,208.9** | **–8,685.4** | **–8,387.7** | **–8,775.4** | **–9,412.6** |
| **Shareholders' equity** | **8,938.5** | **8,245.5** | **8,821.0** | **8,012.8** | **8,507.3** |
| *Net debt equity ratio/multiple* | *0.92* | *1.05* | *0.95* | *1.10* | *1.11* |

## BALANCE SHEET

| MSEK | Dec 31, 2010 | Sep 30, 2010 | Dec 31, 2009 | Sep 30, 2009 | Dec 31, 2008 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Goodwill | 13,338.8 | 12,816.7 | 13,558.3 | 13,121.2 | 14,104.3 |
| Acquisition related intangible assets | 1,096.5 | 890.0 | 894.9 | 785.6 | 751.3 |
| Other intangible assets | 272.4 | 258.3 | 278.4 | 268.5 | 255.2 |
| Tangible non-current assets | 2,283.9 | 2,196.1 | 2,377.2 | 2,342.5 | 2,460.1 |
| Shares in associated companies | 125.6 | 126.2 | 132.1 | 91.0 | 104.9 |
| Non-interest bearing financial non-current assets | 1,737.7 | 1,796.9 | 1,995.7 | 2,013.7 | 2,366.4 |
| Interest bearing financial non-current assets | 205.7 | 208.3 | 160.8 | 154.3 | 150.6 |
| **Total non-current assets** | **19,060.6** | **18,292.5** | **19,397.4** | **18,776.8** | **20,192.8** |
| **Current assets** | | | | | |
| Non-interest bearing current assets | 11,169.5 | 11,132.7 | 10,819.5 | 11,467.2 | 11,532.2 |
| Other interest bearing current assets | 68.3 | 111.2 | 81.9 | 51.9 | 42.4 |
| Liquid funds | 2,586.9 | 2,424.9 | 2,497.1 | 3,016.1 | 3,951.5 |
| **Total current assets** | **13,824.7** | **13,668.8** | **13,398.5** | **14,535.2** | **15,526.1** |
| **TOTAL ASSETS** | **32,885.3** | **31,961.3** | **32,795.9** | **33,312.0** | **35,718.9** |

| MSEK | Dec 31, 2010 | Sep 30, 2010 | Dec 31, 2009 | Sep 30, 2009 | Dec 31, 2008 |
|---|---|---|---|---|---|
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | | | |
| **Shareholders' equity** | | | | | |
| Attributable to equity holders of the Parent Company | 8,935.4 | 8,240.3 | 8,812.7 | 8,006.9 | 8,500.6 |
| Non-controlling interests | 3.1 | 5.2 | 8.3 | 5.9 | 6.7 |
| **Total shareholders' equity** | **8,938.5** | **8,245.5** | **8,821.0** | **8,012.8** | **8,507.3** |
| *Equity ratio, %* | *27* | *26* | *27* | *24* | *24* |
| **Long-term liabilities** | | | | | |
| Non-interest bearing long-term liabilities | 282.3 | 245.2 | 193.8 | 198.2 | 201.6 |
| Interest bearing long-term liabilities | 7,202.6 | 7,776.8 | 8,357.5 | 7,293.9 | 7,148.4 |
| Non-interest bearing provisions | 2,564.8 | 2,509.8 | 2,626.2 | 2,641.7 | 2,811.9 |
| **Total long-term liabilities** | **10,049.7** | **10,531.8** | **11,177.5** | **10,133.8** | **10,161.9** |
| **Current liabilities** | | | | | |
| Non-interest bearing current liabilities and provisions | 10,029.9 | 9,531.0 | 10,027.4 | 10,461.6 | 10,641.0 |
| Interest bearing current liabilities | 3,867.2 | 3,653.0 | 2,770.0 | 4,703.8 | 6,408.7 |
| **Total current liabilities** | **13,897.1** | **13,184.0** | **12,797.4** | **15,165.4** | **17,049.7** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **32,885.3** | **31,961.3** | **32,795.9** | **33,312.0** | **35,718.9** |

## CHANGES IN SHAREHOLDERS' EQUITY

| | Dec 31, 2010 | | | Dec 31, 2009 | | | Dec 31, 2008 | | |
|---|---|---|---|---|---|---|---|---|---|
| MSEK | Attributable to equity holders of the Parent Company | Non-controlling interests | Total | Attributable to equity holders of the Parent Company | Non-controlling interests | Total | Attributable to equity holders of the Parent Company | Non-controlling interests | Total |
| **Opening balance January 1, 2010/2009/2008** | **8,812.7** | **8.3** | **8,821.0** | **8,500.6** | **6.7** | **8,507.3** | **8,812.1** | **1.9** | **8,814.0** |
| Total comprehensive income for the period, all operations | 1,147.6 | –2.7 | 1,144.9 | 1,370.8 | 1.3 | 1,372.1 | 3,683.0 | –0.8 | 3,682.2 |
| Transactions with non-controlling interests | - | –2.5 | –2.5 | - | 0.3 | 0.3 | - | 5.6 | 5.6 |
| Share based incentive scheme | 70.3 | - | 70.3 | - | - | - | - | - | - |
| Dividend paid to the shareholders of the Parent Company | –1,095.2 | - | –1,095.2 | –1,058.7 | - | –1,058.7 | –1,131.7 | - | –1,131.7 |
| Dividend of net assets in Loomis | - | - | - | - | - | - | –2,862.8 | - | –2,862.8 |
| **Closing balance December 31, 2010/2009/2008** | **8,935.4** | **3.1** | **8,938.5** | **8,812.7** | **8.3** | **8,821.0** | **8,500.6** | **6.7** | **8,507.3** |

## DATA PER SHARE

| SEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| Share price, end of period | 78.65 | 70.05 | 78.65 | 70.05 | 64.00 |
| | | | | | |
| Earnings per share before dilution and before items affecting comparability, continuing operations | 1.60 | 1.67 | 5.71 | 5.80 | 5.24 |
| Earnings per share before dilution and before items affecting comparability, discontinued operations | - | - | - | - | 1.18 |
| **Earnings per share before dilution and before items affecting comparability, all operations** | **1.60** | **1.67** | **5.71** | **5.80** | **6.42** |
| | | | | | |
| Earnings per share before dilution, continuing operations | 1.60 | 1.67 | 5.71 | 5.80 | 5.18 |
| Earnings per share before dilution, discontinued operations | - | - | - | - | 1.18 |
| **Earnings per share before dilution, all operations** | **1.60** | **1.67** | **5.71** | **5.80** | **6.36** |
| | | | | | |
| Earnings per share after dilution and before items affecting comparability, continuing operations | 1.60 | 1.67 | 5.71 | 5.80 | 5.24 |
| Earnings per share after dilution and before items affecting comparability, discontinued operations | - | - | - | - | 1.18 |
| **Earnings per share after dilution and before items affecting comparability, all operations** | **1.60** | **1.67** | **5.71** | **5.80** | **6.42** |
| | | | | | |
| Earnings per share after dilution, continuing operations | 1.60 | 1.67 | 5.71 | 5.80 | 5.18 |
| Earnings per share after dilution, discontinued operations | - | - | - | - | 1.18 |
| **Earnings per share after dilution, all operations** | **1.60** | **1.67** | **5.71** | **5.80** | **6.36** |
| | | | | | |
| Dividend | - | - | 3.00* | 3.00 | 2.90 |
| P/E-ratio after dilution and before items affecting comparability, continuing operations | - | - | 14 | 12 | 12 |
| Number of shares outstanding | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 |
| Average number of shares outstanding | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 |
| Number of shares after dilution | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 |
| Average number of shares after dilution | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 | 365,058,897 |

*Proposed dividend

## JANUARY–DECEMBER 2010

| MSEK | Security Services North America | Security Services Europe | Mobile and Monitoring | Other | Eliminations | Group |
|---|---|---|---|---|---|---|
| Sales, external | 22,731 | 30,209 | 5,759 | 2,641 | - | 61,340 |
| Sales, intra-group | - | 75 | 250 | - | –325 | - |
| **Total sales** | **22,731** | **30,284** | **6,009** | **2,641** | **–325** | **61,340** |
| *Organic sales growth, %* | *–2* | *2* | *2* | *-* | *-* | *1* |
| **Operating income before amortization** | **1,380** | **1,704** | **743** | **–103** | **-** | **3,724** |
| *of which share in income of associated companies* | *-* | *-* | *-* | *–1* | *-* | *–1* |
| *Operating margin, %* | *6.1* | *5.6* | *12.4* | *-* | *-* | *6.1* |
| Amortization of acquisition related intangible assets | –27 | –61 | –45 | –31 | - | –164 |
| Acquisition related costs | –16 | –48 | –6 | –20 | - | –90 |
| **Operating income after amortization** | **1,337** | **1,595** | **692** | **–154** | **-** | **3,470** |
| Financial income and expenses | - | - | - | - | - | –502 |
| **Income before taxes** | **-** | **-** | **-** | **-** | **-** | **2,968** |

## JANUARY–DECEMBER 2009

| MSEK | Security Services North America | Security Services Europe [1)] | Mobile and Monitoring [1)] | Other | Eliminations | Group |
|---|---|---|---|---|---|---|
| Sales, external | 23,530 | 31,434 | 5,897 | 1,806 | - | 62,667 |
| Sales, intra-group | - | 83 | 271 | - | –354 | - |
| **Total sales** | **23,530** | **31,517** | **6,168** | **1,806** | **–354** | **62,667** |
| *Organic sales growth, %* | *–4* | *0* | *3* | *-* | *-* | *–1* |
| **Operating income before amortization** | **1,400** | **1,800** | **740** | **–184** | **-** | **3,756** |
| *of which share in income of associated companies* | *-* | *0* | *-* | *–4* | *-* | *–4* |
| *Operating margin, %* | *5.9* | *5.7* | *12.0* | *-* | *-* | *6.0* |
| Amortization of acquisition related intangible assets | –20 | –51 | –47 | –20 | - | –138 |
| Acquisition related costs | - | - | - | –6 | - | –6 |
| **Operating income after amortization** | **1,380** | **1,749** | **693** | **–210** | **-** | **3,612** |
| Financial income and expenses | - | - | - | - | - | –590 |
| **Income before taxes** | **-** | **-** | **-** | **-** | **-** | **3,022** |

[1)] Comparatives have been restated due to operations moved between the segments Security Services Europe and Mobile and Monitoring. Refer to note 7 for restated segment information per quarter and accumulated 2009.

**Note 1 Organic sales growth**
The calculation of organic sales growth (and the specification of currency changes on operating income and income before taxes) is specified below:

| Sales, MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Oct–Dec % | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec % |
|---|---|---|---|---|---|---|
| **Total sales** | **15,718** | **15,233** | **3** | **61,340** | **62,667** | **–2** |
| Acquisitions/divestitures | –918 | - | | –2,242 | - | |
| Currency change from 2009 | 1,069 | - | | 4,365 | - | |
| **Organic sales** | **15,869** | **15,233** | **4** | **63,463** | **62,667** | **1** |

| Operating income, MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Oct–Dec % | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec % |
|---|---|---|---|---|---|---|
| **Operating income** | **1,056** | **1,061** | ***0*** | **3,724** | **3,756** | **–1** |
| Currency change from 2009 | 77 | - | | 276 | - | |
| **Currency adjusted operating income** | **1,133** | **1,061** | **7** | **4,000** | **3,756** | **6** |

| Income before taxes, MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Oct–Dec % | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec % |
|---|---|---|---|---|---|---|
| **Income before taxes** | **834** | **874** | **–5** | **2,968** | **3,022** | **–2** |
| Currency change from 2009 | 41 | - | | 195 | - | |
| **Currency adjusted income before taxes** | **875** | **874** | ***0*** | **3,163** | **3,022** | **5** |

**Note 2 Other operating income**
Other operating income consists 2010 and 2009 in its entirety of trade mark fees from Securitas Direct AB, while the comparative year 2008 also includes trade mark fees from Niscayah Group AB (former Securitas Systems AB). Trade mark fees from Niscayah Group AB ceased in November 2008.

**Note 3 Share in income of associated companies**
Securitas recognizes share in income of associated companies depending on the purpose of the investment.
· Associated companies that have been acquired to contribute to the operations (operational) are included in operating income before amortization.
· Associated companies that have been acquired as part of the financing of the Group (financial investments) are included in income before taxes as a separate line within the finance net. Currently, Securitas has no associated companies recognized as financial investments.

**Associated companies classified as operational:**

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| Walsons Services PVT Ltd | –2.6 | –1.2 | –1.8 | –4.1 | –0.4 |
| Long Hai Security | 0.0 | 0.0 | 0.8 | 0.0 | - |
| Facility Network A/S [1] | - | - | - | 0.0 | 0.0 |
| **Share in income of associated companies included in operating income before amortization** | **–2.6** | **–1.2** | **–1.0** | **–4.1** | **–0.4** |

[1] Facility Network A/S was divested during 2009.

**Note 4 Acquisition related costs**

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| Restructuring and integration costs | –29.6 | –2.2 | –48.3 | –5.9 | –52.6 |
| Transaction costs [1] | –26.9 | - | –41.3 | - | - |
| **Acquisition related costs** | **–56.5** | **–2.2** | **–89.6** | **–5.9** | **–52.6** |

[1] Expensed from 2010 in accordance with IFRS 3 (revised).

**Note 5 Revaluation of financial instruments**

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| **Recognized in the statement of income** | | | | | |
| Revaluation of financial instruments | –1.8 | 0.1 | –4.5 | –0.4 | 2.7 |
| Deferred tax | 0.5 | 0.0 | 1.2 | 0.1 | –0.8 |
| **Impact on net income** | **–1.3** | **0.1** | **–3.3** | **–0.3** | **1.9** |
| | | | | | |
| **Recognized in the statement of comprehensive income** | | | | | |
| Cash flow hedges | 29.7 | 30.6 | 72.1 | 77.1 | –180.9 |
| Deferred tax | –7.7 | –8.1 | –18.9 | –20.3 | 50.7 |
| **Cash flow hedges net of tax** | **22.0** | **22.5** | **53.2** | **56.8** | **–130.2** |
| | | | | | |
| Total revaluation before tax | 27.9 | 30.7 | 67.6 | 76.7 | –178.2 |
| Total deferred tax | –7.2 | –8.1 | –17.7 | –20.2 | 49.9 |
| **Total revaluation after tax** | **20.7** | **22.6** | **49.9** | **56.5** | **–128.3** |

Revaluation of financial instruments was previous years accounted for on a separate line in the statement of income. As of 2010, revaluation of financial instruments is included in Financial income and expenses in the statement of income.

The amount disclosed in the specification of change in net debt is the total revaluation before tax.

**Note 6 Tax effects on other comprehensive income**

| MSEK | Oct–Dec 2010 | Oct–Dec 2009 | Jan–Dec 2010 | Jan–Dec 2009 | Jan–Dec 2008 |
|---|---|---|---|---|---|
| Deferred tax on actuarial gains and losses | –32.4 | –11.1 | 48.8 | –7.2 | 250.2 |
| Deferred tax on cash flow hedges | –7.7 | –8.1 | –18.9 | –20.3 | 50.7 |
| Deferred tax on net investment hedges | –21.8 | 21.8 | –128.8 | –91.0 | 90.5 |
| **Deferred tax on other comprehensive income** | **–61.9** | **2.6** | **–98.9** | **–118.5** | **391.4** |

**Note 7 Security Services Europe and Mobile and Monitoring per quarter 2009**
The tables below show Security Services Europe and Mobile and Monitoring adjusted for operations moved between the segments per quarter and accumulated 2009.

| Security Services Europe<br>MSEK | Q1 2009 | Q2 2009 | H1 2009 | Q3 2009 | 9M 2009 | Q4 2009 | FY 2009 |
|---|---|---|---|---|---|---|---|
| **Total sales** | **8,024** | **7,970** | **15,994** | **7,671** | **23,665** | **7,852** | **31,517** |
| *Organic sales growth, %* | *2* | *0* | *1* | *–1* | *0* | *–1* | *0* |
| **Operating income before amortization** | **404** | **410** | **814** | **443** | **1,257** | **543** | **1,800** |
| *Operating margin, %* | *5.0* | *5.1* | *5.1* | *5.8* | *5.3* | *6.9* | *5.7* |

| Mobile and Monitoring<br>MSEK | Q1 2009 | Q2 2009 | H1 2009 | Q3 2009 | 9M 2009 | Q4 2009 | FY 2009 |
|---|---|---|---|---|---|---|---|
| **Total sales** | **1,532** | **1,556** | **3,088** | **1,529** | **4,617** | **1,551** | **6,168** |
| *Organic sales growth, %* | *5* | *3* | *4* | *3* | *3* | *1* | *3* |
| **Operating income before amortization** | **163** | **168** | **331** | **207** | **538** | **202** | **740** |
| *Operating margin, %* | *10.6* | *10.8* | *10.7* | *13.5* | *11.7* | *13.0* | *12.0* |

# Definitions

**Interest coverage ratio**
Operating income before amortization (rolling 12 months) plus interest income (rolling 12 months) in relation to interest expenses (rolling 12 months).

**Free cash flow, %**
Free cash flow as a percentage of adjusted income (operating income before amortization adjusted for financial income and expenses, excluding revaluation of financial instruments, and current taxes).

**Free cash flow in relation to net debt**
Free cash flow (rolling 12 months) in relation to closing balance net debt.

**Operating capital employed as % of total sales**
Operating capital employed as a percentage of total sales adjusted for the full-year sales of acquired entities.

**Return on operating capital employed, %**
Operating income before amortization (rolling 12 months) plus items affecting comparability (rolling 12 months) as a percentage of the average balance of operating capital employed.

**Return on capital employed, %**
Operating income before amortization (rolling 12 months) plus items affecting comparability (rolling 12 months) as a percentage of closing balance of capital employed excluding shares in associated companies relating to financial investments.

**Net debt equity ratio, multiple**
Net debt in relation to shareholders' equity.

## STATEMENT OF INCOME

| MSEK | Jan–Dec 2010 | Jan–Dec 2009 |
|---|---|---|
| Administrative contribution and other revenues | 955.4 | 973.7 |
| **Gross income** | **955.4** | **973.7** |
| Administrative expenses | –455.2 | –400.3 |
| **Operating income** | **500.2** | **573.4** |
| Financial income and expenses | 1,818.4 | 1,364.4 |
| **Income after financial items** | **2,318.6** | **1,937.8** |
| Appropriations | - | - |
| **Income before taxes** | **2,318.6** | **1,937.8** |
| Taxes | –206.5 | 19.6 |
| **Net income for the period** | **2,112.1** | **1,957.4** |

## BALANCE SHEET

| MSEK | Dec 31, 2010 | Dec 31, 2009 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Shares in subsidiaries | 40,026.8 | 40,073.7 |
| Shares in associated companies | 112.1 | 112.1 |
| Other non-interest bearing non-current assets | 189.0 | 200.7 |
| Interest bearing financial non-current assets | 331.3 | 217.2 |
| **Total non-current assets** | **40,659.2** | **40,603.7** |
| **Current assets** | | |
| Non-interest bearing current assets | 929.5 | 1,230.6 |
| Other interest bearing current assets | 3,089.5 | 3,294.5 |
| Liquid funds | 2.2 | 1.7 |
| **Total current assets** | **4,021.2** | **4,526.8** |
| **TOTAL ASSETS** | **44,680.4** | **45,130.5** |
| | | |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | |
| **Shareholders' equity** | | |
| Restricted equity | 7,727.7 | 7,727.7 |
| Non-restricted equity | 14,664.6 | 14,126.9 |
| **Total shareholders' equity** | **22,392.3** | **21,854.6** |
| **Long-term liabilities** | | |
| Non-interest bearing long-term liabilities/provisions | 138.5 | 77.7 |
| Interest bearing long-term liabilities | 7,155.7 | 8,259.1 |
| **Total long-term liabilities** | **7,294.2** | **8,336.8** |
| **Current liabilities** | | |
| Non-interest bearing current liabilities | 1,118.5 | 942.2 |
| Interest bearing current liabilities | 13,875.4 | 13,996.9 |
| **Total current liabilities** | **14,993.9** | **14,939.1** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **44,680.4** | **45,130.5** |

# Review report



Translation of the Swedish original

We have reviewed this report for the period January 1, 2010 to December 31, 2010 for Securitas AB (publ). The board of directors and the President and 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 persons 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, February 8, 2011
PricewaterhouseCoopers AB

*Peter Nyllinge*
Authorised Public Accountant

### PRESENTATION OF THE INTERIM REPORT

An information meeting will be held on February 8, 2011, at **9.30 a.m. CET**.

The information meeting will take place at Securitas' head office, Lindhagensplan 70, Stockholm.

The meeting will be webcast at www.securitas.com/webcasts

To participate in the telephone conference during the information meeting, please dial in five minutes prior to the start of the conference call, from:

| | |
|---|---|
| The United States: | +1 866 458 40 87 |
| Sweden: | +46 (0) 8 505 598 53 |
| United Kingdom: | +44 (0) 203 043 24 36 |

A recorded version of the webcast will be available at www.securitas.com/webcasts after the meeting.

### FOR FURTHER INFORMATION, PLEASE CONTACT:

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+46 10 470 3013

Gisela Lindstrand, Senior Vice President
Corporate Communications and Public Affairs,
+46 10 470 3011

### FINANCIAL INFORMATION CALENDAR

Securitas will release financial information for 2011 as follows:

Annual Report 2010: April 13, 2011

January–March 2011: May 4, 2011

January–June 2011: August 5, 2011

January–September 2011: November 9, 2011

*Securitas is a knowledge leader in security, focusing on providing security solutions to fit each customer's needs in 45 countries in North America, Europe, Latin America, Asia, Middle East and Africa. Everywhere from small stores to airports, our 280,000 employees are making a difference.*

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number 556302-7241

Securitas AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 8.00 a.m. (CET) on Tuesday, February 8, 2011.