

May 5, 2014



Annual General Meeting 2014

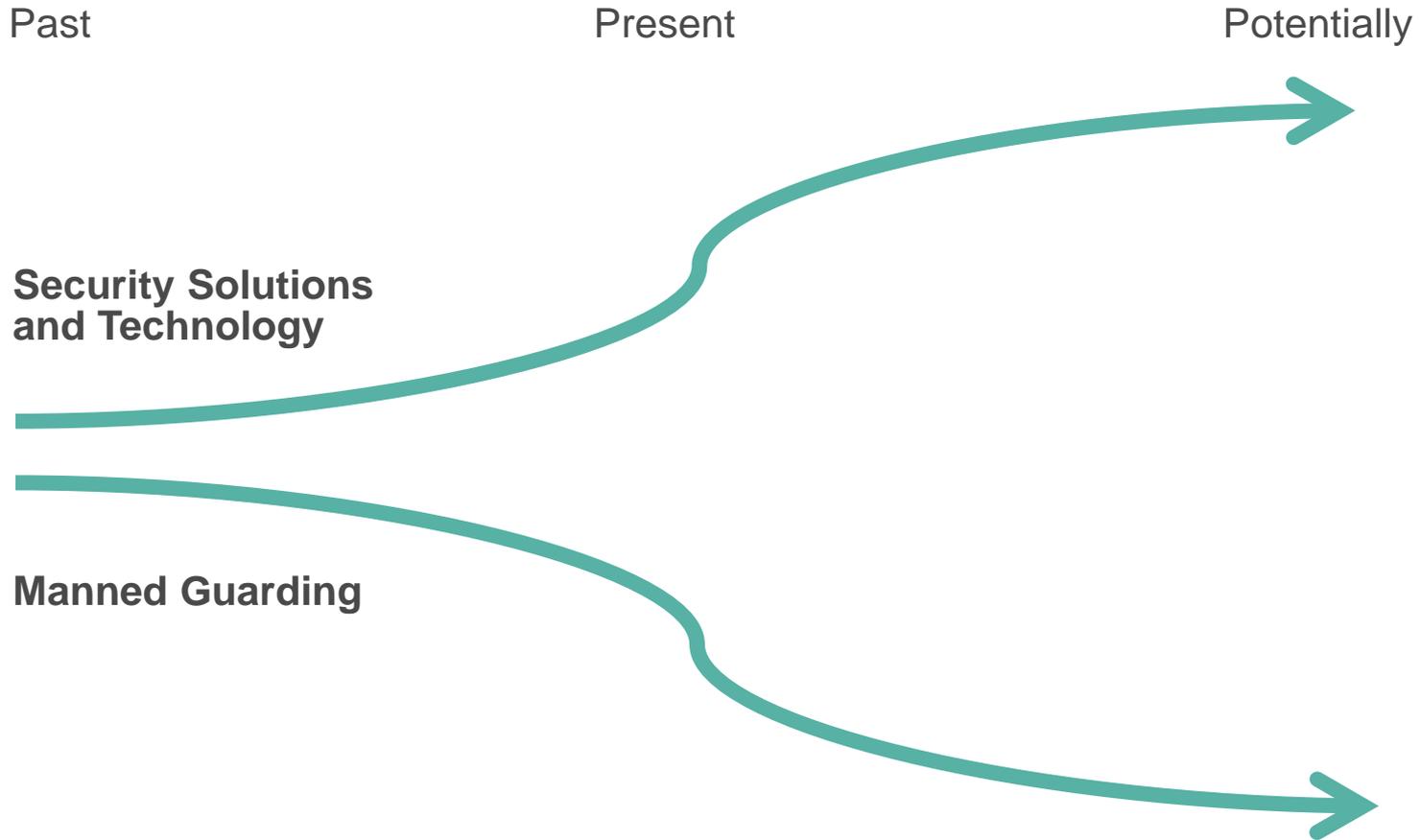


Alf Göransson
President and CEO

Securitas is Leading the Paradigm Shift in the Security Services Market



Facing a New Security Market



The speed of technology acceptance, implementation and pay off varies from country to country

The Paradigm Shift brings Opportunities



Past

Present

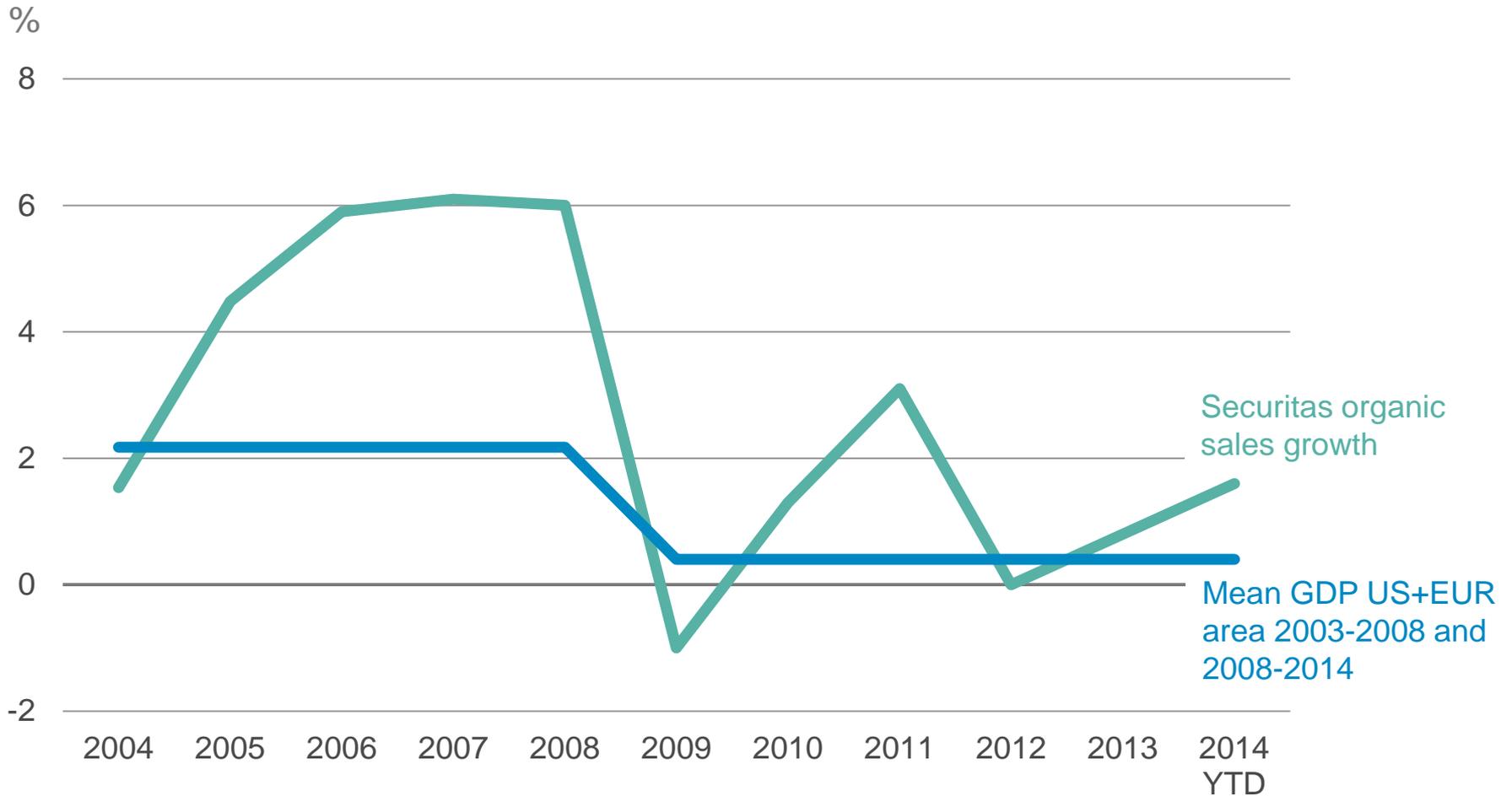
Potentially

**Security Solutions
and Technology**

Manned Guarding

Customers will benefit
from improved efficiency

Today Securitas Growth Equals GDP Growth



Our Path to Future Growth



Past

Present

Potentially

Security market growth:
GDP + 1-2 %

Security market growth:
GDP +/- 0 %

Enlarge the private
security market

Insourced
security market

Guarding
GDP-

Technology
++ %

Safety
GDP

Consulting
and
Investigation
++ %

Our path



Securitas is Well Prepared

Prepared for the Paradigm Shift



- After bid on Niscayah in 2011, we have rebuilt the technology competence organically
- Technology organization in place in all business segments
- Restructuring and cost savings program in 2012 to align the organization and free up resources for further technology investments
- Target to triple security solutions and technology sales, from 6% of Group sales in 2012 to 18% by end of 2015
- A lower pace of acquisitions in general, but selective acquisitions of technology companies in line with the strategy



Thinking and Acting as One Company



- Common targets and goals
- No internal markup or competition
- Shared P/L instead of silos
- Incentive Plan aligned with strategy
- Cross selling and bundling
- Common central support services



Securitas Business Segments



* Reported as part of Other in the segment reporting

A Complete Integrated Security Solutions Service



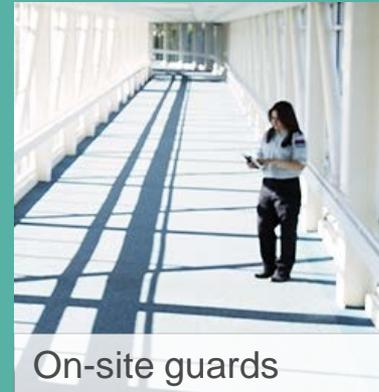
Remote Guarding



On Site Guarding



Interface



Remote Video Solutions

Monitoring

Video Management

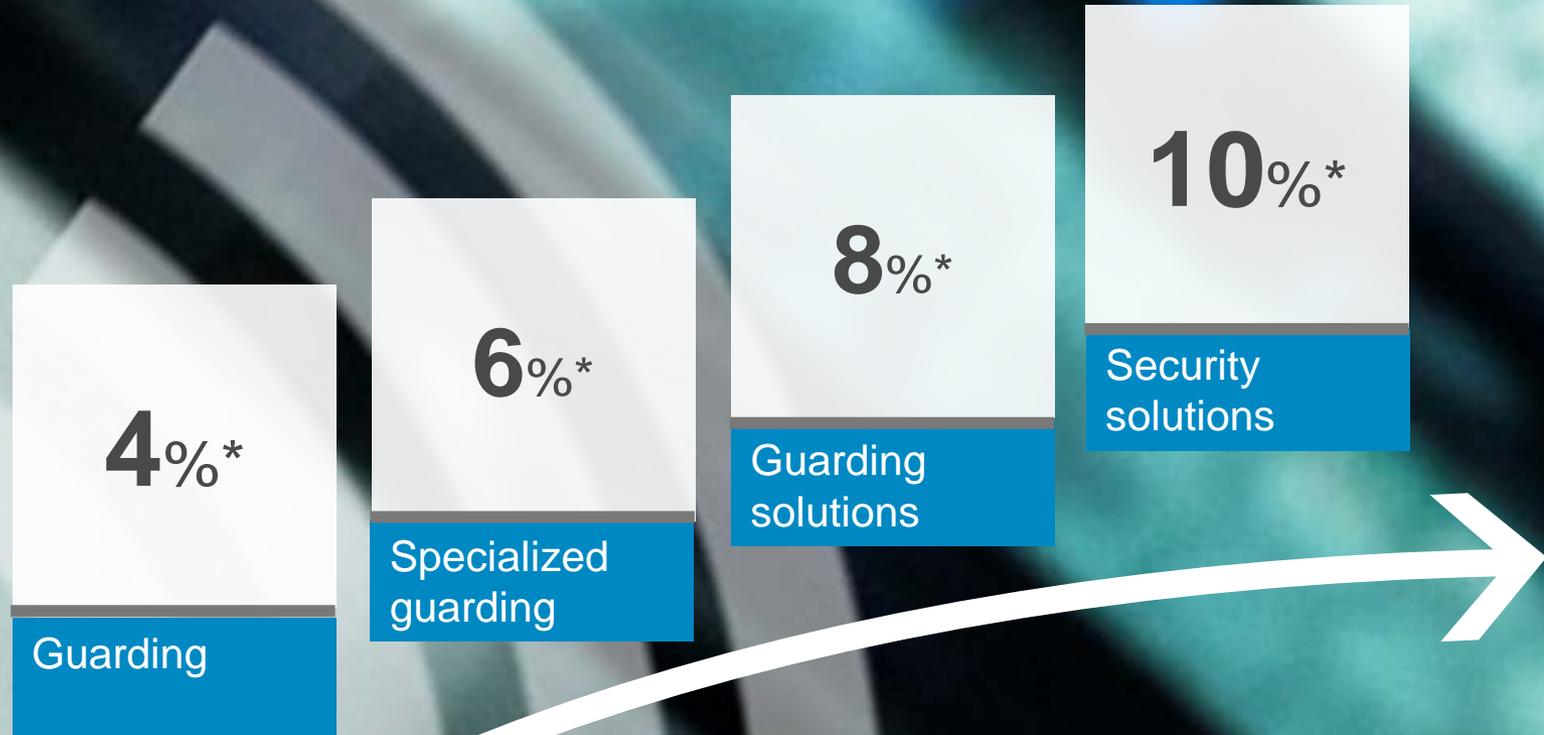
Reaching our Operational Target



Climbing the Value Chain with Security Solutions and Technology Improves Operating Margin



* Operating margin



Sales of security solutions and technology was 6 percent of Group sales in 2012 and 8 percent in 2013 – target to triple share of 2012 by end of 2015

The Strategy for Reaching our Earnings Per Share Growth Target



Conversion of existing customer portfolio

Organic sales growth	0 %
Gross margin , %	
Indirect cost, %	
Operating margin	
EPS improvement y-o-y < 10 %	

Conversion of existing customer portfolio,
enlarge the market and gaining market share

Organic sales growth	> 3 %
Gross margin , %	
Indirect cost, %	
Operating margin	
EPS improvement y-o-y 10 %	

An Operation Build on Trust



Sustainability – an Integral Part of the Business



- Securitas' Values and Ethics
- Complementing Group and local codes, for example regarding anti-corruption, entertainment and gifts
- Mandatory training in the Code for all employees
- Securitas Integrity Line, reporting system for managing non-compliance issues
- Sustainability reporting
- Risks related to non-compliance with the Code prioritized in the enterprise risk management process
 - CSR-related risks one of Securitas 7 key risks
 - Monitored by self assessment, diagnostics and audits



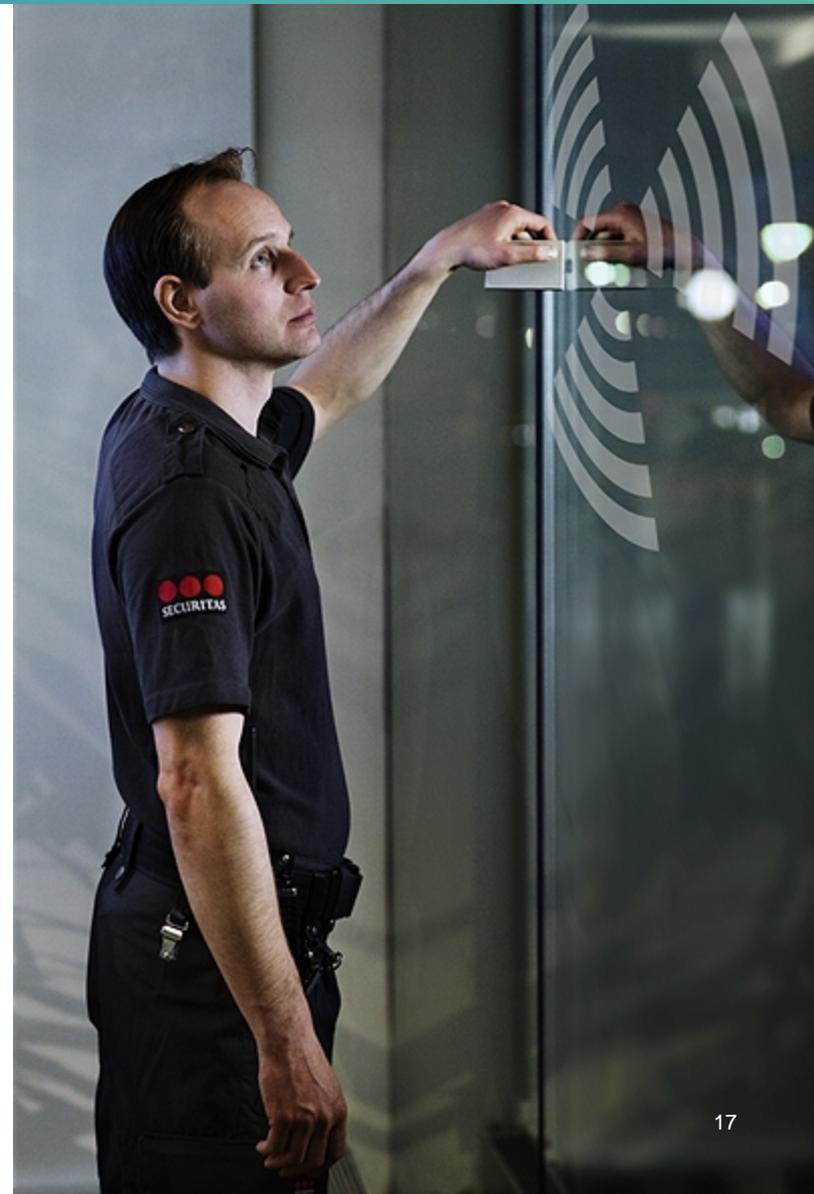
2013 – Continued Quarter-on-Quarter Improvement Trend



Highlights January - December 2013



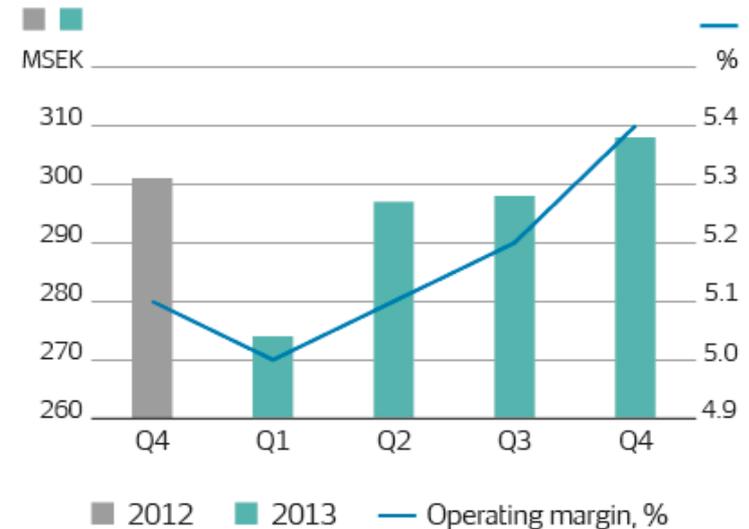
- Organic sales growth 1 percent (0)
- Operating margin 5.1% (4.6), mainly driven by restructuring and cost savings program initiated in 2012
- Cost savings achieved in accordance with the restructuring plan
- Improved operating result but challenging macro economic conditions in both the US and Europe hampered the improvement
- Free Cash Flow to net debt ratio 0.22 (0.21)
- Proposed dividend SEK 3.00 (3.00)



Security Services North America – Income Development 2013



- The operating margin 5.2% (4.7)
- Improvements mainly in the guarding regions due to the restructuring and cost savings program
- Federal government services turned around during 2013

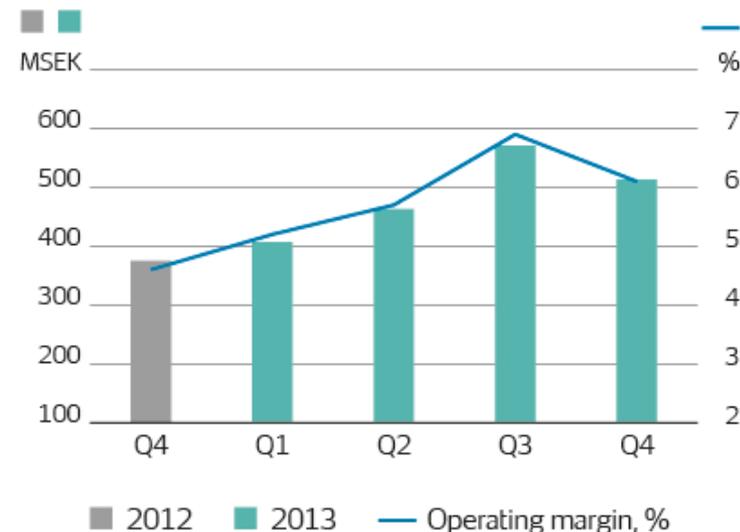


Comparatives have been restated due to the organizational changes in the Group as of January 1, 2013 and adoption of IAS 19 (revised).

Security Services Europe – Income Development 2013



- Operating margin 6.0% (5.1)
- Improvement mainly due to restructuring and cost savings program...
- ... but also because comparatives were weak due to one off costs recognized in Q4 2012
- The price and wage balance was negative but balanced by operational improvements and reduced social costs

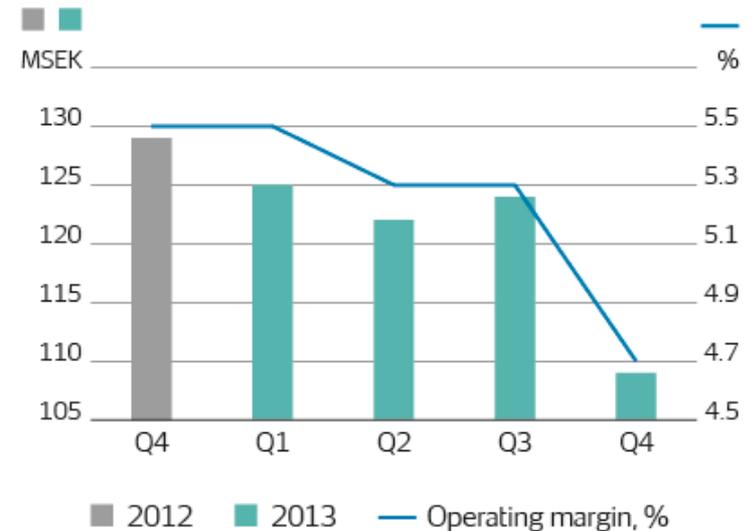


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Security Services Ibero-America – Income Development 2013



- Operating margin 5.2% (5.3)
- The operating margin in Spain was supported by the restructuring and cost savings, the collective bargaining agreement and sales from security solutions and technology. Portfolio losses and increased payroll taxes had a hampering effect
- The operating margin declined in Latin America due to effects of high inflation and restructuring costs

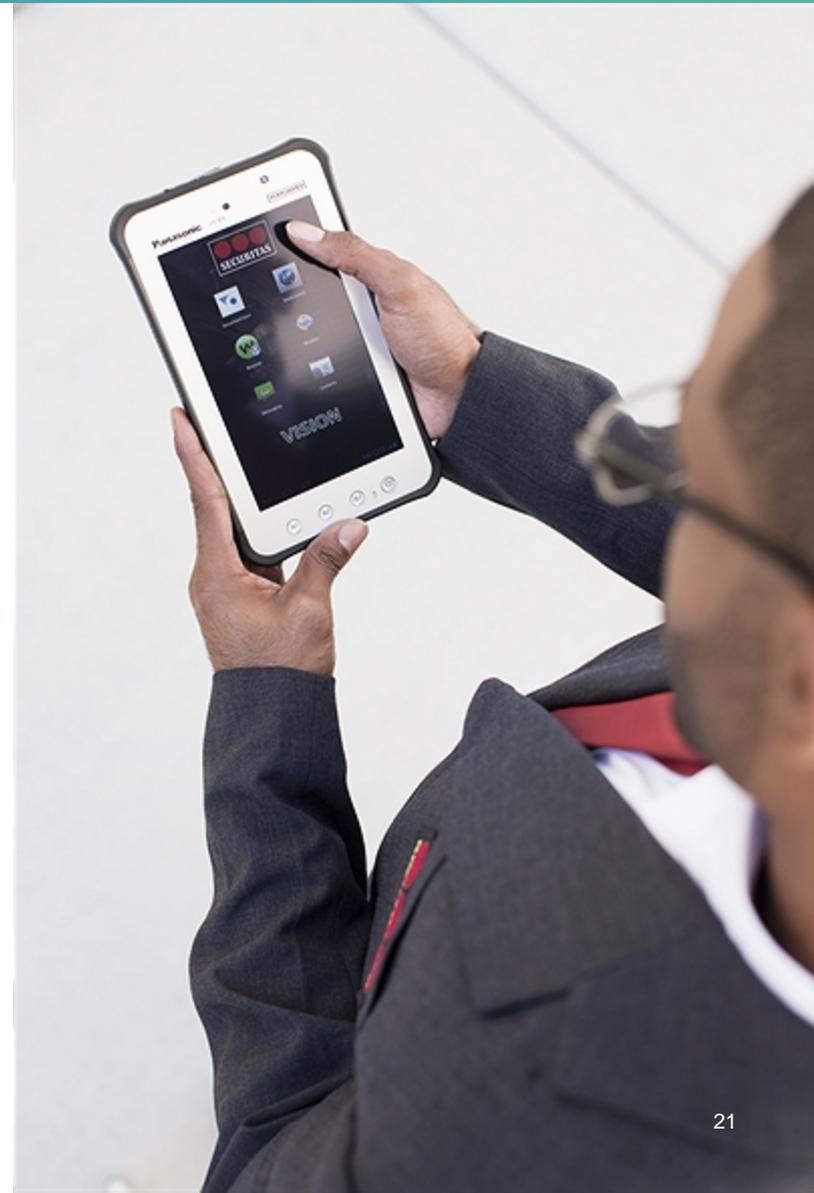


Comparatives have been restated due to the organizational changes in the Group as of January 1, 2013 and adoption of IAS 19 (revised).

Highlights January – March 2014



- Organic sales growth 2% (0).
The organic sales in the US shows signs of recovery, Latin America continuously strong
- Signs of improvement in the security market in France, Spain still difficult
- Operating margin 4.6% (4.7) – flat margins in SSNA and SSE but negative development in SSIA due to tough conditions in Spain
- Flat operating income, improved net income and EPS growth of 9 percent
- Free Cash Flow to net debt ratio 0.20 (0.20)



Questions and Answers





Integrity | Vigilance | Helpfulness