



Loomis AB

Annual General Meeting 2009

Agenda

- ❑ Loomis
 - an overview
- ❑ The market and its dynamics
- ❑ Strategy and activities
- ❑ Result 2008
- ❑ Result Q1 2009



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Managing Cash in Society



Loomis

Loomis Group

- ❑ Listed on NASDAQ OMX Stockholm
- ❑ Head office in Stockholm



Loomis USA

- ❑ 160 branch offices
- ❑ 7,700 employees
- ❑ Sales 2008:

Cash in transit	MSEK 3,256
Cash management	MSEK 660
Technical services	MSEK 22

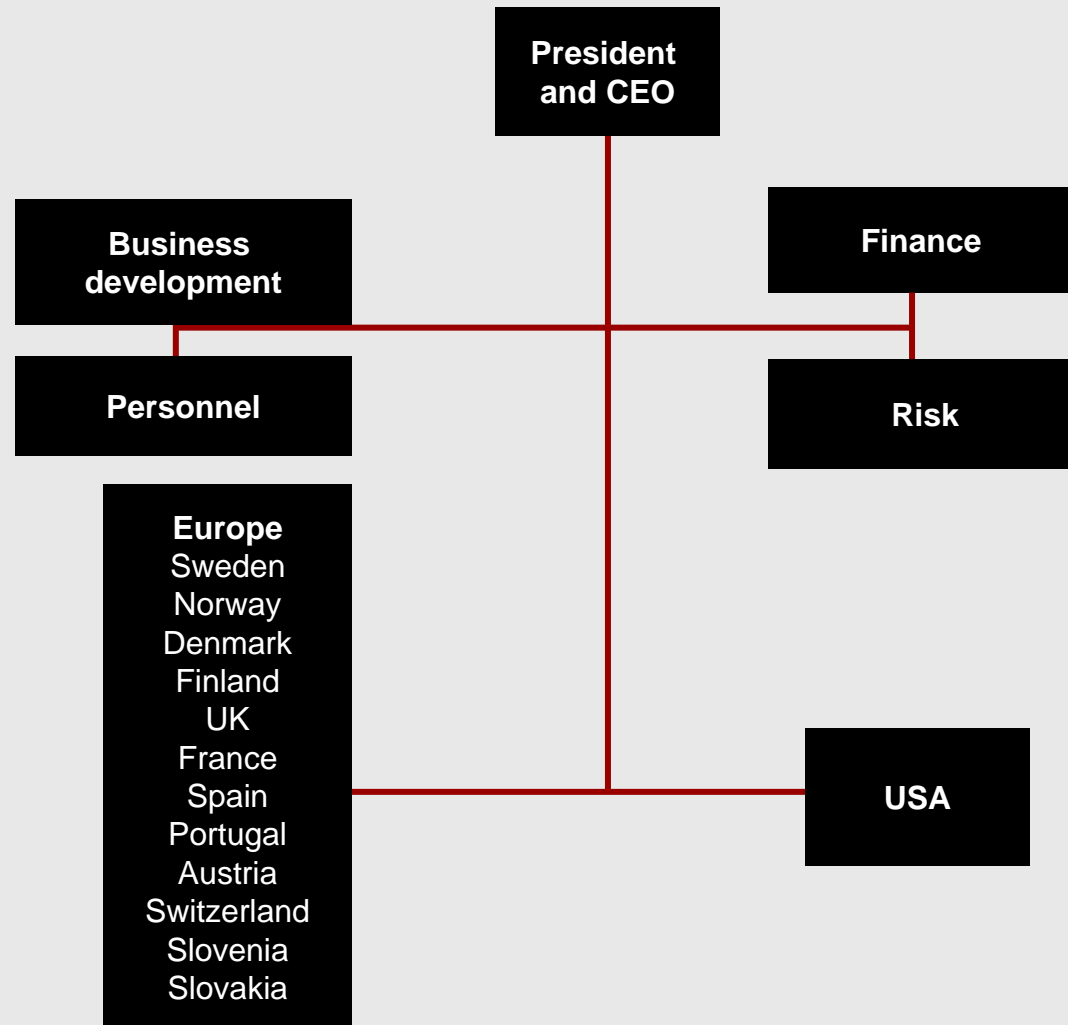
Loomis Europe

- ❑ 210 branch offices
- ❑ 11,650 employees
- ❑ Sales 2008:

Cash in transit	MSEK 4,793
Cash management	MSEK 2,316
Technical services	MSEK 211



Loomis – the organization



Organization:

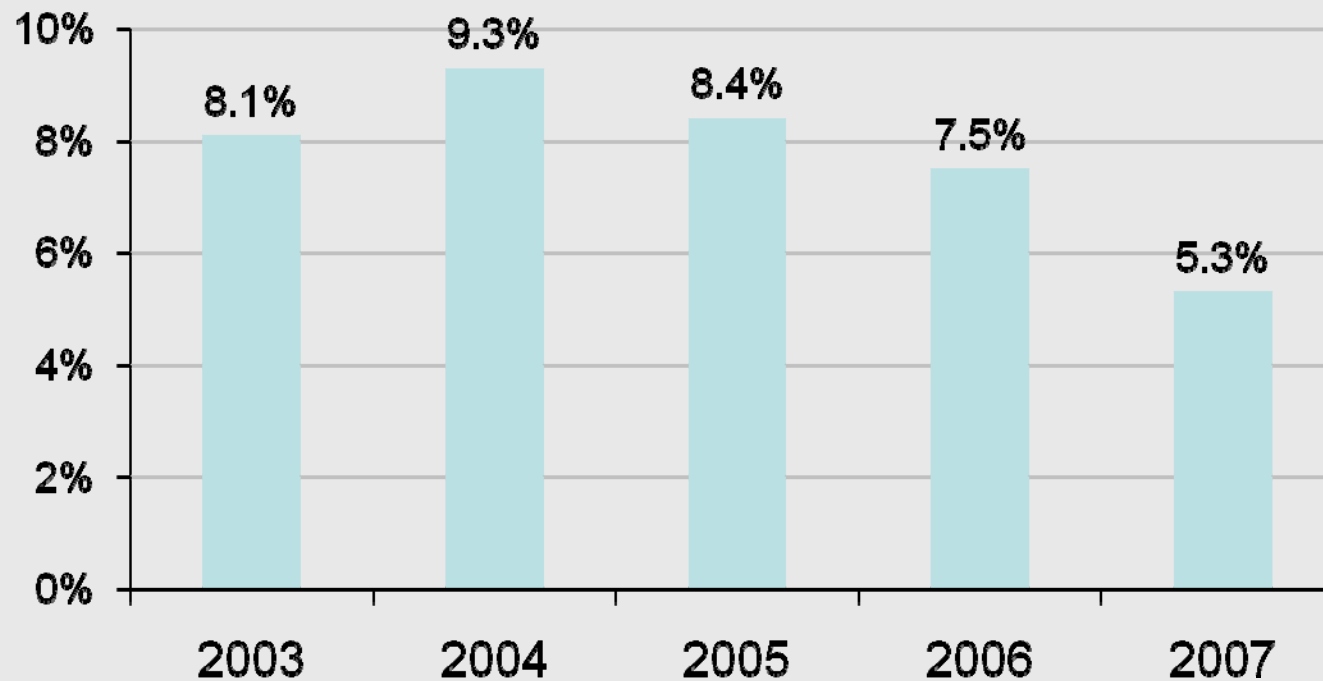
- ❑ Delegated responsibility
- ❑ Strong financial and risk control
- ❑ Minimal administration
- ❑ Common values

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Profitability development

Operating margin, %



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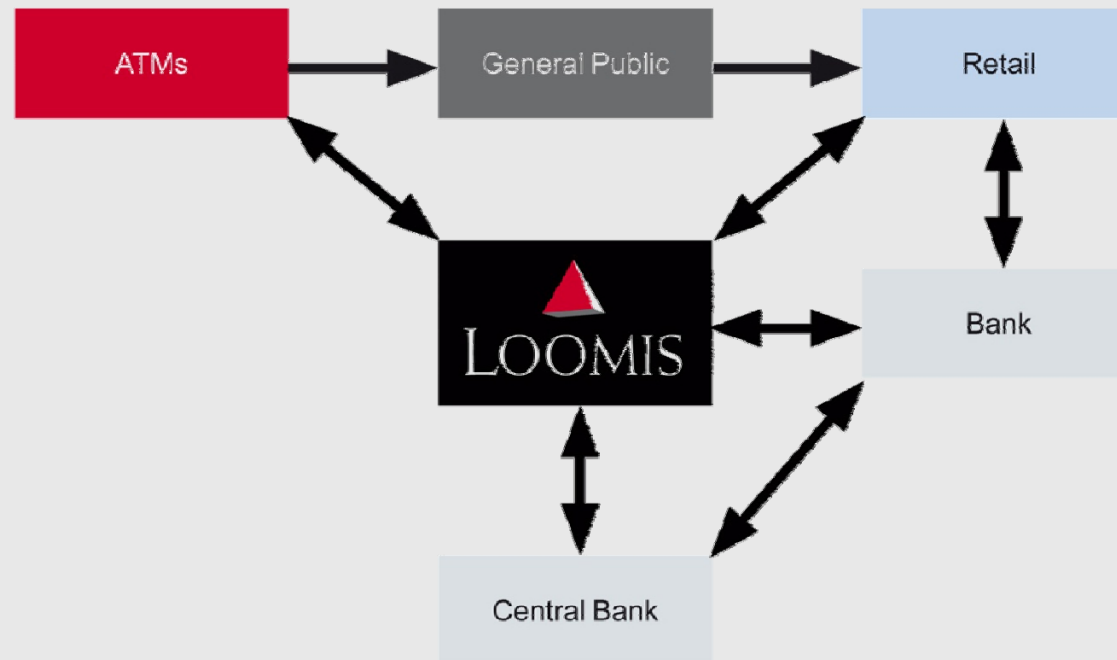
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The cash handling market

Loomis' cash handling operations



Note: This illustration is a simplified sketch of Loomis' operations and does not cover every detail.

Market trends – long-term

Outsourcing

- ❑ The banks are outsourcing cash handling, great prospects in the US
- ❑ Retailers are interested in secure and effective cash handling solutions

Consolidation

- ❑ Many small players, few large ones
- ❑ Entry barriers

Growth

- ❑ Number of bills in circulation constantly increasing



***Market
potential
for Loomis***

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Loomis' strategy

To offer our customers **secure and effective** cash solutions so they can reduce their total cash handling costs

Loomis' financial goals

- ❑ Operating margin of at least 10%
 - interim goal 8% by 2010
- ❑ Cash flow from operations shall be > 85 % of operating income
- ❑ Annual dividend of 30 – 50 % of profit after taxes

Loomis' activities

□ Price

- Charge for the services we perform
- Prices set according to the value of the service

□ Branch offices

- Delegate responsibility
- Know your business
- “Measure – Monitor – Manage”

□ Risk

- Minimize risk for the staff, the customers and the cash through technology and process development

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Highlights of 2008

- ❑ Loomis listed on NASDAQ OMX Stockholm, 9 December 2008
- ❑ Profit margin improved quarter by quarter
- ❑ Greater profitability in the second half of the year than the first
- ❑ No material impact of the recession as of 31 December 2008
- ❑ Interim goal of a margin of at least 8 % by 2010 still stands
- ❑ The Board is proposing a dividend of SEK 2.25/share



Financial highlights – Income statement

Income statement (MSEK)	Oct-Dec 2008	Oct-Dec 2007 *	Change %	Full year 2008	Full year 2007 *	Change %
Sales	3 107	2 710	15	11 258	10 591	6
<i>Organic sales growth, %</i>	2	1		3	1	
Operating income before amortization (Ebita)	239	86	178	748	566	32
<i>Operating margin, %</i>	7,7	3,2		6,6	5,3	
Operating income (Ebit)	235	-5	<i>n/a</i>	733	406	81
Income before taxes (Ebt)	192	-35	<i>n/a</i>	569	317	80
Net income	115	-16	<i>n/a</i>	424	187	126
<i>Net margin, %</i>	3,7	-0,6		3,8	1,8	
Earnings per share	1,6	-0,2		5,8	2,6	

* 2007 figures Pro Forma, i.e. excluding LCM

Financial highlights – Free cash flow

Free cash flow (MSEK)	Oct-Dec 2008	Oct-Dec 2007	Full year 2008	Full year 2007
Operating income before amortization	239	-42	748	259
Depreciation	187	171	675	672
Change in accounts receivable	172	111	79	-52
<i>DSO</i>	-	-	39	40
Change in other operating capital employed	-84	302	-231	168
Cash flow from operations before investments	514	542	1 271	1 046
Investment in fixed assets, net	-292	-333	-829	-737
<i>Investment / sales, %</i>	9	12	7	6
<i>Investment / depreciation ratio</i>	1,6	1,9	1,2	1,1
Cash flow from operations	222	210	442	309
<i>Cash conversion, %</i>	93	n/a	59	119
Financial items received/paid	-45	-37	-168	-125
Income tax paid	-16	-35	-6	-207
Free cash flow	161	138	268	-22

Conversion rate negatively impacted by provisions paid in 2007 and timing of recurring Opex.

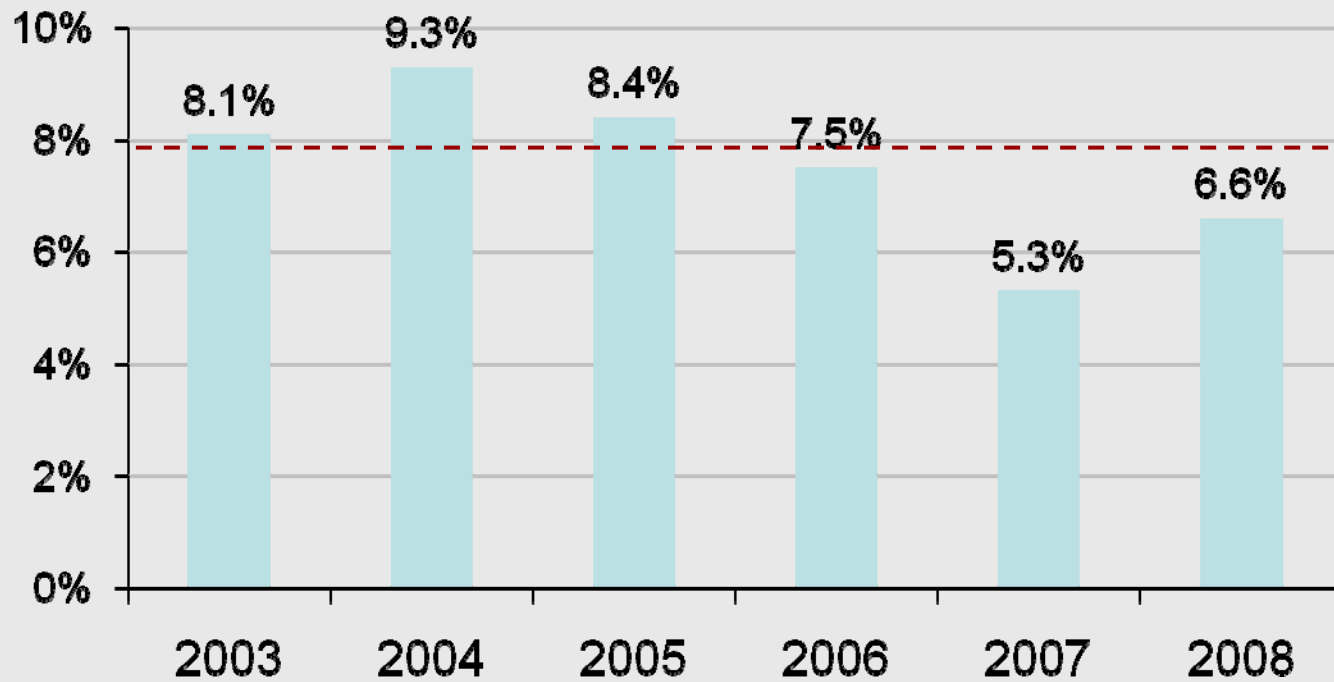
Taxes paid include refunds from prior years

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Profitability development

Operating margin, %

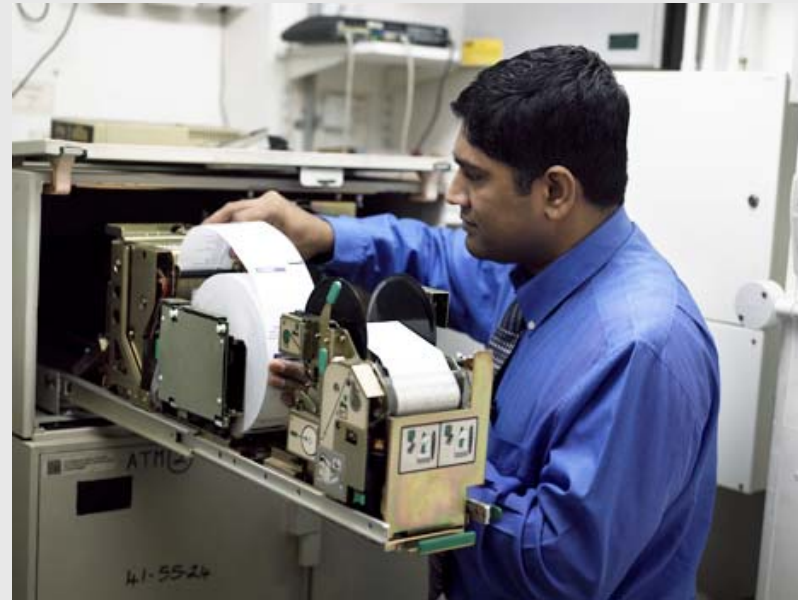


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Highlights of Q1 2009

- ❑ Operating margin improved from 5.3% to 5.8%
- ❑ Earnings per share increased by 55 %
- ❑ 77 senior executives invested in Loomis
- ❑ Marginal impact of the recession in certain markets
- ❑ USA operation reorganized with a focus on cutting costs
- ❑ Interim goal of an operating margin of at least 8 % by 2010 still stands



Financial highlights – Income statement

Income statement (MSEK)	Jan-Mar 2009	Jan-Mar 2008	Change %
Total revenue	3 187	2 647	20
Organic growth, %	-1	2	
Operating income before amortization (EBITA)	185	141	32
Operating margin, %	5,8	5,3	
Operating income after amortization (EBIT)	181	136	33
Income before taxes (EBT)	150	101	49
Net income for the year	105	68	55
Net margin, %	3,3	2,6	
Earnings per share	1,4	0,9	55

- ❑ *Sustained focus on margin improvement*
- ❑ *Strong positive currency effect*

Financial highlights – Free cash flow

Free cash flow (MSEK)	Jan-Mar 2009	Jan-Mar 2008
EBIT	185	141
Depreciation	198	157
Change in accounts receivable	15	-77
DSO	39	44
Change in other operating capital employed	-135	-385
Cash flow from operations before investment	263	-164
Investment in fixed assets	-168	-119
<i>Investment as % of sales</i>	5,3	4,5
Investment/return ratio	0,8	0,8
Cash flow from operations	95	-283
<i>% of EBITA</i>	51	n/a
Financial items received/paid	-38	-36
Income tax paid	-39	4
Free cash flow	18	-315

- ❑ *No negative impact on the customers' average credit period.*
- ❑ *The Group has made active efforts to even out cash flow over the year.*

Conceivable effects of the recession

	<u>Today</u>
Positive effects:	
<input type="checkbox"/> Proportion of cash increased for retailers	+ +
<input type="checkbox"/> Lower staff turnover	+ + +
<input type="checkbox"/> Banks are focusing on core business, outsourcing	-
Negative effects:	
<input type="checkbox"/> Increased risk of robbery	+ +
<input type="checkbox"/> Reduced trade/reduced volume Loomis	+ +
<input type="checkbox"/> Doubtful receivables increasing	-

+ = true - = false



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