Securitas AB

Interim Report January–June 2010

APRIL–JUNE 2010

- **Total sales MSEK 15,424 (15,907)**
- **Organic sales growth 0 percent (0)**
- **Operating margin 5.6 percent (5.5)**
- **Earnings per share SEK 1.29 (1.28)**

JANUARY–JUNE 2010

- **Total sales MSEK 30,295 (32,332)**
- **Organic sales growth –1 percent (0)**
- **Operating margin 5.5 percent (5.4)**
- **Earnings per share SEK 2.53 (2.68)**
- **Free cash flow/net debt 0.24 (0.18)**

COMMENTS FROM THE PRESIDENT AND CEO

With the uneven recovery taking place in the world economies, demand for security services has not yet increased due to the sector's late cyclicality. It has, however, stabilized at the current levels. The recovery seems to be steady in North America, while security industry development in Europe varies from country to country and remains difficult to predict.

The Securitas strategy – to focus on profitability and to differentiate the company from its competitors through the added value in optimizing security solutions for customers – has been successful in various business cycles over the past few years. In the first half of 2010 the real improvement in operating income continued amounting to 4 percent. The operating margin improved in all business segments.

Although Security Services North America's organic sales growth remained negative in the first half of the year, it is showing signs of improving. Security Services Europe as well as Mobile and Monitoring enjoyed positive organic sales growth.

During the second quarter a major acquisition was concluded in the U.S. in order to expand in the primary government security services market. 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.

Alf Göransson
President and Chief Executive Officer

Contents

FINANCIAL SUMMARY

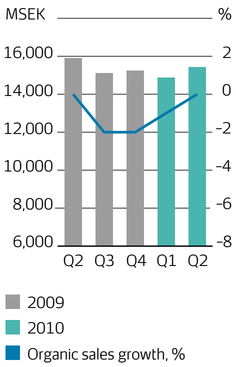
MSEK	Q2 2010	Q2 2009	*Total change, %*	H1 2010	H1 2009	*Total change, %*
Sales	**15,424**	**15,907**	**–3**	**30,295**	**32,332**	**–6**
Organic sales growth, %	*0*	*0*		*–1*	*0*	
Real sales growth, including acquisitions, %	*3*	*3*		*2*	*4*	
Operating income before amortization	**859**	**880**	**–2**	**1,676**	**1,752**	**–4**
Operating margin, %	*5.6*	*5.5*		*5.5*	*5.4*	
Real change, %	*4*	*2*		*4*	*2*	
Income before taxes and items affecting comparability	**671**	**679**	**–1**	**1,314**	**1,394**	**–6**
Real change, %	*4*	*–7*		*2*	*–2*	
Income before taxes	**671**	**679**	**–1**	**1,314**	**1,394**	**–6**
Real change, %	*4*	*–7*		*2*	*–2*	
Net income	**470**	**468**	***0***	**921**	**978**	**–6**
Earnings per share (SEK)	1.29	1.28	1	2.53	2.68	–6

ORGANIC SALES GROWTH AND OPERATING MARGIN DEVELOPMENT PER BUSINESS SEGMENT

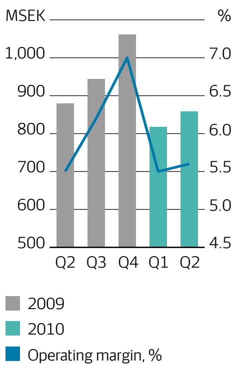
	Organic sales growth				Operating margin			
	Q2		H1		Q2		H1	
%	2010	2009*	2010	2009*	2010	2009*	2010	2009*
Security Services North America	–4	–2	–5	–2	6.0	5.8	5.7	5.6
Security Services Europe	1	0	1	1	5.1	5.1	5.2	5.1
Mobile and Monitoring	1	3	2	4	10.6	10.8	10.9	10.7
Group	**0**	**0**	**–1**	**0**	**5.6**	**5.5**	**5.5**	**5.4**

* 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 21 for quarterly information for 2009.

Group quarterly sales development



Group quarterly operating income development



APRIL–JUNE 2010

Sales and market development

Sales amounted to MSEK 15,424 (15,907) and organic sales growth was 0 percent (0). Development is estimated to be in line with security market growth in Europe and slightly lower in North America. Organic sales growth in the guarding operations is showing signs of a slow but steady recovery.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 3 percent (3).

Operating income before amortization

Operating income before amortization was MSEK 859 (880) which, adjusted for changes in exchange rates, represented an increase of 4 percent.

The Group´s operating margin was 5.6 percent (5.5). Security Services North America improved its operating margin compared to last year, while Security Services Europe´s margin was flat. The Group´s improved profitability in the second quarter was attributable to lower bad debt losses and provisions for bad debt losses and cost control.

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

Operating income after amortization

Amortization of acquisition related intangible assets amounted to MSEK –39 (–34).

Acquisition related costs impacted the quarter by MSEK –20 (0). Further information is provided in note 4.

Financial income and expenses

Financial income and expenses amounted to MSEK –129 (–166). 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 671 (679). The real change was 4 percent.

Taxes, net income and earnings per share

The Group's tax rate was 29.9 percent (31.1). The higher rate in 2009 was mainly due to capitalization within Securitas Spain. For further information refer to note 37 in the Annual Report 2009.

Net income was MSEK 470 (468). Earnings per share amounted to SEK 1.29 (1.28).

JANUARY–JUNE 2010

Sales and market development
Sales amounted to MSEK 30,295 (32,332) and organic sales growth was –1 percent (0). Development is estimated to be in line with security market growth in Europe and slightly lower in North America. The consequences of the recession were still having a negative impact and impeding the Group´s organic sales growth in the first half of the year. Security Services North America´s organic sales growth was negative while Security Services Europe and Mobile and Monitoring enjoyed positive growth.

Real sales growth, including acquisitions and adjusted for changes in exchange rates, was 2 percent (4).

Operating income before amortization
Operating income before amortization was MSEK 1,676 (1,752) which, adjusted for changes in exchange rates, represented an increase of 4 percent.

The operating margin was 5.5 percent (5.4), an improvement reflected in all business segments. The improved profitability in the first half of the year was mainly related to lower bad debt losses and provisions for bad debt losses, cost control and the positive effects of a lower employee turnover rate.

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

Operating income after amortization
Amortization of acquisition related intangible assets amounted to MSEK –77 (–68).

Acquisition related costs impacted the first half of the year by MSEK –25 (–2). Further information is provided in note 4.

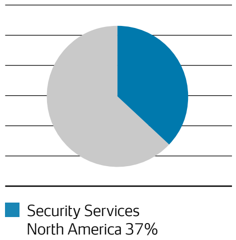
Financial income and expenses
Financial income and expenses amounted to MSEK –261 (–288).

Income before taxes
Income before taxes was MSEK 1,314 (1,394). The real change was 2 percent.

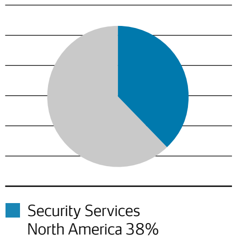
Taxes, net income and earnings per share
The Group’s tax rate was 29.9 percent (29.9).

Net income was MSEK 921 (978). Earnings per share amounted to SEK 2.53 (2.68).

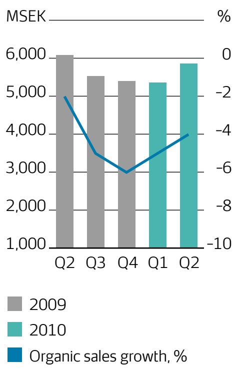
Share of Group sales



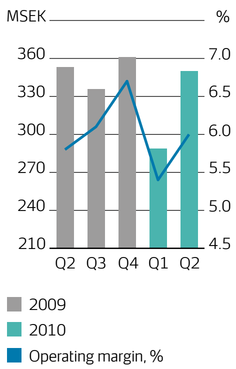
Share of Group operating income



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 600 branch offices and approximately 100,000 employees.

Security Services North America	April–June		January–June		January–December
MSEK	**2010**	**2009**	**2010**	**2009**	**2009**
Total sales	**5,855**	**6,077**	**11,217**	**12,605**	**23,530**
Organic sales growth, %	*-4*	*-2*	*-5*	*-2*	*-4*
Operating income before amortization	**350**	**353**	**639**	**703**	**1,400**
Operating margin, %	*6.0*	*5.8*	*5.7*	*5.6*	*5.9*
Real change, %	*2*	*3*	*-1*	*1*	*2*

April–June 2010

Organic sales growth was -4 percent (-2) in the second quarter, an improvement on the first quarter of 2010. The development is due to a steady but positive net change in the contract portfolio.

The new sales rate in the second quarter was higher than in the second quarter last year.

The operating margin was 6.0 percent (5.8). The improvement is primarily due to a focus on cost control with the continuing benefits afforded by a favorable employment market. Lower bad debt losses and provisions for bad debt losses also contributed to the development.

The U.S. dollar exchange rate had a slightly negative effect on the operating result in Swedish kronor. The real change was 2 percent in the second quarter.

January–June 2010

Organic sales growth was -5 percent (-2) in the first half of the year. The progress of the organic sales growth development took place towards the end of the first half of the year, and therefore had a limited impact on the organic sales growth figures for the period.

The new sales rate in the first of the half year was lower than in the same period last year, when it was boosted mainly by good growth in the Healthcare segment.

The operating margin increased to 5.7 percent (5.6). Cost reductions coupled with lower bad debt losses and provisions for bad debt losses contributed to this development. This effect was partially counteracted by higher payroll taxes that were not fully compensated for in the first half of the year.

The U.S. dollar exchange rate had a negative effect on the operating result in Swedish kronor. The real change was -1 percent in the first half of the year.

The client retention rate was just under 90 percent which is in line with the same period last year. The employee turnover rate in the U.S. was 36 percent (48).

SECURITY SERVICES EUROPE

Security Services Europe provides specialized security and safety services for large and medium-sized customers in 24 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 110,000 employees.

Security Services Europe	April–June		January–June		January–December
MSEK	**2010**	**2009***	**2010**	**2009***	**2009***
Total sales	**7,515**	**7,970**	**15,045**	**15,994**	**31,517**
Organic sales growth, %	*1*	*0*	*1*	*1*	*0*
Operating income before amortization	**381**	**410**	**775**	**814**	**1,800**
Operating margin, %	*5.1*	*5.1*	*5.2*	*5.1*	*5.7*
Real change, %	*2*	*-3*	*4*	*-1*	*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 21 for quarterly information for 2009.

April–June 2010

Organic sales growth was 1 percent (0) in the second quarter. The improvement is due to a positive development in the contract portfolio. However, the countries in the European guarding operation are not showing a uniform picture in terms of organic sales growth. There was positive development in countries such as Austria, Denmark, Germany, Netherlands, Romania, Switzerland, Turkey and the United Kingdom. France also showed positive organic sales growth, while countries such as Norway and Spain experienced negative organic sales growth. Organic sales growth was good in Aviation in the second quarter.

The new sales rate was slightly lower in the second quarter than in the second quarter last year.

The operating margin was 5.1 percent (5.1). Lower bad debt provisions and losses had a positive impact, while the lower level of extra sales had a negative effect. Aviation's operating margin declined in the second quarter 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 2 percent for the quarter.

January–June 2010

Organic sales growth was 1 percent (1) in the first half of the year. Positive organic sales growth was seen in countries such as Austria, Denmark, Finland, Germany, Netherlands, Sweden, Switzerland and Turkey. Negative organic sales growth was seen in countries such as Norway and Spain. Organic sales growth was good in Aviation in the first half of the year.

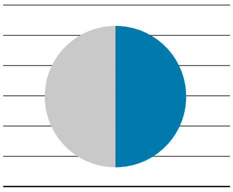
The new sales rate was slightly lower in the first half year than in the same period last year.

The operating margin was 5.2 percent (5.1). The increase is primarily related to lower bad debt provisions and losses. The lower level of extra sales had a negative impact on the margin. Aviation's operating margin declined in the first half of the year, due to the events described under the second quarter above.

The euro exchange rate had a negative impact on the operating income in Swedish kronor. The real change was 4 percent in the first half of the year.

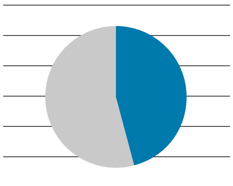
The client retention rate was approximately 90 percent. The employee turnover rate was approximately 25 percent (26).

Share of Group sales



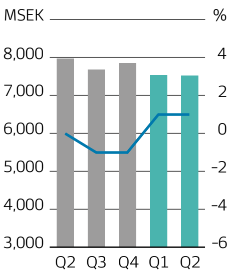
Security Services Europe 50%

Share of Group operating income



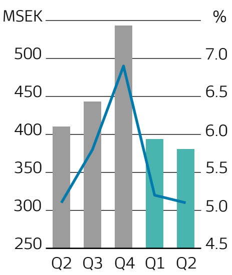
Security Services Europe 46%

Quarterly sales development



2009
2010
Organic sales growth, %

Quarterly operating income development



2009
2010
Operating margin, %

MOBILE AND MONITORING

Mobile provides mobile security services for small and medium-sized businesses, 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	**April–June**		**January–June**		**January–December**
MSEK	**2010**	**2009***	**2010**	**2009***	**2009***
Total sales	**1,486**	**1,556**	**2,974**	**3,088**	**6,168**
Organic sales growth, %	*1*	*3*	*2*	*4*	*3*
Operating income before amortization	**157**	**168**	**325**	**331**	**740**
Operating margin, %	*10.6*	*10.8*	*10.9*	*10.7*	*12.0*
Real change, %	*-1*	*8*	*4*	*12*	*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 21 for quarterly information for 2009.

April–June 2010

Organic sales growth was 1 percent (3). The consequences of the recession continued to negatively affect the contract portfolio's net change. In the Mobile operation, countries such as Germany, Netherlands, Norway and Sweden showed positive organic sales growth. The Monitoring operation enjoyed good organic sales growth in the Nordic countries and in the Netherlands.

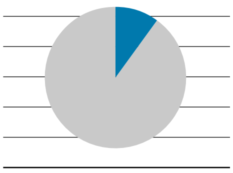
The operating margin, which was 10.6 percent (10.8), was impacted by a provision due to changes in Group Management. Without this provision the operating margin would have been higher than in the same period last year. The real change was –1 percent for the quarter.

January–June 2010

Organic sales growth was 2 percent (4). The lower organic sales growth compared to last year was primarily explained by the recession. In the Mobile operation, countries such as Germany, Netherlands, Norway, Portugal and Sweden showed positive organic sales growth. The Monitoring operation enjoyed good organic sales growth in the Nordic countries.

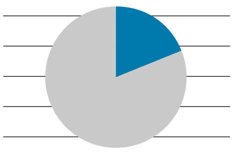
The operating margin was 10.9 percent (10.7). Lower bad debt provisions and losses had a positive effect on the operating margin. The entry into the Monitoring market in Spain also contributed to the improved margin. The real change was 4 percent for the first half of the year.

Share of Group sales



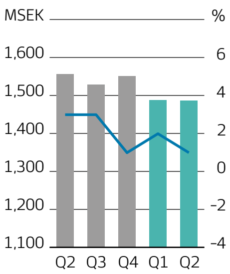
Mobile and Monitoring 10%

Share of Group operating income



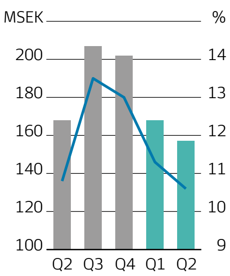
Mobile and Monitoring 19%

Quarterly sales development



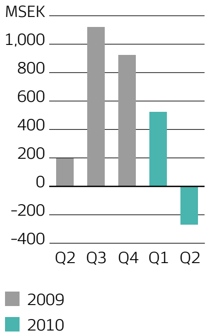
2009
2010
Organic sales growth, %

Quarterly operating income development



2009
2010
Operating margin, %

Quarterly free cash flow



April–June 2010

Operating income before amortization amounted to MSEK 859 (880). Net investments in non-current tangible and intangible assets amounted to MSEK 22 (–24).

Changes in accounts receivable amounted to MSEK –354 (–31). Changes in other operating capital employed amounted to MSEK –185 (–280).

Cash flow from operating activities amounted to MSEK 342 (545), equivalent to 40 percent (62) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –317 (–112). Current taxes paid amounted to MSEK –295 (–237).

Free cash flow was MSEK –270 (196), equivalent to –49 percent (37) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –347 (–53).

Cash flow from items affecting comparability was MSEK –1 (–2).

Cash flow from financing activities was MSEK 153 (–76).

Cash flow for the period was MSEK –465 (65).

January–June 2010

Operating income before amortization amounted to MSEK 1,676 (1,752). Net investments in non-current tangible and intangible assets amounted to MSEK 28 (–23).

Changes in accounts receivable amounted to MSEK –644 (–321). Changes in other operating capital employed amounted to MSEK 1 (–626).

Cash flow from operating activities amounted to MSEK 1,061 (782), equivalent to 63 percent (45) of operating income before amortization.

Financial income and expenses paid amounted to MSEK –403 (–297). Current taxes paid amounted to MSEK –404 (–362).

Free cash flow was MSEK 254 (123), equivalent to 24 percent (11) of adjusted income.

Cash flow from investing activities, acquisitions, was MSEK –450 (–193).

Cash flow from items affecting comparability was MSEK –2 (–3).

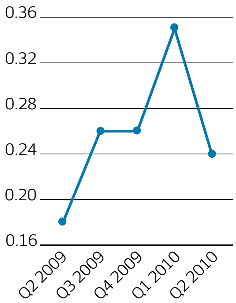
Cash flow from financing activities was MSEK –117 (–1,264).

Cash flow for the period was MSEK –315 (–1,337).

Net debt development

MSEK	
Jan 1, 2010	**-8,388**
Free cash flow	254
Acquisitions	-450
IAC payments	-2
Dividend paid	-1,095
Change in net debt	**-1,293**
Translation and revaluation	-19
Jun 30, 2010	**-9,700**

Free cash flow/net debt



Capital employed as of June 30, 2010

The Group's operating capital employed was MSEK 3,372 (2,623 as of December 31, 2009) corresponding to 5 percent of sales (4 as of December 31, 2009) adjusted for the full year sales figures of acquired units.

Acquisitions increased operating capital employed by MSEK 40 during the period.

Acquisitions increased consolidated goodwill by MSEK 315. Adjusted for positive translation differences of MSEK 110, total goodwill for the Group amounted to MSEK 13,983 (13,558 as of December 31, 2009).

Acquisitions have increased acquisition related intangible assets by MSEK 70. After amortization of MSEK -77 and negative translation differences of MSEK -20, acquisition related intangible assets amounted to MSEK 868 (895 as of December 31, 2009).

The Group's total capital employed was MSEK 18,364 (17,209 as of December 31, 2009). The translation of foreign capital employed to Swedish kronor increased the Group's capital employed by MSEK 129.

The return on capital employed was 20 percent (22 as of December 31, 2009).

Financing as of June 30, 2010

The Group's net debt amounted to MSEK 9,700 (8,388 as of December 31, 2009). Acquisitions and acquisition related payments increased the Group's net debt by MSEK 450, of which purchase price payments accounted for MSEK 449, assumed net debt for MSEK -23 and acquisition related costs paid accounted for MSEK 24. The Group's net debt increased by MSEK 46 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 (0.18).

The main debt instruments drawn as of the end of June 2010 were three 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 two floating rates notes (FRN's), one for MEUR 45 maturing in 2014 and one for MUSD 62 maturing in 2015. In early July 2010 another FRN for MUSD 40 was issued, also maturing in 2015. In addition to the above, Securitas has access to committed financing through the MUSD 1,100 revolving credit facility maturing in 2012.

Securitas 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 June 30, 2010:

Type	Currency	Facility amount (million)	Available amount (million)	Maturity
Multi Currency Revolving Credit Facility	USD (or equivalent)	1,100	641	2012
EMTN Eurobond, 6.50% fixed	EUR	500	0	2013
EMTN FRN Private Placement	EUR	45	0	2014
EMTN FRN Private Placement	USD	62	0	2015
Commercial Paper (uncommitted)	SEK	5,000	1,725	n/a

The interest cover ratio amounted to 7.3 (4.4).

Shareholders' equity amounted to MSEK 8,664 (8,821 as of December 31, 2009). The translation of foreign assets and liabilities into Swedish kronor increased shareholders' equity by MSEK 118 after taking into account net investment hedging of MSEK 35 and MSEK 83 before net investment hedging. Refer to the statement of comprehensive income on page 15 for further information.

The total number of outstanding shares amounted to 365,058,897 as of June 30, 2010.

ACQUISITIONS JANUARY–JUNE 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	14	35	-
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	267	217	-
Other acquisitions [5] [7]				198	91	–6	45
Total acquisitions January–June 2010				**1,400**	**426**	**315**[6]	**70**
Amortization of acquisition related intangible assets						-	–77
Exchange rate differences						110	–20
Closing balance						**13,983**	**868**

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

2) Refers to voting rights.

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, Addici (contract portfolio) and Jourman (contract portfolio), Services Sweden, Dalslands bevakning (contract portfolio) and Labelå (contract portfolio), Mobile Sweden, Verdisikring Vest (contract portfolio), Mobile Norway, G4S, Germany, Ferssa Group, Services France, Staff Sécurité (contract portfolio), AGSPY and SCPS (contract portfolio), Mobile France, 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, Czech Republic, Gordon, 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 and Long Hai Security, Vietnam. Related also to deferred considerations paid in the USA, 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 –9. Total deferred considerations, short-term and long-term, in the Group's balance sheet amount to MSEK 270.

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 17. Transaction costs can be found in note 4 on page 20.

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.

ACQUISITIONS AFTER THE SECOND QUARTER

Legend Group Holding International, Singapore
Securitas has acquired the security services company Legend Group Holding International in Singapore. Legend has approximately 600 employees. The acquisition was consolidated in Securitas as of July 1, 2010.

Other significant events

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 will make a total payment of MEUR 5.9 in return for Heros waiving all claims whatsoever against the Securitas Group. The Securitas companies will simultaneously waive all claims against the bankruptcy estate. The settlement amount is 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.

Change in Group Management
The Divisional President of the Mobile Division, Morten Rønning, left Securitas on July 8, 2010. Securitas AB's President and CEO Alf Göransson manages the Mobile Division until a new Divisional President has been appointed.

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 is now being implemented throughout the Securitas 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 six-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 Group's 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–June 2010

The Parent Company's income amounted to MSEK 521 (486) and mainly relates to administrative contributions and other income from subsidiaries.

Financial income and expenses amounted to MSEK –313 (–179). Exchange rate differences had a negative impact on the finance net. Income after financial items amounted to MSEK –34 (106).

As of June 30, 2010

The Parent Company's non-current assets amounted to MSEK 40,870 (40,604 as of December 31, 2009) and mainly comprise shares in subsidiaries of MSEK 40,172 (40,074 as of December 31, 2009). Current assets amounted to MSEK 3,768 (4,527 as of December 31, 2009) of which liquid funds amounted to MSEK 114 (2 as of December 31, 2009).

Shareholders' equity amounted to MSEK 20,739 (21,855 as of December 31, 2009).

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

The Parent Company's liabilities amounted to MSEK 23,899 (23,276 as of December 31, 2009) and mainly consist of interest-bearing debt.

For further information, refer to the Parent Company's condensed financial statements on page 22.

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 1.3 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 2.3 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.

STATEMENT OF INCOME

MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Continuing operations						
Sales	15,000.3	15,434.0	29,538.6	31,385.3	61,216.7	55,247.9
Sales, acquired business	423.9	472.7	756.1	946.6	1,450.0	1,323.7
Total sales	**15,424.2**	**15,906.7**	**30,294.7**	**32,331.9**	**62,666.7**	**56,571.6**
Organic sales growth, % [1]	0	0	–1	0	–1	6
Production expenses	–12,655.7	–13,011.0	–24,832.6	–26,475.3	–50,983.9	–46,122.9
Gross income	**2,768.5**	**2,895.7**	**5,462.1**	**5,856.6**	**11,682.8**	**10,448.7**
Selling and administrative expenses	–1,912.4	–2,017.9	–3,791.3	–4,109.2	–7,933.5	–7,196.3
Other operating income [2]	2.8	2.8	5.6	6.0	11.3	18.7
Share in income of associated companies [3]	–0.1	–0.8	0.0	–1.6	–4.1	–0.4
Operating income before amortization	**858.8**	**879.8**	**1,676.4**	**1,751.8**	**3,756.5**	**3,270.7**
Operating margin, %	5.6	5.5	5.5	5.4	6.0	5.8
Amortization of acquisition related intangible assets	–39.4	–34.0	–77.3	–68.1	–138.3	–102.2
Acquisition related costs [4]	–19.8	-	–24.7	–1.9	–5.9	–52.6
Items affecting comparability	-	-	-	-	-	–29.3
Operating income after amortization	**799.6**	**845.8**	**1,574.4**	**1,681.8**	**3,612.3**	**3,086.6**
Financial income and expenses [5]	–128.6	–166.4	–260.9	–287.9	–589.8	–469.6
Income before taxes	**671.0**	**679.4**	**1,313.5**	**1,393.9**	**3,022.5**	**2,617.0**
Net margin, %	4.4	4.3	4.3	4.3	4.8	4.6
Current taxes	–181.4	–180.1	–350.6	–352.7	–715.4	–651.8
Deferred taxes	–19.3	–31.1	–42.2	–63.7	–189.1	–75.3
Net income for the period, continuing operations	**470.3**	**468.2**	**920.7**	**977.5**	**2,118.0**	**1,889.9**
Net income for the period, discontinued operations	-	-	-	-	-	431.8
Net income for the period, all operations	**470.3**	**468.2**	**920.7**	**977.5**	**2,118.0**	**2,321.7**
Whereof attributable to:						
Equity holders of the Parent Company	471.3	467.6	922.8	977.8	2,116.2	2,323.6
Non-controlling interests	–1.0	0.6	–2.1	–0.3	1.8	–1.9
Earnings per share before dilution, continuing operations (SEK)	1.29	1.28	2.53	2.68	5.80	5.18
Earnings per share before dilution, discontinued operations (SEK)	-	-	-	-	-	1.18
Earnings per share before dilution, all operations (SEK)	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.36**
Earnings per share after dilution, continuing operations (SEK)	1.29	1.28	2.53	2.68	5.80	5.18
Earnings per share after dilution, discontinued operations (SEK)	-	-	-	-	-	1.18
Earnings per share after dilution, all operations (SEK)	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.36**

STATEMENT OF COMPREHENSIVE INCOME

MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Net income for the period, all operations	**470.3**	**468.2**	**920.7**	**977.5**	**2,118.0**	**2,321.7**
Other comprehensive income						
Actuarial gains and losses net of tax, all operations	–108.3	–34.2	–121.0	8.7	16.2	–464.6
Cash flow hedges net of tax, all operations	13.9	26.8	21.4	15.6	56.8	–130.2
Net investment hedges, all operations	–121.9	202.0	35.3	36.2	254.9	–232.8
Translation differences, all operations	446.5	–507.1	83.4	–209.0	–1,073.8	2,188.1
Other comprehensive income for the period, all operations [6]	**230.2**	**–312.5**	**19.1**	**–148.5**	**–745.9**	**1,360.5**
Total comprehensive income for the period, all operations	**700.5**	**155.7**	**939.8**	**829.0**	**1,372.1**	**3,682.2**
Whereof attributable to:						
Equity holders of the Parent Company	701.4	155.3	942.0	829.4	1,370.8	3,683.0
Non-controlling interests	–0.9	0.4	–2.2	–0.4	1.3	–0.8

Notes 1–6 refer to pages 20–21.

STATEMENT OF CASH FLOW

Operating cash flow MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Continuing operations						
Operating income before amortization	**858.8**	**879.8**	**1,676.4**	**1,751.8**	**3,756.5**	**3,270.7**
Investments in non-current tangible and intangible assets	–203.8	–255.7	–425.3	–490.3	–950.7	–977.0
Reversal of depreciation	225.3	232.1	453.7	466.9	927.5	839.9
Change in accounts receivable	–353.7	–31.0	–644.7	–320.8	197.6	7.8
Change in other operating capital employed	–184.9	–280.3	0.5	–625.6	–556.4	107.3
Cash flow from operating activities	**341.7**	**544.9**	**1,060.6**	**782.0**	**3,374.5**	**3,248.7**
Cash flow from operating activities, %	*40*	*62*	*63*	*45*	*90*	*99*
Financial income and expenses paid	–316.7	–111.7	–402.9	–297.6	–481.6	–433.4
Current taxes paid	–295.0	–237.0	–403.5	–361.7	–728.2	–803.5
Free cash flow	**–270.0**	**196.2**	**254.2**	**122.7**	**2,164.7**	**2,011.8**
Free cash flow, %	*–49*	*37*	*24*	*11*	*88*	*94*
Cash flow from investing activities, acquisitions	–347.1	–52.6	–449.7	–192.4	–757.7	–1,021.5
Cash flow from items affecting comparability	–1.0	–2.3	–2.1	–3.1	–12.0	–110.8
Cash flow from financing activities	152.7	–76.5	–117.2	–1,264.2	–2,775.5	–199.3
Cash flow for the period, continuing operations	**–465.4**	**64.8**	**–314.8**	**–1,337.0**	**–1,380.5**	**680.2**
Cash flow for the period, discontinued operations	-	-	-	-	-	–790.5
Cash flow for the period, all operations	**–465.4**	**64.8**	**–314.8**	**–1,337.0**	**–1,380.5**	**–110.3**

Cash flow MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Cash flow from operations, continuing operations	–83.8	443.6	654.1	585.1	3,069.3	2,858.1
Cash flow from operations, discontinued operations	-	-	-	-	-	436.8
Cash flow from operations, all operations	**–83.8**	**443.6**	**654.1**	**585.1**	**3,069.3**	**3,294.9**
Cash flow from investing activities, continuing operations	–534.3	–302.3	–851.7	–657.9	–1,674.3	–1,978.6
Cash flow from investing activities, discontinued operations	-	-	-	-	-	–764.5
Cash flow from investing activities, all operations	**–534.3**	**–302.3**	**–851.7**	**–657.9**	**–1,674.3**	**–2,743.1**
Cash flow from financing activities, continuing operations	152.7	–76.5	–117.2	–1,264.2	–2,775.5	–199.3
Cash flow from financing activities, discontinued operations	-	-	-	-	-	–462.8
Cash flow from financing activities, all operations	**152.7**	**–76.5**	**–117.2**	**–1,264.2**	**–2,775.5**	**–662.1**
Cash flow for the period, continuing operations	**–465.4**	**64.8**	**–314.8**	**–1,337.0**	**–1,380.5**	**680.2**
Cash flow for the period, discontinued operations	-	-	-	-	-	–790.5
Cash flow for the period, all operations	**–465.4**	**64.8**	**–314.8**	**–1,337.0**	**–1,380.5**	**–110.3**

Change in net debt MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Opening balance	**–7,798.7**	**–9,915.3**	**–8,387.7**	**–9,412.6**	**–9,412.6**	**–9,878.0**
Cash flow for the period, all operations	–465.4	64.8	–314.8	–1,337.0	–1,380.5	–110.3
Change in loans, all operations	–1,247.9	–982.2	–978.0	205.5	1,716.8	–469.6
Change in net debt before revaluation and translation differences, all operations	**–1,713.3**	**–917.4**	**–1,292.8**	**–1,131.5**	**336.3**	**–579.9**
Revaluation of financial instruments, all operations [5)]	18.2	35.4	26.7	19.5	76.7	–178.2
Translation differences, all operations	–206.0	391.3	–46.0	118.6	611.9	–1,313.0
Impact from dividend of discontinued operations	-	-	-	-	-	2,536.5
Change in net debt, all operations	**–1,901.1**	**–490.7**	**–1,312.1**	**–993.4**	**1,024.9**	**465.4**
Closing balance	**–9,699.8**	**–10,406.0**	**–9,699.8**	**–10,406.0**	**–8,387.7**	**–9,412.6**

Note 5 refers to page 20.

CAPITAL EMPLOYED AND FINANCING

MSEK	Jun 30, 2010	Mar 31, 2010	Dec 31, 2009	Jun 30, 2009	Mar 31, 2009	Dec 31, 2008
Operating capital employed	**3,371.9**	**2,511.3**	**2,623.4**	**3,880.6**	**3,693.5**	**2,959.4**
Operating capital employed as % of sales	*5*	*4*	*4*	*6*	*6*	*5*
Return on operating capital employed, %	*123*	*144*	*135*	*104*	*103*	*108*
Goodwill	13,982.7	13,352.7	13,558.3	13,964.0	14,513.9	14,104.3
Acquisition related intangible assets	868.1	859.8	894.9	736.5	783.8	751.3
Shares in associated companies	141.5	135.2	132.1	102.3	104.5	104.9
Capital employed	**18,364.2**	**16,859.0**	**17,208.7**	**18,683.4**	**19,095.7**	**17,919.9**
Return on capital employed, %	*20*	*22*	*22*	*19*	*18*	*18*
Net debt	**-9,699.8**	**–7,798.7**	**–8,387.7**	**–10,406.0**	**–9,915.3**	**–9,412.6**
Shareholders' equity	**8,664.4**	**9,060.3**	**8,821.0**	**8,277.4**	**9,180.4**	**8,507.3**
Net debt equity ratio/multiple	*1.12*	*0.86*	*0.95*	*1.26*	*1.08*	*1.11*

BALANCE SHEET

MSEK	Jun 30, 2010	Mar 31, 2010	Dec 31, 2009	Jun 30, 2009	Mar 31, 2009	Dec 31, 2008
ASSETS						
Non-current assets						
Goodwill	13,982.7	13,352.7	13,558.3	13,964.0	14,513.9	14,104.3
Acquisition related intangible assets	868.1	859.8	894.9	736.5	783.8	751.3
Other intangible assets	264.3	267.5	278.4	269.9	259.0	255.2
Tangible non-current assets	2,307.8	2,319.0	2,377.2	2,453.7	2,481.0	2,460.1
Shares in associated companies	141.5	135.2	132.1	102.3	104.5	104.9
Non-interest bearing financial non-current assets	2,072.8	1,920.8	1,995.7	2,262.9	2,423.1	2,366.4
Interest bearing financial non-current assets	213.6	196.0	160.8	156.2	158.1	150.6
Total non-current assets	**19,850.8**	**19,051.0**	**19,397.4**	**19,945.5**	**20,723.4**	**20,192.8**
Current assets						
Non-interest bearing current assets	11,799.7	11,295.5	10,819.5	12,351.3	12,655.8	11,532.2
Other interest bearing current assets	25.3	47.7	81.9	36.3	12.7	42.4
Liquid funds	2,195.7	2,634.5	2,497.1	2,599.0	2,568.9	3,951.5
Total current assets	**14,020.7**	**13,977.7**	**13,398.5**	**14,986.6**	**15,237.4**	**15,526.1**
TOTAL ASSETS	**33,871.5**	**33,028.7**	**32,795.9**	**34,932.1**	**35,960.8**	**35,718.9**

MSEK	Jun 30, 2010	Mar 31, 2010	Dec 31, 2009	Jun 30, 2009	Mar 31, 2009	Dec 31, 2008
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity						
Attributable to equity holders of the Parent Company	8,659.5	9,053.3	8,812.7	8,271.3	9,174.7	8,500.6
Non-controlling interests	4.9	7.0	8.3	6.1	5.7	6.7
Total shareholders' equity	**8,664.4**	**9,060.3**	**8,821.0**	**8,277.4**	**9,180.4**	**8,507.3**
Equity ratio, %	*26*	*27*	*27*	*24*	*26*	*24*
Long-term liabilities						
Non-interest bearing long-term liabilities	248.5	222.5	193.8	176.2	230.7	201.6
Interest bearing long-term liabilities	6,940.4	6,913.7	8,357.5	7,754.4	5,410.5	7,148.4
Non-interest bearing provisions	2,756.3	2,608.5	2,626.2	2,741.5	2,823.3	2,811.9
Total long-term liabilities	**9,945.2**	**9,744.7**	**11,177.5**	**10,672.1**	**8,464.5**	**10,161.9**
Current liabilities						
Non-interest bearing current liabilities and provisions	10,067.9	10,460.5	10,027.4	10,539.5	11,071.4	10,641.0
Interest bearing current liabilities	5,194.0	3,763.2	2,770.0	5,443.1	7,244.5	6,408.7
Total current liabilities	**15,261.9**	**14,223.7**	**12,797.4**	**15,982.6**	**18,315.9**	**17,049.7**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**33,871.5**	**33,028.7**	**32,795.9**	**34,932.1**	**35,960.8**	**35,718.9**

CHANGES IN SHAREHOLDERS' EQUITY

	Jun 30, 2010			Dec 31, 2009			Jun 30, 2009		
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	**8,812.7**	**8.3**	**8,821.0**	**8,500.6**	**6.7**	**8,507.3**	**8,500.6**	**6.7**	**8,507.3**
Total comprehensive income for the period, all operations	942.0	–2.2	939.8	1,370.8	1.3	1,372.1	829.4	–0.4	829.0
Transactions with non-controlling interests	-	–1.2	–1.2	-	0.3	0.3	-	–0.2	–0.2
Dividend paid to the shareholders of the Parent Company	–1,095.2	-	–1,095.2	–1,058.7	-	–1,058.7	–1,058.7	-	–1,058.7
Closing balance June 30 / December 31, 2010/2009	**8,659.5**	**4.9**	**8,664.4**	**8,812.7**	**8.3**	**8,821.0**	**8,271.3**	**6.1**	**8,277.4**

DATA PER SHARE

SEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Share price, end of period	71.10	65.50	71.10	65.50	70.05	64.00
Earnings per share before dilution and before items affecting comparability, continuing operations	1.29	1.28	2.53	2.68	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	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.42**
Earnings per share before dilution, continuing operations	1.29	1.28	2.53	2.68	5.80	5.18
Earnings per share before dilution, discontinued operations	-	-	-	-	-	1.18
Earnings per share before dilution, all operations	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.36**
Earnings per share after dilution and before items affecting comparability, continuing operations	1.29	1.28	2.53	2.68	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	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.42**
Earnings per share after dilution, continuing operations	1.29	1.28	2.53	2.68	5.80	5.18
Earnings per share after dilution, discontinued operations	-	-	-	-	-	1.18
Earnings per share after dilution, all operations	**1.29**	**1.28**	**2.53**	**2.68**	**5.80**	**6.36**
Dividend	-	-	-	-	3.00	2.90
P/E-ratio after dilution and before items affecting comparability, continuing operations	-	-	-	-	12	12
Number of shares outstanding	365,058,897	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	365,058,897
Number of shares after dilution	365,058,897	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	365,058,897

JANUARY–JUNE 2010

MSEK	Security Services North America	Security Services Europe	Mobile and Monitoring	Other	Eliminations	Group
Sales, external	11,217	15,008	2,851	1,219	-	30,295
Sales, intra-group	-	37	123	-	–160	-
Total sales	**11,217**	**15,045**	**2,974**	**1,219**	**–160**	**30,295**
Organic sales growth, %	–5	1	2	-	-	–1
Operating income before amortization	**639**	**775**	**325**	**–63**	**-**	**1,676**
of which share in income of associated companies	-	-	-	0	-	0
Operating margin, %	5.7	5.2	10.9	-	-	5.5
Amortization of acquisition related intangible assets	–12	–29	–22	–14	-	–77
Acquisition related costs	–13	–1	–1	–10	-	–25
Operating income after amortization	**614**	**745**	**302**	**–87**	**-**	**1,574**
Financial income and expenses	-	-	-	-	-	–260
Income before taxes	**-**	**-**	**-**	**-**	**-**	**1,314**

JANUARY–JUNE 2009

MSEK	Security Services North America	Security Services Europe [1)]	Mobile and Monitoring [1)]	Other	Eliminations	Group
Sales, external	12,605	15,957	2,951	819	-	32,332
Sales, intra-group	-	37	137	-	–174	-
Total sales	**12,605**	**15,994**	**3,088**	**819**	**–174**	**32,332**
Organic sales growth, %	–2	1	4	-	-	0
Operating income before amortization	**703**	**814**	**331**	**–96**	**-**	**1,752**
of which share in income of associated companies	-	0	-	–2	-	–2
Operating margin, %	5.6	5.1	10.7	-	-	5.4
Amortization of acquisition related intangible assets	–10	–25	–24	–9	-	–68
Acquisition related costs	-	-	-	–2	-	–2
Operating income after amortization	**693**	**789**	**307**	**–107**	**-**	**1,682**
Financial income and expenses	-	-	-	-	-	–288
Income before taxes	**-**	**-**	**-**	**-**	**-**	**1,394**

[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	Apr–Jun 2010	Apr–Jun 2009	Apr–Jun %	Jan–Jun 2010	Jan–Jun 2009	Jan–Jun %
Total sales	**15,424**	**15,907**	**–3**	**30,295**	**32,332**	**–6**
Acquisitions/divestitures	–424	-		–756	-	
Currency change from 2009	886	-		2,591	-	
Organic sales	**15,886**	**15,907**	***0***	**32,130**	**32,332**	**–1**

Operating income, MSEK	Apr–Jun 2010	Apr–Jun 2009	Apr–Jun %	Jan–Jun 2010	Jan–Jun 2009	Jan–Jun %
Operating income	**859**	**880**	**–2**	**1,676**	**1,752**	**–4**
Currency change from 2009	56	-		153	-	
Currency adjusted operating income	**915**	**880**	**4**	**1,829**	**1,752**	**4**

Income before taxes, MSEK	Apr–Jun 2010	Apr–Jun 2009	Apr–Jun %	Jan–Jun 2010	Jan–Jun 2009	Jan–Jun %
Income before taxes	**671**	**679**	**–1**	**1,314**	**1,394**	**–6**
Currency change from 2009	36	-		113	-	
Currency adjusted income before taxes	**707**	**679**	**4**	**1,427**	**1,394**	**2**

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	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Walsons Services PVT Ltd	–0.1	–0.8	–0.3	–1.6	–4.1	–0.4
Long Hai Security	0.0	-	0.3	-	0.0	-
Facility Network A/S [1]	-	0.0	-	0.0	0.0	0.0
Share in income of associated companies included in operating income before amortization	**–0.1**	**–0.8**	**0.0**	**–1.6**	**–4.1**	**–0.4**

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

Note 4 Acquisition related costs

MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Restructuring and integration costs	–10.7	-	–14.0	–1.9	–5.9	–52.6
Transaction costs [1]	–9.1	-	–10.7	-	-	-
Acquisition related costs	**–19.8**	**-**	**–24.7**	**–1.9**	**–5.9**	**–52.6**

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

Note 5 Revaluation of financial instruments

MSEK	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Recognized in the statement of income						
Revaluation of financial instruments	–0.6	–0.9	–2.3	–1.7	–0.4	2.7
Deferred tax	0.2	0.2	0.6	0.4	0.1	–0.8
Impact on net income	**–0.4**	**–0.7**	**–1.7**	**–1.3**	**–0.3**	**1.9**
Recognized in the statement of comprehensive income						
Cash flow hedges	18.8	36.3	29.0	21.2	77.1	–180.9
Deferred tax	–4.9	–9.5	–7.6	–5.6	–20.3	50.7
Cash flow hedges net of tax	**13.9**	**26.8**	**21.4**	**15.6**	**56.8**	**–130.2**
Total revaluation before tax	18.2	35.4	26.7	19.5	76.7	–178.2
Total deferred tax	–4.7	–9.3	–7.0	–5.2	–20.2	49.9
Total revaluation after tax	**13.5**	**26.1**	**19.7**	**14.3**	**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	Apr–Jun 2010	Apr–Jun 2009	Jan–Jun 2010	Jan–Jun 2009	Jan–Dec 2009	Jan–Dec 2008
Deferred tax on actuarial gains and losses	64.7	22.0	68.2	-4.4	-7.2	250.2
Deferred tax on cash flow hedges	-4.9	-9.5	-7.6	-5.6	-20.3	50.7
Deferred tax on net investment hedges	43.5	-72.2	-12.6	-13.0	-91.0	90.5
Deferred tax on other comprehensive income	**103.3**	**-59.7**	**48.0**	**-23.0**	**-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 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 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–Jun 2010	Jan–Jun 2009
Administrative contribution and other revenues	521.4	485.8
Gross income	**521.4**	**485.8**
Administrative expenses	–242.8	–200.7
Operating income	**278.6**	**285.1**
Financial income and expenses	–313.0	–178.9
Income after financial items	**–34.4**	**106.2**
Appropriations	-	-
Income before taxes	**–34.4**	**106.2**
Taxes	–44.2	–12.0
Net income for the period	**–78.6**	**94.2**

STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan–Jun 2010	Jan–Jun 2009
Net income for the period	**–78.6**	**94.2**
Other comprehensive income		
Cash flow hedges net of tax [1]	21.4	15.6
Net investment hedges [2]	134.1	–61.2
Other comprehensive income for the period	**155.5**	**–45.6**
Total comprehensive income for the period	**76.9**	**48.6**

[1] Deferred tax amounts to MSEK –7.6 (–5.6).
[2] Deferred tax amounts to MSEK –47.9 (21.8).

BALANCE SHEET

MSEK	Jun 30, 2010	Dec 31, 2009
ASSETS		
Non-current assets		
Shares in subsidiaries	40,171.8	40,073.7
Shares in associated companies	112.1	112.1
Other non-interest bearing non-current assets	201.5	200.7
Interest bearing financial non-current assets	384.9	217.2
Total non-current assets	**40,870.3**	**40,603.7**
Current assets		
Non-interest bearing current assets	505.0	1,230.6
Other interest bearing current assets	3,148.7	3,294.5
Liquid funds	113.9	1.7
Total current assets	**3,767.6**	**4,526.8**
TOTAL ASSETS	**44,637.9**	**45,130.5**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Restricted equity	7,727.7	7,727.7
Non-restricted equity	13,011.1	14,126.9
Total shareholders' equity	**20,738.8**	**21,854.6**
Long-term liabilities		
Non-interest bearing long-term liabilities/provisions	167.5	77.7
Interest bearing long-term liabilities	6,893.0	8,259.1
Total long-term liabilities	**7,060.5**	**8,336.8**
Current liabilities		
Non-interest bearing current liabilities	778.6	942.2
Interest bearing current liabilities	16,060.0	13,996.9
Total current liabilities	**16,838.6**	**14,939.1**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**44,637.9**	**45,130.5**

Signatures of the Board of Directors

The Board of Directors and the President and CEO certify that the interim report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, August 6, 2010

Melker Schörling
Chairman

Carl Douglas
Vice Chairman

Marie Ehrling
Director

Annika Falkengren
Director

Fredrik Cappelen
Director

Fredrik Palmstierna
Director

Stuart E. Graham
Director

Sofia Schörling Högberg
Director

Susanne Bergman Israelsson
Employee Representative

Åse Hjelm
Employee Representative

Jan Prang
Employee Representative

Alf Göransson
President and Chief Executive Officer

Review report

Translation of the Swedish original

We have reviewed this report for the period January 1, 2010 to June 30, 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, August 6, 2010
PricewaterhouseCoopers AB

Peter Nyllinge
Authorised Public Accountant
Auditor in charge

Patrik Adolfson
Authorised Public Accountant

PRESENTATION OF THE INTERIM REPORT

An information meeting will be held on August 6, 2010, at **9.30 a.m. CET**.
The information meeting will take place at Securitas' head office, Lindhagensplan 70, Stockholm.

To follow the information meeting via telephone (and participate in a Q&A session), please register via the link https://eventreg2.conferencing.com/webportal3/reg.html?Acc=007175&Conf=201979 and follow the instructions, or call +44 (0)20 7162 0177 or +46 (0) 8 505 201 14.

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

A recorded version of the webcast will be available at www.securitas.com/webcasts after the meeting and a recorded version of the meeting will also be available until midnight on August 10 at tel: +44 (0)207 031 4064 and +46 (0)8 505 203 33, access code: 869939.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Micaela Sjökvist, Head of Investor Relations,
+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 2010 as follows:

January–September 2010: November 15, 2010

January–December 2010: February 8, 2011

Securitas is a knowledge leader in security. By focusing on providing security solutions to fit each customer's needs, Securitas has achieved sustainable growth and profitability in 40 countries in North America, Europe, Latin America, Asia, Middle East and Africa. Everywhere from small stores to airports, our 260,000 employees are making a difference.

Securitas AB
P.O. Box 12307
SE-102 28 Stockholm
Sweden
Tel +46 10 470 3000
Fax +46 10 470 3122
www.securitas.com
Visiting address:
Lindhagensplan 70

Corporate registration
number 556302-7241