Press release, Gothenburg, April 26, 2012

Record order from China and proactive partnership agreements, although lower sales

Fingerprint Cards AB (publ), Corp. Reg. No. 556154-2381, (FPC)

First quarter, 2012:

- Sales totaled SEK 5.2 M (12.8).
- According to the *new* calculation method, a gross loss of SEK 0.3 M (profit: 5.2) was reported.*
- According to the *former* calculation method, gross profit of SEK 2.8 M (6.8) would have been reported.*
- The loss after financial items amounted to SEK 9.0 M (loss: 1.7).
- According to a *new* calculation method, the gross margin was minus 5% (+40).*
- According to the *former* calculation method, the gross margin was 53% (53).*
- The loss per share totaled SEK 0.21 (loss: 0,04).
- Cash and cash equivalents at the period-end amounted to SEK 28.5 M (14.9).
- The order backlog at March 31 was SEK 46.3 M (14.1).
- FPC secured a record order in China valued at SEK 44 M.
- Investigation into suspicion of serious insider trading at FPC.
- Partnership agreement reached with a globally leading module company whose sales target is 20-40 million units between 2012 and 2014.
- The forecast for 2012 remains unchanged. The second quarter also appears weak in terms of sales. Prospects appear brighter for the second half-year and the fourth quarter in particular.

Notable events at the close of the reporting period:

- FPC appointed Carnegie as a liquidity provider.

* Refer to comment on page 2 under Sales, earnings and order backlog.

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CEO's comments on the first quarter of 2012

Sometimes wine, sometimes water is a fitting description for the first quarter of 2012. While sales matched what we budgeted, they were lower than we had hoped. A couple of major bank projects were delayed in China, which has recently resulted in significant stockpiling among distributors and system integrators. As a result, the record order of SEK 44 M that we secured early in the year will probably not be delivered until the third and fourth quarter. Considerable uncertainly prevails and we are currently unable to see any form of change in this situation in the second quarter. The second half of the year and the fourth quarter in particular appear brighter.

The prospects for our swipe sensors are considerably brighter. The development and production agreement that we signed in late March are decisive in incorporating our silicon component into one or several mobiles already in 2012. We expect a great deal from this partnership and hope to be able to present more news and details in the near future. We also continue to conduct discussions with most of the ten major mobile manufacturers and we believe that several of them will have at least one biometric mobile in the market not later than 2013.

We continue to view 2012 as a decisive year in the implementation of fingerprint verification for **login, navigation and secure payments from mobile phones and other consumer electronic products. We have great hopes of securing a significant market share in this rapidly growing market.**

Sales, earnings and order backlog

The Group's net sales for the first quarter amounted to SEK 5.2 M (12.8).
As of the first quarter of 2012, the recognition of the cost of goods sold has been changed due to the reclassification of costs. The change primarily involves amortization according to plan of capitalized development expenditure, which is now classified as cost of goods sold, which results in the figures for gross profit/loss and gross margin being lower than the previous classification of costs. To provide transparent information, the figures for both calculation methods will be reported in 2012 along with the comparative figures for the year-earlier period. According to the *new* calculation method applied as of 2012, a gross loss of SEK 0.3 M (profit: 5.2) was reported for the first quarter and the corresponding gross margin was minus 5% (+40). According to the former calculation method that was applied until 2011, gross profit amounted to SEK 2.8 M (6.8) and the corresponding gross margin was 53% (53). The company posted a loss after financial items in the first quarter of SEK 9.0 M (loss: 1.7). At March 31, 2012, the order backlog was SEK 46.3 M (14.1).
The Parent Company's net sales for the first quarter were SEK 5.2 M (12.8) and the loss after financial items was SEK 9.0 M (loss: 1.7).

Market and sales

In 2012, first-quarter sales amounted to SEK 5.2 M, which was lower than in the year-earlier period, although in line with our budget and the seasonal variations that we expect for 2012. The FPC1011F area sensor continues to account for the majority of sales, however, sales of swipe sensor silicon commenced late in the first quarter of 2012 to our new module partner for the initial production series.

During the quarter, FPC strongly bolstered its activities in Asia in terms of the mobile market and other applications. Interest in using our swipe sensors in, for example, mobile phones increased significantly. The reasons included the ability to better protect the ever-increasing content of mobile phones, both personal and work-related. This applies all the way down to the individual application level, including securing mobile-phone payments, which are increasing strongly in Asia in what are occasionally major transaction amounts. This also applies to convenience, such as transitioning from the sleeping mode directly to a certain application by swiping a finger across the sensor.

To best address this growing interest, FPC has reached a key strategic agreement concerning joint development and production using a leading module manufacturer that has a vast customer base and considerable ability to rapidly develop customized package solutions for leading mobile phone manufacturers. Sales to a handful of leading telephone manufacturers have already begun and prototypes, including our newly developed Android functions for the protection of privacy, mobile payments and convenience, will be demonstrated for these manufacturers in the second quarter of 2012. Our shared aim is for a number of leading mobile phone manufacturers to launch projects based on our jointly developed module products in 2012 and 2013. At March 31, 2012, the order backlog was SEK 46.3 M (14.1).

Technological Development and Production

During the quarter, our focus was on supporting customer projects and potential customers' assessment of our products. This involves everything from how to communicate with the sensors to such major issues as how the biometric function can provide maximum customer benefit in a modern mobile system. We have worked intensely on development, particularly on mobile phones and tablet systems. The development not only handles the fundamental functions, such as verifying fingerprints, but also greatly involves using the sensors for various applications using the unit.

In addition to internal work on new concepts and sensor improvements, we have conducted prototype deliveries to the new partner with whom we entered into a development and production agreement, in accordance with previously published information. The development of a joint offering to customers is being conducted in collaboration with our new partner – under which we are also capitalizing on the development mentioned above. The plan is to now test the functionality and performance of the new system and then market this in a number of actual implementation projects.

The production of the area sensor has progressed well and the final stage in qualifying the updated version of the area sensor has been initiated. We have also worked on implementing improvements in the production of the new swipe sensor, primarily those that will improve the outcome of production and secure producibility in the event of major production volumes.

Future prospects

We expected a weak beginning of the year in terms of sales, and the outcome in the first quarter was also in line with our budget, albeit somewhat weaker than we had expected. In the Chinese banking market, a couple of major projects were delayed during the first quarter and significant stockpiling took place among distributors and system integrators. Combined, this also means that the second quarter appears weak in terms of sales. However, prospects appear brighter during the second half-year and for the fourth quarter in particular. The new swipe sensor project has just reached the market and it is difficult to forecast how rapidly demand will grow, which is why it is more difficult than ever to make an accurate forecast. In view of this, we are maintaining our previous forecast and believe that sales in the range of SEK 70-90 M for the full-year 2012 is a reasonable expectation. As before, we foresee increased seasonal variations in sales compared with 2011. The forecast concerning gross margin and order bookings stand firm. Order bookings are expected to be in the range of SEK 100-140 M in 2012.

Organization and Personnel

The number of employees at March 31, 2012 was 18 (19), including 1 (1) woman.

Financial position

At March 31, 2012, the Group's disposable cash and cash equivalents totaled SEK 28.5 M (14.9).
At the same date, the Group's working capital had risen to SEK 67.0 M (47.3).
Consolidated shareholders' equity rose to SEK 97.2 M (76.4) and the equity/assets ratio for the Group was 91% (89).
The Parent Company's disposable cash and cash equivalents at the end of the period totaled SEK 28.5 M (12.9).

Fixed assets, investments and depreciation

Investments in capitalized development expenditures amounted to SEK 0.5 M (2.7) for the first quarter. Investments in machinery and equipment amounted to SEK 0.1 M (0.9) during the same period. Depreciation/amortization amounted to SEK 2.6 M (1.2) in the first quarter. The increase was due to increased amortization of capitalized development expenditure.

Cash flow

Cash flow from operations, including changes in working capital, was SEK 6.3 M (12.4) in the first quarter. Cash flow to investments was a negative SEK 0.8 M (neg: 3.6) in the first quarter. Cash flow from financing activities amounted to SEK - M (0.0) for the first quarter. Combined, this resulted in a net decline in cash and cash equivalents of SEK 5.5 M (decline: -15,9).

Seasonal variations

To date, sales have not shown any distinct seasonal variations. In 2011, 43% of the invoicing was generated during the first half of the year and 57% during the second half. The quarters with the highest proportion of sales were Q3 in 2011 with 30% and Q4 in 2010 with 30% of total annual revenues. The quarters with the lowest proportion of sales have been Q1 in 2011 with 19% and Q2 in 2010 with 16% of total annual revenues. For information on seasonal variations for 2012, refer to the section above under Future prospects.

Related-party transactions

There were no transactions between FPC and related parties that had any material impact on the Group or Parent Company's position and earnings.

Warrants program

FPC offers three programs with share-based remuneration. In all programs, shares were subscribed for at market prices calculated under the Black-Scholes model.

An Extraordinary General Meeting on March 3, 2010 resolved to issue warrants with a term extending until August 31, 2012. The company's employees hold 3,433,000 of the program's warrants. The exercise price is SEK 7.48. On full subscription with the support of all warrants in this program, 3,433,000 new Class B shares may be issued, corresponding to a dilution effect of 7.26% of the total number of shares and 5.94% of the voting rights, which also means that the share capital will increase by SEK 686,000.

An Extraordinary General Meeting on November 9, 2010 resolved to issue 958,000 warrants with a term extending to May 11, 2013. Of the program, 938,000 warrants are held by the company's employees. The exercise price is SEK 15.74. On full subscription with the support of all warrants in the program, 958,000 B shares can be issued, corresponding to 1.93% of the total number of shares and 1.63 of the total voting rights, and which also increases the share capital by SEK 191,600.

An Extraordinary General Meeting on November 17, 2011 approved the issue of 2,000,000 warrants with a term extending to December 18, 2014. Of the program, 1,800,000 warrants are held by the company's employees. The exercise price is SEK 13.64. On full subscription based on the exercise of all warrants in the program, 2,000,000 new B shares can be issued, corresponding to 3.60% of the total number of shares and 3.29% of the total number of voting rights, which will also raise the share capital by SEK 400,000.

Combined, the three warrant programs amount to 12.78% of the total number of shares and 10.51% of the voting rights in the company.

Significant uncertainties and risks

FPC is exposed to risks. The Board of Directors and Executive Management work to minimize such exposure, and the impact of a triggered risk. The following description does not claim to be complete or exact, since risks and their degree of impact vary over time:

Company risk

Financing

It cannot be ruled out that in the future further capital may be needed to finance FPC's operations, development and expansion. This need could arise in an unfavorable market situation and on terms that are less favorable than the Board considers them to be today. External financing in a more difficult credit and investment climate could negatively affect FPC's operations, while borrowing, if at all possible, could entail restrictions that would limit the company's latitude. There is no guarantee that capital can be raised when needed, or raised on acceptable terms. By gradually achieving success in the market, and securing a satisfactory margin, a positive cash flow can be created, which will contribute to reducing the need for capital contributions.

Rights	The operations are heavily dependent on FPC protecting its technology through patents and intellectual property rights. Should patents not be obtained, this could have a negative impact on earnings and position. The strategy is to protect the most important areas but it is not possible to guarantee that all patent applications will be granted. FPC does not believe that its technology infringes upon any other company's intellectual property
Development	FPC's success depends largely on its ability to drive and adapt to technological developments. FPC conducts development projects in the areas of biometrics, sensor technology and their applications. The projects are conducted in cooperation with consultants and subcontractors. Since the projects are extensive and complex, delays in the time schedule cannot be ruled out. Serious delays, disruptions or unforeseen events could have a negative impact on FPC's future operations. However, these risks can be reduced by using resources based on knowledge and experience of technically advanced development projects and by improving project management systems.
Competence	Biometrics is still a relatively new area, showing high growth and requiring advanced technical knowledge from employees. FPC has a number of key persons important to the successful development of its operations. The departure of such key persons from the company could result in operational disruptions and increased costs for recruitment of replacements. To manage this risk, FPC works continuously to ensure that the necessary conditions are in place to retain competencies, while efforts are made not to link knowledge to specific individuals.

Market risk

Political risks	FPC has operations in many markets with vastly differing conditions. Changes to laws and regulations regarding such areas as foreign ownership, taxes, government involvement, royalties and customs, for example, coupled with other political and economic risks, such as acts of war or terrorism, could negatively affect the company's earnings and financial position. Business intelligence and planning, where possible, mitigate the risks.
Exchange rates	Purchasing, manufacturing and sales are largely denominated in USD. Net exposure in USD is hedged to 80–90% using forward contracts to offset exchange-rate fluctuations. Fluctuations in other exchange rates have a limited impact on earnings. A 1% change in the exchange rate between the SEK and USD would have an impact of +/- SEK 0.4 M on earnings in 2011 if unhedged.
Raw material prices	The raw materials in products that could be impacted by price fluctuations are mainly silicon and gold. The percentage of gold in the products is marginal and price fluctuations will only have a limited effect on the price of the end product. Silicon is the largest component in the products. Historically, the price of silicon has not fluctuated to any significant degree and supply is favorable.
Economic cycle	Customers are currently predominantly based in Asia. The economic turbulence in Europe and Northern America has not influenced the operation to any major degree. However, there is no guarantee that this will not occur in the future or in the Asian market.

Operational risks

Production	FPC does not conduct any proprietary production. Manufacturing, sales and delivery of FPC's technology and products depend on fulfillment of contractual requirements with respect to, for example, volume, quality and delivery time. Production and delivery problems among suppliers could have a negative impact on the company through delays or quality problems affecting deliveries to customers. Although production is planned up to six months in advance, binding orders from customers are normally not received that far in advance. Uncertainty in sales forecasts could lead to excessive stock accumulation and have an adverse effect on liquidity. The concentration of production to a few suppliers and the associated possibility of ensuring low costs must be weighed against this risk. Risk-limiting measures are to assume control of parts of the production process, such as investing in proprietary tools and machinery to eliminate bottlenecks.
Environment	FPC does not engage in any proprietary manufacturing. Components are sourced from selected suppliers that satisfy requirements in terms of function, quality, stability and environmental aspects. FPC's products have been tested and satisfy the RoHS directive in terms of limiting hazardous substances in electronic products.
Sales	FPC conducts business activities in a relatively young market, rendering it difficult to predict future trends for the operation. FPC's performance depends on the continued expansion of the biometrics market. Delayed penetration into more applications and markets will affect sales and earnings. FPC is dependent on the Chinese market, where is has an established reseller with a strong position for FPC's technology. The loss of this distributor could seriously impact revenues and profit. Measures for limiting the vulnerability of having a limited number of customers include the continuous development of business, sales and marketing activities to penetrate more markets and fields of application.

Credit risk

Counterparty risk	The risk of non-payment is limited due to the requirement for advance payment from new customers and via credit assurance of invoices wherever possible. Investments are also exposed to risk. FPC has limited its permitted investments of liquidity to institutions with the highest credit rating and by limiting the amount of investments with a single counterparty.

Future reporting dates

Annual Report 2011 published	Week 20 (May 14-18) 2012
Annual General Meeting	May 31, 2012
Interim report April-June 2012	August 23, 2012
Interim report July-September 2012	October 25, 2012
Year-end report	February 2013

Certification

The Board of Directors and the CEO certify that this interim report provides a fair and accurate review of the operations, financial position and earnings of the Parent Company and the Group and that it describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Gothenburg, April 25, 2012

Mats Svensson
Chairman

Christer Bergman
Board member

Urban Fagerstedt
Board member

Anders Hultqvist
Board member

Sigrun Hjelmquist
Board member

Johan Carlström
President and CEO

Review

This interim report has not been examined by the company's auditors.

Glossary

Algorithm	A systematic procedure for how to conduct a calculation or solve a problem in a given number of steps. In FPC's specific case, the method refers to the comparison of two fingerprints with each other.
Area sensor	A sensor with the size of a fingertip that can scan an entire fingerprint simultaneously. The fingertip is simply drawn against the sensor surface; refer to swipe sensor.
ASIC	(Application Specific Integrated Circuit) An integrated circuit in the form of a silicon chip that is designed to conduct specific functions – in our case the measurement of a fingerprint.
Authentication	Control process for a particular entity; in conjunction with logging on, for example. The word is synonymous with verification.
Biometric system	A pattern recognition system that identifies or verifies a person by studying a physiological character of the person, in our case a fingerprint pattern.
Chip	A piece of silicon in which the integrated circuit is embedded, such as a sensor chip. Normally, a silicon wafer is cut into a number of chips, with each chip being essentially identical.
Dpi	Dots per inch – resolution per spacial unit (in this case inches). The higher the value, the better the resolution and degree of detail.
Enrolment	Compilation of biometric data used to create a template. The process by which information is compiled from an individual and processed and stored as a reference image.
Identification	Comparison of compiled biometric data with all stored templates for the purpose of identifying one of these templates (and thus an individual) from a multitude.
Matching	The process of comparing an image of a fingerprint with a pre-processed template, and assessing whether or not they are similar.
Packaging	The work and components, apart from the silicon chip, required for building a sensor.
Sensor platform	The silicon technology that FPC has created for the development of future sensors, meaning the basic technology.
Swipe sensor	A sensor with a width equal to a fingertip but much narrower throughout the length of the finger. The fingertip is drawn across the sensor surface and part of the fingertip is scanned step-wise; compare with area sensors. The fingerprint is thus scanned in this manner.
Template	An arrangement of unique data that represents a certain fingerprint.
Verification	The comparison of compiled biometric data with a given template for the purpose of verifying matching of the two. By this means, the authentication of an individual can be made with a high degree of certainty.
Wafer	A thin circular slice of silicon containing a number of integrated circuits, such as sensor chips.
Yield	The percentage of a number of approved units divided by the number of initial units. The term is used primarily in production.

Definitions

Average credit period	Average value of accounts receivable over the period in relation to net sales, multiplied by 360 days.
Average number of shares	The Parent Company's average weighted number of shares for the fiscal year.
Average number of shares after dilution	See "Average number of shares" plus an increase by the number of shares that could be issued as a result of current remuneration and personnel programs.
Earnings per share	Earnings for the period attributable to the Parent Company's shareholders divided by the Parent Company's average number of shares for the fiscal year.
Earnings per share after dilution	See "Earnings per share" plus the average number of shares that could be issued as a result of current remuneration and personnel programs.
EBITDA	Earnings Before Interest Taxes Depreciation and Amortization (and impairment).
Equity/assets ratio	Shareholders' equity divided by total assets.
Gross margin	Gross margin as a percentage of net sales. As of the first quarter of 2012, the recognition of the cost of goods sold has been changed due to the reclassification of costs. The change primarily comprises the depreciation according to plan of capitalized development expenditure, which is currently classified as the cost of goods sold, which results in gross profit/loss and gross margin indicating figures that are lower than the previous classification of costs.
Inventory turnover rate	Cost of goods sold divided by average inventories.
Net margin	Profit/loss for the period as a percentage of net sales.
Operating margin	Operating profit/loss as a percentage of net sales.
Shareholders' equity per share	Shareholders' equity attributable to the Parent Company's shareholders divided by the number of shares outstanding, before dilution, at the end of the period.
Shareholders' equity per share after dilution	See "Shareholders' equity per share" plus an increase in the number of shares by the average number of shares that could be issued as a result of current remuneration and personnel programs.
Working capital	Current assets less current non-interest-bearing provisions and liabilities

About Fingerprint Cards

Fingerprint Cards AB (Fingerprint Cards) develops, produces and markets biometric components that through analysis and matching of an individual's unique fingerprint verify a person's identity.

The technology consists of biometric sensors, processors, algorithms and modules that can be used separately or combined. The competitive advantages offered by Fingerprint Cards' technology include unique image quality, extreme robustness, low power consumption and complete biometric systems. With these advantages and the ability to achieve extremely low manufacturing costs, the technology can be implemented in volume products, such as smart cards and mobile phones, where extremely rigorous demands are placed on these characteristics. Fingerprint Cards' technology can also be used in IT and Internet products for security and access control, etc.

Vision	FPC aims to be the leading supplier of components and systems for fingerprint verification. "Beyond keys and pin codes" – FPC makes life easy to live through secure identification.
Business concept	FPC develops and sells leading biometric products and solutions to companies that develop security and comfort systems.
Business model	FPC works with three business models – component sales, project sales and licensing. Sales are conducted via distributors, primarily to product developers/systems integrators and OEMs. (Original Equipment Manufacturers).
Strategies	
Products	To be a supplier of components and systems for fingerprint verification, as well as developing and marketing components in two product categories – area sensors and swipe sensors.
Patents	To pursue an active patent strategy based on careful monitoring of the market in an effort to evaluate new opportunities for filing patents and identifying possible infringement of FPC's patents.
Production	Produce through close cooperation with selected sub-suppliers. Production-critical elements of manufacturing are to be conducted using tools owned by FPC but operated by the sub-supplier. All manufacturing is to be conducted in accordance with forecasts based on information received from customers and distributors.
Market	When marketing products, FPC intends to focus on product developers/system integrators either via distributors or directly. Sales at the producer level will occur in close cooperation with distributors. FPC will also actively pursue sales efforts. Sales of area sensors are to be broadened above and beyond the volume segment of IT applications for banks to encompass other IT segments. Geographically, the area sensor, in terms of bank applications, will be marketed primarily in India, South Korea, Japan and Brazil, and also in Europe and the US. Swipe sensors are to be marketed to product developers/system integrators of mobile phones and other portable applications, such as Internet tablets, USB keys and smart cards. As a feature of the launch of swipe sensors, the company will participate actively in development projects together with mobile phone manufacturers. Geographically, marketing will occur in China, Korea, Taiwan, Japan, Europe and the US.
Value-driving factors	The potential to use mobile phones for payment applications – with the accompanying security requirements – is a major driving force, as is the possibility of using fingerprint sensors for the next generation of charge cards. Identity theft, impersonation and stricter authentication imposed by public authorities and organizations are also driving the demand for more secure solutions. Increased requirements in terms of comfort and security in connection with authentication are creating demand for alternatives to cards, pin codes and passwords. In addition to these factors, there are also cost savings, benefits of scale and the potential to facilitate greater use in, for example, emerging countries and elsewhere.

Condensed consolidated statement of comprehensive income (SEK M)	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Net sales	5.2	12.8	68.6
Cost of goods sold	-5.5	-7.7	-37.0
Gross profit/loss	**-0.3**	**5.2**	**31.6**
Sales expenses	-2,7	-2.8	-13.6
Administrative expenses	-2,8	-2.5	-11.2
Development expenses	-2.4	-1.0	-2.5
Other operating income/expenses	-0.9	-0.5	-1.6
Operating profit/loss	**-9.1**	**-1.8**	**2.7**
Net financial items	0.1	0.0	0.6
Tax	-	-	-
Profit/loss for the period	**-9.0**	**-1.7**	**3.4**
Other comprehensive income	-	-	-
Total comprehensive income for the period	**-9.0**	**-1.7**	**3.4**
Profit/loss for the period attributable to:			
Parent Company shareholders	-9.0	-1.7	3.4
Profit/loss for the period	**-9.0**	**-1.7**	**3.4**
Total comprehensive income/loss for the period attributable to:			
Parent Company shareholders	-9.0	-1.7	3.4
Total comprehensive income/loss for the period	**-9.0**	**-1.7**	**2.0**
Earnings/loss per share for the period			
Before dilution, SEK	-0.21	-0.04	0.08
After dilution, SEK	-0.21	-0.04	0.08

Condensed consolidated statement of financial position	31-Mar	31-Mar	31-Dec
Assets	2012	2011	2011
Intangible fixed assets	26.4	24.6	28.2
Tangible fixed assets	4.1	4.4	4.2
Financial fixed assets	1.1	-	0.9
Total fixed assets	31.6	29.0	33.3
Inventory	5.4	13.1	4,3
Accounts receivable	38.4	23.3	53.0
Other receivables	1.5	1.7	2.3
Prepaid expenses and accrued income	1.0	4.1	0.8
Cash and cash equivalents	28.5	14.9	23.0
Total current assets	74.8	57.1	83.5
Total assets	**106.5**	**86.1**	**116.8**
Shareholders' equity and liabilities			
Shareholders' equity	97.2	76.4	106,3
Provisions for pensions and similar obligations	1.4	-	1,2
Accounts payable	2.3	4.0	3,3
Other liabilities	0.3	0.3	0,3
Accrued expenses and deferred income	5.2	5.5	5.7
Total shareholders' equity and liabilities	**106.5**	**86.1**	**116.8**
Pledged assets	None	None	None
Contingent liabilities	None	None	None

Condensed consolidated statement of changes in shareholders' equity

(SEK M)	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Shareholders' equity on the opening date	106.3	78.0	78.0
Premium paid for warrants	-	-	1.7
New share issue	-	-	24.0
Total comprehensive income for the period	-9.0	-1.7	2.0
Shareholders' equity on the closing date	**97.2**	**76.4**	**106.3**

Condensed consolidated cash flow statement

(SEK M)	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Profit/loss before tax for the period	-9.0	-1.7	3.4
Adjustments for non-cash items	2,7	1,2	6.1
Change in inventory	-1.1	-5.2	3.6
Change in current receivables	15.2	-8.1	-35.1
Change in current liabilities	-1.5	1.5	1.1
Cash flow from operating activities	6.3	-12.4	-21.0
Cash flow from investing activities	-0.8	-3.6	-11.7
Cash flow from financing activities	-	0.0	24.9
Change in cash and cash equivalents	**5.5**	**-15.9**	**-7.8**
Cash and cash equivalents on the opening date	23.0	30.8	30.8
Cash and cash equivalents on the closing date	28.5	14.9	23.0

Key consolidated data

(SEK M)	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Net sales (SEK M)	5.2	12.7	68.6
Net sales growth (%)	-59	87	13
Gross margin (%) According to new calculation as of 2012*	-5	40	46
Operating margin (%) According to calculation through 2011	53	53	56
Operating margin (%)	Neg	Neg	4
Profit margin (%)	Neg	Neg	5
EBITDA (SEK M)	-6.4	-0.5	8.2
Return on equity (%)	Neg	Neg	4
Cash flow from operating activities. incl. changes in working capital (SEK M)	6.3	12.4	-21.0
Order backlog (SEK M)	46.3	14.3	6.1
Equity/assets ratio (%)	91	89	91
Investments (SEK M)	-0.8	-3.6	-11.7
Average number of employees	19	19	18
Shareholders' equity per share (SEK)	2.23	1,93	2.44
Shareholders' equity per share after dilution (SEK) (1)	2.23	1.93	2.44
Cash flow from operating activities/share (SEK)	0.14	-0.31	-0.48
Cash flow from operating activities/share after dilution (SEK) (1)	0.14	-0.31	-0.51
Number of shares at period end (000s)	43,609	39,670	43,609
Average number of shares (000s)	43,609	39,670	42,461
Average number of shares after dilution (000s)(1)(2)	43,609	39,670	42,461
Market price of FPC Class B share (SEK) at period end	7.30	7.40	9.30

* Refer to comment on page 2 under Sales, earnings and order backlog.

1) The company has three share-based remuneration programs: (warrants in all cases):
The first program from 2010 extends until August 31, 2012. The exercise price is SEK 7.48. The program has been taken into account when calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 3,433,000 new Class B shares.
The second program from 2010 extends until May 11, 2013. The exercise price is SEK 15.74. The program has been taken into account when calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 958,000 new Class B shares.
The third program from 2011 extends until December 18, 2014. The exercise price is SEK 13.6. The program has not been taken into account when calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 2,000,000 new Class B shares.
(2) Average number of shares after dilution: The average number of shares during the period and the maximum number of shares that could arise from exercise of warrants. If the average share price is lower than the exercise price, there is no discounted share price and thus no dilution, since the discount is what constitutes dilution.

The Group's operating segments

(SEK M)	Sensors Jan-Mar 2012	Sensors Jan-Mar 2011	Other Jan-Mar 2012	Other Jan-Mar 2011	Group Jan-Mar 2012	Group Jan-Mar 2011
Net sales	5.2	12.8	-	-	5.2	12.8
Segment earnings	-9.1	-1.7	-	-	-9.1	-1.7
Net financial items		-	-	-	0.1	0.0
Profit for the period					-9.0	-1.7

Consolidated net sales and profit/loss for the past eight quarters

(SEK M)	Jan-Mar 2012	Oct-Dec 2011	Jul-Sep 2011	Apr-Jun 2011	Jan-Mar 2011	Oct-Dec 2010	Jul-Sep 2010	Apr-Jun 2010
Net sales	5.2	18.6	20.2	16.9	12.8	18.2	17.6	9.7
Cost of goods sold	-5.5	-10.8	-11.1	-8.4	-7.7	-11.8	-11.1	-7.1
Gross profit	**-0.3**	**7.8**	**10.1**	**8.5**	**5.2**	**6.4**	**6.5**	**2.6**
Sales expenses	-2.7	-4.1	-2.8	-3.8	-2.8	-1.3	-1.5	-1.6
Administrative expenses	-2.8	-3.2	-2.3	-3.1	-2.5	-3.3	-1.9	-2.1
Development expenses	-2.4	-0.4	-0.7	-0.4	-1.0	-0.4	-0.3	-1.7
Other operating income/expenses	0.9	0.3	-0.1	-1.3	-0.5	-0.4	1.0	-0.2
Operating profit	**-9.1**	**0.3**	**4.2**	**0.0**	**-1.8**	**0.9**	**3.8**	**-3.0**
Net financial items	0.1	0.4	0.2	0.0	0.0	0.1	0.1	0.2
Tax	-	-	-	-	-	-	-	-
Profit for the period	**-9.0**	**0.7**	**4.3**	**0.1**	**-1.7**	**1.0**	**3.9**	**-2.8**
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-9.0**	**0.7**	**4.3**	**0.1**	**-1.7**	**1.0**	**3.9**	**-2.8**

* Refer to comment on page 2 under Sales, earnings and order backlog.

Consolidated statement of financial position for the past eight quarters

	Mar 31, 2012	Dec 31, 2011	Sep 30, 2011	June 30, 2011	Mar 31, 2011	Dec 31, 2010	Sep 30, 2010	June 30, 2010
SEK/USD exchange rate, balance sheet date	*6.62*	*6.92*	*6.86*	*6.31*	*6.31*	*6.73*	*6.77*	*7.75*
Assets								
Intangible fixed assets	26.4	28.2	27.1	26.0	24.6	22.9	19.8	16.7
Tangible fixed assets	4.1	4.2	4.4	4.4	4.4	3.7	3.5	1.3
Financial fixed assets	1.1	0.9	-	-	-	-	-	-
Total fixed assets	31.6	33.3	31.6	30.4	29.0	26.6	23.3	18.0
Inventory	5.4	4.3	5.3	8.0	13.1	7.9	8.8	13.7
Accounts receivable	38.4	53.0	46.0	27.7	23.3	17.2	12.9	6.2
Other receivables	1.5	2.3	2.1	2.1	1.7	2.7	3.1	1.4
Prepaid expenses and accrued income	1.0	0.8	0.5	2.0	4.1	1.0	1.4	1.4
Cash and cash equivalents	28.5	23.0	27.4	37.5	14.9	30.8	32.8	43.2
Total current assets	74.8	83.5	81.3	77.3	57.1	59.7	59.1	65.9
Total assets	**106.5**	**116.8**	**112.8**	**107.7**	**86.1**	**86.3**	**82.3**	**83.9**
Shareholders' equity and liabilities								
Shareholders' equity	97.2	106.3	104.8	100.5	76.4	78.0	76.1	72.5
Provisions for pensions and similar obligations	1.4	1.2	-	-	-	-	-	-
Accounts payable	2.3	3.3	2.4	2.7	4.0	4.1	3.9	6.7
Other liabilities	0.3	0.3	0.3	0.4	0.3	0.3	0.7	0.7
Accrued expenses and deferred income	5.2	5.7	5.3	4.1	5.5	3.9	1.6	3.9
Total shareholders' equity and liabilities	**106.5**	**116.8**	**112.8**	**107.7**	**86.1**	**86.3**	**82.3**	**83.9**

Consolidated cash flow statement for the past eight quarters

(SEK M)	Jan-Mar 2012	Oct-Dec 2011	Jul-Sep 2011	Apr-Jun 2011	Jan-Mar 2011	Oct-Dec 2010	Jul-Sep 2010	Apr-Jun 2010
Profit/loss before tax for the period	-9.0	0.7	4.3	0.1	-1.7	1.0	3.7	-3.0
Adjustments for non-cash items	2.7	1.3	1.2	1.2	1.2	1.5	1.4	1.5
Change in inventory	-1.1	1.0	2.7	5.1	-5.2	0.9	4.9	-2.1
Change in current receivables	15.2	-7.5	-16.8	-2.7	-8.1	-3.4	-8.6	2.3
Change in current liabilities	-1.5	1.3	0.7	-2.5	1.5	2.0	-4.9	1.2
Cash flow from operating activities	6.3	-3.2	-7.8	1.2	-12.4	2.1	-3.5	1.0
Cash flow from investing activities	-0.8	-3.1	-2.3	-2.6	-3.6	-5.1	-6.8	-4.1
Cash flow from financing activities	-	2.0	-	24.1	0.0	1.0	-	0.2
Change in cash and cash equivalents	**5.5**	**-4.3**	**-10.1**	**22.6**	**-15.9**	**-2.0**	**-10.4**	**-3.9**
Cash and cash equivalents on the opening date	23.0	27.4	37.5	14.9	30.8	32.8	43.2	47
Cash and cash equivalents on the closing date	28.5	23.0	27.4	37.5	14.9	30.8	32.8	43.1

Key consolidated data for the past eight quarters

	Jan-Mar 2012	Oct-Dec 2011	Jul-Sep 2011	Apr-Jun 2011	Jan-Mar 2011	Oct-Dec 2010	Jul-Sep 2010	Apr-Jun 2010
Net sales (SEK M)	5.2	18.6	20.2	16.9	12.8	18.2	17.6	9.7
Net sales growth (%)	-59	3	15	74	-17	34	78	28
Gross margin (%) new as of 2012*	-5	42	50	50	40	35	37	27
Operating margin (%) through 2011*	53	52	59	62	53	50	51	53
Profit margin (%)	Neg	2	21	0	Neg.	5	21	Neg.
EBITDA (SEK M)	Neg	4	22	0	Neg.	5	22	Neg.
Return on equity (%)	-6.4	2.0	5.4	1.3	-0.5	2.7	5.4	-1.6
Cash flow from operating activities (SEK M)	Neg	1	16	0	Neg.	5	19	Neg.
Order backlog (SEK M)	6.3	-3.2	-7.8	1.2	-3.5	2.1	-3.5	0.1
Investments (SEK M)	46.3	6.1	24.4	14.9	14.3	11.0	8.3	17.4
Equity/assets ratio (%)	91	91	93	93	89	90	92	86
Average number of employees	-0.8	-3.1	-2.3	-2.6	-3.6	-5.1	-6.8	-4.1
Shareholders' equity per share (SEK)	19	18	19	19	19	17	17	16
Shareholders' equity per share after dilution (SEK) (1)	2.23	2.44	2.40	2.30	1.93	1.97	1.92	1.83
Cash flow from operating activities per share (SEK)	2.23	2.44	2.40	2.30	1.93	1.97	1.92	1.83
Net sales (SEK M)	0.14	-0.05	-0.19	0.03	-0.09	0.05	-0.09	0.00
Cash flow from operating activities per share after dilution (SEK)	0.14	-0.05	-0.19	0.03	-0.09	0.05	-0.09	0.00
Number of shares, period end (000s)	43,609	43,609	43,609	43,609	39,670	39,670	39,670	39,670
Average number of shares (000s)	43,609	43,609	43,609	42,515	40,019	39,670	39,670	39,670
Average number of shares after dilution (000s) (1)(2)	43,609	43,609	43,609	42,515	40,019	39,670	39,670	39,670
Market price of FPC Class B share (SEK)	7.30	9.30	6.15	6.00	7.40	8.95	9.40	7.15

* Refer to comment on page 2 under Sales, earnings and order backlog.

(1) The first program from 2010 extends until August 31, 2012. The exercise price is SEK 7.48. The program has been taken into account when calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 3,433,000 new Class B shares.
The second program from 2010 extends until May 11, 2013. The exercise price is SEK 15.74. The program has been taken into account when calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 958,000 new Class B shares
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(2) Average number of shares after dilution: The average number of shares during the period and the maximum number of shares that could arise from exercise of warrants. If the average share price is lower than the exercise price, there is no discounted share price and thus no dilution, since the discount is what constitutes dilution.

Rolling 12-month key figures for the Group for the past eight quarters

Apr-Mar	Jan-Dec	Oct-Sep	Jul-Jun	Apr-Mar	Jan-Dec	Oct-Sep	Jul-Jun

	2011/12	2011	2010/11	2010/11	2010/11	2010	2009/10	2009/10
Sales, (SEK M)	61.0	68.6	68.2	65.6	58.3	60.9	56.3	48.6
Gross profit, (SEK M) *	26.1	31.6	31.2	26.6	20.7	20.8	15.8	12.2
Gross margin, (%) *	43	46	44	41	36	34	28	25
Operating profit/loss, (SEK M)	-4.6	2.7	2.5	2.9	-0.1	1.8	-10.8	-18.7
Operating margin, (%)	-8	4	5	4	0	3	-19	-38
EBITDA, (SEK M)	1.7	8.2	8.9	8.9	6.0	8.3	1.3	-7.3

* Refer to comment on page 2 under Sales, earnings and order backlog. In accordance with calculation method applied in 2012.

Condensed income statement, Parent Company (SEK M)	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Net sales	5.2	12.8	68.6
Cost of goods sold	-5.5	-7.7	-37.0
Gross profit/loss	**-0.3**	**5.2**	**31.6**
Sales expenses	-2.7	-2.8	-13.6
Administrative expenses	-2.8	-2.5	-11.2
Development expenses	-2.4	-1.0	-2.5
Other operating income/expenses	-0.9	-0.5	-1.6
Operating profit/loss	**-9.1**	**-1.8**	**2.7**
Net financial items	0.1	0.0	0.6
Tax	-	-	-
Profit/loss for the period	**-9.0**	**-1.7**	**3.4**

Condensed balance sheet. Parent Company (SEK M)	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011
Assets			
Intangible fixed assets	26.4	24.6	28.2
Tangible fixed assets	4.1	4.4	4.2
Financial fixed assets	3.9	2.0	3.7
Total fixed assets	34.5	31.0	36.2
Inventory	5.4	13,1	4,3
Accounts receivable	38.4	23.3	53,0
Current receivables	1.4	5.8	2,2
Prepaid expenses accrued income	1,0	-	0.8
Cash and cash equivalents	28.5	12.9	22,3
Total current assets	74.7	55.1	82.7
Total assets	**109.2**	**86.1**	**118.8**
Shareholders’ equity and liabilities			
Restricted shareholders’ equity	49.4	49.4	51.0
Unrestricted shareholders’ equity	47.4	26.5	54.8
Total shareholders’ equity	96.8	75.9	105.8
Pension provisions	1.4	-	1.2
Current liabilities	11.1	10.3	11.8
Total shareholders’ equity and liabilities	**109.2**	**86.1**	**118.8**
Pledged assets	**None**	**None**	**None**
Contingent liabilities	**None**	**None**	**None**

Accounting policies

This condensed interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting, and applying the provisions in the Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, Interim reports. The application of these accounting policies complies with those presented in the Annual Report for the fiscal year ending December 31, 2011 and must be read together with them.
No new or revised IFRS that have become effective in 2012 have had any significant impact on the Group