

## Year-end Report 2015

### Strong result and cash flow concludes 2015, the Board proposes to resume dividend

#### Fourth quarter 2015

- Net sales of SEK 178.5 (173.2) M, an increase of 3 percent compared to last year
- Operating profit of SEK 7.4 (7.2<sup>2</sup>) M and profit for the period of SEK 7.9 (-5.1) M
- Cash flow from operating activities increased to SEK 92.7 (56.8) M
- Order intake of SEK 108 (115) M, a decrease of 6 percent compared to last year
- The backlog\* is approximately SEK 63 M, whereof the majority is expected to be invoiced in the first quarter of 2016
- Framework agreement signed between Strongpoint and Bunnpris in Norway, estimated future order value is approximately SEK 100 M

#### Full year 2015

- Net sales of SEK 870.6 (583.0) M, an increase of 49 percent compared to last year
- Operating profit of SEK 47.8 (15.9<sup>2</sup>) M and profit for the period of SEK 37.0 (-55.5) M
- Cash flow from operating activities increased to SEK 101.4 (13.6) M
- Order intake of SEK 792 (541) M, an increase of 46 percent compared to last year
- The Board proposes to the Annual General Meeting to resume dividend for 2015 with 0.25 (0) SEK per share

#### Subsequent events

- Orders from Carrefour of more than 100 MSEK with deliveries scheduled to begin during first quarter of 2016
- Launch of real time in-store automated product positioning

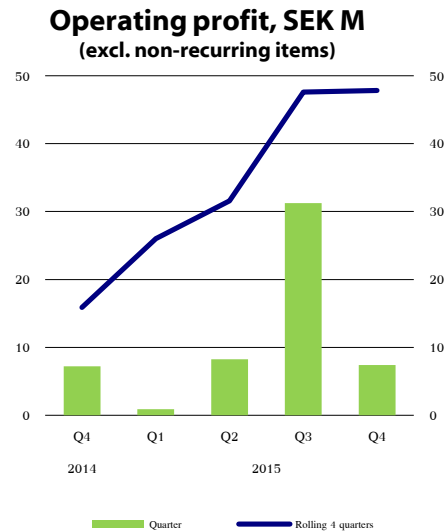
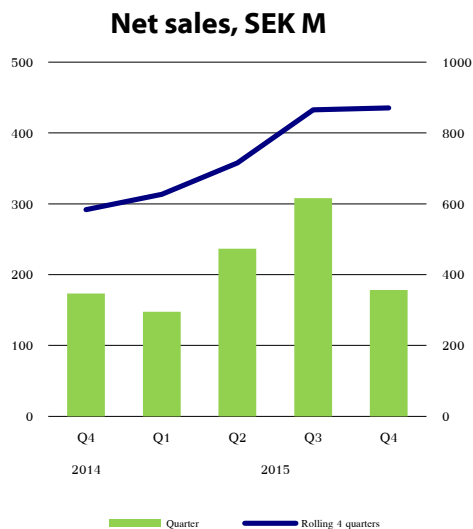
Amounts in SEK M unless otherwise stated	Q 4 2015	Q 4 2014	Full year 2015	Full year 2014
Order intake	108	115	792	541
Net sales	178,5	173,2	870,6	583,0
Gross margin <sup>1, 3)</sup>	24,6%	24,6%	21,9%	24,0%
Operating profit <sup>2)</sup>	7,4	7,2	47,8	15,9
Operating margin <sup>2)</sup>	4,1%	4,2%	5,5%	2,7%
Cash flow from operating activities	92,7	56,8	101,4	13,6
Profit for the period	7,9	-5,1	37,0	-55,5
Earnings per share (SEK)	0,07	-0,05	0,34	-0,51

1) Excluding non-recurring costs of 0 for Q4 2014 and SEK 37.5 M for the full year 2014.

2) Excluding non-recurring costs of SEK 12.1 M for Q4 2014 and SEK 69.0 M for the full year 2014.

3) Depreciations of capitalized development costs were during 2014 reclassified from the research and development cost function to cost of goods sold. The effect of this is SEK 2.8 M for Q4 2014 and SEK 11.2 M for the full year 2014.

\* The order backlog consists of binding orders and call-offs under frame agreements. Expected future value of frame agreements is not included. Framework agreement between Strongpoint and Bunnpris not part of backlog.



#### Comments from the CEO, Jonas Vestin

Pricer succeeded in turning last year's losses into profit and a very strong cash flow for 2015. I am delighted to report that net sales rose by 49% to SEK 871 M, making this Pricer's best year ever. We have prioritized profitable growth, order intake increased by 46% to SEK 792 M and operating profit nearly tripled to SEK 48 M, at the same time that we reduced our tied-up capital. This should also be seen against the background of the extensive restructuring that the organization underwent during the period, parallel to the launch of a new digital strategy.

In the fourth quarter, both net sales and profit were up over the same quarter last year.

And if we had included the framework order between our Norwegian reseller and Bunnpris that was announced in the fourth quarter as order intake, we would also have shown growth in order intake and backlog. But since the exact size and timetable had not yet been finalized at year-end we have chosen to wait before including them in our order intake and backlog, in accordance with our principles.

At the same time, the lower order intake in the second half of the year does indicate a certain headwind. The fourth quarter of 2015 saw the completion of two major global auction type ESL procurements, with tightly controlled requirements for participation and price as the decisive factor, in which Pricer chose to prioritize margins over volumes. These procurements referred to business where the label density in the stores is low and price updates are relatively few, resulting in strong price pressure in combination with disproportionate risks involved. Pricer's competitive advantage is stronger when the number of ESL labels per store are high, preferably also combined with an active pricing strategy, resulting in system stability and functionality in addition to price updates being considered important evaluation criteria.

To ensure our ability to be competitive even in major procurements of this kind, we will intensify the already started rationalization initiatives, particularly with regard to graphic ePaper labels. These projects are underway and succeeded in largely compensating for the high US dollar rate in the past year, but will also successively improve our competitiveness in different segments going forward.

Pricer's digital solutions are leading the way in the industry, but the competitors have wasted no time in revamping both their position and market messages. For Pricer, this means a continued focus on the differentiation strategy that was launched in 2014 and will begin to make a positive contribution to earnings in 2016 through initial deliveries of digital solutions to our customers' stores. In time, the digital strategy will improve our gross margin and earnings. However, a more powerful breakthrough is not expected until 2017 which is in line with our earlier projections.

All in all, Pricer is now on stable financial ground and delivered robust growth and a strong cash flow in 2015. We are well poised for the year ahead, but despite continued long-term growth in the market, we are dealing with a relatively tough market scenario and will issue no forecast for 2016.

## Market development in the fourth quarter of 2015

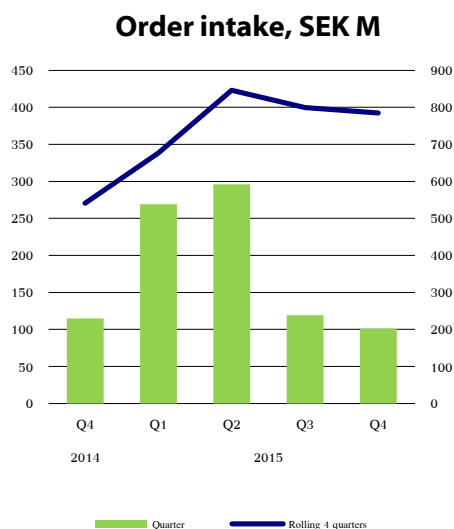
In the past year new market segments in the retail sector, such as consumer electronics and consumer discretionary, opened up for the ESL industry, which is an important signal that the technology is well matched to the challenges faced by retailers around the world. These market segments and the business potential they represent are of such a magnitude that they will in themselves drive sales growth in the industry as a whole, although no margin expansion has taken place yet.

The need for digitized stores to meet competition from online shopping has been underlined by the figures from the 2015 Christmas sales, which show continued growth in Internet-based consumption at the cost of traditional store sales. In markets with a low penetration rate for ESL solutions, we are now seeing examples of how stores are using dynamic pricing to gain a competitive edge against e-commerce. In the Norwegian Christmas sales for 2015, price changes were made on selected loss leaders with high frequency to attract consumers to choose the store for their shopping. This market trend is strengthening the growth forecasts for the ESL industry.

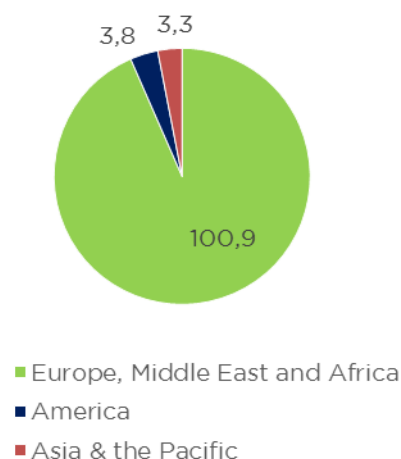
At the end of the year, graphic ePaper labels with three pigments, black-white-red, left the pilot stage after a long period of prototypes and in-store testing. In a new phase, graphic ePaper labels are being tested in a black-white-yellow model. The use of colors on graphic ePaper labels has a positive impact on the cost-benefit analysis for many retailers. When a campaign, an offer or a category can be clearly displayed in color directly on the ePaper label, this eliminates yet another need for paper in the store - paper that is currently being used in combination with ESL, for example to highlight discounts or ecological products. As a result, operating efficiency in the store is further increased through deployment of the system and cost rationalization is improved. The pigments also provide an opportunity to use the electronic shelf edge for market profiling by using profile colors, seasonal colors, etc. According to the industry, the emergence of three pigment labels will further drive growth through expansion into new markets.

## NET SALES BY GEOGRAPHICAL MARKET

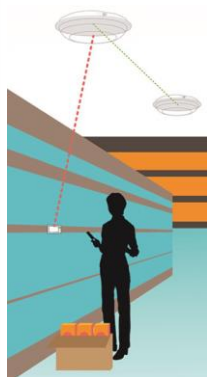
Amounts in SEK M	Q 4 2015	Q 4 2014	Full year 2015	Full year 2014
Europe, Middle East and Africa	166,9	141,0	805,2	493,3
America	8,4	15,6	46,4	44,7
Asia & the Pacific	3,2	16,7	19,0	45,1
<b>Total net sales</b>	<b>178,5</b>	<b>173,2</b>	<b>870,6</b>	<b>583,0</b>



## Order intake by geographical market, SEK M



## Business Case – Product positioning



### Automated product positioning – Pricer platform ensures optimized profitability

Product positioning is essential to retail. The product's position in the store and on the shelf is determined based on sales data and customer behavior with the aim of maximizing profit. This is also the location in the store where tasks, such as restocking or adding shelf talkers must be executed. Furthermore, knowledge of the product's position determines whether a sale is made, since shoppers only add a product to the cart if they can find it.

The product position therefore represents a value for the retailer, but also a challenge to be managed. The general approach is to plan the product placement using advanced tools to predict the highest profit and then rely on planograms, detailed graphical descriptions of the products position on the shelf, to communicate the product's chosen location to the store. The end result depends on the store employees' ability to follow the planograms when resetting the store and then continuously maintaining the positions.

To ensure that the planograms are being followed by the stores, retail chains must perform audits in the stores, either themselves or through retail service companies that specialize in this service. This is a time-consuming task and since each store is different the planograms can't always be followed in every detail. Maintaining control of the position is therefore a costly challenge that is waiting to be resolved.

With the new IR positioning module, the Pricer platform now has the capability to automatically confirm the product's position. This is achieved by measuring the strength of the response signal from the ESL, which digitally represents the product on the shelf edge, in several different transceivers and by calculating the product's position using trilateration. The chain can then measure and follow up compliance in the individual stores using a cloud based solution.

## FINANCIAL SUMMARY

Amounts in SEK M unless otherwise stated

	Q 4 20 15	Q 4 20 14	Full year 20 15	Full year 20 14
Order intake	108	115	792	541
Net sales	178,5	173,2	870,6	583,0
Gross margin <sup>3)</sup>	24,6%	24,6%	21,9%	17,5%
Gross margin, excl. non-recurring costs <sup>1, 3)</sup>	24,6%	24,6%	21,9%	24,0%
Operating profit	7,4	-4,9	47,8	-53,1
Operating profit, excl. non-recurring costs <sup>2)</sup>	7,4	7,2	47,8	15,9
Operating margin	4,1%	-2,8%	5,5%	-9,1%
Operating margin, excl. non-recurring costs <sup>2)</sup>	4,1%	4,2%	5,5%	2,7%
Cash flow from operating activities	92,7	56,8	101,4	13,6
Profit for the period	7,9	-5,1	37,0	-55,5
Earnings per share (SEK)	0,07	-0,05	0,34	-0,51

1) Excluding non-recurring costs of 0 for Q4 2014 and SEK 37.5 M for the full year 2014.

2) Excluding non-recurring costs of SEK 12.1 M for Q4 2014 and SEK 69.0 M for the full year 2014.

- 3) Depreciations of capitalized development costs were during 2014 reclassified from the research and development cost function to cost of goods sold. The effect of this is SEK 2.8 M for Q4 2014 and SEK 11.2 M for the full year 2014.

**Orders, net sales and profit for fourth quarter**

Order intake was SEK 108 (115) M in the quarter, a decrease of 6 percent compared to the fourth quarter of last year. Adjusted for changes in exchange rates, the order intake was down by 6 per cent.

Net sales amounted to SEK 178.5 (173.2) M in the quarter. The increase was 3 percent compared to the same quarter of last year. Adjusted for changes in exchange rates, sales declined by 1 per cent.

Gross profit amounted to SEK 44.0 (42.6) M and gross margin to 24.6 (24.6) percent in the fourth quarter.

Operating expenses decreased to SEK 36.6 (47.5) M in the fourth quarter. Operating expenses in the fourth quarter of last year were burdened with restructuring costs of SEK 12.1 M. Adjusted for this, operating expenses were SEK 35.4 M.

Operating profit amounted to SEK 7.4 (4.9) M and operating margin to 4.1 (-2.8.) percent in the fourth quarter.

Profit for the period was SEK 7.9 (-5.1) M.

Translation differences in other comprehensive income of SEK -11.8 (13.7) M consisted of foreign currency translation of net assets in foreign subsidiaries in euros and US dollars, which mainly referred to goodwill.

**Orders, net sales and profit for the full year 2015**

Order intake was SEK 792 (541) M in the period, an increase of 46 percent compared to last year. Adjusted for changes in exchange rates, the order intake increased by 32 per cent.

Net sales amounted to SEK 870.6 (583.0) M in the period, an increase of 49 percent compared to last year. Adjusted for changes in exchange rates, net sales increased by 36 per cent.

Gross profit amounted to SEK 190.6 (102.3) M and gross margin to 21.9 (17.5) percent in the period. Gross profit for 2014 was negatively affected by provisions of SEK 37.5 M, related to quality problems. Excluding non-recurring items in 2014 the gross margin was 24.0 percent. The year's decrease is mainly explained by a higher share of graphic labels combined with a strong US dollar.

Operating expenses decreased to SEK 142.8 (155.4) M in the period. Operating expenses for the full year 2014 were burdened by an impairment loss on development projects amounting to SEK 15.5 M and restructuring costs of SEK 16.0 M. Adjusted for this, operating expenses have increased by SEK 18.9 M compared to the same period of last year. The increase is mainly driven by costs related to implementation of the new solution-oriented strategy in combination with investments to strengthen the organization.

Operating profit amounted to SEK 47.8 (-53.1) M and operating margin to 5.5 (-9.1) percent.

Profit for the period was SEK 37.0 (-55.5) M.

Translation differences in other comprehensive income of SEK -14.5 (23.8) M consisted of foreign currency translation of net assets in foreign subsidiaries in euros and US dollars, which mainly referred to goodwill.

**CURRENCY TRANSLATION DIFFERENCE ORDER INTAKE & SALES**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
	<b>20 15</b>	<b>20 14</b>	<b>20 15</b>	<b>20 14</b>
% change in Order intake	-6%	1%	46%	3%
whereof currency translation difference	0%	6%	14%	5%
% change in Order intake adjusted for currency translation difference	-6%	-5%	32%	-2%
% change in Net sales	3%	14%	49%	11%
whereof currency translation difference	4%	7%	13%	5%
% change in Net sales adjusted for currency translation difference	-1%	7%	36%	6%

**NET SALES AND PROFIT, SEK M**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
	<b>20 15</b>	<b>20 14</b>	<b>20 15</b>	<b>20 14</b>
Net sales	178,5	173,2	870,6	583,0
Cost of goods sold <sup>1)</sup>	-134,5	-130,6	-680,0	-480,7
Gross profit	44,0	42,6	190,6	102,3
Gross margin	24,6%	24,6%	21,9%	17,5%
Operating expenses	-36,6	-47,5	-142,8	-155,4
Operating profit	7,4	-4,9	47,8	-53,1
Operating margin	4,1%	-2,8%	5,5%	-9,1%

- 1) Depreciations of capitalized development costs were during 2014 reclassified from the research and development cost function to cost of goods sold. The effect of this is SEK 2.8 M for Q4 2014 and SEK 11.2 M for the full year 2014.

**NET SALES AND PROFIT (EXCL. NON-RECURRING COSTS), SEK M**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
	<b>20 15</b>	<b>20 14</b>	<b>20 15</b>	<b>20 14</b>
Net sales	178,5	173,2	870,6	583,0
Cost of goods sold, excl. non-recurring costs <sup>1, 2)</sup>	-134,5	-130,6	-680,0	-443,2
Gross profit, excl. non-recurring costs <sup>1, 2)</sup>	44,0	42,6	190,6	139,8
Gross margin, excl. non-recurring costs <sup>1, 2)</sup>	24,6%	24,6%	21,9%	24,0%
Operating expenses, excl. non-recurring costs <sup>1, 3)</sup>	-36,6	-35,4	-142,8	-123,9
Operating profit, excl. non-recurring costs <sup>4)</sup>	7,4	7,2	47,8	15,9
Operating margin, excl. non-recurring costs <sup>4)</sup>	4,1%	4,2%	5,5%	2,7%

- 1) Depreciations of capitalized development costs were during 2014 reclassified from the research and development cost function to cost of goods sold. The effect of this is SEK 2.8 M for Q4 2014 and SEK 11.2 M for the full year 2014.  
2) Excluding non-recurring costs of 0 for Q4 2014 and SEK 37.5 M for the full year 2014.  
3) Excluding non-recurring costs of SEK 12.1 M for Q4 2014 and SEK 31.5 M for the full year 2014.  
4) Excluding non-recurring costs of SEK 12.1 M for Q4 2014 and SEK 69.0 M for the full year 2014.

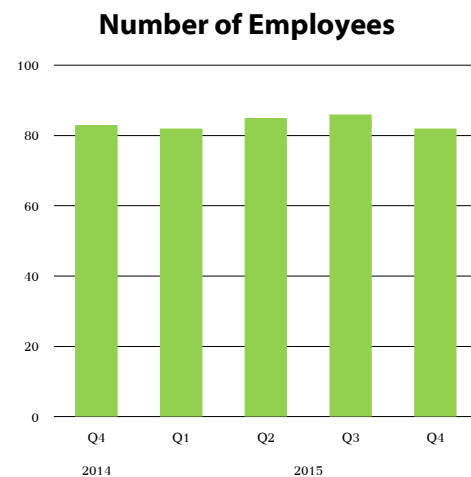
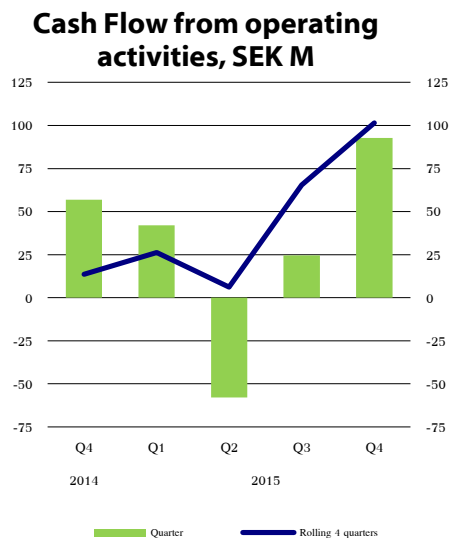
**Cash flow and financial position**Fourth quarter

Cash flow from current activities amounted to SEK 92.7 (56.8) M in the fourth quarter as a result of the improved operating result combined with lower working capital requirements in relation to net sales.

### Full year 2015

Cash flow from operating activities was SEK 101.4 (13.6) M in the period, driven mainly by the high operating profits in combination with a lower working capital requirement in relation to net sales. The improvement is primarily driven by a reduction in inventory as a result of improved purchase routines in combination with a relatively low order backlog.

Cash and cash equivalents at the end of the period amounted to SEK 135.6 (53.0) M. In addition to cash and cash equivalents, Pricer has an unutilized overdraft facility amounting to SEK 50 M and an additional SEK 50 M in a credit facility.



### Equity

Pricer holds 1,067 thousand treasury shares in order to fulfill the promise of matching and performance shares in the two outstanding stock saving programs. The value of the promise is reported in accordance with IFRS 2 and is expensed over the vesting period.

### ISSUED AND OUTSTANDING SHARES

Stated in thousands of shares	Series A	Series B	Total
Issued at the beginning of the year, 2015-01-01	226	110 746	110 972
Issued and converted shares in the year		0	0
Issued at the end of the period, 2015-12-31	226	110 746	110 972
Treasury shares	-	-1 067	-1 067
Outstanding shares at end of period	226	109 679	109 905

*Class A share carries five votes and class B share carries one vote*

### Investment

#### Fourth quarter

Investments in non-current assets amounted to SEK 4.0 (3.6) M in the fourth quarter and consisted mainly of capitalized development costs of SEK 3.4 (2.7) M.

### Full year 2015

Investments in non-current assets amounted to SEK 15.9 (11.6) M during the period and consisted mainly of investments in increased production capacity and capitalized development costs of SEK 10.9 (7.4) M.

### Parent Company

The Parent Company's net sales amounted to SEK 730.1 (465.8) M and the profit for the period amounted to SEK 21.6 (-61.7) M. The Parent Company's cash and cash equivalents amounted to SEK 120.6 (44.5) M at the end of the period.

### Personnel

The average number of employees during the period was 82 (79) and the number of employees at the end of the period was 82 (83).

### Non-recurring costs

As previously reported, 2014 was burdened with non-recurring costs in a total amount of SEK 69.0 M relating mainly to component problems for goods delivered and other structural expenses. Of the provisions made for quality problems, SEK 5.7 M remained at 31 December, which is deemed sufficient to cover the remaining costs.

#### OPERATING PROFIT, EXCL. NON-RECURRING COSTS

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Amounts in SEK M	2014	2014	2014	2014	2015	2015	2015	2015
<b>Operating profit</b>	<b>-9,2</b>	<b>-50,1</b>	<b>11,1</b>	<b>-4,9</b>	<b>0,9</b>	<b>8,2</b>	<b>31,3</b>	<b>7,4</b>
Component problems	-	37,5	-	-	-	-	-	-
Write-down of development project	-	15,3	-	0,2	-	-	-	-
Structural change	-	-	4,1	11,9	-	-	-	-
<i>Total adjustment</i>	<i>-</i>	<i>52,8</i>	<i>4,1</i>	<i>12,1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Operating profit, excl. non-recurring costs</b>	<b>-9,2</b>	<b>2,7</b>	<b>15,2</b>	<b>7,2</b>	<b>0,9</b>	<b>8,2</b>	<b>31,3</b>	<b>7,4</b>

### Risks and uncertainties

Pricer's results and financial position are affected by various risk factors that must be considered when assessing the Group and the Parent Company and their future potential. These risks are primarily associated with development of the market for electronic shelf labels and large currency fluctuations. In view of the client structure and the extensive scale of the agreements, a delay in the installations or major fluctuations in exchange rates can have a significant impact in an individual quarter. For other risks, please see the 2014 annual report, pages 10 and 39.

### Related parties

No significant transactions have taken place with related parties that have significantly affected the financial position or results of the Group or the Parent Company.

### Financial instruments

Pricer's financial instruments consist of derivatives, trade receivables, cash and cash equivalents, trade payables and accrued supplier expenses. Derivatives are valued at fair value within level 2, according to the definition in IFRS 7, meaning that the value is calculated based on observable market data, either directly (e.g. share price) or indirectly (derived from price). Other financial assets have been classified as trade receivables. Other financial liabilities are classified as other financial liabilities valued at amortized cost, which includes trade payables. Based on this, the carrying amounts of all financial assets and liabilities are deemed to be a reasonable estimate of their fair value.



**FINANCIAL INSTRUMENTS**

Amounts in SEK M	<u>Carrying amount</u>		<u>Fair value</u>	
	<u>2014-12-31</u>	<u>2015-12-31</u>	<u>2014-12-31</u>	<u>2015-12-31</u>
<b>Financial assets</b>				
Derivatives	0,0	0,0	0,0	0,0
Other financial assets	170,0	147,1	170,0	147,1
Cash and cash equivalents	53,0	135,6	53,0	135,6
<b>Summa</b>	<b>223,0</b>	<b>282,7</b>	<b>223,0</b>	<b>282,7</b>
<b>Financial liabilities</b>				
Derivatives	0,0	0,0	0,0	0,0
Other financial liabilities	73,0	46,5	73,0	46,5
<b>Summa</b>	<b>73,0</b>	<b>46,5</b>	<b>73,0</b>	<b>46,5</b>

**Taxes**

Income tax expenses in the quarter amounted to SEK -0.4 (-0.7) M, of which SEK 1.4 (0.5) M relates to deferred tax expenses arising due to utilization of accumulated tax loss carryforwards in the Parent Company. The actual tax rate (i.e. effective tax) was 13 percent. The effective tax rate for the full year 2015 was 11 percent.

**Accounting policies**

This interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions in the Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, and RFR 2. For both the Group and the Parent Company, the same accounting policies and methods of computation were applied as in the latest annual report.

A reclassification of amortization of capitalized development costs was carried out in 2014 from research and development costs to cost of goods sold. The amount reclassified for the fourth quarter of 2014 is SEK 2.8 M and SEK 11.2 M for the full year 2014. This has been done to clarify the link to the sales generated by the developed products after launch, when amortization normally also begins.

**Forecasts**

No forecast is issued for 2016.

**Annual General Meeting and dividend**

The AGM will be held on Thursday, April 28 at 4:00 pm at the Piperska Muren Congress Center in Stockholm. The last day to request matters to be addressed at the AGM is March 24. The Board will propose a dividend of 0.25 SEK per share for 2015 at the AGM, amounting to SEK 27.5 M. The annual report for 2015 will be published on Pricer's website in early April and distributed to those who request a copy.

**Next reporting date**

The interim report for January - March 2016 will be published on Thursday, 28 April 2016.

Stockholm, 12 February 2016

Pricer AB (publ)

Jonas Vestin  
Group CEO

This report has not been subject to auditors' review.

In its capacity as issuer, Pricer AB publishes the information in this interim report in accordance with the Securities Markets Act (2007:528).

The information was issued to the media for publication on Friday, 12 February 2016 at 8:30 am CEST.

**For further information, please contact:**

Jonas Vestin, CEO, or Helena Holmgren, CFO, Pricer AB: +46 8 505 582 00.

**STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME IN SUMMARY**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
Amounts in SEK M	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Net sales	178,5	173,2	870,6	583,0
Cost of goods sold <sup>1)</sup>	-134,5	-130,6	-680,0	-480,7
<b>Gross profit <sup>1)</sup></b>	<b>44,0</b>	<b>42,6</b>	<b>190,6</b>	<b>102,3</b>
Selling and administrative expenses	-31,6	-41,1	-122,9	-118,7
Research and development costs <sup>1)</sup>	-5,0	-6,4	-19,9	-36,7
<b>Operating profit</b>	<b>7,4</b>	<b>-4,9</b>	<b>47,8</b>	<b>-53,1</b>
Net financial items	0,9	0,5	1,4	-0,1
<b>Profit before tax</b>	<b>8,3</b>	<b>-4,4</b>	<b>49,2</b>	<b>-53,2</b>
Income tax	-0,4	-0,7	-12,2	-2,3
<b>Profit for the period</b>	<b>7,9</b>	<b>-5,1</b>	<b>37,0</b>	<b>-55,5</b>

**Other comprehensive income**

*Items that are or may be reclassified to profit or loss for the period*

Translation differences	-11,8	13,7	-14,5	23,8
Cash flow hedges	-	0	0,0	0,2
Tax attributable to items in other comprehensive income	0,6	-0,7	0,8	-1,2
<b>Other comprehensive income for the period</b>	<b>-11,2</b>	<b>13,0</b>	<b>-13,7</b>	<b>22,8</b>
<b>Net comprehensive income for the period</b>	<b>-3,3</b>	<b>7,9</b>	<b>23,3</b>	<b>-32,7</b>
<b>Profit for the period attributable to:</b>				
Owners of the Parent Company	7,9	-5,1	37,0	-55,5
<b>Other comprehensive income for the period attributable to:</b>				
Owners of the Parent Company	-3,3	7,9	23,3	-32,7

<sup>1)</sup> Amortization of capitalized development costs have been reclassified in 2014 from research and development costs to the cost of goods sold. The effect of this is SEK 2.8 M for Q4 2014 and SEK 11.2 M for the full year 2014.

**EARNINGS PER SHARE**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Basic earnings per share, SEK	0,07	-0,05	0,34	-0,51
Diluted earnings per share, SEK	0,07	-0,05	0,34	-0,51
Number of shares before dilution, millions	109,9	109,9	109,9	109,9
Diluted number of shares, millions	110,2	109,9	110,2	109,9

**STATEMENT OF CONSOLIDATED FINANCIAL POSITION IN SUMMARY**

Amounts in SEK M	2015-12-31	2014-12-31
Intangible assets	250,9	263,4
Tangible fixed assets	8,6	8,1
Deferred tax assets	94,8	101,7
<b>Total non-current assets</b>	<b>354,3</b>	<b>373,2</b>
Inventories	113,7	157,7
Current receivables	200,2	231,3
Cash and cash equivalents	135,6	53,0
<b>Total current assets</b>	<b>449,5</b>	<b>442,0</b>
<b>TOTAL ASSETS</b>	<b>803,8</b>	<b>815,2</b>
Shareholders' equity	684,7	659,7
<b>Total equity</b>	<b>684,7</b>	<b>659,7</b>
Non-current liabilities	6,1	4,9
Current liabilities	113,0	150,6
<b>Total liabilities</b>	<b>119,1</b>	<b>155,5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>803,8</b>	<b>815,2</b>
<b>Pledged assets</b>	<b>60,4</b>	<b>60,5</b>
<b>Contingent liabilities</b>	<b>0,8</b>	<b>0,8</b>
Basic shareholders' equity per share, SEK	6,23	6,00
Diluted shareholders' equity per share, SEK	6,21	6,00

**STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN SUMMARY**

Amounts in SEK M	Full year 2015	Full year 2014
<b>Equity at beginning of period</b>	<b>659,7</b>	<b>691,9</b>
Result for the period	37,0	-55,5
Other comprehensive income for the period	-13,7	22,8
<i>Net comprehensive income for the period</i>	23,3	-32,7
Share issue	-	0,3
Repurchase of own shares	-	-0,3
Dividend	-	-
Share based payments, equity settled	1,7	0,5
<i>Total transactions with owners of the Group</i>	1,7	0,5
<b>Equity at end of period</b>	<b>684,7</b>	<b>659,7</b>
<b>Attributable to:</b>		
- Owners of the Parent Company	684,0	659,7

**STATEMENT OF CONSOLIDATED CASH FLOWS IN SUMMARY**

	<b>Q 4</b>	<b>Q 4</b>	<b>Full year</b>	<b>Full year</b>
Amounts in SEK M	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Profit before tax	8,3	-4,4	49,2	-53,2
Adjustment for non-cash items	0,2	7,9	12,1	54,7
<i>whereof depreciations and amortizations</i>	3,3	3,8	18,1	15,5
Paid income tax	-1,1	-0,7	-4,8	-3,9
Change in working capital	85,3	54,0	44,9	16,0
<b>Cash flow from operating activities</b>	<b>92,7</b>	<b>56,8</b>	<b>101,4</b>	<b>13,6</b>
<b>Cash flow from investing activities</b>	<b>-4,0</b>	<b>-3,6</b>	<b>-15,9</b>	<b>-11,6</b>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-17,8</b>	<b>-</b>	<b>-</b>
<b>Cash flow for the period</b>	<b>88,7</b>	<b>35,4</b>	<b>85,5</b>	<b>2,0</b>
Cash and cash equivalents at beginning of period	49,8	15,7	53,0	48,9
Exchange rate difference in cash and cash equivalents	-2,9	1,9	-2,9	2,1
<b>Cash and cash equivalents at end of period</b>	<b>135,6</b>	<b>53,0</b>	<b>135,6</b>	<b>53,0</b>
Unutilised bank overdraft facilities	50,0	50,0	50,0	50,0
<b>Disposable funds at end of period</b>	<b>185,6</b>	<b>103,0</b>	<b>185,6</b>	<b>103,0</b>

**KEY RATIOS**

	<b>Q 4</b>	<b>Q 3</b>	<b>Q 2</b>	<b>Q 1</b>	<b>Q 4</b>
Amounts in SEK M	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>
Order intake	108	119	296	269	115
Order intake - rolling 4 quarters	792	799	846	677	541
Net sales	178,5	308,0	236,6	147,5	173,2
Net sales - rolling 4 quarters	870,6	865,3	715,6	626,9	583,0
Operating profit, excl. non-recurring costs <sup>†)</sup>	7,4	31,3	8,2	0,9	7,2
Operating profit, excl. non-recurring costs <sup>†)</sup> - rolling 4 quarters	47,8	47,6	31,5	26,0	15,9
Profit for the period <sup>†)</sup>	7,9	20,7	7,1	1,3	7,0
Cash flow from operating activities	92,7	24,6	-57,9	42,0	56,8
Cash flow from operating activities - rolling 4 quarters	101,4	65,5	6,1	26,3	13,6
Number of employees, end of period	82	86	85	82	83
Equity ratio	85%	80%	77%	80%	81%

<sup>†)</sup> Excluding non-recurring costs of SEK 12.1M in Q4 2014.

# STATEMENT OF INCOME AND STATEMENT OF COMPREHENSIVE INCOME OF PARENT COMPANY IN SUMMARY

## STATEMENT OF INCOME

Amounts in SEK M	Full year 20 15	Full year 20 14
Net sales	730,1	465,8
Cost of goods sold <sup>1)</sup>	-628,8	-444,9
<b>Gross profit <sup>1)</sup></b>	<b>101,3</b>	<b>20,9</b>
Selling and administrative expenses	-51,2	-46,7
Research and development costs <sup>1)</sup>	-19,9	-36,7
<b>Operating profit</b>	<b>30,2</b>	<b>-62,5</b>
Net financial items	-2,2	-0,4
<b>Profit before tax</b>	<b>28,0</b>	<b>-62,9</b>
Income tax	-6,4	1,2
<b>Profit for the period</b>	<b>21,6</b>	<b>-61,7</b>

## STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Full year 20 15	Full year 20 14
Profit for the period	21,6	-61,7
<i>Comprehensive income for the period</i>		
<i>Items that are or may be reclassified to profit or loss for the period</i>		
Translation differences	0,0	5,3
Cash flow hedges	0,0	0,2
Tax attributable to items in other comprehensive income	0,0	-1,2
<b>Comprehensive income for the period</b>	<b>0,0</b>	<b>4,3</b>
<b>Net comprehensive income for the period</b>	<b>21,6</b>	<b>-57,4</b>

<sup>1)</sup> Amortization of capitalized development costs have been reclassified in 20 14 from research and development costs to the cost of goods sold. The effect of this is SEK 11.2 M for the full year 20 14 .

**PARENT COMPANY BALANCE SHEET IN SUMMARY**

Amounts in SEK M	2015-12-31	2014-12-31
Intangible assets	18,7	20,8
Tangible fixed assets	7,8	7,3
Financial fixed assets	368,0	386,9
<b>Total non-current assets</b>	<b>394,5</b>	<b>415,0</b>
Inventories	91,7	125,2
Current receivables	158,7	140,5
Cash and cash equivalents	120,6	44,5
<b>Total current assets</b>	<b>371,0</b>	<b>310,2</b>
<b>TOTAL ASSETS</b>	<b>765,5</b>	<b>725,2</b>
Shareholders' equity	576,0	552,7
<b>Total equity</b>	<b>576,0</b>	<b>552,7</b>
Provisions	18,5	30,9
Non-current liabilities	3,7	0,1
Current liabilities	167,3	141,5
<b>Total liabilities</b>	<b>189,5</b>	<b>172,5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>765,5</b>	<b>725,2</b>
<b>Pledged assets</b>	<b>59,6</b>	<b>59,6</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>

**PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY**

Amounts in SEK M	Full year 2015	Full year 2014
<b>Equity at beginning of period</b>	<b>552,7</b>	<b>609,6</b>
Net comprehensive income for the period	21,6	-57,4
Share issue	0,0	0,3
Repurchase of own shares	0,0	-0,3
Dividend	0,0	-
Share based payments, equity settled	1,7	0,5
<b>Equity at end of period</b>	<b>576,0</b>	<b>552,7</b>

**About Pricer**

Pricer offers solutions for more efficient and reliable price information through electronic display and information systems for the retail industry. Pricer's system significantly improves consumer benefit and store productivity. The platform is based on a two-way communication protocol to ensure complete traceability and effective management of resources. The Pricer system leads to higher productivity in the store and enhances the customer experience.

Pricer, founded in 1991 in Uppsala, Sweden, is the leading global provider of electronic display and information systems. With the most complete ESL solution, Pricer has installations in over 50 countries and commands the largest share of the global ESL market. Customers include many of the world's top retailers and some of the foremost retail chains in Europe, Japan and the USA. Pricer, in co-operation with qualified partners, offers a totally integrated solution together with supplementary products, applications and services.

Pricer's shares are listed on the NASDAQ OMX Stockholm Small Cap list. For more information, please visit [www.pricer.com](http://www.pricer.com).

Pricer AB  
Box 215  
SE-101 24 Stockholm

Website: [www.pricer.com](http://www.pricer.com)  
Telephone no.: +46 8 505 582 00  
Corporate registration number: 556427-7993

Office address: Västra Järnvägsgränd 7  
SE-111 64 Stockholm