



# PSI Group ASA

**1<sup>st</sup> quarter presentation, April 30<sup>th</sup> 2015 8:15 am**

**Jørgen Waaler, CEO**





# PSI Group mission

***“Driving Retailers’ productivity by Technology”***



# Agenda



- P/L Highlights 1<sup>st</sup> quarter 2015
- Selected Balance Sheet – and Cash Flow items
- Segment P/L & Segment market update
- Q & A



# Highlights 1<sup>st</sup> quarter 2015

## Group operating revenues: MNOK 242.5 (MNOK 173.2)

An increase of 40 per cent.

## Group EBITDA: MNOK 15.2 (MNOK 10.0)

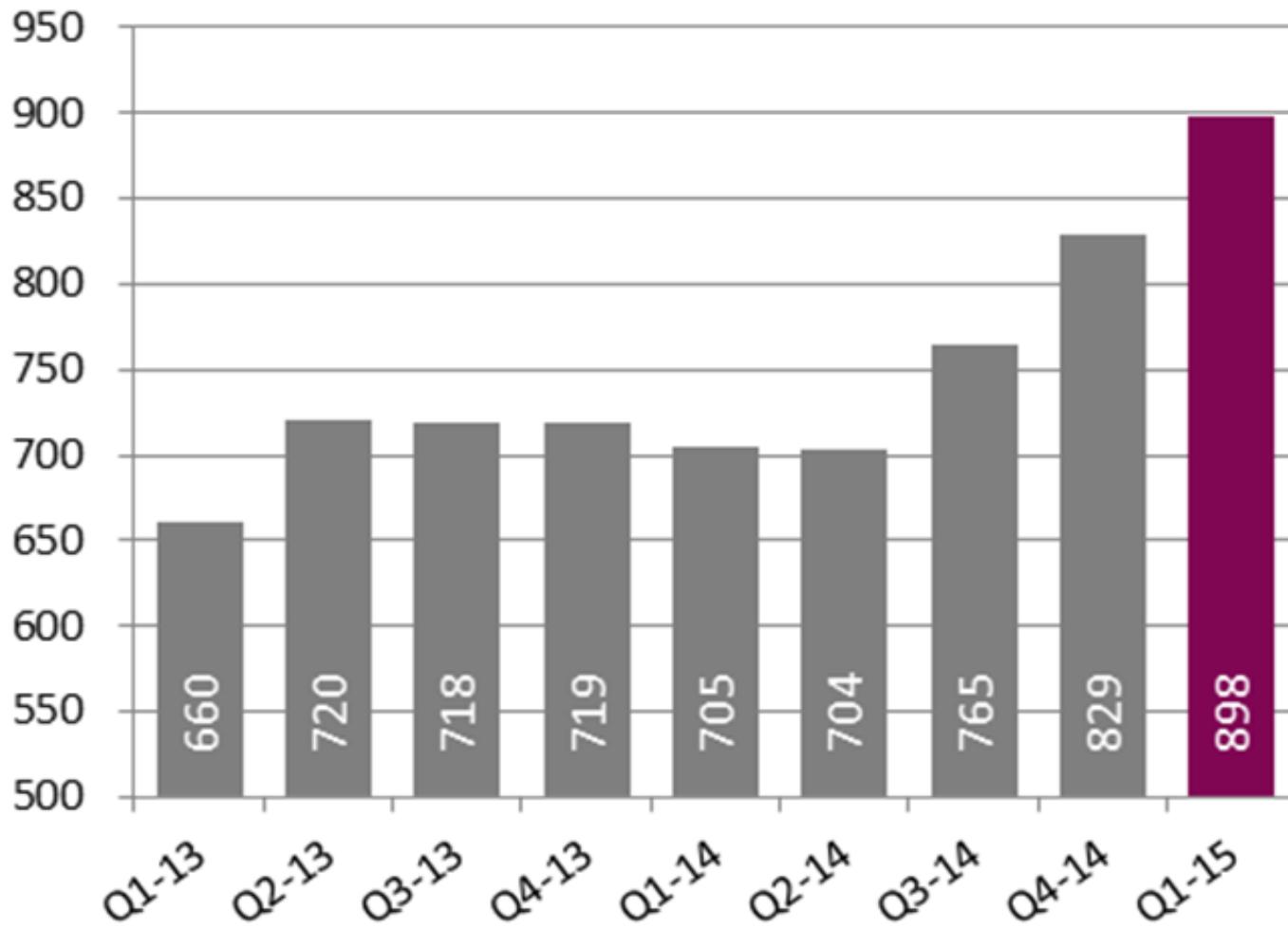
An increase of 51 per cent

MNOK	Q1 2015		Q1 2014	
	Revenues	EBITDA	Revenues	EBITDA
PSI Technology	116,3	10,0	89,8	6,1
PSI Retail	83,5	3,6	50,2	4,6
PSI Label	46,4	5,4	41,9	2,6
Group	0,1	-3,9	0,1	-3,1
Eliminations	-3,9	0,0	-8,9	-0,2
<b>Total</b>	<b>242,5</b>	<b>15,2</b>	<b>173,2</b>	<b>10,0</b>

**Proposed dividend: NOK 0,35 per share; up 17 per cent**

4 per cent yield – traded ex dividend after April 30<sup>th</sup> – payable on May 15<sup>th</sup>

# Revenues 4 quarters rolling



# Business areas – Geographical markets

MNOK	Q1 2015			Q1 2014		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets
PSI Technology	25,2	48,0	43,2	30,2	39,1	20,6
PSI Retail	27,9	35,4	20,2	20,8	29,2	0,2
PSI Label	17,4	28,0	0,9	16,0	25,3	0,5
Group	0,1	0,0	0,0	0,1	0,0	0,0
Eliminations	-0,2	-3,7	0,0	-1,3	-6,6	-1,0
<b>Total</b>	<b>70,4</b>	<b>107,8</b>	<b>64,3</b>	<b>65,9</b>	<b>87,0</b>	<b>20,3</b>

# Business areas - Type of sales

MNOK	Q1 2015		Q1 2014	
	New sales	Service	New sales	Service
PSI Technology	76,4	39,9	59,5	30,3
PSI Retail	53,3	30,2	35,0	15,2
PSI Label	46,4	0,0	41,9	0,0
Group	0,1	0,0	0,1	0,0
Eliminations	-3,9	0,0	-8,9	0,0
<b>Total</b>	<b>172,3</b>	<b>70,2</b>	<b>127,7</b>	<b>45,5</b>

# Group balance sheet - Total assets

- Inventory down by MNOK 4.0 compared to Q4
- A/R up by MNOK 12.1 compared to Q4

KNOK	31.03.2015	31.12.2014	31.03.2014
<b>ASSETS</b>			
Intangible assets <sup>1)</sup>	80 191	86 175	106 674
Goodwill	139 700	141 759	108 038
Tangible assets	50 971	42 839	41 265
Long term investments	481	481	481
Other long term receivables	1 782	1 850	-
Deferred tax	36 455	39 221	17 082
Non-current assets	309 580	312 326	273 539
Financial investments	53	27	25
Goods	91 556	95 575	76 596
Accounts receivable	169 044	156 903	111 688
Prepaid expenses	10 506	10 323	12 084
Other receivables	15 451	16 721	6 880
Bank deposits	14 512	18 973	11 211
Current assets	301 121	298 522	218 486
<b>TOTAL ASSETS</b>	<b>610 700</b>	<b>610 847</b>	<b>492 025</b>

<sup>1)</sup> 4th quarter 2014: Included an impairment of MNOK 32.4 related to intangible assets in SQS Security.

# Group balance sheet – Total equity & liabilities

- Total net interest bearing debt MNOK 107.3 – up from 67.1 end Q4
- Disposable liquidity MNOK 32.7
- 104 544 own shares, representing 0.2 per cent

KNOK	31.03.2015	31.12.2014	31.03.2014
<b>EQUITY AND LIABILITIES</b>			
Share capital	27 513	27 513	27 513
Holding of own shares	-65	-65	-409
Other equity	218 517	219 072	219 418
<b>Total equity</b>	<b>245 965</b>	<b>246 520</b>	<b>246 522</b>
Long term interest bearing liabilities	53 777	39 481	40 072
Other long term liabilities	27 634	28 691	-
<b>Total long term liabilities</b>	<b>81 410</b>	<b>68 172</b>	<b>40 072</b>
Short term interest bearing liabilities	68 082	46 634	29 129
Accounts payable	86 014	105 502	60 437
Taxes payable	123	127	-229
Other short term liabilities	129 107	143 891	116 094
<b>Total short term liabilities</b>	<b>283 325</b>	<b>296 155</b>	<b>205 431</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>610 700</b>	<b>610 847</b>	<b>492 025</b>

# Financials – Cash flow statement

KNOK	Q1 2015	Q1 2014	2014
Net cash flow from operation	-19 495	-8 284	45 890
Net cash flow from investment	-11 357	-5 869	-29 529
Net cash flow from financing	26 752	17 020	-6 288
Net change in cash	-4 100	2 868	10 073
Effect of foreign exchange rate fluctuations on foreign currency deposits	-360	-211	345
Cash and cash equivalents at the start of the period	18 973	8 554	8 554
Cash and cash equivalents at the end of the period	14 512	11 211	18 973

- **Cash flow from operational activities: MNOK - 19.5 (MNOK – 8.3)**
- **Working capital increased by MNOK 27.6 during 1<sup>st</sup> quarter**



**Hegnar.no**

OSLO BØRS  615,23 +0,48%

Ticker  Søk

Forsiden Økonomi Aksjer Valuta Eiendom Personlig økonomi IT Juss Livsstil Motor Kvin

Politikk & Samfunn Skatt og avgift Rente Shipping Resultatrapporer Energi

Foto: Scanpix

**Varsler omfattende priskontroll i matbutikker**

Fem år siden siste storkontroll varsler Forbrukerombudet nå en ny kontrollaksjon. – Vi får fremdeles jevnlig klager på at hyllepisen ikke samsvarer med prisen i kassen, sier fagdirektør.

Artikkelen av: NTB (Hegnar.no - 13.3.15 06:15)



- Public announcement this morning - COOP has decided to roll out ESL Pricer for 150 ICA Stores.
- The project will start in June 2015 and will continue into 2016.
- The order value is estimated to MNOK 100.

## 1<sup>st</sup> quarter 2015 - highlights

- **Systems integration & service of third party technologies**
- ESL Pricer roll-out with Meny supermarkets chain – MNOK 100 - started
- New Vision revenue 1<sup>st</sup> quarter MNOK 20,2
  - Negative EBITDA due to low investments after EUR conversion projects
- VLocker prospects



## 1<sup>st</sup> quarter 2015 - key figures

MNOK	Q1		
	2015	2014	2014
Product Sales	53,3	35,0	162,7
Service	30,2	15,2	74,4
<b>Revenue</b>	<b>83,5</b>	<b>50,2</b>	<b>237,1</b>
EBITDA	3,6	4,6	25,5
EBITDA-margin	4,3 %	9,2 %	10,8 %
EBT	1,6	4,1	20,1



## 1<sup>st</sup> quarter 2015 - highlights

- Significant improvement of EBITDA
- Awarded contract with Belgium's fastest growing CIT company – Cobelguard MNOK 10,4
- Quality issues solved and controlled - client confidence good
- Market position in Russia positive



## 1<sup>st</sup> quarter 2015 - key figures

MNOK	Q1		
	2015	2014	2014
Product Sales	22,6	11,6	88,4
Service	13,1	8,6	28,5
Revenue	35,7	20,2	116,9
EBITDA	2,4	-3,7	-1,7
<i>EBITDA-margin</i>	6,9 %	-18,5 %	-1,5 %
EBT <sup>1)</sup>	1,5	-6,4	-43,5

<sup>1)</sup> Year 2014: Included an impairment of MNOK 32,4 related to intangible assets in SQS Security.



## 1<sup>st</sup> quarter 2015 - highlights

- Awarded contract with OKQ8 in Sweden – 700 gas stations
- Spain equal to Norway in Q1
- Planned pilots in supermarket chains in Spain and Germany
- Pilot installations in KL/Singapore on-going
  - Seminar together with Swedish ambassador
- Planning increased local presence in SEA

## 1<sup>st</sup> quarter 2015 - key figures

MNOK	Q1		
	2015	2014	2014
Product Sales	43,6	47,9	165,8
Service	21,7	21,8	109,0
<b>Revenue</b>	<b>65,3</b>	<b>69,7</b>	<b>274,8</b>
EBITDA	9,2	9,9	37,0
EBITDA-margin	14,1 %	14,2 %	13,5 %
<b>EBT</b>	<b>7,2</b>	<b>8,6</b>	<b>29,3</b>



## • 1<sup>st</sup> quarter 2015 - highlights

- Growth in Germany & Belgium
- Slow start in Norway & Sweden
- Initiated marketing in Lithuania
- Pilots expanded in Norwegian Hotel chain – hotel shops
- Increasing R&D resources



## 1<sup>st</sup> quarter 2015 - key figures

	Q1 2015	2014 <sup>1)</sup>
MNOK		
Product Sales	10,3	29,9
Service	5,1	24,2
<b>Revenue</b>	<b>15,4</b>	<b>54,1</b>
EBITDA	-1,6	-3,3
<i>EBITDA-margin</i>	-10,7 %	-6,1 %
EBT	-1,8	-3,6

<sup>1)</sup> Period April - December



## 1<sup>st</sup> quarter 2015 - highlights

- 11 % increase in turnover
- Significantly improvement of EBITDA
- Integration of manufacturing facilities in Norway completed
- New HP Indigo investment MNOK 8,8 installed at Tangen in February



## 1<sup>st</sup> quarter 2015 - key figures

MNOK	Q1		
	2015	2014	2014
Product Sales	46,4	41,9	168,5
Revenue	46,4	41,9	168,5
EBITDA	5,4	2,6	17,1
EBITDA-margin	11,7 %	6,2 %	10,2 %
EBT	2,3	-0,1	4,8



# Top 50 shareholders per March 31<sup>st</sup> 2015

No.	Name	No. of shares	%			
1	PINNÅS, ERIK (incl. fully owned companies) <sup>1</sup>	4 932 276	11,1 %			
2	STRØMSTANGEN AS	3 933 092	8,9 %			
3	SKAGEN VEKST	3 796 612	8,6 %			
4	GLAAMENE INDUSTRIER AS	3 423 407	7,7 %			
5	HOLMEN SPESIALFOND	2 500 000	5,6 %			
6	AVANZA BANK AB	1 950 183	4,4 %			
7	NORDNET BANK AB	1 710 903	3,9 %			
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 541 304	3,5 %			
9	SKANDINAViska ENSKILDA BANKEN AB	1 405 152	3,2 %			
10	WAALER, JØRGEN (incl. fully owned companies) <sup>1</sup>	1 050 000	2,4 %			
11	GRESSLIEN, ODD ROAR	1 030 000	2,3 %			
12	V. EIENDOM AS	900 000	2,0 %			
13	RING, JAN	705 122	1,6 %			
14	MP PENSDON PK	699 806	1,6 %			
15	SVENSKA HANDELSBANKEN AB	617 519	1,4 %			
16	ROMULD, ARVE	600 000	1,4 %			
17	BUDVILAITIS, EVALDAS (incl. controlled companies) <sup>1</sup>	555 709	1,3 %			
18	JACOBSEN, SVEIN (incl. fully owned companies) <sup>1</sup>	450 000	1,0 %			
19	SAXO PRIVATBANK A/S	427 739	1,0 %			
20	BJØRNSTAD, DANIEL	402 231	0,9 %			
21	SWEDBANK AB (PUBL)	340 979	0,8 %			
22	NISTAD GRUPPEN AS	338 300	0,8 %			
23	FRANKMO, ÅGE	320 383	0,7 %			
24	ANDERSEN, BØRGE	314 480	0,7 %			
25	KONGSRUD, RUNE JACOB	272 750	0,6 %			
26	JOHANSEN, STEIN	264 000	0,6 %			
27	EVENSEN, TOR COLKA			260 124	0,6 %	
28	JOHANNESSEN, JAN TOMMY			247 125	0,6 %	
29	FANA ELEKTRIKEREN AS			225 000	0,5 %	
30	UGELSTAD, PER EINAR			223 601	0,5 %	
31	BERNTSEN, HARALD			200 000	0,5 %	
32	PARTREDERIET MAST ANS			192 750	0,4 %	
33	PRIMA HOLDING AS			175 000	0,4 %	
34	GRANBERG, KARL TRYGVE			174 500	0,4 %	
35	GAMMELSRØD, GUNNAR			174 288	0,4 %	
36	DELTA INVEST AS			162 185	0,4 %	
37	KAWA INVEST AS			160 000	0,4 %	
38	HAGEN, JOSTEIN MAGNUS			155 000	0,3 %	
39	WEIBULL, JOAQUIM (incl. fully owned companies)			152 000	0,3 %	
40	HEIMDAL, MORTEN			150 000	0,3 %	
41	G-EIENDOM AS			140 627	0,3 %	
42	BAKKEN, VIDAR			126 079	0,3 %	
43	CK HOLDING AS			123 604	0,3 %	
44	SHB INVESTERING AS			120 000	0,3 %	
45	KPT HOLDING AS			110 000	0,2 %	
46	NORDNET PENSDONFORSIKRING			109 907	0,2 %	
47	PSI GROUP ASA			104 544	0,2 %	
48	NÆSS, BERNHARD			102 000	0,2 %	
49	STOCK PROPERTY INVEST AS			101 500	0,2 %	
50	MAGNUS DEN GODE AS			100 858	0,2 %	
	Sum 50 largest shareholders			38 272 639	86,2 %	
	Sum 1 336 other shareholders			6 103 401	13,8 %	
	<b>Sum all 1 386 shareholders</b>			<b>44 376 040</b>	<b>100 %</b>	

<sup>1</sup>Primary insiders



Appointed as our financial and strategic advisor



# Questions?

