



StrongPoint

**Presentation of 4th quarter
and 2015**

February 19th 2015

8:15 am

Agenda

- 🏆 Highlights 4th quarter & full year 2015
- 🏆 Segment financials and status
- 🏆 Business model, solutions/markets
- 🏆 Strategy going forward
- 🏆 Q & A



StrongPoint Mission

**Driving retailers' productivity
by providing innovative integrated
technology solutions**



StrongPoint

Highlights 4th quarter 2015

- Group operating revenues: MNOK 309.6 (MNOK 252.2)
- Group EBITDA: MNOK 20.0 (MNOK 26.8)
- First National Bank in South Africa – 150 CashGuard systems
- NorgesGruppen – renewed cash handling agreement
- BOD propose 29 per cent increase in dividend to NOK 0,45 per share (0,35)

MNOK	Q4 2015			Q4 2014		
	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT
Proprietary Technologies ¹⁾	121,6	0,3	-3,7	113,3	5,3	-32,5
3rd party Technologies	153,6	18,0	13,3	96,4	17,1	14,8
Labels	47,2	6,2	2,3	44,1	8,5	5,4
Eliminations / ASA	-12,8	-4,6	-5,5	-1,7	-4,1	-9,2
Total	309,6	20,0	6,6	252,2	26,8	-21,6

¹⁾ Q4 2014: Included an impairment of MNOK 32.4 related to intangible assets in Cash Security.



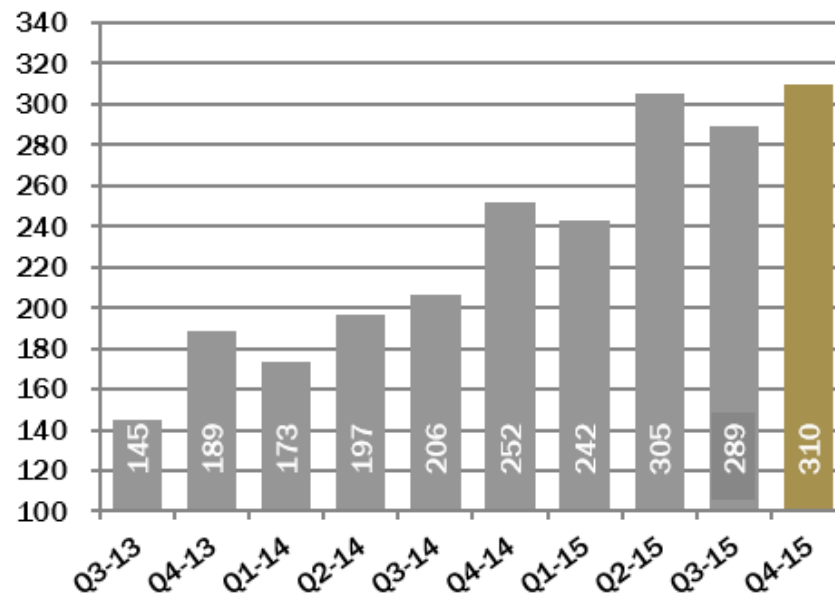
Highlights 2015

- Group operating revenues: **MNOK 1 146.0** (MNOK 828.5)
- Group EBITDA: **MNOK 90.5** (MNOK 61.0)
- Share price development 2015: **95 %** (7,25– 14,15)
- Successful rollout of CashGuard upgrades for new notes & coins in Sweden
- Successful rollout of Pricer ESL to Meny grocery chain - 175 stores
- StrongPoint Cash Security – turnaround - regained trust in Russia through own StrongPoint operation in Russia: Sberbank – Absolute Bank
- All-time high number of CashGuard systems internationally – 828 (784)
- ONE Company – re-branding

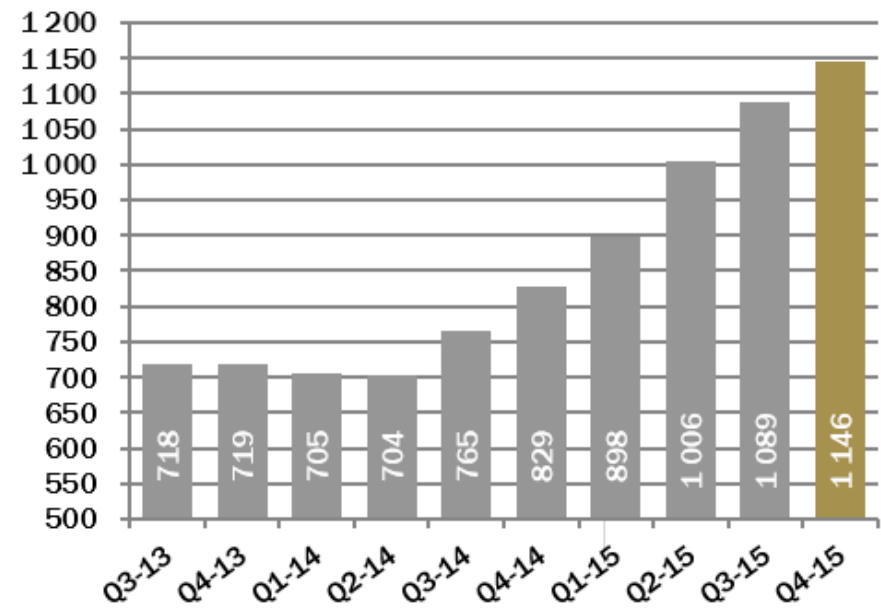
MNOK	Year 2015			Year 2014		
	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT
Proprietary Technologies ¹⁾	481,5	46,6	34,1	445,8	32,0	-17,9
3rd party Technologies	504,5	39,4	29,1	237,1	25,5	20,1
Labels	185,5	22,7	8,5	168,5	17,1	4,8
Eliminations / ASA	-25,5	-18,1	-22,1	-22,9	-13,6	-19,3
Total	1 146,0	90,5	49,6	828,5	61,0	-12,3

¹⁾ Year 2014: Included an impairment of MNOK 32.4 related to intangible assets in Cash Security.

Revenues per quarter

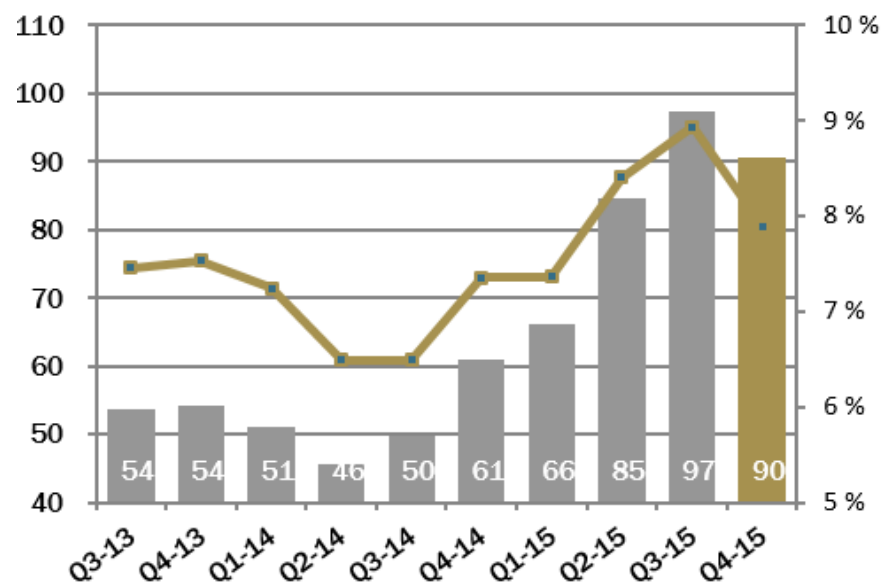
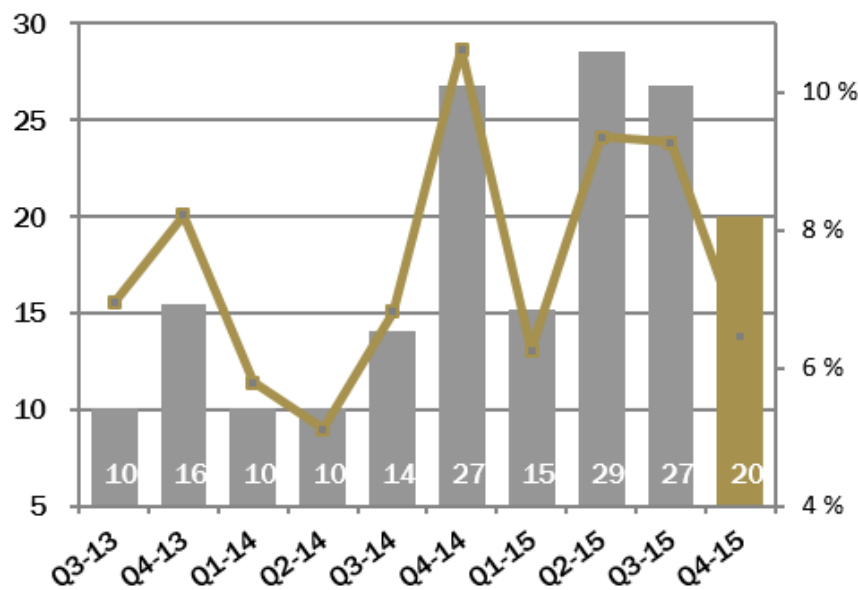


12 months rolling



EBITDA per quarter

12 months rolling



Revenues categories – 2015

MNOK	Year 2015		Year 2014	
	New sales	Reccuring Sales	New sales	Reccuring Sales
Proprietary Technologies	303,3	178,2	284,1	161,7
3rd party Technologies	390,4	114,1	162,7	74,4
Labels	0,0	185,5	0,0	168,5
Eliminations / ASA	-25,5	0,0	-22,9	0,0
Total	668,2	477,9	423,9	404,6



Revenues per geography - 2015

MNOK	Year 2015			Year 2014		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets
Proprietary Technologies	128,9	193,7	159,0	133,6	192,1	120,1
3rd party Technologies	263,9	127,8	112,9	60,7	118,5	57,9
Labels	66,2	114,4	4,8	60,1	105,7	2,6
Eliminations / ASA	-1,4	-16,2	-7,9	-0,3	-21,9	-0,7
Total	457,6	419,7	268,8	254,1	394,5	179,9



Group balance sheet - Total assets

- Inventory up by MNOK 22.3 from end Q3
- A/R down by MNOK 61.1 compared to Q3


KNOK	31.12.2015	31.12.2014	30.09.2015
ASSETS			
Intangible assets ¹⁾	75 469	86 175	77 924
Goodwill	153 410	141 759	150 914
Tangible assets	55 069	42 839	51 302
Long term investments	989	481	481
Other long term receivables	-	1 850	1 950
Deferred tax	28 117	39 221	29 217
Non-current assets	313 054	312 326	311 787
Financial investments	-	27	58
Goods	125 042	95 575	102 700
Accounts receivable	185 237	156 903	246 366
Prepaid expenses	12 092	10 323	11 479
Other receivables	17 317	16 721	19 614
Bank deposits	22 610	18 973	14 099
Current assets	362 297	298 522	394 316
TOTAL ASSETS	675 351	610 847	706 103


¹⁾ 4th quarter 2014: Included an impairment of MNOK 32.4 related to intangible assets in Cash Security.





Group balance sheet – Total equity & liabilities

KNOK	31.12.2015	31.12.2014	30.09.2015
EQUITY AND LIABILITIES			
Share capital	27 513	27 513	27 513
Holding of own shares	-65	-65	-65
Other equity	269 799	219 072	254 262
Total equity	297 247	246 520	281 711
Long term interest bearing liabilities	37 186	39 481	47 794
Other long term liabilities	-	28 691	30 240
Total long term liabilities	37 186	68 172	78 035
Short term interest bearing liabilities	54 025	46 634	78 342
Accounts payable	95 978	105 502	145 504
Taxes payable	233	127	38
Other short term liabilities	190 682	143 891	122 474
Total short term liabilities	340 918	296 155	346 358
TOTAL EQUITY AND LIABILITIES	675 351	610 847	706 103

 Total net interest bearing debt MNOK 68.6 – down by 43.4 from end Q3

 Disposable liquidity MNOK 59.8

 104 544 own shares, representing 0.2 per cent

 A/P MNOK 96.0 – down by 49.5 from end Q3

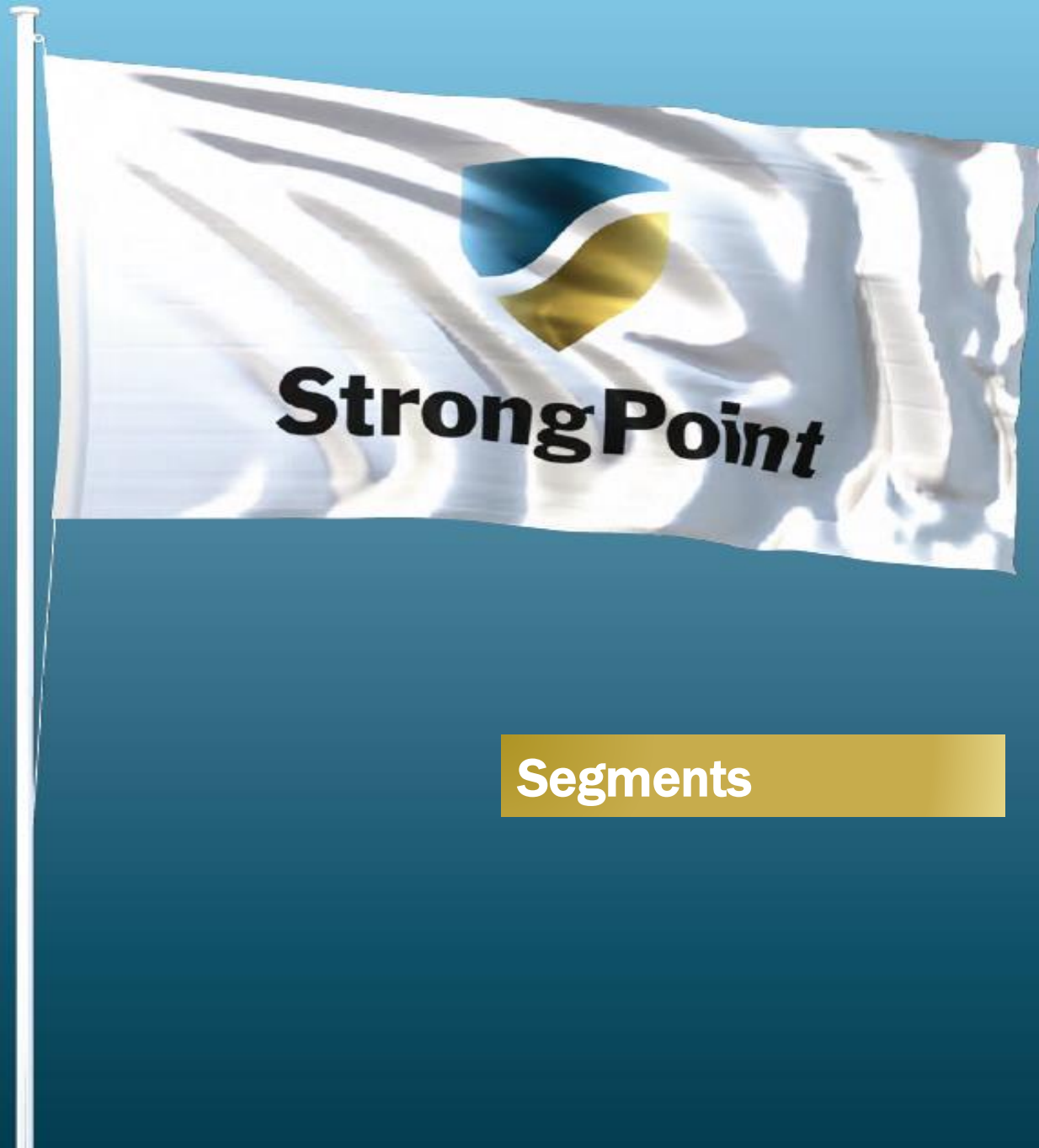


Financials – Cash flow statement

KNOK	Q4 2015	Q4 2014	Year 2015	Year 2014
Net cash flow from operation	54 194	62 318	54 268	45 890
Net cash flow from investment	-8 929	-1 600	-23 024	-29 529
Net cash flow from financing	-37 003	-61 295	-28 483	-6 288
Net change in cash	8 262	-577	2 762	10 073
Effect of foreign exchange rate fluctuations on foreign currency deposits	248	914	875	345
Cash and cash equivalents at the start of the period	14 099	18 635	18 973	8 554
Cash and cash equivalents at the end of the period	22 610	18 973	22 610	18 973

- 🏆 Cash flow from operational activities: MNOK 54.2 (MNOK 62.3)
- 🏆 Working capital increased by MNOK 10.7 during 4th quarter





Segments

Third party technologies

4th quarter and 2015 - highlights

- ESL Pricer roll-out with Meny supermarkets chain, 175 stores, completion November
 - Installations to COOP/RIMI continues
 - Continued work towards non-food
- Baltic 4th quarter revenues MNOK 46.4
 - EBITDA MNOK 0.8
 - First Pricer order delivered in Estonia
- Market leader Digi scales

4th quarter and 2015 - key figures

MNOK	Q4		Year	
	2015	2014	2015	2014
Product Sales	119,5	59,7	390,4	162,7
Service	34,1	36,6	114,1	74,4
Revenue	153,6	96,4	504,5	237,1
EBITDA	18,0	17,1	39,4	25,5
<i>EBITDA-margin</i>	<i>11,7 %</i>	<i>17,8 %</i>	<i>7,8 %</i>	<i>10,8 %</i>
EBT	13,3	14,8	29,1	20,1



Proprietary Technologies - Cash Security

4th quarter and 2015 - highlights

- Successful turnaround
- Chosen as the preferred partner for Sberbank in Russia
- Chosen as a partner for Absolute Bank in Russia
- Own StrongPoint operation/legal entity in Russia critical success factor

4th quarter and 2015 - key figures

MNOK	Q4		Year	
	2015	2014	2015	2014
Product Sales	27,4	22,9	90,9	88,4
Service	10,4	6,3	45,4	28,5
Revenue	37,9	29,2	136,3	116,9
EBITDA	2,2	-3,1	11,8	-1,7
<i>EBITDA-margin</i>	<i>5,8 %</i>	<i>-10,8 %</i>	<i>8,7 %</i>	<i>-1,5 %</i>
EBT ¹⁾	1,1	-37,8	8,3	-43,5

¹⁾ Year 2014 and Q4 2014: Included an impairment of MNOK 32.4 related to intangible assets in Cash Security.



Proprietary Technologies - CashGuard

4th quarter and 2015 - highlights

- Heavy investments in Cash Management software
- Some obsolete inventory
- Heavy investments in APAC
- Pilot installations in KL/Singapore on-going. 10 systems run as CashGuard as a service
- Prepare for new notes in Norway – possibly 4000-5000 systems upgrade

4th quarter and 2015 - key figures

MNOK	Q4		Year	
	2015	2014	2015	2014
Product Sales	30,5	39,7	163,1	165,8
Service	30,9	27,7	110,2	109,0
Revenue	61,3	67,4	273,3	274,8
EBITDA	-2,3	10,9	33,7	37,0
EBITDA-margin	-3,7 %	16,1 %	12,3 %	13,5 %
EBT	-4,8	7,2	25,5	29,3



Proprietary Technologies – Vensafe, Loss prevention

4th quarter and 2015 - highlights

- Finally, on the positive side
- Upgrade campaigns in Norway & Sweden initiated
- Continued positive development in Belgium & Germany
- Pilots in South Africa

4th quarter and 2015 - key figures

MNOK	Q4		Year	
	2015	2014	2015	2014 ¹⁾
Product Sales	15,7	9,0	49,4	29,9
Service	6,6	7,7	22,6	24,2
Revenue	22,4	16,7	72,0	54,1
EBITDA	0,4	-2,5	1,1	-3,3
<i>EBITDA-margin</i>	<i>1,9 %</i>	<i>-14,7 %</i>	<i>1,5 %</i>	<i>-6,1 %</i>
EBT	0,1	-1,9	0,3	-3,6

¹⁾ Year 2014 relates the period April - December.

Labels

4th quarter and 2015 - highlights

- 7 % increase in turnover
- Significant annual improvement of EBITDA
- Integration of manufacturing facilities in Norway completed

4th quarter and 2015 - key figures

MNOK	Q4		Year	
	2015	2014	2015	2014
Product Sales	47,2	44,1	185,5	168,5
Revenue	47,2	44,1	185,5	168,5
EBITDA	6,2	8,5	22,7	17,1
<i>EBITDA-margin</i>	13,2 %	19,3 %	12,2 %	10,2 %
EBT	2,3	5,4	8,5	4,8





Retail excellence
is now spelled
StrongPoint

STORE MANAGERS' DAILY WORRIES

REDUCE THEFT
INCREASE SECURITY
CHECKOUT CONVENIENCE

REDUCE QUEUES
PRICE INTEGRITY
PAYMENT SIMPLICITY

INCREASE REVENUE
REDUCE COST SHOP FLOOR
SERVICE AND EFFICIENCY

Enabling store owners to reach their full potential

- Retail technology consulting
- Innovation
- System integration



- Installation and education
- Project planning and rollouts
- Service & support

Driving consumer shopping efficiency

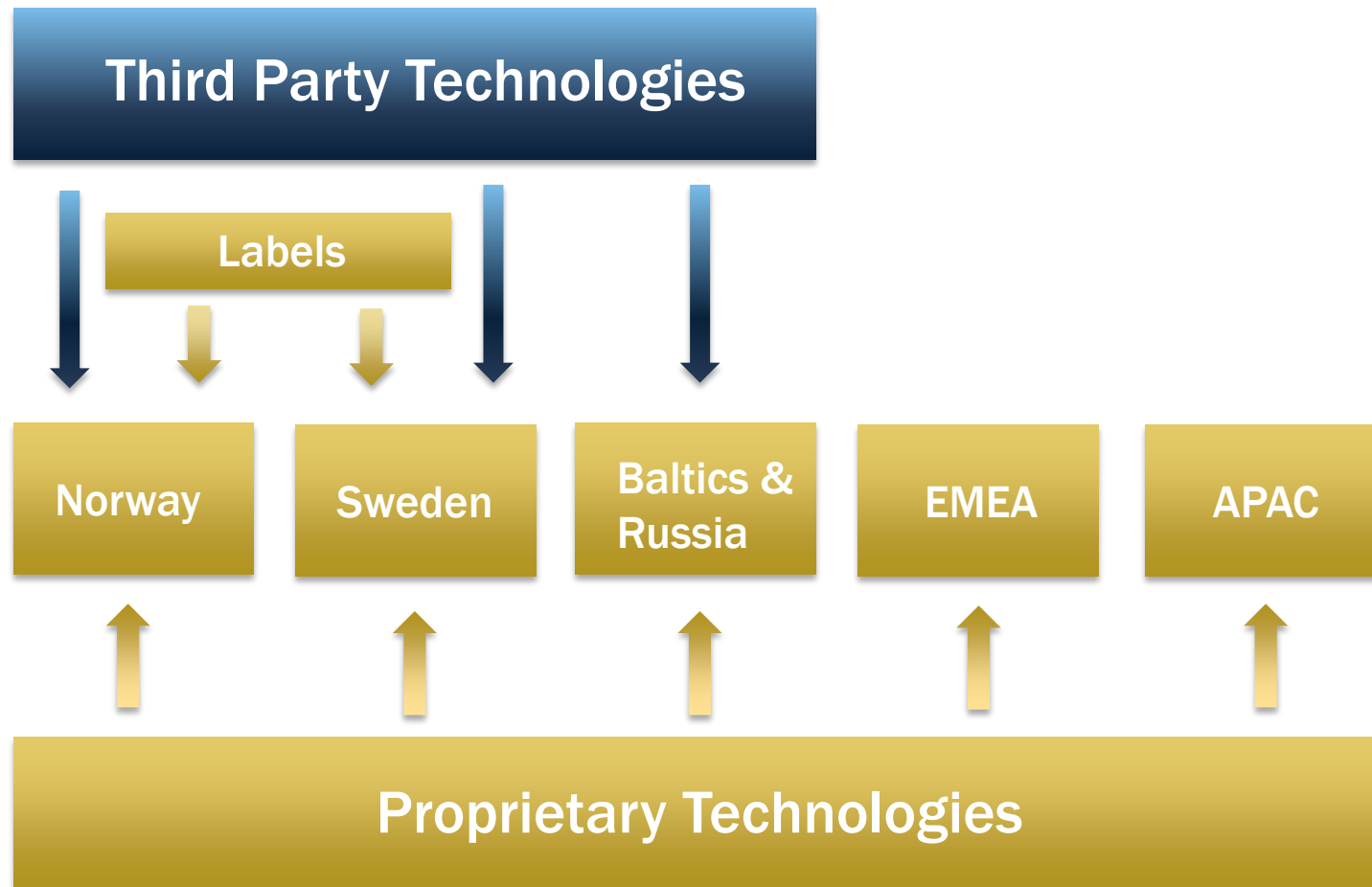
HOW CONSUMERS BUY

HOW CONSUMERS ARE
REWARDED

HOW CONSUMERS PAY

CONSUMER BEHAVIOR AND TRENDS

Solutions & Markets





Growth strategies

Summary – growth strategy going forward

- Significant market investments in APAC & EMEA – consolidate offerings and organizations. “Must” win efforts essential.
- Consolidate R&D – common API/GUI – StrongPoint Retail Highway StrongPoint Retail Suite
- StrongPoint growth – combine organic with value based M&A
- StrongPoint e-Commerce footprint – Retail applications



2016 - Alimerka

- 5- year rental – CashGuard as a service
- Top 20 grocery chains in Spain
- 170 stores
- Planned 50 systems installed per month
- StrongPoint partners



StrongPoint marketing



StrongPoint marketing



StrongPoint marketing

**RETAIL
BUSINESS
TECHNOLOGY
EXPO 2016**



9th – 10th MARCH 2016 | OLYMPIA, LONDON, UK | 9.30am – 5.00pm

StrongPoint marketing

Fill up with total cash security



StrongPoint

StrongPoint automates and optimises your cash handling. Which gives you enhanced security, lowered costs, improved customer service and increased revenue.

„StrongPoint gibt uns
Niedriges Stressniveau und
weniger Risiko für
einen Raub“



Thieves don't even
bother; the cashiers have
no access to
the cash.



StrongPoint marketing



StrongPoint Vision

**Becoming a recognised
global provider of
retail technology solutions**

Coverage

Equity Research



18 February, 2016

Swedbank is appointed by Strong Point as their financial adviser.

StrongPoint ASA

Target price raised to 16.5 NOK (9.5)

- StrongPoint is a leading supplier of retail technology
- International growth and margin improvement key drivers
- Trading on P/DCF 0.73x and 15% upside to peers

Estimate changes

Buy (reiterated)

Target price: NOK 16.5 (9.50)

Share price: NOK 14.1

Estimate changes

	2015e	2016e	2017e
Net sales	3.7%	2.3%	nm
EBIT	49.6%	31.7%	nm
EPS (recurring)	44.1%	32.4%	nm

Performance

Welcome to the next StrongPoint public appearance



SMALL AND MEDIUM
ENTERPRISES CONFERENCE

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DNB is pleased to welcome you to its 12th annual **SME Conference** in Oslo on Thursday 17 March 2016.

The programme starts at 09:00 hrs and will feature company presentations and Q&A sessions, and institutional investors will have the opportunity to meet management in one-on-one or small group meetings.

DATE:
March 17, 2016

VENUE:
DNB Bank Head Office
Dronning Eufemias Gate 30
0191 Oslo, Norway

Questions?



Top 50 shareholders per January 31th 2015

No	Name	No. of shares	%			
1	PINNÅS, ERIK (incl. fully owned companies) ¹	4 932 276	11,1 %	28	JOHANNESSEN, JAN TOMMY	271 000 0,6 %
2	STRØMSTANGEN AS	3 933 092	8,9 %	29	J.P. MORGAN CHASE BANK N.A. LONDON	254 320 0,6 %
3	SKAGEN VEKST	3 778 352	8,5 %	30	FANA ELEKTRIKEREN AS	250 000 0,6 %
4	HOLMEN SPESIALFOND	2 365 000	5,3 %	31	UGELSTAD, PER EINAR	246 115 0,6 %
5	SKANDINAVISKA ENSKILDA BANKEN AB	1 973 240	4,4 %	32	VERDADERO AS	239 999 0,5 %
6	AVANZA BANK AB	1 776 364	4,0 %	33	CK HOLDING AS	223 604 0,5 %
7	NORDNET BANK AB	1 674 957	3,8 %	34	SWEDBANK AB (PUBL)	218 807 0,5 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 533 256	3,5 %	35	BERNTSEN, HARALD	200 000 0,5 %
9	GLAAMENE INDUSTRIER AS	1 246 933	2,8 %	36	MIDDELBOE AS	192 898 0,4 %
10	WAALER, JØRGEN (incl. fully owned companies) ¹	1 060 000	2,4 %	37	PARTREDERIET MAST ANS	192 750 0,4 %
11	GRESSLIEN, ODD ROAR	1 005 000	2,3 %	38	GAMMELSRØD, GUNNAR	176 840 0,4 %
12	V. EIENDOM AS	976 887	2,2 %	39	GRANBERG, KARL TRYGVE	175 500 0,4 %
13	CARNEGIE INVESTMENT BANK AB	893 961	2,0 %	40	HEIMDAL, MORTEN	170 000 0,4 %
14	RING, JAN	726 322	1,6 %	41	KAWA INVEST AS	162 000 0,4 %
15	MP PENSJON PK	699 806	1,6 %	42	WEIBULL, JOAQUIM (incl. fully owned companies)	152 000 0,3 %
16	ROMULD, ARVE	600 000	1,4 %	43	G-EIENDOM AS	140 627 0,3 %
17	BUDVILAITIS, EVALDAS (incl. controlled companies) ¹	555 709	1,3 %	44	BAKKEN, VIDAR	131 079 0,3 %
18	SVENSKA HANDELSBANKEN AB	508 194	1,1 %	45	NÆSS, BERNHARD	130 000 0,3 %
19	BJØRNSTAD, DANIEL	421 560	0,9 %	46	MAGNUS DEN GODE AS	125 000 0,3 %
20	JACOBSEN, SVEIN (incl. fully owned companies) ¹	400 000	0,9 %	47	SHB INVESTERING AS	120 000 0,3 %
21	JOHANSEN, STEIN	400 000	0,9 %	48	HAGEN, JOSTEIN MAGNUS	119 000 0,3 %
22	SAXO BANK A/S	395 150	0,9 %	49	HERSETH, PER (incl. fully controlled companies) ¹	114 043 0,3 %
23	NISTAD GRUPPEN AS	338 300	0,8 %	50	STOCK PROPERTY INVEST AS	107 100 0,2 %
24	ANDERSEN, BØRGE	323 046	0,7 %		Sum 50 largest shareholders	37 526 537 84,6 %
25	EVENSEN, TOR COLKA	308 000	0,7 %		Sum 1 363 other shareholders	6 849 503 15,4 %
26	KONGSRUD, RUNE JACOB	300 450	0,7 %		Sum all 1 413 shareholders	44 376 040 100,0 %
27	FRANKMO, ÅGE	288 000	0,6 %			

¹ Primary insiders