ANNUAL REPORT 2014

PSI Group

FINANCIAL HIGHLIGHTS 2012 - 2014

	2014	2013	2012	
Sales revenue [1)]	828 514	718 873	595 919	KNOK
Annual growth	15,3 %	20,6 %	10,9 %	%
EBITDA	60 982	54 155	40 170	KNOK
EBT	-12 290	56 383	8 685	KNOK
Total assets	610 847	494 241	448 335	KNOK
Equity	246 520	250 798	188 359	KNOK
Equity ratio [2)]	40,4 %	50,7 %	42,0 %	%
Current ratio [3)]	1,01	1,13	0,96	
Earnings per share [4)]	-0,04	1,16	-0,14	NOK
Number of shares (average for year)	43 981	43 758	43 866	T
Number of shares 31.12.	44 376	44 376	44 376	T
Dividend per share	0,30	0,25	0,25	NOK
Share price (Oslo Børs)	7,25	5,62	4,21	NOK
Number of employees 31.12	571	314	301	

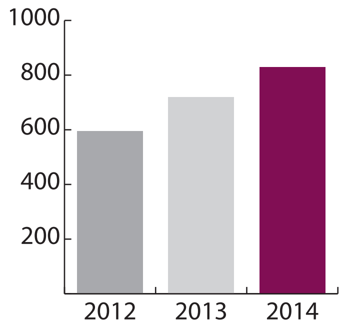
1) Sales revenue
Sales revenue for 2012 and 2013 includes profit from associated companies.

2) Equity ratio
$$\frac{\text{Equity 31 December x 100}}{\text{Total assets 31 December}}$$

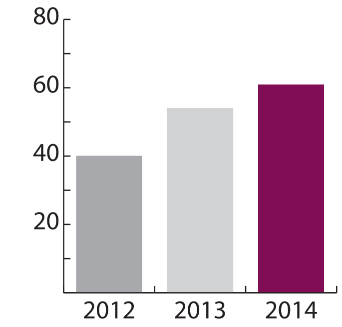
3) Current ratio
$$\frac{\text{Current assets 31 December}}{\text{Current liabilities 31 December}}$$

4) Earnings per share
$$\frac{\text{Annual profit after tax}}{\text{Average no. of shares}}$$

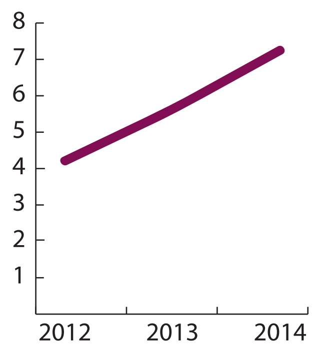
SALES REVENUE
(MNOK)



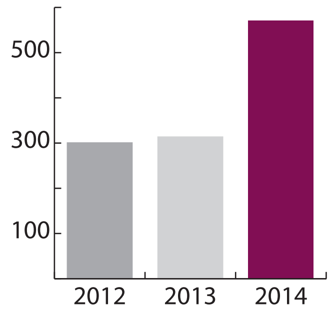
EBITDA
(MNOK)



SHARE PRICE (OSLO STOCK EXCHANGE)



NUMBER OF EMPLOYEES



STRONG FINISH CONTRIBUTED TO SOLID GROWTH IN 2014

Dear shareholders!

We have completed a year with satisfactory performance, solid growth in revenue and good results. Turnover was MNOK 829 compared with MNOK 719 in 2013 and MNOK 596 in 2012. EBITDA was MNOK 61 compared with MNOK 54 in 2013 and MNOK 40 in 2012. The shareholder values adjusted for dividend has increased by 34 per cent through the year - compared with 39 per cent a year in 2013 and 42 per cent in 2012. PSI Group reorganized the business areas in 2014. PSI Technology was created to visualize revenue and profit for in-house developed technology throughout the value chain. PSI Retail shows revenue and profit from third party products. Last, but not least, we have defined PSI Labels as a separate business area.

PSI Technology

2014 was a good year for CashGuard with focus on growth and large investments in R&D, product launches, sales and marketing.

Our investments in an international sales and marketing department, with direct focus on major international retail chains, has given a solid prospect list at the beginning of 2015.

During the year the company has established offices in Southeast Asia, which has laid the foundation for the presence in this part of world.

“During the year the company has established offices in Southeast Asia, which has laid the foundation for the presence in this part of world.”

Vensafe came into the family in April 2014. After the acquisition, significant synergies were realized within sales and service in Norway. The quality and functionality of the products has improved during the year, but we still need to increase sales volume to achieve our profit targets. To increase turnover, we will coordinate all sales and marketing resources within PSI Technology.

SQS Security increased its profit in 2014 compared to last year. In addition, new high-quality products were launched and the company experienced increased confidence in all its markets. In 2015 we expect further progress. There are no longer extraordinary non-recurring costs related to quality issues. Nevertheless, based on the history, we have cautiously made an impairment of intangible assets in the business area.

PSI Retail

2014 was also a good year for PSI Retail. Electronic shelf labels has stated its position further in the Norwegian and Swedish markets. We are now the market leader in digital price and information systems.

“Electronic shelf labels has stated its position further in the Norwegian and Swedish markets.”

New legislation in Sweden, within reverse vending systems, creates new opportunities together with our partner in vending machines. New regulations within allergy labeling caused extensive deliveries of scales in Norway in the fourth quarter 2014.

E-commerce is growing, even for groceries. We are evaluating the Click-n-Collect e-commerce solution, with its own pick up stations for dispensing groceries and parcels.

"We are considering the Click-n-Collect e-commerce solution, with its own pick up stations for dispensing groceries and parcels."

PSI Labels

Sales of adhesive labels continue to increase - in a growing market. There are increasingly stricter requirements for information, identification and tracking of goods in the society. Focus on manufacturing quality and deliverability has been decisive for our growth. At the beginning of 2015, we strengthened the business area by investing in digital production solutions in Norway. To achieve greater efficiency and create synergies we gathered all label operations in Norway under one roof at Tangen.

"To achieve greater efficiency and create synergies we gathered all label operations in Norway under one roof at Tangen."

Outlook

Our mission is to drive Retailers' productivity by providing innovative integrated technology solutions. This is realized by streamlining everyday life, increase the wellbeing and improve safety of store employees. In addition we want to provide retailers' customers with a functional, efficient and pleasant shopping experience. PSI Group's vision is to become a recognized global provider of retail technology solutions. We expect that increased international presence will give us good results and a more diversified business.

"PSI Group's vision is to become a recognized global provider of retail technology solutions."

Our offer is based on thorough analyzes of shop owners daily challenges in combination with the consumers changing shopping patterns and various consumer trends. It is important for us to focus on store managers daily challenges, such as; Price strategy and price integrity, reduction of checkout queues, efficient payment systems, volume driving loyalty programs, reduced shrinkage and theft, as well as security for store employees. At the same time our solutions and offerings must take into account changes in consumers' shopping habits.

How will they act, pay and be rewarded in the future? We have a product range that increasingly meets these requirements, and that makes us a suitable turnkey supplier for various customer groups within the retail sector. This role is reinforced through an expansive strategy along out own verticals, third party products and geographic scope. Our experiences from home markets in Norway, Sweden and the Baltic shows that the recipe for achieving profitable growth in new markets is to find a proper combination of own technology, leading third party products, as well as unique expertise in store operations, systems integration and flexible value-added service organizations.

"Our experiences from our home markets in Norway, Sweden and the Baltic shows that the recipe for achieving profitable growth in new markets is to find a proper combination of own technology, leading agencies, as well as unique expertise in store operations, systems integration and flexible value-added service organizations."

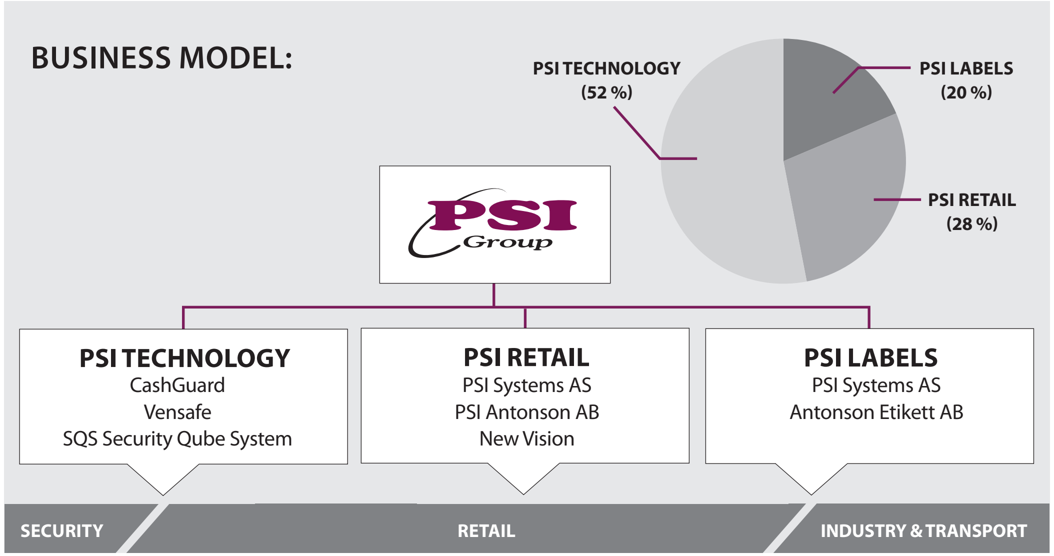
Our customers always have a choice. We must always deliver greater customer value than our competitors. And we must have the ability to transform this customer value to attractive shareholder value. Looking back at 2014, I can proudly say that we are well on track to deliver on this ambition.

Jørgen Waaler
CEO

PSI GROUP ASA

PSI Group's vision is to become a recognized global provider of Retail Technology Solutions. The group is divided into three business areas:

- **PSI Technology -** Production, sales and service of our own patented technology solutions to the retail and security industry.
- **PSI Retail -** Sale and service of third party technology solutions.
- **PSI Labels -** Production and sale of labeling solutions to the retail, industry and transport sectors.



PSI TECHNOLOGY

PSI RETAIL

PSI LABELS

PSI TECHNOLOGY

CashGuard

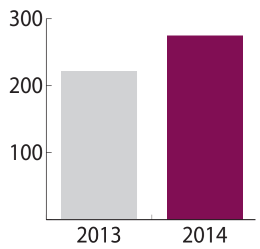
CashGuard is a specialist and market leader in cash management solutions to the retail sector. The company's mission is to create an unique shopping experience for store customers and give the stores a quality solution that prevents shrinkage, keeps track of cash and optimize store operations. CashGuard is used by more than five million retail customers in 25 countries and it is installed approximately 25,000 systems worldwide.

"We succeeded in reaching our ambitious sales target for 2014. During the year we won back key customers in our home markets and we expanded our business into new markets in South East Asia. We expect that the positive trend will continue and provide continued growth in 2015."

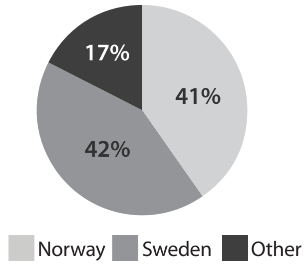
Roine Gabrielsson, Managing Director of CashGuard AB

SALES REVENUE (MNOK)

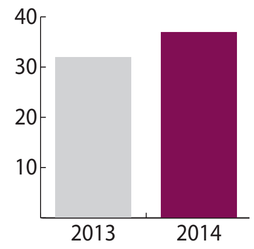
Total:



Market:



EBITDA (MNOK)



PREMIUM

PREMIUM+

PRESIDIO

STORE MANAGER MOBILE

POSITIVE DEVELOPMENT IN SWEDEN AND NEW ESTABLISHMENT IN SOUTH EAST ASIA

The President Hyper supermarket company in South Africa has decided to replace their current cash management system with CashGuard. The agreement includes CashGuard solutions for 55 checkouts for one store outside Johannesburg - the largest single CashGuard order for one store ever.

CashGuard was selected by Statoil Fuel & Retail Sweden to provide its cash management systems to "Statoil" full-service stations in Sweden.

CashGuard established in South East Asia in 2014.

PSI TECHNOLOGY

Vensafe

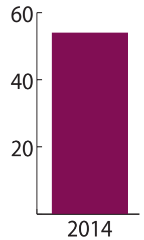
Vensafe streamlines store operations, reduce shrinkage, prevent theft and help reduce working capital on a number of high value products. PSI Group ASA acquired Vensafe 8 April 2014.

"After becoming a part of PSI Group, we immediately started a process to create synergies between the companies. As a part of PSI, we have great confidence in strengthening our competitiveness and position further, to create growth in new markets and customer segments."

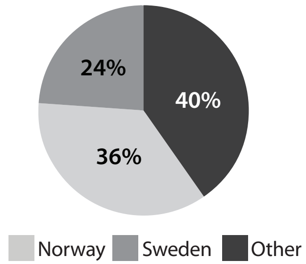
Trond Kongrød, Managing Director of Vensafe

SALES REVENUE (MNOK) [1)]

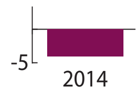
Total:



Market:



EBITDA (MNOK)



1) Vensafe became a part of PSI Technology from Q2 2014.

DISPENSERS

TOUCH SCREEN

PRODUCT CARDS

PRODUCT LAUNCH IN GERMANY AND NEW ESTABLISHMENTS

Vensafe launched a new software and touch screen in the German market in 2014. This has contributed to a strong increase in the number of units sold in Germany compared with the previous year. The same products will be launched in the remaining Vensafe markets in 2015.

An increasing number of countries are becoming more restrictive in their tobacco legislation, including sales and exposure of tobacco products. This has resulted in increased demand for closed systems to sell tobacco products.

Vensafe are marketing and selling systems in Germany, Benelux, Sweden and Norway. In 2014, it was also established partners in the USA, Italy, the Baltics and South Africa.

PSI TECHNOLOGY
SQS Security Qube System

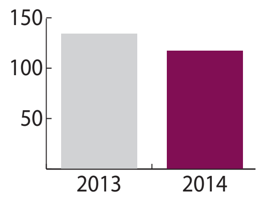
SQS Security Qube System delivers cash security solutions for ATM and CIT based on patented destruction and tracking technologies.

“Our new product platform will make an impact in 2015. We strongly believe that the quality improvements we have implemented in 2014, will help to reinforce our image and have a positive effect on our results.”

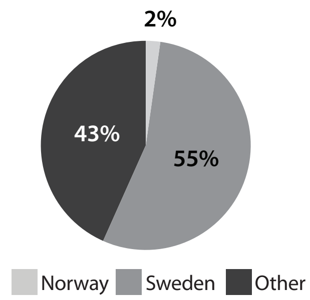
Lars-Åke E Köpper, Managing Director of SQS Security Qube System

SALES REVENUE (MNOK)

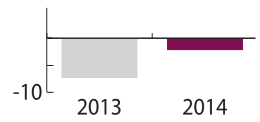
Total:



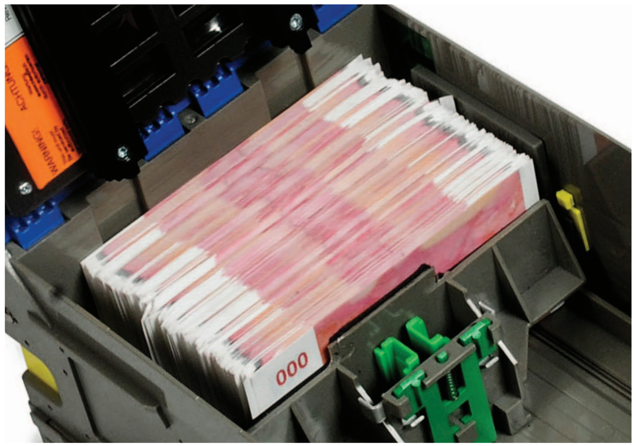
Market:



EBITDA (MNOK)



CIT CASES



ATM-SYSTEMS

RACK-SYSTEMER

PRODUCT DEVELOPMENT, FURTHER EXPANSION AND CERTIFICATIONS

The new ergonomic case series Q-Case Maxi and Mini, with simplified operating mechanism and high reliability, has been well received in the market.

SQS Security Qube System certified its products in several European countries during 2014, in order to satisfy the strict security demands of the industry.

SQS Security Qube System focused on business expansion to markets outside Europe in 2014 which led to new partners - among others in South America and South East Asia.

PSI RETAIL

No 1 in Retail Technology

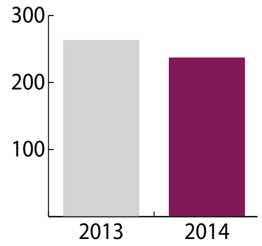
PSI Retail promotes, sells, installs, implements and services innovative retail solutions based on products from world leading third party technology providers. The technology brands include Pricer, LS Retail, Repant, Digi, Microsoft Navision and NCR. PSI Retail's geographical market segments include Norway, Sweden, the Baltics, Finland and Russia.

“We strengthened our position as Scandinavia's leading provider of technology solutions to the retail industry with new extensive deliveries within weights and electronic price labeling in both Norway and Sweden. The acquisition of New Vision expands our geographic area and gives us access to new and exciting technology.”

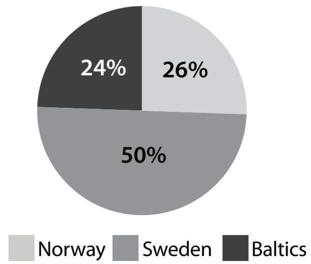
Per Haagensen, Managing Director of PSI Systems AS

SALES REVENUE (MNOK)

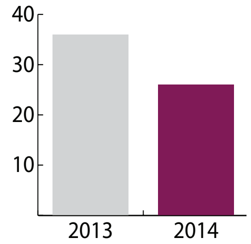
Total:



Market:



EBITDA (MNOK)



SELF CHECKOUT

SCALES AND PACKING

ELECTRONIC SHELF LABELLING

LOYALTY PROGRAMS

REVERSE VENDING

BACK-OFFICE

NEW LABELING REQUIREMENTS AND FOCUS ON ELECTRONIC SHELF LABELLING

NorgesGruppen KonsernAnskaffelser AS, a fully owned subsidiary of NorgesGruppen ASA, has signed an agreement with PSI Systems AS regarding deliveries, installation and service of Pricer's electronic shelf labels for 130 Meny-Ultra stores in NorgesGruppen. The Agreement also includes possible deliveries to the remaining Meny-Ultra stores.

PSI Retail has secured the distribution rights on Vlocker Click-n-Collect, a complete ecommerce solution with their own pick stations for dispensing groceries and mail packages. The product will be launched in Scandinavia, Finland, the Baltics and Russia in 2015.

At the end of 2014 it was introduced new labeling requirements in Norway and Sweden. PSI Systems was selected as recommended supplier to Coop Norway and sole supplier of PC scales to ICA Norway.

HIGH RECOGNITION IN THE MARKET AND SUCCESSFUL CONVERSION TO EURO

The introduction of Euro meant that a number of retailers in Lithuania had to update their IT systems. More than 200 agreements were signed and over 3,500 POS systems were upgraded. This resulted in a significant growth in deliveries of ERP implementation and development services.

In 2014 New Vision became Microsoft Dynamics Partner of the year in Lithuania. The company was one of the best LS Retail partners in the world and the best in Europe in 2014, which resulted in the highest LS Retail partner status - LS Diamond Partner.

Magnit, Russia's largest retail chain, has launch a pilot project with self-checkout solutions in two of its stores in Krasnodar and Tuapse. New Vision has been selected as a subcontractor and integrator for the project.

PSI LABELS

Antonson Etikett AB og PSI Systems AS

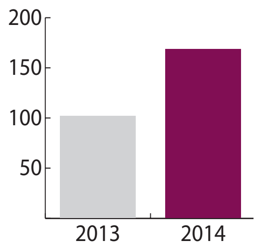
PSI Labels shall, with modern technology, produce high quality printed adhesive labels. PSI Labels shall be competitive, profitable and the customers first choice in the Nordic market. By the use of efficient processes and knowledge about end-user needs, we will increase customer competitiveness and ensure continued growth for PSI Labels.

"With three modern printing facilities in Sweden and Norway and coordination of our resources, we are strongly positioned for the future. We aim to be a leading provider of neutral and preprinted labels to both small and large companies within our target markets in the Scandinavian market. We will achieve this by using the latest technology, as well as knowledgeable and motivated employees."

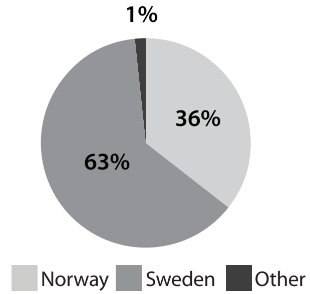
Leif Persson, Managing Director of PSI Labels

SALES REVENUE (MNOK)

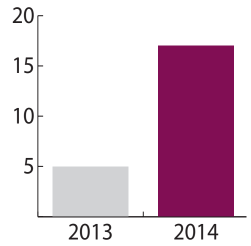
Total:



Market:



EBITDA (MNOK)



PREPRINTED LABELS
We offer preprinted labels in digital and flexo with the clients own company profile (logo, shape and color).

NEUTRAL LABELS
We sell and stocks a wide range of neutral standard label formats to both retail and industry.

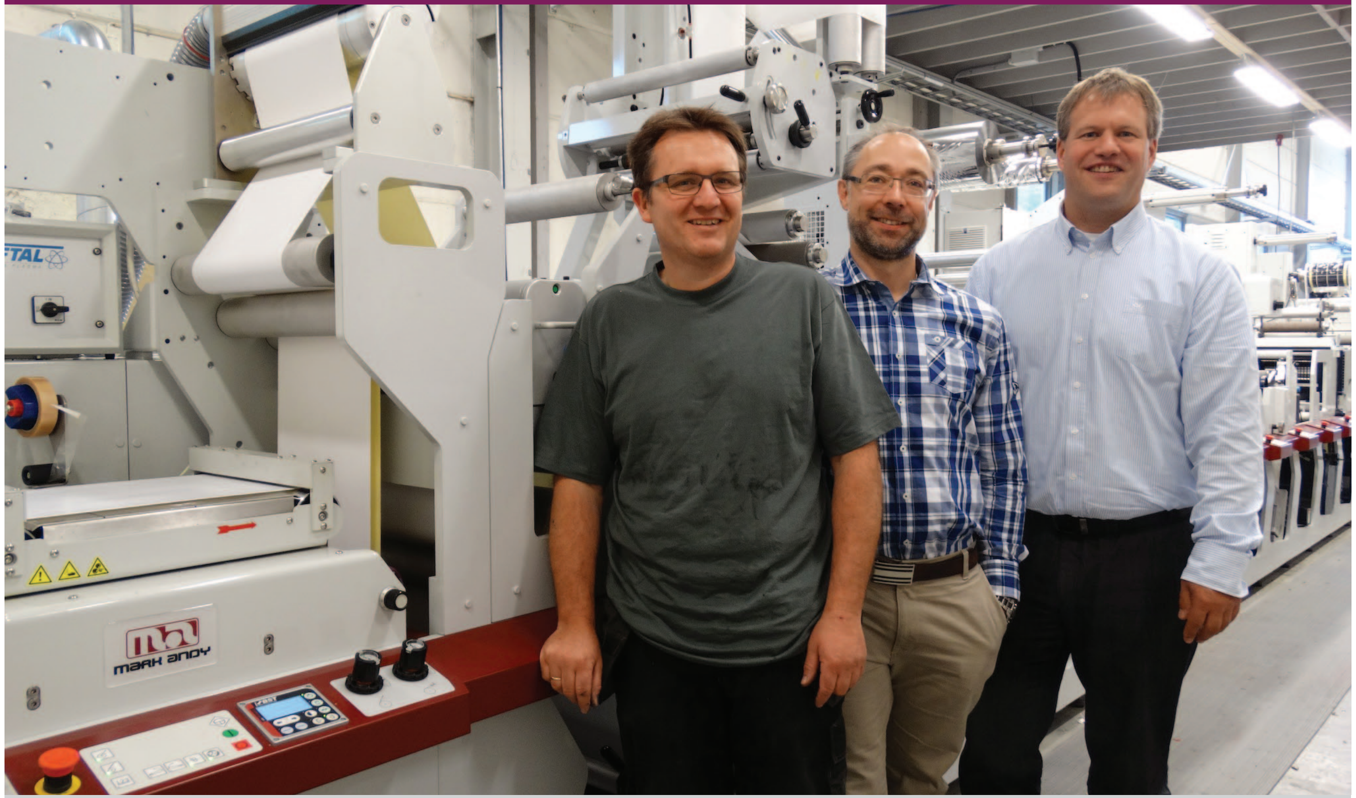
TICKETS AND TAGS
We offer all kinds of tickets and tags; as parking tickets, boarding passes and admission tickets.

LABEL PRINTERS
We offer label printers from Zebra and Intermec, offering everything from portable to small and large table models.

SOFTWARE
We offer the market leading software, BarTender, for design of professional label layout.

CONSUMABLES
We offer printer heads and cleaning products for all types of label printers on the market

NEW INVESTMENTS AND SWEDISH-NORWEGIAN BONDING



PSI Labels has expanded its machine park in Norway with a new flexo printing machine from Mark Andy. The investment is due to the company's increased focus on new markets within the food industry and the new labeling requirements which was introduced in late 2014.

During 2014 PSI Labels secured label deliveries to a number of new companies; Carlsberg, Databyrån and Alos in Sweden, and Hans G. Berggren, Jøtul and Solar in Norway.

In order to create synergies and win customers across borders, the label business in Sweden and Norway were merged into one business area, PSI Labels, under a joint management in 2014.

DIRECTORS REPORT FOR 2014

2014 was an exciting year for PSI Group ASA. The Group completed two strategic important acquisitions in 2014, launched new products and started profitability projects in both label and technology areas. The Group turnover increased by 15.3 per cent from MNOK 718.9 to MNOK 828.5. The Group is among the leaders in their market segments.

In 2014 two strategic important acquisitions were completed. In the second quarter PSI Group ASA acquired the Norwegian company Vensafe AS, which develops solutions for securing small and valuable products in store. The solutions consist of equipment that physical secure products such as tobacco, tobacco products, razor blades and drugs, as well as software, integrations with the stores IT systems and service. The solution simplifies logistics management, reduces retailers working capital and prevents shrinkage. The major markets are Germany, Norway, Sweden and Belgium. Vensafe AS is a part of PSI Technology. In the third quarter PSI Group ASA acquired the Baltic company New Vision Balitja UAB. The company is a market leading supplier of retail solutions in the three Baltic countries. In addition, PSI Group ASA gets important IT and solutions expertise within retail from New Vision. New Vision is a part of the business area PSI Retail.

Finacial statements for 2014

The Group financial statements show that PSI Group ASA achieved a 15.3 per cent increase in sales revenue to MNOK 828.5 (MNOK 718.9). Operating results before depreciation (EBITDA) show a profit of MNOK 61.0 for the year (MNOK 54.2). The Group's post-tax results show a loss of MNOK 1.8 for the year compared to a profit of MNOK 51.2 last year. The financial statements for 2014 includes an impairment of MNOK 32.4 related to the intangible assets in SQS Security. The financial statements for 2013 includes a profit of MNOK 33.0 related to the sale of the minority shares in InStore IT companies. The Group's total capital as at 31 December 2014 was MNOK 610.8, compared to MNOK 494.2 at the same time in 2013. The equity is MNOK 246.5. This gives an equity ratio of 40.4 per cent.

At year-end 2014, the Group's net interest bearing debt, following deduerction of cash and cash equivalents of MNOK 19.0, amounted to MNOK 67.1. The Group has a shared CashPool arrangement that generates benefits by streamlining the management of the Group's liquidity and cashflow.

The loan agreement with the main financial institution has a covenant in which the ratio of net interest bearing debt and moving 12-month earnings before depreciation (EBITDA) shall not exceed 3.5. This is measured quarterly. The company did meet this requirement in 2014 and 2013. The company do not expect to breach the covenant in the future.

The Group's cash and cash equivalents at year end 2014 amounted to MNOK 19.0, including restricted funds of MNOK 0.1. Available lines of credit amounted to MNOK 34.2.

The cashflow statement for 2014 shows positive cashflow from operational activities of MNOK 45.9 (MNOK 66.2). Higher turnover in December 2014 compared to the same month last year, has increased working capital at year end, as well as non-recurring items in connection with the acquisition of Vensafe AS. The working capital has increased with MNOK 34.2 in 2014. The difference between cashflow from operating activities and operating result was mainly due to depreciation and impairment.

During the year, MNOK 13.6 has been recognized in the balance sheet as investments in fixed assets. This relates primarily to the investment in machines and IT investments. In connection with the acquisition of Vensafe AS and New Vision Baltija UAB it is recognized an addition on fixed assets of MNOK 5.0, intangible assets MNOK 23.7 and goodwill MNOK 27.4.

Highlights

- 4 March 2014 the business area PSI Retail signed an agreement regarding deliveries of electronic shelf labels to yet another Norwegian retail chain.
- 6 March 2014 SQS Security Qube System AB, a part of PSI Technology, signed a framework agreement for sale of CIT cases to a leading European CIT company.
- 8 April 2014 PSI Group ASA acquired Vensafe AS, and PSI Technology got yet another marketleading retailtechnology in its portfolio.
- 25 April 2014 the Annual General Meeting approved a dividend of NOK 0.30 per share and it was paid MNOK 13.1 in dividends in 2014.
- 11 July 2014 PSI Group ASA acquired New Vision Baltija UAB and PSI Retail got a new geographic market in the Baltics, as well as a recently started business in Russia and Finland. This strengthens the distribution network for PSI Technology and PSI Retail and adds important IT and solution expertise.
- 19 December 2014 CashGuard, a part of PSI Technology, signed an agreement with Statoil Fuel & Retail Sweden regarding delivery of cash management systems to their stations in Sweden.
- 23 December 2014 PSI Retail signed an agreement with the last major Norwegian retail chain for the supply of electronic shelf labels to Meny/Ultra.

Post balance sheet events

- SQS Security, a part of PSI Technology, received in January 2015 a MNOK 10.4 contract by Cobelguard. Cobelguard is the fastest growing CIT company in Belgium, wanted to further equip their fleet of vehicles with SQS security cases and intelligent accessories. The deliveries will be executed during the first quarter of 2015.

- CashGuard, a part of PSI Technology, was in February awarded a contract with Swedish fuel station chain OKQ8 as supplier of cash management solutions to their manned stations in Sweden.
- The Board has proposed a divided of NOK 0,35 per share in 2015. The proposal will be resolved at the General Meeting as at 30 April 2015.

Risiko

Historically, the company's home markets in Norway and Sweden have proven robust during economic downturns, since investments in the retail sector have traditionally been little affected by financial and macroeconomic trends. At the same time the Norwegian and Swedish retail market is dominated by few players, all important customers of PSI. Internationally, the market is still characterized by the strained economic situation in the Eurozone, which has led to an increase in credit risk.

The Group's business is exposed to foreign exchange and interest-rate risks. No financial instruments are employed to reduce the level of this risk. Receivables and liabilities is also exposed financial risk. The Group's interest bearing debt is subject to floating rates of interest. Prevailing market conditions may lead to increased challenges in relation to accounts receivables and as such may affect the company's credit risk. In the light of the circumstances outlined above, the Group's liquidity risk will also be affected. The Group manages liquidity risk by monitoring that the expected future cash from operations and available cash and credit facilities are adequate to cover the operational and financial liabilities.

Based on a comprehensive evaluation of customer satisfaction, market position, market needs and financial situation, the Board concludes that the basis for continued operations are in place, and the financial statement is prepared based on these assumptions.

The Board considers the presented statement of comprehensive income along with the balance sheet and notes to portray a correct overview of the company's position and operational result in 2014. In addition to the aspects presented hereby and in the financial statements, the Board does not know of matters of importance to assess the company.

Corporate governance

The Group's corporate governance principles can be found at the back of the company's annual report, as well as on the company's website. These principles include information that must be provided pursuant to the provisions of Section 3.3b of the Norwegian Accounting Act. The Group's strategy, development, composition and capital structure were the main focus of board meetings held during 2014.

The board has one sub-committee: the audit committee. The audit committee consists of three board members and had three meetings in 2014. The committee reviewed, among other matters, the quarterly and annual financial statements, together with the Group's most important categories of risk. The committee also evaluated the Group's internal control, including internal control of its financial reporting, together with the quality of its risk management systems and the work of the auditors.

The Group's business

PSI's vision is to becoming a recognized global provider of Retail Technology Solutions
The company is listed on the Oslo Stock Exchange and is headquartered at Rælingen outside Oslo. The company's Swedish and Baltic operations are managed from Skellefteå, Stockholm, Mölndal, Arlöv and Vilnius. PSI also conducts its business activities through subsidiaries or branches in France, Germany, Belgium, Estonia, Latvia, Finland, Russia and Southeast Asia.

The Group has changed the reporting segments in 2014; PSI Technology, PSI Retail and PSI Labels. In 2013 the Group reported on the business areas: SQS Security, Cash Guard and PSI Retail. Each of our business areas is a market leader in its respective field.

PSI Technology

MNOK	2014	2013
Product Sales	**284,1**	235,3
Service	**161,7**	120,5
Revenue	**445,8**	355,7
EBITDA	**32,0**	24,7
EBITDA-margin	**7,2 %**	6,9 %
EBT[1)]	**-17,9**	1,0

1) The year 2014: Included a impairment of MNOK 32,4 related to intangible assets in SQS Security.

PSI Technology develops, sells, implement and servicing retail solutions, based on PSI Groups patented technology solutions. The main markets are Sweden, Norway, France, Spain, Belgium, Germany, the UK and South Africa. The solutions include CashGuard, Vensafe and SQS Security.

The business area uses significant amounts on research and development annually to ensure that the business area develop its products, retain their position as the market leader and maintains the solutions unique reliability. It's made significant product development in recent years, including the launch of a closed end-to-end solution, development of the next generation of CashGuard, as well as a new generation of CIT and ATM products. Great emphasis is placed on developing solutions that reduce our working capital and manufacturing costs, and that ensure cost-effective and efficient operation for our customers.

The operating revenue in the business area increased by 25.3 per cent to MNOK 445.8 (MNOK 355.7). EBITDA increased by 29.5 per cent to MNOK 32.0 (MNOK 24.7). MNOK 49.7 of the revenue growth was organic, while the rest came from Vensafe AS, which was acquired in April 2014.

High rate of installation of capital goods, customer focus on operational efficiency and attractive service solutions has led to a positive development in this business area in the past years.

PSI Retail

PSI Retail sells, implements and services retail solutions based on products from third party technology providers.

MNOK	2014	2013
Product Sales	**162,7**	195,4
Service	**74,4**	67,6
Revenue	**237,1**	263,0
EBITDA	**25,5**	35,7
EBITDA-margin	**10,8 %**	13,6 %
EBT[1)]	**20,1**	65,3

1) The year 2013: Included a profit of MNOK 33.0 related to the sale of InStore IT companies.

PSI Retail applies the following criteria when selecting its technology partners: unique potential for market penetration, a significant requirement for POS integration as well as servicing and consumables. The technology brands include Pricer, LS Retail, Repant, Digi, Microsoft Navision and NCR.

It has been important for PSI Retail to offer customers predictable service revenue and efficient utilization of our nationwide service network in Norway, Sweden and the Baltics. The business area has, through the acquisition of New Vision Baltija UAB in July 2014, expanded its geographical area to Lithuania, Latvia, Estonia, Finland and Russia in addition to Norway and Sweden.

The operating revenue in the business area decreased by 9.8 per cent to MNOK 237.1 (MNOK 263.0). EBITDA was MNOK 25.5 (MNOK 35.7). The organic decline in revenue was MNOK 83.8, while New Vision which was acquired in July 2014 contributed with MNOK 57.9. The completion of a larger project in 2013 is the reason for the decline in revenues and EBITDA.

MNOK	2014	2013
Product Sales	**168,5**	101,8
Revenue	**168,5**	101,8
EBITDA	**17,1**	4,5
EBITDA-margin	**10,2 %**	4,4 %
EBT	**4,8**	-2,4

PSI Labels

PSI Labels designs, manufactures and sells adhesive labels to customers in Norway and Sweden. The business area acquired two printing facilities in 2013, Sydetikett AB and Etikett-Produsenten AS. This has added to the business area expertise and economic scale benefits that have contributed to increasing the profitability of PSI Labels. The business area has now the market's most modern production equipment and a volume that provides scale benefits. There has been considerable focus on coordinating and streamlining operations in Sweden in 2014, and we have in 2015 started a similar project for Norway.

The operating revenue in the business area increased by 65.4 per cent to MNOK 168.5 (MNOK 101.8). EBITDA increased by MNOK 12.6 to MNOK 17.1 (MNOK 4.5). MNOK 23.8 of the revenue growth was organic, while the rest came from the two printing facilities that was acquired in 2013.

Employees

The Group had 571 employees as at 31 December 2014. A share program has been introduced for the Group executive and the companies Norwegian and Swedish employees. The Board wants the members of the executive group to have shares in the company. It was therefore introduced a share program in 2013 for the Group executive where members have the opportunity to buy shares for NOK 500 000 per year before discount with 20 % discount. At the same time, the first employee share program was conducted, in which all employees in the Norwegian companies were allowed to buy shares for NOK 25 000 with 20 % discount. In 2014, the Swedish employees got the same offer. Through these programs, employees subscribed for a total 102,649 shares in 2013 and 220,277 shares in 2014.

The Board's policy regarding the CEO's remuneration involves mainly a fixed salary plus a bonus in the range of up to 40 per cent of base salary. The criteria for payment of bonus will vary from year to year and may include elements of financial performance, balance sheet development and organizational development. In 2015 it was paid NOK 691 000 in bonus to the CEO based on the results in 2014.

Research & development

The Group devotes substantial resources each year to research and development (R&D). No development costs were activated during 2014.

With regard to CashGuard, our focus on R&D has enabled the business area to be in a leading provider of closed and secure cash handling solutions to the retail sector. The development in 2013 and 2014 has focused particularly on the new generation of CashGuard, as well as new software with additional functionality to the current generation of CashGuard.

SQS Security continusly focus on the enhancement of existing systems for closed and secure cash handling during transport, as well as securing cash in ATMs. Development during 2014 has focused on the new SMP family, as well as further development of the SLS, which is a logistics and service solution currently used by several major ATM operators.

Vensafe focuse on improvements of quality, as well as new software that makes the machines easier to manage for the stores. Some of the projects has been partially financed under the SkatteFUNN scheme.

With regard to PSI Retail, the focus on R&D has enabled the business area to be in the leading position in tracking and handling of nutritionalcontent solutions (SmartScale) used in conjunction with scale and packaging machines for food retailers' fresh-produce counters. Some of the projects has been partially financed under the SkatteFUNN scheme.

Ethics and Social Responsibility

Wide confidence and credibility is essential if we are to achieve our business objectives. We will achieve this by creating and maintaining a culture based on high ethical standards and responsible behavior in society.

Both managers and employees have a special responsibility to ensure that established laws and regulations are complied with and that the company acts in accordance with the general expectations of society. Everyone has a responsibility to set high ethical standards in their work both internally and with customers, thereby creating and maintaining the best possible confidence in our company.

A good reputation for responsible, honest and fair business practices is in itself invaluable to the company's success. It is important that our employees not only understand how important it is that we reach our goals, but also that it is of utmost importance that the results obtained in a responsible manner. The company expects all employees to make management aware of possible violation of government laws and regulations and internal policies

Environmental considerations

Group entities shall comply with statutory procedures designed to prevent the pollution of the external environment. Some subsidiaries sell or store products classified as environmentally hazardous disposed in inproper ways. The disposal and manufacture of these products involves the use of solvent-based paints, solvents or lithium-ion batteries. The Group has focused on this issue and the subsidiaries concerned have tentered into contracts with authorized recovery and recycling organizations. None of the Group's subsidiaries handles substances containing PCBs. Antonson Etikett AB and PSI Systems AS delivers surplus paint to an authorized facility. SQS Security Qube System AB has an agreement with an approved provider for disposal of solvent from the color involved in the company's products. There have been no discharge of environmentally harmful substances in 2014, and our clear goal is that this will not occur in 2015 either.

Customers can return the products at the end of life to ensure that they are managed in an environmentally sound manner. This is a service many of our customers utilized in 2014.

Employee rights and social issues

The Group aims to provide a workplace with good working environment. The Group is implementing measures to promote the employees' professional development, prevent illness and improve the overall work environment. All employees in our subsidiaries have standardized employment contracts.

The overall rate of sick leave was 2.1 per cent, compared to 3.5 per cent for the previous year. No employees have been injured or involved in accidents at work during the year.

It was conducted employee surveys in 2011, 2012 and 2013 to identify employment and wellbeing of the individual companies within the Group. Group Management and subsidiaries is actively working with the survey results, and implementing measures at departmental and company level aimed at improving the areas that stand out. Overall it was an improvement in 8 of 10 areas in 2013 compared to the survey the year before that. The purpose of this study was to increase the well-being and motivation and reduce sick leave. We expect this will contribute to increased efficiency and customer satisfaction. The company is working actively to prevent injuries and repetitive strain injuries.

Human Rights

The Group aims to provide an inclusive workplace where there is equality between women and men, based on qualifications, without regard to age, religion and origin. 40 per cent of the Group's board of directors are female. As at year end 2014, 136 of the Group's 571 employees were women. There are no women in the Group's executive management. Five women are employed in management positions in the Group's business areas. As at 31 December 2014 the Group has 215 employees in the Baltics. The wages are lower in this area, which leads to lower the average salaries in the Group. The Group has not implemented special measures to promote the inclusion of groups that are under-represented in the labour market. Qualifications will be the decisive factor when recruiting future employees, regardless of disability, nationality or religion.

Our work otherwise does not have any direct inpact on fundamental human rights.

Supplier and product responsibility

We are aware that both human and labor rights may be affected in our supply chain. Therefore, the Group aims at selecting companies that are global leaders within their product range. This ensures that the supplier has documentation and procedures to ensure that products are produced ethically and responsibly. We have in 2015 ambition to introduce responsible supplier management.

Corruption and whistle blowing

PSI has a zero tolerance for corruption. This includes all employees of the Group and company and persons acting on behalf of the Group. The Group's zero tolerance means among others that it must not be offered or received gifts (beyond a symbolic value), offsets, etc. on behalf of either the Company or the employee as an individual.

In 2014 a course in dilemma training was held for all managers in the finance departments in the Group. The focus was to highlight the distinguishing between what is acceptable and unacceptable in the Group. In addition, all subsidiaries received a Code of Conduct, which have been reviewed by all employees.

In order to detect misconduct PSI Group ASA has extensive notification procedures. All employees are encouraged to report misconduct to their superiors in PSI Group or to any of the subsidiaries. Warnings will not, under any circumstances, be used against the whistleblower. If employees still find it hard to take this up in the organization, they may contact the Audit Committee of PSI Group directly.

Shareholder relations

As at 31 December 2014, the company had share capital of NOK 27,513,144.80 divided into 44,376,040 shares each with value of NOK 0.62. The company's holding of treasury shares was at year-end 2014 104,544 shares at an average cost price of NOK 5.37.

There were 1,369 shareholders in the company as at year-end 2014. The 20 largest shareholders accounted for 74.0 per cent of the total share capital. At year-end 2014, 193 shareholders owned 10,000 or more shares.

The company's Articles of Association do not restrict the right to buy/sell shares in the company. To the best of the company's knowledge, no agreement exists between shareholders restricting either transfers of shares or the rights to exercising or voting in respect of shares in the company. The loan agreement with the company's main bank contains a clause providing that company's loans may be called in prematurely in the event of material changes in ownership.

Outlook

The Group's strategic priorities have been a topic for discussion by the board throughout 2014. The Board prioritizes organic growth by strengthening international sales and dealership structures for PSI Technology. The Board is also continuously assessing possibilities other than organic growth. These may involve the acquisition of supplemental retail technologies or expanding our geographical market.

The Board is very satisfied with the development of the Group. We also expect that the work done within the professionalization of sales, production and product development in PSI Technology's product range SQS Security will provide future results. The Board believes that PSI Group is well positioned to improve revenue and profitability in 2015.

Parent company – PSI Group ASA

The primary function of the parent company is to maximize shareholder value. This shall be achieved by increasing the share price and by implementing a predictable dividend policy. Shares in the parent company are listed on the Oslo Stock Exchange. The parent company PSI Group ASA has five employees: the CEO, the Group finance director, the director for business development M&A, the purchase director and the Group controller.

The parent company PSI Group ASA achieved a loss for the year of MNOK - 9.9, compared to MNOK 68.7 in 2013. The net financial result was MNOK - 5.5 for 2014 (MNOK 84.8). The good result in 2013 is mainly attributable to received group contribution of MNOK 37.3 and profit related to the sales of InStore IT-companies of MNOK 41.4.

Proposed allocation of profit for the year

The board will make the following proposals to the annual general meeting regarding the allocation of the profit for the year for the parent company PSI Group ASA in respect of 2014:

Profit for the year:
NOK - 9 911 674
Transfer to other reserves:
NOK 25 406 698
Proposed dividend:
NOK 15 495 024, equivalent to NOK 0.35 per share.

Rælingen, 19.03.15

Svein S Jacobsen	Erik Pinnås	Selma Kveim	Klaus de Vibe	Camilla AC Tepfers	Jørgen Waaler
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

BOARD OF DIRECTORS IN PSI GROUP ASA

Sveln S. Jacobsen
Chairman
Svein S. Jacobsen was Group CEO of Tomra ASA for nearly ten years - during a period where the company expanded substantially - and currently he serves as Board Member in several companies. Mr. Jacobsen has a CPA and MBA from Norwegian School of Economics (NHH). He has been a member of the board in PSI Group ASA since January 9, 2009.

Erik Pinnås
Director
Erik Pinnås established Pinnås System Industri AS and Pinnås System International AS in 1993, the origin of the PSI Group ASA. He was CEO of PSI Group to 1 March 2006. Pinnås is also Chairman in Hitech Energy AS. He has been a member of the board in PSI Group ASA since December 21, 2005.

Selma Kvelm
Director
Selma Kveim has 25 years of experience from leading sales and marketing positions in the computer industry, of which 14 years in international jobs. She has worked for HP and Fujitsu Siemens Computers. Selma Kveim has education from Norwegian School of Management. She has been a member of the board in PSI Group ASA since May 7, 2010.

Klaus De Vibe
Director
Klaus De Vibe has been working with investments in several companies. Since 2009 he has been CEO of Strømstangen AS. De Vibe has a MSc (Siviløkonom) with specialisation in Finance and Financial Economics from Norwegian School of Economics (NHH). He has been a member of the board in PSI Group ASA since October 28, 2011.

Camilla AC Tepfers
Director
Camilla AC Tepfers has 18 years experience from DnB NOR and NTNU. The last 13 years of her career she has worked with innovation. She is founder and partner of the analysis and advisory firm in-Future. She has written several textbooks, and she has a MSc (siv.ing) in computer engineering from NTNU. Tepfers has been a member of the board of PSI Group ASA since 26 April, 2013.

Jørgen Waaler
CEO
Jørgen Waaler has been CEO of PSI Group since 2006 and prior to that he was PSI Group's vice CEO for four years. Waaler has worked within IT his whole carrier, as CEO in Norsk Computer Industri AS, sales manager in Norsk Data AS, managing director in European Trading Corporation AS and CEO in iGroup ASA. He has studied economics and has an MBA from University of Wyoming from 1983.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KNOK	*note*	2014	2013
Sales revenue	*3*	**828 514**	716 506
Share of profit associated companies	*6*		2 367
Cost of goods sold	*12*	**408 291**	378 473
Payroll	*9*	**250 571**	196 806
Depreciation	*10, 11*	**34 802**	25 872
Impairments	*11*	**32 430**	-
Other operating expenses	*5,16,22*	**108 670**	89 438
Total operating expenses		**834 764**	690 590
Operating profit		**-6 250**	28 283
Interest income	*8*	**251**	199
Other financial income	*6, 8*	**3 908**	38 222
Total financial income		**4 159**	38 422
Interest expenses	*8*	**4 188**	4 513
Other financial expenses	*8*	**6 012**	**5 809**
Total financial expenses		**10 200**	10 322
Net financial items		**-6 041**	28 100
Profit before tax		**-12 290**	56 383
Income tax expense	26	**-10 471**	5 214
Profit for the year after tax		**-1 819**	51 169

Other income and expenses		
Items that may be reclassified through profit or loss in later periods		
Currency translation differences	**7 567**	22 628
Total comprehensive income	**5 748**	73 797

Of which:		
Controlling interest	**5 748**	73 565
Non-controlling interest		232
	5 748	73 797

Profit for the year after tax		
Controlling interest	**-1 819**	50 937
Non-controlling interest	-	232
	-1 819	51 169

Earnings per share	***note***		
Earnings per share	*23*	**-0,04**	1,16
Fully diluted earnings per share	*23*	**-0,04**	1,16

CONSOLIDATED BALANCE SHEET

KNOK	Note	31.12.2014	31.12.2013
ASSETS			
Intangible assets	*11*	**86 175**	113 747
Goodwill	*11*	**141 759**	110 779
Equipment	*10*	**37 938**	31 503
Land and buildings	*10*	**4 901**	4 942
Other long-term investments	*7*	**481**	481
Other long-term receivables	*7, 18*	**1 850**	-
Deferred tax assets	*26*	**39 221**	18 084
Total fixed assets		**312 326**	279 535
Short term financial investments	*7*	**27**	26
Inventories	*12*	**95 575**	85 787
Accounts receivables	*13*	**156 903**	98 156
Prepaid expenses	*13*	**10 323**	13 899
Other current receivables	*13*	**16 721**	8 285
Bank deposits etc.	*14*	**18 973**	8 554
Total current assets		**298 522**	214 706
TOTAL ASSETS		**610 847**	494 241

KNOK	Note	31.12.2014	31.12.2013
EQUITY AND LIABILITIES			
Share capital	*24*	**27 513**	27 513
Treasury shares	*24*	**-65**	-409
Other equity	*24*	**219 072**	223 694
Total equity		**246 520**	250 798
Long term interest bearing liabilities	15	**39 481**	43 603
Other long term liabilities	*22*	**28 691**	9 764
Total long term liabilities		**68 172**	53 367
Current interest bearing liabilities	*15*	**46 634**	9 271
Accounts payable		**105 502**	71 163
Tax payable	*26*	**127**	207
Public duties payable		**26 173**	15 225
Other short term liabilities	*22, 27*	**117 717**	94 210
Total short term liabilities		**296 155**	190 076
Total liabilities		**364 327**	243 443
TOTAL EQUITY AND LIABILITIES		**610 847**	494 241

Rælingen, 19.03.15

Svein S Jacobsen	**Erik Pinnås**	**Selma Kveim**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Jørgen Waaler**
Chairman	***Director***	***Director***	***Director***	***Director***	***CEO***

CONSOLIDATED CASH FLOW STATEMENT

KNOK	Note	2014	2013
Profit before tax		**-12 290**	56 383
Net interest		**3 937**	4 314
Tax paid		**1 100**	667
Share of profit, associated companies	6	**-**	-2 367
Ordinary depreciation	10, 11	**34 802**	25 872
Impairments	11	**32 430**	-
Profit on sale of fixed assets	10	**-154**	-169
Realised profit on finacial instruments	8	**-**	-32 969
Change in inventories		**3 312**	4 712
Change in accounts receivables		**-24 791**	9 422
Change in accounts payable		**-102**	-6 480
Change in other accrued items		**7 647**	6 774
Net cash flow from operational activities		**45 890**	66 159
Payments for fixed assets	10	**-13 081**	-4 550
Capitalisation of development costs		**-323**	-
Payments for long term shares	7	**-**	-476
Effect acquisition Vensafe AS		**843**	-
Effect acquisition New Vision		**-13 546**	-
Effect acquisition Etikett-Produsenten AS		**-4 325**	-2 578
Effect acquisition Sydetikett AB		**-**	-24 732
Payment from sale of fixed assets	10	**652**	325
Effect sale InStore IT companies	6	**-**	46 398
Interest income	8	**251**	199
Dividends received from associated companies	6	**-**	2 300
Net cash flow from investment activities		**-29 529**	16 887

KNOK	Note	2014	2013
Buying of treasury shares	24	**-**	-680
Selling of treasury shares	24	**-**	389
Payment long-term debt		**-11 049**	-13 435
New long-term debt		**16 266**	-
Change in other short term debt regarding Vensafe		**-10 247**	-
Change in overdraft		**16 045**	-49 114
Interest expenses	8	**-4 188**	-4 513
Dividends paid		**-13 115**	-10 943
Dividends paid to minorities		**-**	-120
Net cash flow from financing activities		**-6 288**	-78 416
Net change in liquid assets		**10 073**	4 630
Cash and cash equivalents at the start of the period		**8 554**	3 670
Effect of foreign exchange rate fluctations on foreign curency deposits		**345**	254
Cash and cash equivalents at the end of the period	14	**18 973**	8 554

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KNOK	Majority interest						Minority interest	Total equity
	Share capital	Treasury shares	Other paid-in equity	Translation variances	Other equity	Total		
Equity at 31.12.2012	**27 513**	**-416**	**351 262**	**6 480**	**-196 834**	**188 006**	**354**	**188 359**
Profit for the year after tax and divestment minority					51 404	51 404	-235	51 169
Other comprehensive income and expenses				22 628		22 628		22 628
Sale of own shares		51			338	389		389
Purchase of own shares / Compulsory acquisition		-44			-636	-680		-680
Dividend 2012					-10 947	-10 947		-10 947
Dividend paid to minorities						0	-120	-120
Equity at 31.12.2013	**27 513**	**-409**	**351 262**	**29 108**	**-156 675**	**250 798**	**0**	**250 798**
Profit for the year after tax and divestment minority					-1 819	-1 819		-1 819
Other comprehensive income and expenses				7 567		7 567		7 567
Sale of own shares		345			3 006	3 351		3 351
Adapting K3 Sweden					-260	-260		-260
Dividend 2013					-13 115	-13 115		-13 115
Equity at 31.12.2014	**27 513**	**-65**	**351 262**	**36 675**	**-168 863**	**246 520**	**0**	**246 520**

Other paid in equity are funds which can be allocated by the General Assembly.

Note 1: GENERAL INFORMATION

General information

PSI Group ASA is based in Norway with its registred office at Slynga 10 in the municipality of Rælingen. The company is listed at the Oslo Stock Exchange with the ticker PSI. The consolidated financial statements include the parent company and subsidiaries (referred to collectively as "the group" or idividually as "group companies" or "subsidiaries") as well as the group's shares in associated companies and jointly controlled entities. The group's main business is the supply of progressive and advanced technology solutions for the retail sector, efficient solutions and securing of cash for the retail sector, and secure transportation and ATM solutions for the handling of cash. The company is divided into three areas of business: PSI Technology, PSI Retail and PSI Labels. The proposed annual financial statements were adopted by the board and CEO on the date shown on the signed balance sheet. The annual financial statements will be reviewed by the ordinary general meeting for final approval.

Note 2: ACCOUNTING PRINCIPLES

The consolidated financial statements have been prepared in accordance with the EU approved International Financial Reporting Standards (IFRS) and associated interpretations and with additional Norwegian disclosure requirements pursuant to the Accounting Act, Stock Exchange Regulations and stock exchange rules applicable to financial statements completed by 31.12.2014. The consolidated financial statements have been produced based on historical costs with the exception of certain financial instruments, which have been given at their fair value. The group has incorporated all standards and statements required to financial statements prepared as at 31.12.2014. The introduction of changes and new standards has not resulted in significant adjustments, as PSI Group not has engaged in transactions or events during 2014 that are affected by the changes.

The consolidated financial statements are presented in thousand Norwegian kroner unless otherwise stated.

Estimates and judgements

The preparation of financial statements in compliance with IFRS involves judgements, estimates and assumptions that affect the accounting principles applied and the reported amounts for assets, liabilities, revenues and expenses. Actual amounts may deviate from estimated amounts. Estimates and underlying assumptions are reviewed and evaluated continually. Changes in accounting estimates are factored in in the period the estimates are changed and in any future periods that are affected. Areas particularly affected by judgements and estimates include the recognition of intangible assets, deferred tax assets and goodwill. The judgements made are detailed in Note 25.

Consolidation principles

The consolidated financial statements include those companies where the parent company and subsidiary directly or indirectly have control. The consolidated financial statements give details of the companies financial position, the results of the year's activities and cash flow given as a collective financial unit. Uniform accounting principles have been applied to all companies forming part of the group. Newly acquired companies are included from the date a controlling influence was achieved. Companies are consolidated up until the date when the controlling influence ceases to exist. Any minority interests share of the profit and equity is shown as a separate item in the income statement but is included in the equity.

Any significant transactions or balances between companies within the group have been eliminated. Stakes in subsidiaries have been eliminated in the consolidated financial statements using the acquisition method. The difference between the historical acquisition price of the assets and the book value of net assets at the time of acquisition is analysed and allocated to individual balance sheet items in accordance with their fair value. Any additional excess value caused by expected future earnings is recognised as goodwill. The compensation of an acquisition is measured at fair value at the time of acquisition. Any conditional compensation is classified as a liability in accordance with IAS 39 and is accounted for at fair value in subsequent periods with changes in value being booked over the result. Profit / loss on sale of subsidiaries are recognized as financial income / expense.

Associated companies are evaluated using the equity method within the group. Associated companies are entities over which the group has considerable influence but no overall control (normally in the case of stakes between 20% and 50%) over their financial and operational management. In the case of a transfer from shares available for sale to associated companies, former assets are valued at fair value, and unrealised increase in value which earlier have been recognised directly as income and costs in the statement of comprehensive income, will be reversed. In the case of reversal, no adjustments are made for previous shares of profit or loss, while goodwill is the total amount of goodwill related to each acquisition. Share of profit after tax in associated companies are recognized on a separate line in the P&L below the sales revenue. Profit/loss on sale of associated companies is recognized as financial income/expense.

Any other investments are considered to be investments available for sale and are recognised in accordance with IAS 39 at their fair value and with any change in value through the comprehensive income.

Translation of foreign currency

a) Functional currency and reporting currency

The accounts of individual entities within the group are measured in the currency predominantly used in the economic area in which the entity operates (functional currency). The functional currencies mainly consist of NOK and SEK. The consolidated financial statements have been prepared in NOK, which is both the functional currency and the reporting currency of the parent company.

b) Transactions and balance sheet items

Transactions in foreign currency are translated into the foreign currency using the transaction exchange rate. Foreign exchange gains and losses that occur when paying for such transactions and when translating monetary items (assets and liabilities) in foreign currency at the end of the year at the exchange rate on the balance sheet date are recognised in the income statement. Monetary items in foreign currency are translated into NOK using the exchange rate on the balance sheet date. Non-monetary items measured at their historic exchange rate in foreign currency are translated into NOK using the exchange rate on the transaction date. Non-monetary items measured at their fair value in foreign currency are translated using the exchange rate determined on the valuation date.

c) Group companies

The income statements and balance sheets for group companies whose functional currencies differ from the reporting currency are translated as follows:

i. The balance is converted to the closing rate on the balance sheet date.

ii. The income statement is converted to the average monthly exchange rate.

iii. Currency translation differences are recognised in comprehensive income.

iv. Loans from an entity within the group to overseas entities where repayment has not been planned or is not likely in the foreseeable future, are considered as part of the net investment in overseas activities, while foreign exchange gains or losses linked to such loans are recognised as translation differences in the statement of comprehensive income.

Fixed assets

Fixed assets are recognised at their acquisition cost less any accumulated impairments and depreciation. The acquisition cost includes costs directly linked to the acquisition of the asset. Subsequent costs are added to the value of the asset as recognised on the balance sheet or are recorded on the balance sheet separately if it is likely that any future financial benefits in relation to the asset will fall to the group, provided these costs can be reliably measured. Any other repair and maintenance costs are recognized over the income statement in the period the costs are incurred.

The assets are subject to straight line depreciation in order that the acquisition cost of the assets is depreciated at the residual value after the expected useful life of the assets, which is:
Fixtures and equipment 3-5 years
Machinery 10 years
Plant and property (Production and warehouse facilities) 20 years
Land values are not depreciated

The useful life of the assets and their residual value are revalued on each balance sheet date and adjusted if necessary. When the balance sheet value of a fixed asset is higher than the estimated recoverable amount the value is reduced to the recoverable amount. Any profit and loss on disposal of the asset is recorded as the difference between sale price and balance sheet value.

Any fixed assets hired on terms that predominantly sees the transfer of financial rights and commitments to PSI Group (financial leasing) are activated as fixed assets at the current value of the minimum hire amount, alternatively at their fair value if this is lower. The commitment is recognised as a long-term liability. In the case of any other hire agreements the hire amount is carried as an operating cost and distributed systematically throughout the hire period (operational leasing).

Financial leasing

Assets that have been financed by financial leasing are depreciated over the duration of the shortest period of the leasing contract or the asset's useful life.

Intangible assets

Intangible assets are assessed at their cost price, less any accumulated write-downs and depreciation, and are revised periodically for depreciation in the case of a fall in value. Any losses in relation to fall in value are recognised as operating costs.

Goodwill and other intangible assets on acquisitions

Any differences between the acquisition compensation and the fair value of net identifiable acquired assets are classified as goodwill. In the case of gradual acquisitions made in stages, former assets are valued at fair value at the time of acquisition. Any alterations related to booked value on former assets are recognized in the statement of comprehensive income.

On the balance sheet date the group evaluates the book value of the goodwill. Expensing of loss due to fall in value is recognised if the recoverable amount related to the entity in question falls below book value of the corresponding goodwill.

Negative goodwill related to acquisitions is realized immediately as income on the date of acquisition.

Goodwill is not depreciated.

Identifiable intangible assets from acquisitions are booked at fair value at the time of acquisition. This includes items such as technology, brand and customer relationships. Brand value / trademarks are not depreciated, but they are tested annually for impairment along with goodwill. The other items are depreciated throughout their estimated life cycle as with development cost.

Development costs

Product development costs that can be reliably measured and if the products are likely to be finalized, utilized and provide future financial benefits, are capitalised as intangible assets and depreciated. Research into new products and maintenance of existing products are expensed as costs. In consideration of future economic benefits there are strict requirements for substantiation of the commercial possibilities of the product. Capitalised expenses include in-house payroll costs and outsourced services. Capitalixed expenses are reduced with any government grants received related to this development.

Capitalised development is depreciated over the period during which the products are expected to generate earnings. Activated development, expected earnings and any residual value are reassessed on each balance sheet date and adjusted if necessary.

Decrease in value of non-financial assets

Fixed assets and intangible assets that are depreciated are assessed for a decrease in value when there are indications that future earnings cannot justify their balance sheet value. An impairment is stated as the difference between the balance sheet value and recoverable amount. The recoverable amount is the highest of fair value less sale costs and value in use. When assessing a decrease in value the fixed assets are grouped at the lowest level on which it is possible to extract independent incoming cash flows (cash-generating units). At each date of reporting, an assessment is made whether there is any indication that previously recognized impairment is reversed. As a part of impairment testing of goodwill, the goodwill is allocated to cash-generating units or groups of cash-generating units.

The group tests goodwill for impairment at least annually as well as other non-depreciable intangible assets.

Inventories

Inventories are assessed at its acquisition cost or net realisable value, whichever is lower. The acquisition cost of inventories is based on the "first in, first out method" (FIFO) and includes costs in relation to the acquisition, the cost of production or reworking, as well as any other cost of bringing the inventories to its present location and condition.

The net realisable value is the estimated sale price under ordinary condition less the estimated cost of preparation and completion at the transfer date.

Provisions for obsolescence are, where possible, made on an individual basis. If it is not possible to carry out an individual assessment, provisions for obsolescence are made based on the current speed of inventory turnover.

Accounts receivables

Accounts receivable is measured in line with classification and measurement rules of IAS 39 for loans and receivables at amortised cost. Provisions are made for expected losses. Changes in provision are booked as other operating expenses.

Accounts receivables are measured at fair value, adjusted for provision for estimated losses. Provisions for estimated losses are recognized in the income statement when there is a loss event and objective evidence that the asset is impaired. Provisions for estimated losses are calculated based on historical experience of different customer groups and the aging of these customer groups. Specific debts are written off when management believes that they will not be paid wholly or partially.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank deposits.

Pension commitments, bonus schemes and other staff compensation schemes

a) Pension commitments

The Norwegian employees have a pension schemes in line with the statutory and obligatory company pension sheme. The contribution represented 5 percent of the employee's salary between 1 G and 6 G, and 8 percent of the employee's salary between 6 G and 12 G. The Swedish subsidiaries have collective pension schemes in place for their employees. Due to the lack of data available and the structure of the plan it is considered a multi-employer plan in accordance with IFRS and is recognised as a contribution-based plan.

b) Bonus schemes

The group recognises a commitment and a cost for bonus schemes. The group recognises a provision where there are contractual obligations or a precedent that generates a self-imposed obligation.

c) Share program

The Group has a share program for the executive management where members have the opportunity to buy shares for up to NOK 500 000 per year with 20 per cent discount. In addition, all employees in the Norwegian and Swedish companies are offered to buy shares for up to NOK 25 000 with 20 per cent discount.

Income

Income from the sale of goods and services is stated at its fair value, net after deductions for value added tax, returns, reductions and discounts. Inter-company sales are excluded. Revenue from the sale of goods is recorded when an entity within the group has delivered the goods to the customer, the customer has accepted the product and the customer's ability to settle the account has been satisfactorily confirmed. Services are recorded as income based on the number of hours supplied. Long-term service agreements are recognised over the period that the agreement is in force.

Tax

Tax expenses are linked to the recorded profit and comprise tax payable and changes in deferred tax.

Deferred tax is calculated on temporary differences between the taxable value and consolidated accounting value of assets and debts, with the exception of goodwill, which is not tax deductible. Deferred tax is calculated by applying rates of tax and tax legislation that are in force, or all but in force, on the balance sheet date and that are expected to be applied when the deferred tax asset is realised or when the deferred tax is settled. Positive and negative differences are assessed against each other within the same time interval. Deferred tax assets are recognised on the balance sheet to the extent that it is likely that future taxable earnings will be present and the temporary differences can be deducted from these earnings.

Equity and cost of equity

Debts and equity:

Financial instruments are classified as debt or equity in accordance with the signed agreement at the time of payment. Interest, dividends, profits and losses relating to a financial instrument classed as debts are reported as costs or income. Dividend to holders of financial instruments classed as equity will be recognised directly against the equity.

Treasury shares

In the case of a buyback of treasury shares the purchase price including 100 % of directly attributable costs is reported as changes in equity. Own shares are reported as a reduction in equity. Losses or profits on transactions in treasury shares are not recorded in the income statement.

Cost of equity transactions

Transaction costs directly linked to an equity transaction are recognised directly through equity after the deduction of tax

Translation differences

Translation differences occur in connection with currency differences when consolidating foreign entities. Currency differences on monetary items (debts or receivables) which in reality are part of a company's net investment in an overseas entity are also included as translation differences. When disposing of a foreign entity the accumulated translation difference linked to the entity is reversed and recorded in the same period that the profit or loss incurred from the disposal is recorded.

Provisions

A provision is recognised when the group has an obligation (legal or selfimposed) resulting from a previous event if it is likely (more likely than not) that there will be a financial settlement as a result of this obligation, and if the size of the amount can be reliably measured. If the effect is significant the provision is calculated by discounting expected future cash flows with a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, any risks specifically linked to the obligation. Provisions for warranties are recognised when the underlying products and services are sold. The provisions are based on historic information about warranties and on a weighting of the possible outcomes compared with the likelihood that they will occur.

Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group has classified its financial assets and liabilities in the following categories: accounts receivables and other financial assets and current assets, available for sale (shares), cash and cash equivalents, accounts payable and other non-interest bearing financial liabilities and interest bearing liabilities. The categorization of the financial assets and liabilities for measurement purposes is done based on the nature and purpose of the financial instrument and is determined at initial recognition. The group does not use fair value options.

The Group has financial assets classified in the following categories: at fair value through profit or loss, loans, receivables and available for sale. Financial assets at fair value through profit or loss comprise assets held for trading and include derivatives. Loans and receivables comprise unlisted assets with payments that are fixed or determinable and which are not derivatives. Financial assets available for sale consist of assets that are not derivatives designated as available for sale or classified in any of the other categories. The Group has financial liabilities classified in the following categories: financial liabilities at fair value through profit and loss and financial liabilities at amortized cost. Financial liabilities at fair value through profit or loss consist of liabilities held for trading and include derivatives. Financial liabilities at amortized cost consist of liabilities that do not fall under the category of fair value through profit and loss.

The financial instruments is recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions, through the recognition of the contract date. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the Group has a legally enforceable right and intention to settle the contracts net, otherwise the financial assets and liabilities are presented gross.

Investments in associated companies

Investments in associated companies are impairment tested based on the principles given in IAS 39. If there are objective indications of a fall in value an impairment test shall be carried out in accordance with IAS 36. Any recoverable amount shall be based on sale value or value in use, whichever is higher. The value shall be written down if the carrying amount exceeds the recoverable amount. Associated companies are accounted for under the equity method.

Borrowing costs

Borrowing costs are recorded when the borrowing costs occurs. Borrowing costs are capitalized when directly related to the purchase or manufacture of a fixed asset.

Segment reporting

For management purposes the group is divided into three separate units according to their product/service definition. The units form the basis for segment reporting.

Government grants

Government grants are recognised if there are reasonable grounds to believe that the company will meet the criteria of the grant and the grant will be awarded. The recognition of operating grants shall be recognised systematically during the grant period.

Fixed assets held for sale and discontinued operations

Fixed assets and groups of fixed assets and debts are classified as held for sale if their carrying amount primarily can be recovered through a sales transaction rather than continued use.

IFRS and IFRIC

IFRS 9 Financial Instruments

IFRS 9 includes changes related to the classification and measurement, hedge accounting and impairment. IFRS 9 will replace IAS 39 Financial Instruments - recognition and measurement. Implementation of IFRS 9 is not expected to have any impact on the classification and measurement of the group's financial assets, nor affect the classification and measurement of its financial obligations.

IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures

The changes deal with an inconsistency between the requirements of IFRS 10 and IAS 28 (2011) when it comes to the sale or transfer of assets between an investor and the investor associates or joint ventures. Implementation of IFRS 10 had no impact for the group when the company owns all its units to 100%.

IFRS 11 Joint arrangements

Clarifies that the acquisition of an interest in a joint operation scheme that constitute a business, you should apply similar principles applicable to business combinations. Implementation of IFRS 11 does not apply to the group as the group has joint venture arrangement regulated in IFRS 11.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 includes all disclosures for consolidated previously in IAS 27, as well as all disclosures that were previously included in IAS 31 and IAS 28 Investments in Associated companies. These disclosure requirements are related to a company's share in subsidiaries, joint arrangements, associated companies and structured entities. In addition the standard involves several new disclosure. The group owns all its subsidiaries 100%, which is presented in the consolidated accounts and the implementation of IFRS 12 will not have any effect on the presentation of interests in subsidiaries.

IFRS 15 Income from customer contracts

IASB and FASB have released a new common standard for revenue recognition, IFRS 15. The standard replaces all existing standards and interpretations for revenue. The core principle in IFRS 15 is that revenues are recognized to reflect the transfer of agreed goods or services to customers, and then to an amount that reflects the consideration the company expects to be entitled in exchange for those goods or services. The standard applies to all income contracts and contains a model for recognition and measurement of the sale of certain non-financial assets (excl. Sale of property, plant and equipment). The group is in an ongoing process to assess the impact of IFRS 15.

Note 3: SEGMENT INFORMATION

The segment information is based on reported revenues, EBITDA, EBT and assets for the legal entities included in the segment, with eliminations of internal items within the segment. Intra-group items are included in the column Eliminations. Internal sales are based on market prices.

Management fee invoiced from PSI Group ASA to subsidiaries are not included in the numbers below.

a) Business segment

	PSI Technology		PSI Retail		PSI Labels		PSI Group ASA		Eliminations		Consolidated	
KNOK	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Sales revenue, external customers	**439 347**	355 061	**234 009**	259 937	**155 158**	101 508	**-**	-	**-**	-	**828 514**	716 506
Sales revenue, internal customers	**6 497**	685	**3 095**	692	**13 317**	330	**480**	480	**-23 389**	-2 186	**-**	-
Total sales revenue	**445 844**	355 745	**237 104**	260 629	**168 475**	101 838	**480**	480	**-23 389**	-2 186	**828 514**	716 506
Share of profit associated companies	**-**	-	**-**	2 367	**-**	-	**-**	-	**-**	-	**-**	2 367
Spesification sales revenue and share of profit associated companies:												
Sale of products, external customers	**277 615**	234 579	**159 622**	194 737	**155 158**	101 508	**-**	-	**-**	-	**592 395**	530 824
Sale of products, internal customers	**6 497**	685	**3 095**	692	**13 317**	330	**480**	480	**-23 389**	-2 186	**-**	-
Sale of service, external customers	**161 732**	120 482	**74 387**	67 567	**-**	-	**-**	-	**-**	-	**236 119**	188 049
Sale of service, internal customers	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
EBITDA	**31 975**	24 692	**25 522**	35 717	**17 121**	4 512	**-14 140**	-11 199	**504**	433	**60 982**	54 155
EBT	**-17 865**	1 007	**20 102**	65 347	**4 776**	-2 361	**-19 808**	73 587	**504**	-81 196	**-12 290**	56 383
Assets	**501 882**	417 248	**115 742**	60 354	**62 414**	72 327	**401 383**	359 756	**-470 574**	-415 443	**610 847**	494 241
Liabilities	**244 397**	229 696	**90 011**	36 361	**58 292**	59 440	**148 308**	100 121	**-176 681**	-182 174	**364 327**	243 443
Working capital	**74 538**	55 441	**48 258**	26 892	**30 238**	35 699	**-267**	-1 978	**-5 791**	-3 275	**146 976**	112 780
Investment in fixed assets	**2 513**	3 613	**757**	332	**9 495**	564	**639**	41	**-**	-	**13 404**	4 550

EBITDA is operating profit before depreciation and amortization.
EBT is profit before tax.
Working capital is inventory plus accounts receivables minus accounts payables.

Business areas

The group is divided into three business areas, each focusing on a separate area of business. This forms the basis of the various segments and of reporting to the group management and board. The group management has in the fiscal year followed up the business area based on reported sales revenues, EBITDA and EBT.

In 2013 the group reported on three business areas: CashGuard, SQS Security and PSI Retail. Following the acquisition of Sydetikett AB and Etikett-Produsenten AS in 2013 and Vensafe AS and New Vision in 2014, the Group has decided to change the reporting structure for the Group. The following three business areas are now reported: PSI Technology, PSI Retail and PSI Labels. This is done because the group want to show sales and profit generated by each business area throughout the value chain within PSI Group.

PSI Technology

Technology as the group itself develops under the brand names CashGuard, Vensafe and SQS Security. The figures in the business area show sales and profit generated by the technology products throughout the value chain within PSI Group.

PSI Retail

Sales and marketing of retail solutions and supplies, beyond the solutions reported in the PSI Technology. Besides sales of equipment, service and support, systems integration and consulting are major income elements.

PSI Labels

Design, production, sale and marketing of adhesive labels and corresponding printer / applicators.

B) Geographical information

	Norway		Sweden		Other markets		Consolidated	
KNOK	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Sales revenue:								
PSI Technology	**133 620**	125 142	**192 088**	129 498	**120 137**	101 105	**445 844**	355 745
PSI Retail	**60 688**	153 314	**118 511**	108 940	**57 904**	742	**237 104**	262 996
PSI Labels	**60 115**	39 083	**105 748**	62 458	**2 612**	297	**168 475**	101 838
Group	**480**	480	**-**	-	**-**	-	**480**	480
Elimination	**-786**	-171	**-21 863**	-2 137	**-740**	122	**-23 389**	-2 186
	254 117	255 347	**394 483**	240 877	**179 913**	96 223	**828 514**	718 873
Fixed assets	**392 680**	275 690	**-84 881**	3 520	**4 526**	325	**312 326**	279 535
This years investments in fixed assets	**8 044**	150	**4 736**	4 317	**624**	84	**13 404**	4 550

The group is focusing on growth outside its domestic markets in Norway and Sweden and therefore also reports on turnover growth in relation to geographical areas. Geographical location is determined by the customers location.
There are no customers who represent 10% or more of revenues in the individual business areas in 2014.
Revenue per customer is based on sales to legal entities and not the chains.

Note 4: CHANGES IN THE GROUP STRUCTURE

Changes in 2014:

Acquisition of Vensafe AS

8 April 2014, PSI Group ASA acquired 100% of the shares and 100% of the votes in Vensafe AS through a private placement for MNOK 1.0.

The purchase price was funded with MNOK 1.0 in cash. In addition, PSI Group ASA aquired the company's debt and liabilities totaling MNOK 15.

Vensafe AS is an ambitious Norwegian technology company, founded in 1998, which develops and markets automated sales solutions for small and valuable goods exposed for theft in retail. The company's products streamline store operations, reduce shrinkage and theft and help reduce working capital on a number of high value products. Vensafe AS is headquartered in Moss and has subsidiaries in Germany and Belgium.

This transaction complements PSI Group ASA's existing portfolio targeting retailers and will lead to a further strengthening of PSI Group ASA's role as a major player in value added solutions aimed at retail and specialty stores. CashGuard/Vensafe appeal to the same customer segments with their innovative technology solutions that increases the profitability of the retailers. The business combination will lead to synergies in sales, marketing, development, production and management. At the same time we will invest in further development in Vensafe.

Acquisition of New Vision Baltija UAB

11 July 2014, PSI Group ASA acquired 100% of the shares and 100% of the votes in New Vision Baltija UAB. The consideration for the shares is based on an earn-out model of 5 x EBITDA in 2014 x 51 per cent, plus 5 x EBITDA in 2015 x 49 per cent. The purchase price will be adjusted for net interest bearing debt as of 31.12.2014.

An upfront payment of EUR 1 840 000 in cash and 277 854 PSI shares equivalent to EUR 200 000 based on the volume weighted average share price of the last 30 trading days, was transferred at closing on July 11 2014. The parties also agreed that the seller made an additional investment by acquiring 277 854 shares in PSI on the same terms. These shares was also transferred 11. July. All shares was allocated from PSI Group's own holding.

One third of the total settlement will be in shares in PSI Group ASA, and the remaining in cash. The cash amount will be financed with a credit facility.

New Vision Baltija UAB is a market leader within Retail Solutions in Lithuania, Latvia and Estonia, headquartered in Vilnius, Lithuania. The company also has subsidiaries in Finland and Russia.

Allocation of excess values related to acquisitions in 2014 distributed as follows:

KNOK	Fair value calculated at acquisition	
	New Vision	Vensafe
Assets		
Fixed assets (note 10)	8 519	1 896
Deferred tax assets	-	17 353
Cash and cash equivalents	1 868	1 843
Accounts receivables	17 297	16 434
Inventories	9 190	2 257
	36 874	**39 782**
Liabilities		
Accounts payable	-18 748	-13 565
Interest bearing liabilities	-4 924	-5 865
Other short term debt	-7 967	-19 352
	-31 638	**-38 782**
Net identifiable assets at fair value	5 236	1 000
Software	2 594	-
Customers relations	15 208	-
Goodwill	27 433	-
Deferred tax assets	-6 785	-
Purchase amount	**43 686**	1 000
Cash	15 414	1 000
Own shares	1 675	-
Vendor loan (offset by calculating the final earnout)	26 597	-
Purchase amount	**43 686**	**1 000**
Paid in cash	15 414	1 000
Cash received	-1 868	-1 843
Net cash out	**13 546**	-843

The acquisition resulted in a goodwill of MNOK 27.4 (EUR 3 274 831), value added software of MNOK 2.6 (EUR 309 668) and value added customer of MNOK 15.2 (EUR 1 815 501). New Vision Baltija UAB was established in 1993, and is an ambitious Baltic technology and service company specialized in IT- and business solutions towards the retail market segments. The company represents world leading suppliers of retail technology, as well as a complete solution provider for both food and non-food retailers. In addition, the company has a strong software development team, a store efficiency business consultancy team and a 24/7 retail IT help desk and service center. The acquisition may lead to synergies in sales, marketing, development, production and IT. At the same time we will invest to develop New Vision Balija UAB to further strengthen our European expansion.

Changes in 2013:

Sale of InStore IT companies

PSI Group ASA sold its InStore IT shares to Visma Norge Holding AS for MNOK 49.8. PSI Group ASA owned from 30 per cent to 40.55 per cent each in the four InStore IT companies in Sør, Vest, Innland and Nord (associated companies). In addition PSI Group ASA owned 80 per cent in the InStore IT company Midt-Norge (subsidiary).

In the accounts the profit contribution after tax from associated companies have been reported as income, while the subsidiary in Midt-Norge has been consolidated. PSI Group ASA's reported service revenues and results will not be affected by the sale, with the exception of the future loss of profit contribution after tax from associated companies and the loss of consolidation of the subsidiary. The sale resulted in a gain of MNOK 33.0.

Liquidations

PSI Systems AB and PSI Media Solutions GmbH was liquidated in 2013. The liquidation has not had any material impact on the Group.

Acquisition of Sydetikett AB:

10 September 2013, PSI Group ASA acquired 100% of the shares and 100% of the votes in Sydetikett AB for MSEK 40.0. The purchase price was funded with MSEK 30.0 in cash and a vendor loan of MSEK 10.0.

Sydetikett AB is a company headquartered in Arlöv, Sweden. The company is a digital printing facility which produces adhesive labels.

The acquisition resulted in a goodwill of MNOK 19.0. Sydetikett is one of Sweden's leading digital printing facilities for labels aimed at small and medium circulations. This complement PSI Group ASA's existing commercial printing facilities that has been based on flexographic focused on larger circulations. The management believes that the acquisition will result in significant synergies in sales, management, purchasing and production, as well as a strengthening of the Group's knowledge of labels and give the group access to new technology and production equipment. The acquisition lead to a streamlining of label activities in the group in a separate business area "PSI Labels" from 2014, which will increase the focus on profitability in the Group's existing label production in Sweden. This is expected to influenced future earnings beyond the value of the individual assets.

Sydetikett AB has changed name to Antonson Etikett AB.

Acquisition of Etikett-Produsenten AS

26 June 2013, PSI Group ASA acquired 100% of the shares and 100% of the votes in Etikett-Produsenten AS for MNOK 8.7.

The purchase price was funded with MNOK 4.35 in cash and a vendor loan of MNOK 4.35. Etikett-Produsenten AS is a company headquartered in Rælingen, Norway. The company is a digital printing facility which produces adhesive labels.

The acquisition resulted in a goodwill of MNOK 2.0. Etikett-Produsenten is a specialist in circulation aimed at customers who require short delivery times, high delivery precision and small and medium volume.. This complement PSI Group ASA's existing commercial printing facilities that has been based on flexographic focused on larger circulations. The management believes that the acquisition will result in significant synergies in management, purchasing and production, as well as a strengthening of the Group's knowledge of labels and give the group access a new product range, as well as to new technology and production equipment. The acquisition will lead to a streamlining of label activities in the group in a separate business area "PSI Labels" from 2014, which will increase the focus on profitability in the Group's existing label production in Norway. This is expected to influenced future earnings beyond the value of the individual assets.

Etikett-Produsenten AS was merged with EtikettProdusenten AS (former PSI Production AS) in October 2013.

The acquired companies contributed with the following revenue and profit before tax for the period between the acquisition and 31.12.2014:

	Revenue	Profit before tax
Vensafe AS	40 400	-4 629
New Vision Baltijia UAB	57 868	3 826

Deferred tax liabilities mainly consist of tax losses carried forward. If the acquisitions had been completed as at 01.01.2014, the Group's total revenue for the period had been MNOK 895.2, and the Group's ordinary profit before tax had been MNOK - 30.5. Included in the value of goodwill is employees with special skills and expected synergies with PSI Group ASA's existing business. These intangible assets do not meet the recognition criteria in IAS 38 and are therefore not recorded separately. Recorded goodwill is allocated to the cash-generating unit New Vision. Goodwill is not amortized. However, it is subject to impairment tests annually.

Note 5: OTHER OPERATING EXPENSES

KNOK	2014	2013
Rent, electricity, cleaning	**26 103**	26 299
Marketing	**4 931**	9 093
Vehicles	**15 399**	10 951
Other fees	**16 377**	10 150
Travel	**9 805**	7 253
Maintenance machinery/tools	**2 599**	3 262
IT/ICT	**8 698**	9 153
Communications	**4 850**	4 283
Bad debts	**-285**	853
Audit etc.	**2 334**	1 336
Government grants (Skattefunn)	**-1 500**	-1 100
Stock exchange and VPS costs	**516**	705
Insurance costs	**1 514**	-
Consumables	**9 404**	6 157
Compensation to customer	**3 179**	-
Other costs	**4 746**	1 043
Total	**108 670**	89 438

Specification of recognised auditors fee (KNOK):	2014	2013
Fee for auditing services	**1 821**	1 248
Fee of other attestation services	**-**	22
Fee for tax advise	**17**	16
Fee for other services [1)]	497	51
Total	**2 334**	1 336

1) Includes KNOK 454 regarding Due Dilligence New Vision.

Auditors fee are exclusive of VAT.

Note 6: INVESTMENT IN ASSOCIATED COMPANIES

PSI has owned stakes in strategically important companies in the business area PSI Retail. The Instore IT companies carried out servicing on behalf of PSI Systems AS in areas where the company does not have its own service organisation. PSI Finance AS offers financing to PSI customers in Norway and Sweden. PSI sold all the shares in the associated companies in 2013.

PSI Group ASA had the following investments in associated companies in 2013:

KNOK			Stake	Book value	Dividend paid in	Share of net profit	Balance on time of sale	Profit sale of shares
Entity	**Country**	**Industry**	**31.12.2012**	**31.12.2012**	**2013**	**2013**	**2013**	**2013**
Instore IT Innland AS	Norway	Service company	40 %	2 790	-640	**510**	**2 661**	**3 679**
Instore IT Sør AS	Norway	Service company	40 %	3 892	-1 000	**732**	**3 624**	**7 673**
Instore IT Nord AS	Norway	Service company	41 %	2 476	-	**236**	**2 712**	**3 022**
Instore IT Vest AS	Norway	Service company	30 %	3 150	-660	**888**	**3 378**	**7 650**
PSI Finance AS	Norway	Financing	49 %	0	-	-	**0**	-
CashPos Systems AS	Norway	Wholesale	20 %	277	-	-	**137**	**-137**
Total				**12 585**	**-2 300**	**2 367**	**12 513**	**21 886**

Profit of MNOK 33.0 related to the sale of InStore IT companies, included the subsidiary InStore IT Midt-Norge AS, was booked as other financial income in 2013.

Note 7: SHARES IN OTHER COMPANIES OG LONG TERM RECEIVABLES

KNOK	2014			2013		
Company	**Number**	**Cost price**	**Market value**	**Number**	**Cost price**	**Market value**
Short term financial investments:						
Other financial investments	-	**27**	**27**	-	26	26
Total		**27**	**27**		26	26
Other long term investments:						
mCash	**17 000**	**476**	**476**	17 000	476	476
Other companies		**5**	**5**		5	5
Total		**481**	**481**		481	481

The shares are classified as assets available for sale, and any increase in their fair value are recorded in comprehensive income. Any write-down are included in net profit. The shares are classified as available for sale when they are not of strategic importance for the Group.

Other long term receivables

When PSI Gruop ASA acquired New Vision Baltija UAB, NV Invest UABs major shareholder purchased 277 854 shares at an average price of NOK 6.07. Representing EUR 200 000. This amount will be settled when PSI Group ASA pays the residual sum of the acquisition of New Vision Baltija UAB in Q1 2016. The receivable amounted to KNOK 1 850 including interest as at 31 December 2014.

Note 8: FINANCIAL ITEMS

KNOK	2014	2013
Interest income	**251**	199
Currency adjustment bank and unpaid receivables and liabilities	**3 600**	5 225
Profit related to the sale of InStore IT Midt-Norge AS	-	11 083
Profit related to the sale of associated InStore IT companies	-	21 886
Other financial income	**307**	28
Total financial income	**4 159**	38 422
Interest expense	**-4 188**	-4 513
Currency adjustment bank and unpaid receivables and liabilities	**-4 414**	-4 903
Other financial expenses [1)]	**-1 598**	-905
Total financial expenses	**-10 200**	-10 322
Net financial expenses	**-6 041**	28 100

1) Other financial expenses is primarily related to financial liabilities.
Currency differences relating to the payment of purchases are recorded as cost of goods and constitutes a cost of KNOK 5 033 in 2014 (revenue of KNOK 1 289 in 2013). Currency differences relating to the payment of sales revenues are recorded as sales revenues and constitutes a cost of KNOK 2 926 in 2014 (cost of KNOK 1 022 in 2013).

Note 9: PAYROLL COSTS AND NUMBER OF EMPLOYEES

KNOK	2014	2013
Salaries	**175 487**	141 741
Severance packages	**1 966**	3 202
Director's fee and Nomination Committee	**1 265**	1 300
Social fee	**47 353**	36 282
Pension costs	**13 359**	10 159
Other payroll costs	**11 141**	4 122
Total payroll costs	**250 571**	196 806
Number of full-time employees employed during the year:	**563**	309
Number of employees at the end of the year:	**571**	314

The Norwegian employees have a pension schemes in line with the statutory and obligatory company pension sheme. The contribution represented 5 percent of the employee's salary between 1 G and 6 G, and 8 percent of the employee's salary between 6 G and 12 G. The Swedish subsidiaries have collective pension schemes in place for their employees. The pension schemes are signed in the following companies: Collectum, Fora, SEB trygg liv, SPP Livförsäkring, Danica Fondförsäkring, Skandia Livförsäkring, AMF Pensionsförsäkring, Storebrand Livförsäkring. Nordea, Movestic Livförsäkring AB, Teknikarbetsgivarna/Unionen, Ledarna, Sveriges ingenjörer and IF Metall. A total of 242 employees in Sweden are included in the schemes. Due to the lack of data available and the structure of the plan it is considered a multi-employer plan in accordance with IFRS and is recognised as a contribution-based plan. The pension premium and costs in Sweden was KNOK 10 463 in 2014. In 2013 the pension premium and costs in Sweden totalled KNOK 8 191.

The Board of Directors will submit the following declaration in accordance with the Norwegian Public Limited Companies Act §6-16a for the General Meeting's approval

Declaration of determination of salaries and other remuneration to the CEO and other Executive Management

The main principle of PSI Group ASA's managerial salary is that the executive management should be offered terms that are competitive when salaries, fringe benefits and bonus are seen as whole.

Regarding salaries and other remuneration to executives this year it will take place in accordance with the above principle. As a guideline for the executive management there may be an allowance in addition to the salary (bonus), but then limited to a percentage of the salary and linked to the achievement of quantitative and qualitative targets set by the Board.

The company currently has no option schemes for executive employees and does not plan to introduce this. The company has no pension plans for executive employees other than the statutory. The Board wants the members of the executive management to have shares in the company. It was therefore introduced a share program in 2013 for the executive management where members have the opportunity to buy shares for up to NOK 500 000 per year with 20 % discount. In addition, the first employee share program was conducted, in which all employees in the Norwegian companies were allowed to buy shares for up to NOK 25 000 with 20% discount. In 2014 the Swedish employees was offered the same share program.

Executive employees have company car, free phone, internet and newspaper by appointment, but no fringe benefits beyond this. Regarding severance the CEO in PSI Group ASA and CEO in Vensafe AS has, if terminated from the company, a right of 6 months severance beyond salary during the notice period of 6 months. The board sets the CEO's compensation package on an annual basis. Other executives do not have severance beyond the notice period of 6 months for employees in Norway and 12 months for employees iin Sweden.

The Board has set a limit regarding performance-based renumeration for the CEO and other executive management. It cannot exceed 40% of the salary. The basis for bonuses consists of both financial and non-financial criteria.

Salaries and remuneration for Group management and Directors:

KNOK	2014	2013
	Director's fee	Director's fee
Board of Directors at PSI Group ASA		
Svein S. Jacobsen, Chairman	**390**	400
Erik Pinnås, Director	**200**	205
Guri Kogstad, former Director	**-**	72
Selma Kveim, Director	**218**	220
Camilla Tepfers, Director	**200**	133
Klaus De Vibe, Director	**220**	220
Total Board of Directors [1]	**1 228**	1 250

1) Transactions with close associates are described in note 18.

KNOK	2014					2013				
	Salary	Bonus	Company car	Other remuneration	Pension expenses	Salary	Bonus	Company car	Other remuneration	Pension expenses
Group management										
Jørgen Waaler, CEO	**1 936**	**689**	**-**	**57**	**71**	1 822	733	-	17	62
Anders Nilsen, CFO	**1 069**	**302**	**-**	**21**	**75**	1 029	330	-	14	65
Per Herseth, Director Business development from 31.10.13	**1 033**	**375**	**-**	**101**	**80**	183	-	-	1	11
Per Haagensen, CEO PSI Systems AS	**949**	**332**	**-**	**4**	**60**	1 061	420	-	14	62
Sven Calissendorff, CEO PSI Antonson AB	**821**	**288**	**87**	**-**	**388**	918	288	106	-	354
Roine Gabrielsson, CEO CashGuard AB	**1 230**	**320**	**79**	**3**	**274**	1 047	288	55	2	242
Trond Kongrød, CEO Vensafe AS (aqcuired 08.04.14)	**1 426**	**122**	**135**	**3**	**48**	-	-	-	-	-
Evaldas Budvilaitis, CEO New Vision Baltija UAB (aqcuired 11.07.14)	**468**	**-**	**-**	**1**	**-**	-	-	-	-	-
Leif Persson, CEO Antonson Etikett AB	**1 134**	**282**	**101**	**-**	**370**	-	164	-	-	-
Erik Svedmark, CEO SQS Security Qube System AB to 05.03.13	-	-	-	-	-	1 027	-	34	560	187
Lars-Åke Ericson Köpper, CEO SQS Security Qube System AB from 21.08.13	**1 311**	**103**	**66**	**-**	**502**	460	86	19	-	60
Total Group management	11 377	2 778	468	189	1 869	7 549	2 310	214	609	1 044

1) Bonus payments to Executive Management in 2014 is based on the achieved revenue and EBITDA compared to budget in 2013, and growth ambitions.. The bonus is not related to the development in the stock-price.
2) In connection with the acquisition of New Vision Balitija UAB, Evaldas Budvilaitis was allowed to buy 277 854 shares from PSI Group ASA with an average price of NOK 6.07. On the acquisition date this amounted to EUR 200 000 which is recorded as long-term receivables with KNOK 1 850 including interest as at 31 December 2014. The amount will be settled in connection with the final payment of New Vision Baltijia UAB in 2016. Beyond this, no loans have been given or security put up on behalf of members of the management team or board of directors.
3) The Norwegian Executive Management have a pension scheme in line with the statutory and obligatory company pension sheme. The contribution represented 5 percent of the employee's salary between 1 G and 6 G, and 8 percent of the employee's salary between 6 G and 12 G.

The following members of the management team and board of directors own shares or share options in the company as at 31.12:

	31.12.14	31.12.13
Board of directors in PSI Group ASA		
Svein S. Jacobsen, Chairman [1]	**450 000**	450 000
Erik Pinnås, Director [2]	**4 932 276**	4 932 276
Selma Kveim, Director	**20 500**	20 500
Klaus de Vibe, Director [3]	**78 660**	78 660
Total board of directors	5 481 436	5 481 436

1) Svein S. Jacobsen's shares are owned through the company Sveinja Invest AS.
2) Erik Pinnås shares are privately owned, and owned through the companies Pinnås Eiendom AS and Probitas Holding AS.
3) Klaus de Vibes shares are owned through the company De Vibe AS.
4) The CEO's shares are privately owned and owned through the company Waaler AS.
5) Per Herseth's shares are owned through the company Herseth AS.
6) Evaldas Budvilaitis's shares are owned through the company NV Invest UAB
No employees or Directors have stock options.

	31.12.14	31.12.13
Management team		
Jørgen Waaler, CEO [4]	**1 050 000**	1 005 315
Anders Nilsen, CFO	**50 315**	38 315
Per Herseth, Director Business development [5]	**85 000**	-
Per Haagensen, CEO PSI Systems AS	**15 315**	15 315
Lars-Åke Ericson Köpper, CEO SQS Security Qube System AB	**3 500**	-
Roine Gabrielsson, CEO CashGuard AB	**44 108**	-
Sven Calissendorff, CEO PSI Antonson AB	**22 000**	-
Evaldas Budvilaitis, CEO New Vision [6]	**555 709**	-
Erik Svedmark, CEO SQS Security Qube System AB til 05.03.2013	**50 000**	50 000
Total management team	**1 875 947**	1 108 945

Note 10: FIXED ASSETS

Building and land (KNOK)	Land Norway	Buildings Sweden	Buildings Norway	2014 Total	2013 Total
Acquisiton costs 01.01.	825	2 056	6 126	**9 007**	8 948
Acquired by aquisition				**-**	57
Acquired	-	-	308	**308**	-
Translation differences	-	-	-	-	2
Acquisiton costs 31.12	**825**	**2 056**	**6 434**	**9 315**	**9 007**
Accumulated depreciations 01.01	-	-2 002	-2 063	**-4 065**	-3 736
Accumulated depreciations 31.12	-	-2 017	-2 398	**-4 414**	-4 065
Book value 31.12	**825**	**39**	**4 037**	**4 901**	**4 942**
Depreciations of the year	-	-15	-335	**-349**	-328
Depreciation ratio	0 %	5 %	5 %		
Depreciation method		Straight line	Straight line		

Equipment, vehicles, inventories (KNOK)	Equipment	Financial leasing carried on	2014 total	2013 total
Acquisiton costs 01.01.	69 758	33 696	**103 454**	81 948
Acquired by aquisition / divestment sale	3 631	1 366	**4 996**	17 777
Acquired	10 341	2 937	**13 278**	3 120
Divestment	176	-674	**-498**	-694
Translation differences	262	21	**283**	1 304
Acquisiton costs 31.12	**84 168**	**37 345**	**121 513**	**103 454**
Accumulated depreciations 01.01	-55 185	-16 766	**-71 951**	-61 779
Access depreciation acquisitions / divestment sale	-	-	**-**	72
Accumulated depreciations 31.12	-61 853	-21 722	**-83 575**	-71 951
Book value 31.12	**22 315**	**15 623**	**37 938**	**31 503**
Depreciations of the year	-6 668	-4 956	**-11 624**	-10 245
Depreciation ratio	10-33 %	10-33 %		
Depreciation method	Straight line	Straight line		

Financial leasing relates to production equipment for PSI Systems AS, Antonson Etikett AB and PSI Antonson AB, and ICT/IT equipment and software for PSI Antonson AB. See note 16 for information about the comittments related to the financial leasing. Some equipment has been fully depreciated as of 31 December 2014 but is still in use. PSI has no contractual purchasing obligations.

Note 11: INTANGIBLE ASSETS

Other intangible assets (KNOK)	CashGuard				SQS Security			PSI Systems	Antonson Etikett		New Vision		Other	2014	2013
	Technology	Brand	Customer	Other	Technology	Brand	Customer	Customer	Customer	Software	Customer	Software			
Acquisiton costs 01.01.	84 362	21 502	4 555	168	68 407	14 851	22 789	4 617	16 601				381	238 232	217 326
Acquired by aquisition											15 208	14 965	-	30 174	20 906
Acquired	323									1 859				2 181	
Acquisiton costs 31.12.	**84 685**	**21 502**	**4 555**	**168**	**68 407**	**14 851**	**22 789**	**4 617**	**16 601**	**1 859**	**15 208**	**14 965**	**381**	**270 588**	**238 232**
Accumulated impairments and depreciations 01.01.	-58 050	-	-4 543	-115	-39 009	-	-20 634	-2 221	-943				-300	-125 814	-110 515
Access depreciation acquisitions												-6 464		-6 464	
Accumulated impairments and depreciations 31.12.	-65 341	-	-4 543	-115	-61 060	-15 678	-23 739	-3 179	-3 747	-128	-1 531	-8 125	-352	-187 537	-125 814
Translation differences	-1 310	1 320	-12	-35	-608	826	950	-	814	-1	1 088	88	6	3 125	1 328
Book value 31.12.	**18 034**	**22 822**	**-**	**18**	**6 739**	**-**	**-**	**1 437**	**13 668**	**1 729**	**14 765**	**6 928**	**34**	**86 175**	**113 747**
Depreciations of the year	-7 291	-	-	-	-6 238	-	-2 166	-958	-2 804	-128	-1 531	-1 661	-52	-22 829	-15 299
Impairment of the year	-	-	-	-	-15 813	-15 678	-939	-	-	-	-	-	-	-32 430	-
This year change in translation differences	85	297	-	-7	98	120	-60	-	91	-1	1 088	88	-1	1 797	10 576
Depreciation schedule	10 and 15 year	Impair-ment test	1 and 7 year	3 year	10 year	Impair-ment test	4 and 7 year	3 year	6 year	5 year	7 year	4 and 7 year	3 year		
Depreciation ratio	7-10 %	0 %	14-100 %	33 %	10 %	0 %	14-25 %	33 %	17 %	20 %	14 %	14-25 %	33 %		

Intangible assets relate to product development at SQS and CashGuard as well as intangible assets identified in relation to the merger between CashGuard and PSI in 2008, the aqcuisition of Etikett-Produsenten AS and Sydetikett AB in 2013, and the aqcuistion of New Vision in 2014. In 2014 there have been expensed KNOK 31 297 (KNOK 25 750 in 2013) in research and development costs.

Goodwill (KNOK)	Other Goodwill	Acquisition of Init Rekvisita AS	Acquisition of PSI Media Solutions AS	Acquisition of PSI Antonson AB	Merger with CashGuard, allocated to CashGuard AB	Merger with CashGuard, allocated to SQS	Acquisition of Systeme-dia	Acquisition of Etikett-Produsen-ten AS	Acquisition of Sydeti-kett AB	Acquisi-tion of New Vision	Total 2014	Total 2013
Acquisiton costs 01.01.	300	1 279	8 263	2 612	81 127	246 587	6 433	2 000	19 039		367 641	346 602
Acquired										27 433	27 433	21 039
Acquisiton costs 31.12.	300	1 279	8 263	2 612	81 127	246 587	6 433	2 000	19 039	27 433	395 074	367 641
Accumulated impairment and depreciations 01.01.	-300	-1 279	-8 263	-229	-	-237 787	-5 147				-253 005	-253 005
Accumulated impairment and depreciations 31.12.	-300	-1 279	-8 263	-229	-	-237 787	-5 147				-253 005	-253 005
Translation differences	-	-	-	-	5 216	-8 800	-		1 115	2 160	-308	-3 855
Book value 31.12.	**0**	**0**	**0**	**2 383**	**86 343**	**-**	**1 286**	**2 000**	**20 154**	**29 593**	**141 759**	**110 779**
Write-downs of the year	-	-	-	-	-	-	-	-	-	-	-	-
This year change in translation differences	-	-	-	-	1 124	0	-	-	262	2 160	3 547	8 305
Depreciation schedule	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test		

Goodwill is not depreciated. Impairment tests are carried out every year. Impairment tests have been carried out for the following cash generating units with significant goodwill items stated on the balance sheet:

			Goodwill (KNOK)	
Name	**Cash generating unit**		**31.12.2014**	**31.12.2013**
PSI Systems AS (former Systemedia)	PSI Systems AS	PSI Retail	**1 286**	1 286
Kjøp av PSI Antonson AB	PSI Antonson AB	PSI Retail	**2 383**	2 383
Etikett-Produsenten AS	PSI Systems AS	PSI Labels	**2 000**	2 000
Sydetikett AB	Antonson Etikett AB	PSI Labels	**20 154**	19 891
CashGuard	CashGuard	PSI Technology	**86 343**	85 219
New Vision	New Vision	PSI Technology	**29 593**	-
Total goodwill			**141 759**	110 779

Impairment test

Impairment tests are carried out in order to assess the prospects of each cash flow-generating entity based on value in use. Value in use is then measured against net book value for the cash flow-generating entity. For goodwill relating to CashGuard and SQS Security the cash flow-generating entity is defined as their own group. For other goodwill items the definition of a legal entity has been applied. By analysing the product portfolio and market position a conclusion has been reached on expected growth for the entities. Next, the current value of future cash flows has been estimated to determine whether the goodwill item is justifiable or not. The budget/forecast period is five years, after which the terminal value is estimated.

Impairment test - CashGuard

The expected cash flows are based on the budgeted revenue for 2015, followed by 10 % annual growth in external sales until 2019 as a result of expected increased turnover outside Norway and Sweden, then a terminal value with a growth in net cash flow corresponding to an expec-ted inflation by 2.5 % annually. Sales to units in the group is expected to be reduced with 10 % annualy until 2019. Expected gross margin is expected to be increased from 38 % achieved margin in 2014 to 42 % in the period 2015-2019. 2.0 % annual growth is applied for other operating expenses, and 2.5 % annual growth in personel expenses. These assumptions give a EBITDA margin of 7 % in the period 2015 - 2018 and 8 % in 2019. No change in working capital is expected, and MSEK 4 has been applied as expected investment in 2015 and MSEK 1 in the period 2016-2019. The current value is estimated by discounting the cash flow with a discount rate equal to the weighted cost of capital (WACC) of 12.02 % before tax (10,16% after tax).

Significant assumptions are related to turnover growth, achieved EBITDA margin and discount rate. A sensitivity analysis for the period 2015 to 2019 shows that if growth is reduced to 9.7 % annualy, and other assumptions remain unchanged the calculated value is still higher than the book value. A reduction in EBITDA margin to 7 % and an increase in WACC to 10.42 % after tax gives the same result. Changes beyond this will result in an impairment.

Impairment test - Sydetikett AB

The item include goodwill from the acquisition of Sydetikett AB, a mondern printing facility in Sweden. The expected cash flows are based on the budgeted revenue for 2015, followed by 2.5 % annual growth in external sales until 2019 , then a terminal value with a growth in net cash flow corresponding to an expected inflation by 2.5 % annually. Expected gross margin is expected to equal to 51 % achieved margin in 2014 in the period 2015-2019. 2.0 % annual growth is applied for other operating expenses, and 2.5 % annual growth in personel expenses. These assumptions give a EBITDA margin of 9 % in the periode 2015 - 2019. No change in working capital is expected, and MSEK 1 has been applied as expected investment in the period 2016-2019. The current value is estimated by discounting the cash flow with a discount rate equal to the weighted cost of capital (WACC) of 8.85 % before tax (7,48% after tax).
Significant assumptions are related to turnover growth, achieved EBITDA margin and discount rate. A sensitivity analysis shows that if growth is reduced to - 0.8 % annualy, and other assumptions remain unchanged the calculated value is still higher than the book value. A reduction in EBITDA margin to 3 % and an increase in WACC to 14.75 % after tax gives the same result. Changes beyond this will result in an impairment.

Impairment test - PSI Antonson AB

The items include goodwill from the acquisition of PSI Antonson AB, which makes up the business area's Swedish activities. Cash flow is determined by applying 2.5 % turnover growth per year in the budget for the coming seven years, with no terminal value applied at the end of the seventh year. The current value is estimated by discounting the cash flow with a discount rate equal to the weighted cost of capital (WACC) of 12.02 % before tax (10.16 % after tax).

Impairmenttest - SQS Security

The expected cash flows are based on the budgeted revenue for 2015, then 2.5 % annual growth in external sales until 2019, then a terminal value with growth in net cash flow corresponding to the expected inflation rate of 2.5 % annually. Sales to companies in the group are expected to be reduced with 30 % annualy in the periode 2016-2019. Gross margin expected to be increased from 55 % margin achieved in 2014 to 55 % in the periode 2015-2019. 2.0 % annual growth is applied for other operating expenses and personel expenses. The assumptions give a EBITDA margin of 4 % in in the period 2015-2016 and 3 % in the period 2017-2019. It is expected a yearly change of MSEK 1 in working capital , and MSEK 1 is used as the expected investment in the period 2015 to 2019. Present value is calculated by discounted cash flows using a discount rate equal to the weighted cost of capital (WACC) of 12.02 % before tax (10.16 % after tax).

Based on the impairment test the added value in SQS Security was impaired by MNOK 32.4 to MNOK 6.7 in 2014. A sensitivity analysis shows that if growth in external sales is reduced to 0 % annualy, and other assumptions remain unchanged the calculated value is still higher than the book value. A reduction in EBITDA margin to 0 % and an increase in WACC to 68,0 % after tax gives the same result. Changes beyond this will result in an impairment.
On the basis of the impairment test the goodwill in Cash Management CIT / ATM was written down to 0 in 2011.

Note 12: INVENTORIES

Inventories (KNOK)	2014	2013
Raw materials	**35 880**	39 915
Work in progress	**1 682**	363
Finished products	**69 535**	52 837
Provision for obsolete stock	**-11 522**	-7 327
Total	**95 575**	85 787

The respective companies' stock is valued at fair value or acquisition cost, whichever is lower. Reported provision for obsolete stock is KNOK 11 522 compared with KNOK 7 327, in 2013.

The stock is used as security for loans, see 15.

Provision for obsolete stock (KNOK)	2014	2013
Provision for obsolete stock, opening balance	**-7 327**	-7 041
Taken to income/charged to expence (-) change in provision	**-4 194**	- 286
Provision for obsolete stock, closing balance	**-11 522**	-7 327

The cost of goods sold of KNOK 408 291 includes direct costs of goods with KNOK 341 802.

Note 13: OTHER RECEIVABLES

Receivables (KNOK)	2014	2013
Accounts receivables	**156 903**	98 156
Prepaid expenses	**10 323**	13 899
Other receivables	**16 721**	8 285
Total receivables 31.12	**183 946**	120 339

Other receivables includes MNOK 1.5 in expected government grants (skattefunn) refunds for development costs in 2014 and MNOK 1.1 in 2013.

Changes in provision for bad debts (KNOK)	2014	2013
01.01.	**4 147**	3 149
Applied provisions	**5**	-165
Reverserd provisions	**-1 105**	-2 983
New provision for bad debt	**1 336**	4 147
Total 31.12	**4 383**	4 147

Provisions for bad debts in 2014 totalled KNOK 4 383 compared with KNOK 4 147 in 2013. There has been made provisions for bad debts of KNOK 1 822 related to one client, the remaining provisions per 31.12.2014 are not directly related to individual customers. Losses on bad debts are classified as other operating expences in the income statement.

Aging of accounts receivables (KNOK)	2014	2013
Not due	**131 064**	74 354
0-3 months	**24 930**	23 317
3-6 months	**518**	367
6-12 months	**392**	46
Older than 12 months	-	72
Total 31.12	**156 903**	98 156

When exporting to new markets we require advance payment or bank guarantee. In most of the cases it is used prepayment. There is no bank guarantee on outstanding receivables per 31.12.2014.

Note 14: CASH AND CASH EQUIVALENTS

KNOK	2014	2013
Cash and bank deposits	**18 973**	8 554
Overdraft	**22 049**	-5 618
Unused overdraft facilities	**34 193**	56 438

The Group had liquid assets (bank deposits and unused overdraft facilities) of MNOK 53.2 as at 31.12.2014 (2013: MNOK 65.0). KNOK 105 are restricted funds pr. 31.12.2014 (2013: KNOK 90).

Note 15: INTEREST-BEARING DEBT AND SECURED DEBT

Debt as at 31.12. and borrowing terms. Figures in KNOK

Type of loan	2014	2013	Borrowing terms	Average nominal interest for 2014
Multi-currency, group credit account[1]	**16 627**	-5 618	Overdraft limit MNOK 50.82, not time limited	3,13 %
Multi-currency, group credit account KEUR 600 (New Vision)	**5 422**	-	No repayment before 18.08.16	3,47 %
Financial leasing, Printing presses (EtikettProdusenten AS)	**-**	562	Monthly repayments, last payment 13.05.2014	5,90 %
Financial leasing, Printing presses KSEK 307 (Antonson Etikett AB)	**295**	326	Monthly repayments, last payment 31.12.2017	9,14 %
Financial leasing, Printing presses KSEK 2 959 (Antonson Etikett AB)	**2 840**	3 300	Monthly repayments, last payment 31.03.2019	2,50 %
Financial leasing, Printing presses KSEK 5 559 (Antonson Etikett AB)	**5 335**	6 474	Monthly repayments, last payment 31.05.2018	2,21 %
Financial leasing, Printing presses KSEK 943 (Antonson Etikett AB)	**905**	1 372	Monthly repayments, last payment 31.08.2016	1,70 %
Financial leasing, Printing presses KSEK 2 895 (Antonson Etikett AB)	**2 778**	3 835	Monthly repayments, last payment 30.09.2016	2,12 %
Financial leasing, Printing presses KSEK 758 (Antonson Etikett AB)	**727**	1 074	Monthly repayments, last payment 30.11.2017	1,70 %
Financial leasing, IT KSEK 575 (PSI Antonson AB)	**552**	794	Quarterly repayments, last payment 31.01.2017	3,82 %
Financial leasing, cars KEUR 24 (New Vision)	**217**	-	Monthly repayments, last payment 30.07.2019	2,58 %
Financial leasing, cars KEUR 56 (New Vision)	**506**	-	Monthly repayments, last payment 29.08.2018	2,93 %
Financial leasing, cars KEUR 61 (New Vision)	**551**	-	Monthly repayments, last payment 10.01.2018	2,02 %
Repayment loan, businesses [1], KSEK 300 (SQS AB)	**288**	3 694	Quarterly repayments, last payment 20.03.2015	2,79 %
Repayment loan, businesses [1] (PSI Group ASA)	**15 142**	19 142	Quarterly term loans, last payment 01.07.2016	4,20 %
Repayment loan, businesses [1], KEUR 1 575 (PSI Group ASA)	**14 232**	-	Quarterly term loans, last payment 11.07.2016	2,30 %
Repayment loan, businesses [1] (PSI Systems AS)	**3 015**	3 249	Quarterly term loans, last payment 20.12.2027	4,20 %
Long term debt [1] KSEK 1 163 (PSI Antonson AB)	**1 116**	1 835	Quarterly repayments, last payment 30.06.2016	4,16 %
Long term debt [1] KSEK 11 325 (PSI Antonson AB)	**10 869**	12 835	Quarterly repayments, last payment 31.03.2020	4,16 %
Long term debt [1] KEUR 520 (New Vision Baltija UAB)	**4 699**	-	Monthly repayments, last payment 18.08.2016	3,64 %
	86 116	**52 873**		

Distribution of long-term and short-term interest-bearing debts:

KNOK	2014	2013
Due within one year	**24 585**	14 888
Bank overdraft	**22 049**	-5 618
Due after one year	**39 482**	43 603
Total interest-bearing debts	**86 116**	52 873

1) The Groups' main bank connection has loan agreements in relation to the ratio between NIBD/EBITDA. The loan agreements are measured on a quarterly basis. Se note 17 for more information. All loans are secured, except a long-term loan of MSEK 11.3 to PSI Antonson.

Pledged assets as at 31.12.2014 and book value:

Asset	Book value / nominal security (KNOK)
Operating equipment, accounts receivables and inventories for PSI Systems AS	69 880
Inventories New Vision	6 767
Lien over Företagsinnteckning SQS Security Qube Systems AB [1]	49 904
Lien over Företagsinnteckning CashGuard AB [1]	34 549
Lien over Företagsinnteckning PSI Antonson AS [1]	29 751

CashGuard AB and SQS Security Qube System AB's liabilities are limited to the amount the guarantor at any time has drawn.
1) Företagsinnteckning is equivalent to a priority lien over the company's assets

Note 16: HIRE- AND LEASING COMMITMENTS

Operational leasing agreements

PSI Systems AS
Tenancy agreement for the company's premises at Slynga 10 in Rælingen running until March 2015. Total annual rent was KNOK 3 421 in 2014 (KNOK 3 367 in 2013). The rent may be index-regulated in accordance with the tenancy agreement. This agreement runs until 2015. PSI subleases parts of the premises and has a contract with the sub-tenant until March 2015. Annual rent is KNOK 1 128 including common service charges.

A renewal of the lease on the company's premises on Slynga 10 has been signed for another 8 years. The agreement runs from 1 April 2015 to 31 March 2023. Monthly rent is estimated at NOK 156 per month the first year. The rent will be index-regulated annually. Leasing contracts on vehicles has a running period of 3-5 years. Annual liability is approx KNOK 697.

PSI Antonson AB
Leasing contracts on vehicles has a running period of 3-6 years. Annual liability is approx KNOK 1 823. Tenancy agreements on other premises including a warehouse in Grums, is running for 0,5 to 2,5 years. Total annual rent for these premises is approx KNOK 1 032.

Antonson Etikett AB
Leasing contracts on vehicles has a running period of 3 years. Annual liability is approx KNOK 370. Leasing of inventory is running for 3 years. Annual liability is approx KNOK 195. Tenancy agreement on the company's premises in Mølndal, Gothenburg, is running until 31 Desember 2017. Total annual rent is approx KNOK 4 261. Tenancy agreement on the company's premises in Arlöv, is running until 31 Desember 2016. Total annual rent is approx KNOK 978.

SQS Security Qube System AB
Leasing of company cars is running for 3 years. Annual liability is approx KNOK 482. Leasing of inventory is running for 3-5 years. Annual liability is approx KNOK 118. Tenancy agreements on premises including Skellefteå, are running for 1 to 5 years. Total annual rent for these premises is approx KNOK 5 146.

CashGuard AB
Leasing of company cars is running for 3 years. Annual liability is approx KNOK 279. Leasing of inventory is running for 3-5 years. Annual liability is approx KNOK 85. Tenancy agreements on premises in Kista, are running for 5 years. Total annual rent is approx KNOK 1 684.

Vensafe AS
Leasing of company cars is running for 3 years. Annual liability is approx KNOK 212. Leasing of inventory is running for 0,5-2 years. Annual liability is approx KNOK 240. Tenancy agreements on premises in Moss, is running until 31 December 2016. Total annual rent is approx KNOK 1 001.

Future minimum rent for the contracts as at 31.12 is as follows:

The present value of future payments

KNOK	2014	2013	Present value 2014
Within one year	**22 174**	21 710	**19 879**
After one year, but within five years	**38 753**	27 784	**28 595**
Aften more than five years	**6 250**	-	**3 244**
Total	**67 177**	49 494	**51 718**

Financial leasing agreements

PSI Systems AS
Leasing agreement on printing presses and production equipment was running until 13.05.2014.

PSI Antonson AB
Leasing agreement on IT equipment is running for 2 years. Annual liability is approx KNOK 266.

Antonson Etikett AB
Leasing agreement on printing presses is running for 4 to 8 years. Annual liability is approx KNOK 3 961.

New Vision
Leasing agreement on cars is running for 5 to 7 years. Annual liability is approx KNOK 416.

Future minimum rent for the contracts as at 31.12 is as follows:

KNOK	2014	2013
Within one year	**4 642**	5 364
Aften one year, but within five years	**8 180**	12 603
Aften more than five years	-	48
Total	**12 822**	18 014

The present value of future payments

2014
4 162
6 118
-
10 280

Note 17: FINANCIAL INSTRUMENTS

Financial risks

PSI Group ASA's activities expose the group to exchange rate-, interest-, credit- and liquidity risks.

(i) Credit risks

The Group's credit risk is related to the sale of goods on credit. The group has little credit risks beyond accounts receivables.

The Group has common guidelines to ensure that sales are only made to customers who have not had significant payment problems earlier and that the outstanding amount do not exceed credit limits. Exporting to new markets require advance payment or bank guarantee. In most cases advance payment are chosen. There are also guidelines to prevent the company incurring the risk associated with loans and guarantees related to employees and customers.

As at 31.12.2014 the Group had KNOK 156 093 in outstanding accounts receivables. Of this KNOK 25 839 were overdue. This relatively high figure is mainly due to customer paying on the due date, but the payment is recognised by the recipient a few days later. Historical speaking the Group has incurred few losses on accounts receivables because a large part of sales of solutions is done through leasing companies and since the after sales marked is characterised by a large number of repeatable purchases. This year's income in relation to bad debts amounting to KNOK 285, including realized losses and changes in the provision for bad debts.

The business areas' accounts receivable are reported to the group monthly, in which risk is assessed in relation to non-performing credits. The group considers its maximum risk exposure to be the balance sheet value of its account receivables (see Note 13).

Credit exposure is spread over a large customer base, and as at 31.12.2014 only 8 customers had an account receivable greater than KNOK 1 000. The total exposure to these eight customers were KNOK 11 543, of which KNOK 10 889 was not due or past due with less than 31 days. The eight customers spread over 4 customers in Sweden (KNOK 5 245) and 4 European customers (KNOK 6 298). With the exception of three customers in Europe, have all the customers paid the open items per 31.12.2014 by the end of February 2015.

For more information on loss and aging see note 13.

Debt ratio

KNOK	2014	2013
Total interest bearing debt	**86 116**	52 873
Cash	**18 973**	8 554
Net interest bearing debt	**67 143**	44 319
Total capital adjusted for Goodwill	**469 088**	383 462
Debt ratio	**14%**	12%

(ii) Interest rate risk

The company's interest bearing debt increased in 2014. As a result, interest rate risk has also increased. The risk is measured by the group treasury department by simulating the effect of a change in interest rates. The simulation illustrates the cash effect of a change in interest rates given the loan size and the level of any existing interest rate hedging. The results from the simulation are used to support decisions concerning the possible conclusion of fixed-rate contracts. In addition, the fact that interest rates usually move opposite to the general economic development, and that floating rates within certain limits can help to stabilize the group's results. As a result of this the group's interest-bearing debt has a floating interest rate at year-end. It has not been used fixed rate contracts or other hedging instruments in 2014 or 2013.

Based on the financial instruments in existence as of 31 December 2014, a general increase in interest rates of two per cent will reduce pre-tax profits by KNOK 1 722.

The average effective rate of interest on financial instruments was as follows:

	2014	2013
Bank overdraft	**3,30 %**	3,15 %
Financial leasing contracts	**3,07 %**	5,74 %
Loans secured with a lien	**3,63 %**	4,04 %

The interest rate on overdraft are based on 1 month NIBOR for the draft in NOK, and 1 month DANBOR SEK and 1 month DANBOR EUR for the other currencies. The interest rate on long-term loans secured by mortages are based on 3 month NIBOR, 7 days STIBOR and 1 month STIBOR. The interest rate is determined daily. See Note 15 for information about long-term loans and Note 16 for information about liabilities in relation to financial leasing agreements.

(iii) Liquidity risk

The Group manages liquidity risk by monitoring the expected future cash from operations and available cash and credit facilities are adequate to serve the operational and financial obligations. This is done by preparing cash flow forecasts 12 months ahead, and detailed monthly cash monitoring, based on different outcomes in turnover and productmix. Capital tied up in the individual business units are supervised by the central finance department, focusing on inventory, accounts receivable, financing and accounts payable.

It is the group's strategy to have sufficient cash, cash equivalents or credit facilities available at any time to be able to finance operations and investments for the next 6 months. Excess liquidity is mainly located in the Groups cashpool which is netted against overdraft. Unused credit facilities are described in Note 14.

The loan agreement with the main financial institution has a claim (covenant) in which the ratio of net interest bearing debt and moving 12-month earnings before depreciation (EBITDA) shall not exceed 3.5. This is measured quarterly. The company did meet this requirement in 2014 and 2013. The company aqcuired Vensafe AS and New Vision Baltija UAB. Interest bearing debt was totally increased by MNOK 22.8 during 2014. This combined with the EBITDA increased to MNOK 61.0 (from MNOK 54.2 in 2013) resulted in net debt divided by 12 month rolling income before depreciation (EBITDA) as at 31.12.2014 was 1.1. As at 31.12.2013 it was measured 0,8.

(iv) Currency risks

The Company has no material debt or bank deposits in foreign currency, except Norwegian and Swedish kroner. The main exposure to foreign currency derived from accounts payable and accounts receivable in connection with the purchase and sale of goods in foreign currency, and contracts where the sales price is determined in a currency other than the cost of goods sold. The Group is mainly exposed to fluctuations in the price of goods bought in foreign currencies, primarily in SEK, USD, EUR and GBP, and sale of goods in EUR.

It is normally not used forward contracts to hedge this exposure, as the agreed volume of the agreements are usually informal and runs for several years. In such agreements it is agreed with the customer how changes in exchange rates beyond certain limits shall be compensated by selling price. The operating profit of individual companies is therefore rather insensitive to changes in exchange rates.

(v) Financial investments

Excess liquidity is placed in the Group's cashpool to reduce its short-term interest-bearing debt. The company uses a small degree of financial investments.

Overview of maturity structures of financial liabilities:

KNOK	Balance sheet amount	0-6 months	6-12 months	1-2 year	2-3 year	over 3 years	Undefined
Secured loans (long and short term interest bearing debt)	49 361	9 357	10 876	19 984	2 370	6 774	-
Secured loans, interest	NA	807	462	201	258	NA	-
Overdraft (short-term interest bearing debt) [1]	22 049	-	-	5 422	-	-	16 627
Overdraft, interest	NA	354	354	474	521	NA	-
Financial leasing (long-term and short-term interest bearing debt)	14 706	2 163	2 188	4 843	2 662	2 849	-
Financial leasing, interest	NA	165	113	109	49	NA	-
Other long term debt	28 691	-	-	28 691	-	-	-
Accounts payable	105 502	105 502	-	-	-	-	-
Net liabilities financial instruments	**220 309**	**118 348**	**13 994**	**59 723**	**5 859**	**9 623**	**16 627**

1) It is not defined any expiration date on the overdraft, and the contract runs until renegotiated by either party. Time of payment of financial obligations is intended to be covered by the payment of accounts receivable, sale of goods and services, and available cash and available credit facilities.

A change of 5% exchange rate as at 31 December would have resulted in the following effects on the profit in the Group;

Sensitivity currency exposure;	
SEK weakened by 5% against EUR	-1 328
SEK weakened by 5% against GBP	46
SEK weakened by 5% against USD	396
NOK weakened by 5% against SEK	-16
NOK weakened by 5% against EUR	185
NOK weakened by 5% against GBP	-
NOK weakened by 5% against USD	668

(vi) Capital structure

The Board aims to maintain a strong capital base in order to retain the trust of shareholders, creditors and the market in order to continually develop the company. The Board want to create a balance between higher return, which is made possible by higher borrowing levels, and the benefits and security provided by a solid equity. The Board aims to ensure that PSI Group shareholders will over time gain a competitive return on their investment through a combination of cash dividends and increased value of their shares. In determining the annual dividend, the Board will take into account the expected cash flow, investments in organic growth, plans for growth through mergers and acquisitions, and the need for adequate financial flexibility.

The level of net debt is measured in terms of cash flow. The company is comfortable with the level of debt as at 31.12.14.

(vii) Determing of fair value

KNOK	2014		2013	
	Balance sheet value	Fair value	Balance sheet value	Fair value
Financial assets				
Cash	**18 973**	**18 973**	8 554	8 554
Accounts receivable	**156 903**	**156 903**	98 156	98 156
Total financial assets at amortized cost	**175 875**	**175 875**	106 710	106 710
Assets held for sale	**508**	**508**	506	506
Financial debts				
Kassekreditt	**-22 049**	**-22 049**	5 618	5 618
Accounts payable	**-105 502**	**-105 502**	-71 163	-71 163
Bank loans	**-49 361**	**-49 361**	-40 755	-40 755
Financial leasing liabilities	**-14 706**	**-14 706**	-17 736	-17 736
Total financial debts at amortized cost	**-191 618**	**-191 618**	-124 036	-124 036

Available for sale investments are carried at fair value and the value increases towards the total comprehensive income. All other items are recorded based on amortized cost.

The balance sheet value of cash and cash equivalents and overdrafts is approximate to the fair value as these instruments have a short expiry period. Similarly, the balance sheet value of accounts receivables and accounts payable is approximate to the fair value as they are agreed on "ordinary" terms.

Book value of debt is deemed to be equivalent to market value, since the company should be able to refinance the loan at the same rate in the market.

Note 18: TRANSACTIONS WITH RELATED PARTIES

Transactions with Board Directors

- The subsidiary PSI Systems AS has entered into a 10-year tenancy agreement for the premises at Slynga 10 with Pinnås Eiendom AS. Board director Erik Pinnås owns 100 % of the shares in Pinnås Eiendom AS. The agreement expires in 2015. The rent for 2014 was KNOK 3 421 (KNOK 3 367 in 2013).
- A renewal of the lease on the company's premises on Slynga 10 has been signed for another 8 years. The agreement runs from 1 April 2015 to 31 March 2023. Monthly rent is estimated at NOK 156 per month the first year. The rent will be index-regulated annually.
- In 2014 PSI Group ASA aqcuired New Vision Baltija UAB with its subsidiaries from NV Invest UAB. In connection with the acquisition, NV Invest UAB's main shareholder Evaldas Budvilaitis, was allowed to buy 277 854 shares from PSI Group ASA with an average price of NOK 6.07. On the acquisition date this amounted to EUR 200 000 which is recorded as long-term receivables with KNOK 1 850 including interest as at 31 December 2014. The amount will be settled in connection with the final payment of New Vision Baltijia UAB in 2016.

Transactions with associated companies

The group has carried out a number of transactions with associated companies. All transactions were carried out as part of its ordinary activities and at arm's length prices. The shares in associated companies were sold in 2013. The share in InStore IT companies were sold 8th July 2013 and the shares in PSI Finance AS was sold 20th August 2013. Sales to and purchases from associated companies are as follows in the period before PSI Group sold the shares:

KNOK	2013	
	Sale	Purchase
Instore IT Sør AS	434	7 370
Instore IT Vest AS	1 647	8 029
Instore IT Innland AS	369	3 106
Instore IT Nord AS	115	3 246
Total	2 565	21 751

The balance does not include amounts resulting from transactions with associated companies.

Binding future transactions with related parties

	2015	2016	2017-2023
Pinnås Eiendom AS (rent)	2 263	1 876	11 727

Note 19: POST BALANCE SHEET EVENTS

There are no significant changes after the balance sheet date.

Note 20: OVERVIEW OF SUBSIDIARIES

The following subsidiares are included in the consolidated accounts:

Company	Address	Main area of business	Share of votes	Stake
PSI Systems AS	Rælingen	Service and product provider	100 %	100 %
PSI Antonson AB	Göteborg (Sweden)	Service and product provider	100 %	100 %
Antonson Etikett AB	Malmö (Sweden)	Printing	100 %	100 %
CashGuard AB [1)]	Täby (Sweden)	Hardware and software	100 %	100 %
SQS Security Qube System AB [2)]	Skellefteå (Sweden)	Production and sales	100 %	100 %
Vensafe AS [3)]	Moss	Hardware and software	100 %	100 %
New Vision Baltija UAB [4)]	Vilnius (Lithuania)	Service and product provider	100 %	100 %

1) CashGuard Sverige AB owns 100 % of its sales companies in France and Germany.
2) SQS Security Qube System AB owns 100 % of its sales companies in Norway, the UK, Germany and France and the branch in Belgium.
3) Vensafe AS owns 100 % of iths sales companies in Sweden, Denmark, Belgium and Germany.
4) New Vision Baltija UAB owns 100 % of its sales companies in Latvia, Estonia, Finland and Russia.

Note 21: EXCHANGE RATES

	2014													2013	
	Average exchange rate												Exchange rate	Exchange rate	
	January	February	March	April	May	June	July	August	September	October	November	December	31.12	Average	31.12
SEK	0,950	0,942	0,935	0,914	0,903	0,904	0,909	0,898	0,890	0,906	0,919	0,955	0,960	0,902	0,947
Euro	8,393	8,356	8,291	8,248	8,153	8,221	8,388	8,252	8,180	8,314	8,491	8,971	9,037	7,805	8,383

Profit or loss items in the overseas subsidiaries are converted to NOK monthly, based on the average exchange rate of that month.
Balance sheet items for the overseas subsidiaries are converted to NOK, based on the exchange rate as at 31.12.2014.

Note 22: LONG TERM DEBT AND PROVISIONS

Long term debt (KNOK)	2014	2013
Balance 01.01.	**9 472**	-
Currency differences	**125**	-
Additions from acquisition Sydetikett	-	9 472
Additions from acquisition New Vision [1)]	**28 691**	-
Balance 31.12.	**38 288**	9 472
Of which provisions due within 1 year	**9 597**	-

1) Earn-out see note 4.

Royalty agreement

SQS Security Qube System AB has a limited royalty obligation until January 2015. The net present value of the royalty obligation is estimated to a maximum of MNOK 0.

Long term provision (KNOK)	2014	2013
Balance 01.01.	**4 328**	5 909
Currency differences	**57**	638
Interest effect	-	2 850
Commitments made up	**-732**	-
Provision reversed	**-3 653**	-5 069
Balance 31.12.	-	4 328
Of which provisions due within 1 year	-	4 036

Warranty provisions (KNOK)	2014	2013
Balance 01.01.	**5 063**	2 965
Provision	**1 250**	9 236
Additions from acquisition	**990**	-
Translation differences	**81**	333
Provision reversed	**-602**	-
Provision used	**-1 243**	-7 472
Balance 31.12.	**5 540**	5 063
Of which warranties due within 1 year	**5 540**	5 063

Note 23: EARNINGS PER SHARE

The Group's time-weighed earnings per share	2014	2013
$\frac{\text{Profit for year}}{\text{Time-weighed average of outstanding ordinary shares}}$	$\frac{-1\,819}{43\,981} = -0{,}04$	$\frac{50\,937}{43\,758} = 1{,}16$

Number of outstanding shares (numbers in thousand)	2014	2013
01.01: Number of shares (after deductions for own shares)	**43 716**	43 704
Sale of own shares during the year	**556**	83
Purchase of own shares during the year	-	-71
31.12: Number of shares (after deductions for 104.5 thousand own shares)	**44 271**	43 716

Note 24: SHAREHOLDER INFORMATION

Shareholders as at 31.12.2014

No.	Name	No. of shares	%
1	PINNÅS, ERIK (incl. fully owned companies) [1]	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	3 606 081	8,1 %
5	HOLMEN SPESIALFOND	2 500 000	5,6 %
6	AVANZA BANK AB	2 008 005	4,5 %
7	NORDNET BANK AB	1 717 850	3,9 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 541 304	3,5 %
9	SKANDINAVISKA ENSKILDA BANKEN	1 396 941	3,1 %
10	WAALER, JØRGEN (incl. fully owned companies) [1]	1 050 000	2,4 %
11	GRESSLIEN, ODD ROAR	1 020 000	2,3 %
12	V. EIENDOM AS	900 000	2,0 %
13	RING, JAN	705 122	1,6 %
14	MP PENSJON PK	699 806	1,6 %
15	SVENSKA HANDELSBANKEN AB	636 855	1,4 %
16	ROMULD, ARVE	600 000	1,4 %
17	BUDVILAITIS, EVALDAS (incl. controlled companies) [1]	555 709	1,3 %
18	JACOBSEN, SVEIN (incl. fully owned companies) [1]	450 000	1,0 %
19	SAXO PRIVATBANK A/S	428 650	1,0 %
20	SWEDBANK AB (PUBL)	344 636	0,8 %
	Total 20 largest shareholders	**32 822 939**	**74,0 %**
	Total 1 349 other shareholders	**11 553 101**	**26,0 %**
	Total all 1 369 shareholders	**44 376 040**	**100,0 %**

1) Primary insiders
2) Board member Klaus De Vibe is CEO of Strømstangen AS.

As at 31.12.2014 PSI Group ASA had a share capital om NOK 27 513 144 spread over 44 376 040 shares with a nominal value of NOK 0,62. As at 31.12.2014 PSI Group ASA has no outstanding options. All shares have equal voting rights.

Changes in share capital:

	Number of shares		Share capital	
KNOK	**2014**	**2013**	**2014**	**2013**
Ordinary shares 01.01.	**44 376**	44 376	**27 513**	27 513
31.12	**44 376**	44 376	**27 513**	27 513

Own shares:

Numbers in 1000	2014	2013
01.01	**660**	672
Purchase of own shares	-	71
Sales of own shares	**-556**	-83
31.12	**105**	660
Nominal value	**0,62**	0,62
Own shares specified in equity (KNOK):	**65**	409

As at 31.12.2014 the Group owned 104 544 own shares. Cost price of these was KNOK 561, giving an average share price of NOK 5,37.

It was paid KNOK 13 115 in dividend in 2014, which was NOK 0,30 per share. The Board has proposed a dividend of NOK 0,35 per share in 2015. Total dividends to external shareholders will be KNOK 15 495. The tax effect of dividends does not affect the company's current or deferred tax.

Note 25: ESTIMATION UNCERTAINTIES

When preparing the annual accounts in accordance with IFRS the company management has used estimates based on best judgement and assumptions that are considered to be realistic. Situations or changes in market conditions may occur that may lead to estimates being adjusted, thus affecting the company's assets, debts, equity and profit.

The company's most significant accounting estimates are linked to the following items:

- Depreciation and impairment of intangible assets.
- Impairment assessment of goodwill
- Recognition of deferred tax on balance sheet
- Obsolete stock and warranty provisions

PSI must allocate the cost price of acquired entities to acquired assets and transferred debts based on estimated fair value. Significant intangible assets that PSI has recognized includes customer contracts, customer base, brands, own technology and commitments in relation to any royalty agreements entered into. Assumptions taken into account when valuing assets include, but are not limited to, the replacement cost of fixed assets and fair value. The management's estimates of fair value are based on assumptions that are considered to be reasonable, but that are by nature uncertain. As a result the actual results may differ from the estimates. Depreciation periods and amounts are given in Note 11.

Goodwill and brands as stated on the balance sheet are evaluated for impairment whenever there are indications of impairment, at least annually. The valuation is based on value in use when discounting expected future cash flows. The valuation is carried out with starting points in next year's budget and in a forecast for the next four years. Next, a terminal value is calculated based on 2.5% growth in net cash flow. The most sensitive assumption used in the estimates is that of future turnover growth, but EBITDA and discount rate are also important. The assumptions and sensitivity analysis are detailed in Note 11.

The company recognises deferred tax assets on the balance sheet. At the end of 2014 deferred tax assets of NOK 39 million have been recognised. When assessing the recognition of deferred tax assets on the balance sheet, the reversal of deferred tax liabilities has been taken into account, as has their utilisation in relation to future profit and the utilisation of tax planning opportunities. Further details are provided in Note 26. The management has used estimates and assessments when making provisions for obsolete stock and future warranty costs. The provisions have been made with basis in a historical assessment of provision requirements, past figures for returns and under-warranty repairs and the age distribution of stock. Further details are provided in Note 12 for stock and Note 22 for warranty provisions.

Note 26: TAX

Tax expense:

KNOK	2014	2013
Tax payable	**127**	207
Change from 28.0 % to 27.0 % tax in Norway	-	-27
Change in deferred tax	**-10 598**	5 034
Tax expense	**-10 471**	5 214
Included as tax expense in the financial statements	**-10 471**	5 214
Reconsiliation of the nominal tax rate	**27%**	28%

KNOK	2014	2013
Profit before tax	**-12 290**	56 383
Tax calculated at a rate of 27 % (28 % in 2013)	**-3 318**	15 787
Taxing related to Sweden at a rate of 22 %	**639**	160
Change from 28.0 % to 27.0 % tax in Norway	-	-27
Non-taxable items (27 % of permanent differences) [1]	**-987**	-7 997
Effect of reversal of depreciation of deffered tax	**- 8 053**	-
Non-listed deffered tax	**1 248**	536
Effect corrections previous years	-	-3 311
Other	-	66
Tax expense	**-10 471**	5 214

1) Non-taxable items are mainly due to profit related to the sale of InStore companies.

Deferred tax assets and deferred tax liabilities:

	Consolidated balance sheet		Consolidated income statement	
KNOK	**2014**	**2013**	**2014**	**2013**
Deferred tax assets				
Current assets	**1 904**	630	**-1 274**	144
Liabilities	**851**	1 104	**253**	107
Fixed assets	**-17 667**	-20 109	**-4 923**	3 559
Losses carried forward	**54 133**	36 459	**-4 654**	1 266
Deferred tax assets	**39 221**	18 084	**-10 598**	5 076

The Company has no liabilities / deferred tax assets that effect Total comprehensive income.

The Group gained an access of deferred tax assets of MNOK 6.8 in connection with the aqcuisition of New Vision Baltija UAB, and an acces of deferred tax assets of MNOK 17.4 in connection withe the aqcuisition of Vensafe AS.

From fiscal year 2014, the tax rate on ordinary income in Norway is reduced to 27 percent. Deferred tax assets and deferred tax liabilities as at 31.12.2013 was measured using the new tax rate. The effect on net cost of tax amounted to KNOK 27 in 2013. The Group has total losses of MNOK 138.7 to be carried forward as at 31 December 2014 in the Norwegian entities. Deferred tax asset of MNOK 19.7 associated with this are included in the balance sheet as at 31.12.2014. The deficits have no due date. This year's decrease in these losses amounted to MNOK 136.0, whereof MNOK 122.5 is related to te aqcuisition of Vensafe AS. MNOK 65.7 of the losses carried forward in Vensafe AS ins not recognesed on the balance sheet. The expectations for future operations in Norway, the Group considers that one will be able to utilize the remaining deficit over the five coming years.

The remaining portion of deferred tax assets on losses carried forward amounted to MNOK 34.4 and is related to losses carried forward in the Swedish units and New Vision. Most of the deficit is related to SQS Security Qube System AB. Net deferred tax assets in SQS Security Qube System AB per 31.12.2014, after taking into account deferred tax liability on unrealized gains, amounted to MNOK 20.3. This advantage is expected used in part by future profits in the SQS Security Qube System AB and partly through group contributions from the other Swedish units.

The group also has around MNOK 5.3 in losses to be carried forward in relation to other overseas entities. These are sales entities that are in their start-up phase, and no deferred tax asset has been recognised on the balance sheet in relation to these losses.

Note 27: OTHER SHORT TERM DEBT

KNOK	2014	2013
Holiday pay owed	**19 645**	13 378
Accrued expenses	**16 056**	12 587
Deferred income on balance sheet	**57 107**	50 489
Warranty provisions	**5 540**	5 063
Other short term debt	**19 370**	12 694
Total other short term debt	**117 717**	94 210

FINANCIAL STATEMENTS PSI GROUP ASA

INCOME STATEMENT

KNOK	*note*	2014	2013
Other operating income	*3*	**6 730**	5 080
Total operating income		**6 730**	5 080
Payroll	*2*	**10 025**	7 703
Depreciation	*5*	**123**	2
Other operating expenses	*2*	**4 594**	3 976
Total operating expenses		**14 742**	11 681
Operating profit		**-8 012**	-6 601
FINANCIAL INCOME AND EXPENSES			
Interest income from group companies		**336**	1 129
Other interest income		**76**	68
Other financial income	*6*	**285**	85 760
Other interest expenses		**1 468**	1 563
Other financial expenses	*6*	**4 775**	606
Net financial result		**-5 546**	84 788
Profit before tax		**-13 558**	78 187
Income tax expense	*13*	**-3 647**	9 522
Ordinary profit		**-9 912**	68 665
DISTRIBUTIONS			
Transfer to / from other equity	*8*	**-25 407**	55 550
Proposed dividend	*8*	**15 495**	13 115
Total distributions		**-9 912**	68 665

BALANCE SHEET

KNOK	note	31.12.2014	31.12.2013
ASSETS			
Tangible assets	*5*	**555**	39
Investments in subsidiaries	*11*	**360 650**	270 315
Loans to group companies	*10*	**-**	38 439
Other long term investments		**476**	476
Other long term receivables		**1 850**	-
Deferred tax	*13*	**4 253**	606
Total fixed assets		**367 784**	309 875
Intra-group receivable	*10*	**33 423**	49 720
Prepaid expenses		**175**	160
Total current assets		**33 598**	49 879
TOTAL ASSETS		**401 383**	359 755

KNOK	note	31.12.2014	31.12.2013
EQUITY AND LIABILITIES			
Share capital	*7,8*	**27 513**	27 513
Holding of own shares	*8*	**-65**	-409
Other paid in equity	*8*	**210 131**	232 532
Total equity		**237 580**	259 636
Long term liabilities to credit institutions	*9*	**17 242**	15 142
Other long term liabilities		**28 691**	9 472
Total long term liabilities		**45 932**	24 614
Current liabilities to credit institutions	*9*	**79 762**	48 719
Short term liabilities to group companies	*10*	**9 604**	4 749
Accounts payable		**267**	1 978
Public liabilities		**566**	534
Proposed dividend		**15 495**	13 115
Other short term liabilities	*4*	**12 176**	6 411
Total short term liabilities		**117 870**	75 505
Total liabilities		**163 803**	100 119
TOTAL EQUITY AND LIABILITIES		**401 383**	359 755

Rælingen, 19.03.15

Svein S Jacobsen	**Erik Pinnås**	**Selma Kveim**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Jørgen Waaler**
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

CASH FLOW STATEMENT

KNOK	*Note*	2014	2013
Ordinary profit before tax		**-13 558**	78 187
Ordinary depreciation	*5*	**123**	2
Realised gain on shares	*12*	-	-42 029
Unrealised loss on shares	*12*	-	-49
Change in accounts payable		**-1 711**	1 924
Change in short term group accounts		**13 941**	-17 871
Change in other accrued items		**4 230**	1 333
Net cash flow from operational activities		**3 024**	21 498
Payments for fixed assets		**-639**	-41
Sale of shares in InStore IT companies		-	48 900
Liquidation of PSI Systems AB		-	23
Payment shares in mCASH		-	-476
Aqcuisition of Etikett-Produsenten AS		**-4 325**	-4 325
Aqcuisition of Sydetikett AB		-	-27 198
Aqcuisition of Vensafe AS		**-1 000**	-
Aqcuisition of New Vision		**-17 089**	-
Net cash flow from investment activities		**-23 053**	16 883
Sale of treasury shares	*8*	-	389
Compulsary acquisition		-	-680
Change in long-term debt		**2 100**	-4 000
Dividend paid		**-13 115**	-10 943
Change in overdraft		**31 044**	-23 147
Net cash flow from financing activities		**20 028**	-38 380
Net change in liquid assets		**0**	0
Cash and cash equivalents at 01.01		**0**	0
Cash and cash equivalents at 31.12		**0**	0

Note 1: ACCOUNTING PRINCIPLES

The financial statements, prepared by the company's board and management, should be interpreted in light of the Directors' report. The financial statements comprise income statement, balance sheet, cash flow statement and notes and have been prepared in accordance with laws and generally accepted accounting principles in Norway.

Prinsipal rules for valution and classifying assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. Similar criteria are applied when classifying short-term and long term liabilities.

Fixed assets are valued at the acquistions cost less accumulated depreciation. If the fair value of fixed assets is lower than the carrying amount and the reduction is not expected to be temporary, it is written down to fair value. Fixed assets with limited useful lives are depreciated using the straight line method over their economic life.

Shares in other companies are recorded using the cost method. Dividends and group contributions from subsidiaries are recognized in the year the amount is set aside as a liability in the paying companies. Dividends from other companies are recognized in the year it is paid.

Tangible assets are capitalized and depreciated over the useful life if they have a useful life of more than 3 years. Maintenance costs are expensed as incurred, while improvements are added to the tangible assets and depreciated over the remaining useful life.

Current assets are valued at lower of cost or fair value.

Other long-term liabilities and short-term liabilities are valued at nominal value.

Subsidiaries / associated companies

Subsidiaries and associated companies are valued at cost in the financial statements. The investments are valued at acquisition cost for the shares unless impairment has been required. It is written down to fair value if impairment is not considered to be temporary and it is deemed necessary by generally accepted accounting principles. Impairment losses are reversed when the reasons for the impairment no longer exists.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as appropriated in the subsidiary's accounts.

Foreign currency

Transactions in foreign currencies are translated at the exchange rate on the transaction date. Monetary items in foreign currencies are translated into Norwegian kroner by using the exchange rate at the balance sheet date. Non-monetary items measured at historical cost in a foreign currency are translated into Norwegian kroner at the exchange rate on the transaction date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the time of measurement. Changes in foreign currency exchange rates are recorded in the accounting period under other financial items.

Intangible assets

Intangible assets purchased individually are capitalized at cost. Intangible assets obtained through acquisitions are capitalized at cost when the criteria for capitalization are met.

Intangible assets with a limited useful life are depreciated according to a schedule. Intangible assets are written down to fair value if the expected economic benefits do not cover the carrying value and any remaining production expenses.

Pensions

The company has a statutory obligatory company pension sheme for its employees. The company pension scheme meets the requirements of the law.

Receivables

Accounts receivables and other receivables are stated at nominal value less provisions for expected losses. Provisions for losses are based on an individual assessment of each receivable. For others receivables, a general provision is made to cover any expected losses.

Bank deposits, cash etc.

Cash and cash equivalents include cash, bank deposits and other forms of payment that become due within three months of acquisition.

Tax

Tax expenses are matched with the accounting profit before tax. Tax related to equity transactions are recorded in equity. Tax expensed comprises tax payable (tax on the taxable income for the year) and changes in net deferred tax. Deferred tax is calculated at 27 % on the basis of temporary differences between accounting and tax values and tax losses carried forward at year end. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted. Other deductible temporary differences is not assessed, but recognised on the balance sheet if it is likely that the company can utilise them and net recorded if appropriate. Deferred tax and deferred tax assets are presented at net value in the balance sheet.

Cash flow statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term liquid investments.

Note 2: PAYROLL, NUMBER OF EMPLOYEES, BENEFITS, LOANS TO EMPLOYEES, ETC.

Payroll (KNOK)	2014	2013
Salaries	**8 165**	6 540
Social fee	**1 167**	778
Pension costs	**310**	176
Other benefits	**384**	209
Total	**10 025**	7 703
Number of full-time equivalents employed during the year:	**5**	3
Number of employees at the end of the year:	**5**	4

Salaries and remuneration for Group management and Directors

	Directors' fee	
KNOK	2014	2013
Board of Directors		
Svein S. Jacobsen, Chairman	**390**	400
Guri Kogstad, former Director	-	72
Erik Pinnås, Director	**200**	205
Selma Kveim, Director	**218**	220
Camilla Tepfers, Director	**200**	133
Klaus de Vibe, Director	**220**	220
Total board of Directors [1]	**1 228**	1 250

1) There are also additional transactions with close associates, described in note 18 in the consolidated report.

	2014				2013			
KNOK	Salary	Bonus	Other remuneration	Pension expenses	Salary	Bonus	Other remuneration	Pension expenses
Jørgen Waaler, CEO	**1 936**	**689**	**57**	71	1 822	733	17	62
Anders Nilsen, CFO	**1 069**	**302**	**21**	**75**	1 029	330	14	65
Director Business development from 31 October 2013	**1 033**	**375**	**101**	**80**	183	-	1	11
Total Group management	4 038	1 366	179	227	3 035	1 063	33	139
Total	5 265	1 366	179	227	4 285	1 063	33	139

The CEO has a severance arrangement that involves a compensation of 6 months salary after the end of the 6 months notice periode if the employment was terminated as a result of a decision by the board. There are no loans or security for members of the management team or board members.

The following members of the management team and board of directors own shares or share options in the company at the end of the year:

Name, position	Shares as at 31.12.14	Shares as at 31.12.13
Board of Directors		
Svein S. Jacobsen, Chairman [1]	**450 000**	450 000
Erik Pinnås, Director [2]	**4 932 276**	4 932 276
Selma Kveim, Director	**20 500**	20 500
Klaus de Vibe, Director [3]	**78 660**	78 660
Group management		
Jørgen Waaler, CEO [4]	**1 050 000**	1 005 315
Anders Nilsen, CFO	**50 315**	38 315
Per Herseth, VP Business development [5]	**85 000**	-
Total	**6 666 751**	6 525 066

1) Svein S. Jacobsen's shares are owned through the company Sveinja Invest AS.
2) Erik Pinnås shares are privately owned, and owned through the companies Pinnås Eiendom AS and Probitas Holding AS.
3) Klaus de Vibes shares are owned through the company De Vibe AS.
4) The CEO's shares are privately owned and through the company Waaler AS.
5) Per Herseths shares are owned through the company Herseth AS.
No employees or Directors have stock options.

Salaries and remuneration of the CEO, CFO and other senior executives are described in note 9 in the Group's financial statements.

Remuneration to Ernst & Young for audit and audit-related services in 2014 was NOK 446 667 (against NOK 396 674 in 2013). Remuneration for other services was NOK 490 292 (against NOK 32 600 in 2013). The increase is due to assistance in connection with the acquisition of New Vision Baltija UAB.

Note 3: OTHER OPERATING INCOME

KNOK	2014	2013
Received management fee from Norwegian subsidiaries	**1 250**	1 150
Received management fee from Swedish subsidiaries	**5 000**	3 450
Other operating income	**480**	480
Total operating income	6 730	5 080

Note 4: OTHER SHORT TERM DEBT

KNOK	2014	2013
Holiday pay owed	**577**	411
Accrued expenses	**2 002**	1 674
Other short term debt 1)	**9 597**	4 325
Total other short term debt	12 176	6 411

1) Vendor loan to the previous owner of Etikett-Produsenten AS.

Note 5: FIXED ASSETS

	Kontormaskiner	
KNOK	2014	2013
Acquisiton costs 01.01.	**213**	172
Acquired	**639**	41
Divestment	**-115**	-
Acquisiton costs 31.12.	738	213
Accumulated depreciations 01.01.	**172**	172
Accumulated depreciations 31.12.	**182**	174
Accumulated depreciations and write-downs 31.12.	**182**	172
Book value as at 31.12.	555	39
Depreciations of the year	**123**	2
Useful economic life	**3 år**	3 år
Depreciaton method	**Lineær**	Lineær

Note 6: OTHER FINANCIAL ITEMS

KNOK	2014	2013
Realised profit sale of shares	-	42 078
Group contributions received from subsidiaries	-	37 251
Dividend received from associated companies	-	2 300
Profit on exchange	**279**	4 130
Other	**6**	1
Other financial income	**285**	85 760

KNOK	2014	2013
Loss on exchange	**4 250**	565
Other financial expenses	**525**	42
Other financial expenses	4 775	606

Note 7: SHARE CAPITAL AND SHAREHOLDER INFORMATION

Overview of shareholders as at 31.12.2014

No.	Name	No. of shares	%
1	PINNÅS, ERIK (incl. fully owned companies) [1]	4 932 276	11,1 %
2	STRØMSTANGEN AS [2]	3 933 092	8,9 %
3	SKAGEN VEKST	3 796 612	8,6 %
4	GLAAMENE INDUSTRIER AS	3 606 081	8,1 %
5	HOLMEN SPESIALFOND	2 500 000	5,6 %
6	AVANZA BANK AB	2 008 005	4,5 %
7	NORDNET BANK AB	1 717 850	3,9 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 541 304	3,5 %
9	SKANDINAVISKA ENSKILDA BANKEN	1 396 941	3,1 %
10	WAALER, JØRGEN (incl. fully owned companies) [1]	1 050 000	2,4 %
11	GRESSLIEN, ODD ROAR	1 020 000	2,3 %
12	V. EIENDOM AS	900 000	2,0 %
13	RING, JAN	705 122	1,6 %
14	MP PENSJON PK	699 806	1,6 %
15	SVENSKA HANDELSBANKEN AB	636 855	1,4 %
16	ROMULD, ARVE	600 000	1,4 %
17	BUDVILAITIS, EVALDAS (incl. controlled companies) [1]	555 709	1,3 %
18	JACOBSEN, SVEIN (incl. fully owned companies) [1]	450 000	1,0 %
19	SAXO PRIVATBANK A/S	428 650	1,0 %
20	SWEDBANK AB (PUBL)	344 636	0,8 %
	Total 20 largest shareholders	**32 822 939**	**74,0 %**
	Total 1 349 other shareholders	**11 553 101**	**26,0 %**
	Total all 1 369 shareholders	**44 376 040**	**100,0 %**

1) Primary insiders
2) Board member Klaus De Vibe is CEO of Strømstangen AS.

The company's share capital as at 31.12.2014 comprises the following share classes:

	Number	Nominal value	Book value
Shares	44 376 040	0,62	27 513 145
Total	**44 376 040**		**27 513 145**

Note 8: EQUITY

KNOK	Share capital	Treasury shares	Other paid-in equity	Total 2014
Equity as at 01.01.	**27 513**	**-409**	**232 531**	**259 636**
Change of equity for the year:				
Proposed dividend			-15 495	-15 495
Sale of own shares		345	3 006	3 351
Profit for the year			-9 912	-9 912
Equity as at 31.12.	**27 513**	**-65**	**210 131**	**237 580**

Own shares:

Numbers in thousand	2014	2013
01.01.	**660**	672
Sale of own shares	**-556**	-83
Purchase of own shares	**-**	71
31.12.	**105**	660
Nominal value	**0,62**	0,62
Treasury shares specified in equity (KNOK)	**65**	409

As at 31.12.2014 the Group owned 104 544 own shares. Cost price of these was KNOK 561, giving an average share price of NOK 5,37.

It was paid KNOK 13 115 in dividend in 2014, which was NOK 0,30 per share. The Board has proposed a dividend of NOK 0,35 per share in 2015. Total dividends to external shareholders will be TNOK 15 495. The tax effect of dividends does not affect the company's current or deferred tax.

Note 9: INTEREST BEARING DEBT

Distribution repayment loans (KNOK)	2014	2013
Due within one year	**12 133**	4 000
Debt, not time-restricted (group credit account)	**67 630**	44 719
Total short term liabilities to credit institutions	**79 762**	48 719
Due after more than one year.	**17 242**	15 142
Total long term liabilities to credit institutions	**17 242**	15 142

Debts and terms of borrowing

Lender (KNOK)	2014	2013	Borrowing terms	Interest terms
Multi-currency, group credit account	**67 630**	44 719	Overdraft limit MNOK 50,82, not time limited	3,13 %
Repayment business loan	**15 142**	19 142	Quarterly term loans, last payment 01.07.2016	4,20 %
Repayment business loan (KEUR 1 575)	**14 232**	19 142	Quarterly term loans, last payment 11.07.2016	2,30 %
Total interest bearing debt	**97 004**	83 003		

The group's main bank has covenants on the relationship between EBITDA and net interest bearing debt. The group is not in breach of the terms pr. 31.12.14. The loans are secured.

Loan security as at 31.12.2014

Asset (KNOK)	Book value / nominal security
Co-surety Norway, SQS Security, CashGuard, PSI Antonson and Antonson Etikett [1]	145 000

1) Liabilities in the Swedish companies are limited to the amount the guarantor at any time has drawn.

Note 10: INTERCOMPANY BALANCES

KNOK	2014	2013
Debts		
Group companies	**9 604**	4 749
Total debts	**9 604**	4 749
Receivables		
Short term intercompany balances	**33 423**	49 720
Long term intercompany balances	**-**	38 439
Total receivables	**33 423**	88 159

Note 11: SHARES IN SUBSIDIARIES

Company	Address	Main area of business	Stake	Book Value
PSI Systems AS	Rælingen	Tjeneste- og produkt-leverandør	100%	42 541
Antonson Etikett AB	Malmö (Sverige)	Trykkeri	100%	36 264
PSI Antonson AB	Göteborg (Sverige)	Tjeneste- og produkt-leverandør	100%	32 349
CashGuard AB	Täby (Sverige)	Maskinvare og programvare	100%	158 431
SQS Security Qube System AB	Skellefteå (Sverige)	Produksjon og salg	100%	46 380
Vensafe AS	Moss	Maskinvare og programvare	100%	1 000
New Vision Baltija UAB	Vilnius (Lithauen)	Tjeneste- og produkt-leverandør	100%	43 686
Total				**360 650**

EtikettProdusenten was merged with PSI Systems AS in 2014.
Sydetikett AB has changed name to Antonson Etikett AB.

Note 12: SHARES IN ASSOCIATED COMPANIES

The shares in associated companies were sold in 2013.

Note 13: TAX EXPENSE

Tax expenses for the year are as follows (KNOK):	2014	2013
Change in deferred tax	-3 647	9 522
Tax expense ordinary profit	-3 647	9 522
Tax expense	-3 647	9 522

Reconciliation from nominal to actual tax rate:

KNOK	2014	2013
Ordinary profit before tax	-13 558	78 187
Expected income tax based on nominal rate of tax (27 % in 2014 and 28 % in 2013)	-3 661	21 892
Tax effect of the following items:		
Permantet differences	14	-12 393
Change in tax rate from 28 % to 27 %	-	22
Tax expense	-3 647	9 522
Effectiv tax rate	26,9 %	12,2 %

Overview of deferred tax assets (KNOK):	2014	2013
Fixed assets	-40	-152
Profit and loss account	493	616
Losses carried forward	-16 204	-2 709
Net negative differences	-15 752	-2 245
Deferred tax assets	4 253	606

Deferred tax assets are recognised on the balance sheet, as they are expected to be utilised through future group contribution from subsidiaries in Norway.

Note 14: CASH AND CASH EQUIVALENTS

KNOK	2014	2013
Cash and bank deposit	-	-
Unused overdraft facility	34 193	56 438
Cash and cash flow in the cash flow statement	0	0

The parent company shares an overdraft facility with the rest of the group. The group as whole or the parent company alone may withdraw up to KNOK 50 820 from the group's overdraft facility.

Statement

We confirm that the financial statements for the period 1 January 2014 to 31 December 2014 have been prepared in accordance with applicable accounting standards and that the information in the financial statements give a true view of the assets, liabilities, financial position and results of operations, and that the report includes a correct overview of the development and performance and position of the company and the Group, together with a description of the principal risks and uncertainties the company faces.

Rælingen, 19.03.15

Svein S Jacobsen	**Erik Pinnås**	**Selma Kveim**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Jørgen Waaler**
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

CORPORATE GOVERNANCE

PSI Group ASA's objective is to create the greatest possible value for its shareholders over time. Good corporate governance is vital to the success of PSI Group ASA. Thus, corporate governance is a key concern for PSI Group's Board and employees, and in PSI Group's relations with its underlying companies. The Board has reviewed and updated the company's corporate governance practice. It is in line with the Accounting Act, paragraph 3-3b and the Norwegian Code of Practice for Corporate Governance. The presentation adheres to the same order of topics as the fifteen items in the Code of Practice recommendations. There is a great deal of concurrence between the recommendations and PSI Group's practice. Deviations from Code recommendations are listed in the table below and discussed under the item in question.

1. Implementation and reporting on corporate governance

PSI Group ASA's corporate governance principles are determined by the Board of Directors and are set forth in the company's management documents. The Board's role should be based on the principle of independence in relation to the executive management and the principle of equality and responsibility towards the company's shareholders. The company's shares are freely tradable and the Board/executive management considers it a priority to focus on activities that strengthens the liquidity of its shares. The company's shareholder policy is based on the principle of one share – one vote. Related to potential acquisitions and restructuring situations the Board will exercise particular concern so that all shareholder's values and interests are considered closely. One of the Boards main tasks is to ensure that the company is based on an optimized capital structure. Equity transactions, including mandates of rights issues and private placements, are to be justified in terms of extent, form and timing.

The Board and executive management must ensure that the company's information politics are carried out such a matter that information regarding the company is to be published correctly, comprehensive and timely, to provide as correct pricing of the company's share as possible. Further the information policy should give shareholders the best available foundation to form decisions related to investments and voting at general meetings as possible.

Chapters in the recommendation Comment	Comment
1. Implementation and reporting on corporate governance	PSI complies with the recommendations in the chapter
2. Business	PSI complies with the recommendations in the chapter
3. Equity and dividends	PSI complies with the recommendations in the chapter, with the exception: The board has authorization to make an overall capital increase of up to 4.500.000 shares that is not limited to the defined circumstances.The shareholders' preferential rights according to cf. section 10-4 of the Public Limited Liability Companies Act can be disregarded. The board has authorization to acquire up to 4.400.000 own shares that is not limited to the defined circumstances.
4. Equal treatment of shareholders and transactions with close associates	PSI complies with the recommendations in the chapter
5. Freely negotiable shares	PSI complies with the recommendations in the chapter
6. General meetings	With the exception of two items, PSI complies with the recommendations of the chapter. Board members, members of the nomination committee and the auditor are encouraged to participate the general meeting.It is not used independently proxy. Chairman of the Board or the person designated by him chairs the general meeting..
7. Nomination committee	PSI complies with the recommendations in the chapter
8. Corporate assembly and board of directors: composition and independence	PSI complies with the recommendations in the chapter
9. The work of the board of directors	PSI complies with the recommendations in the chapter
10. Risk management and internal control	PSI complies with the recommendations in the chapter
11. Remuneration the board of directors	PSI complies with the recommendations in the chapter
12. Remuneration of executive personnel	PSI complies with the recommendations in the chapter
13. Information and communication	PSI complies with the recommendations in the chapter
14. Take-overs	PSI complies with the recommendations in the chapter
15. Auditor	PSI complies with the recommendations in the chapter

Values, ethical guidelines and guidelines for corporate social responsibility
The Group's operations shall be conducted in accordance the company's values, ethical guidelines and guidelines for social responsibility determined by the Board and Executive Management. In addition we shall through our activities contribute to solutions on local and global societal challenges. PSI Group ASA's ethical guidelines and guidelines for corporate social responsibility are presented on the company's website.

2. Business

The company's business objective is described in the company's articles of association
PSI Group ASA's mission is to be a leading developer, manufacturer, integrator and marketer of retail technology with a focus on cash handling solutions. The business objective ensures that shareholders have control of the business and its risk profile, without limiting the Board or management's ability to carry out strategic and financially commercial correct decisions within the defined purpose. The article of association of PSI Group ASA is entirely on the group's website: www.psigroup.no. The company's objectives and main strategies are presented in the annual report and the Board of Directors' report.

3. Equity and dividends

Equity
The Group's equity as of 31 December 2014 amounted to MNOK 246.5, corresponding to an equity ratio of 40.4 per cent.

The company's share capital is NOK 27 513 145, divided into 44.376.040 shares with a nominal value of NOK 0,62.

Dividends
PSI Group's shareholders should over time get a competitive return on their investment through a combination of cash dividends and increased value of their shares.

When deciding the annual dividend level, the Board of directors will take into consideration expected cash flows, investments in organic growth, plans for growth through mergers and acquisitions, and needs for appropriate financial flexibility. In addition to cash dividends, PSI Group ASA may buy back shares as part of its total distribution of capital to the shareholders.

Board authorizations
The Board's proposals for future Board authorizations accord with the recommendations with one exception. This is the Board's authorization to increase share capital of up to 4,500,000 shares that are not limited to specified conditions. The authorization is valid until the next annual general meeting. The Board has authorizations to acquire treasury shares at par value of up to NOK 2,728,000 and an overall capital increase of up to 4,400,000 shares (the authorizations are valid to 30 June 2015) are however not limited to the defined circumstances. The Board has asked the General Assembly for authorization to increase the Groups maneuverability.

4. Equal treatment of shareholders and transactions with close associates

The company has a single class of shares, and all shares carry the same rights in the company. Equal treatment of all shareholders is crucial. Transactions in own (treasury) shares are executed on the Oslo Stock Exchange, except for the repurchase of shares towards the shareholders with 500 shares or fewer. In the event of material transactions between the company and a shareholder, Board member, member of executive management, or a party closely related to any of the beforementioned, the Board will ensure that independent valuations are available. Board members and members of executive management shall report to the chairman of the board and the group CEO if they directly or indirectly has a significant interest in agreements entered into by PSI Group ASA or companies where PSI Group ASA has siginificant interests. Additional information on transactions with related parties appears in note 18 in the consolidated accounts. Existing shareholders shall have pre-emptive rights to subscribe for shares in the event of share capital increases, unless otherwise indicated by special circumstances. If the pre-emptive rights of existing shareholders are waived in respect of a share capital increase, the reasons for such waiver shall be explained by the board of directors and be published through Nasdaq OMX, Newsweb, the Oslo Stock Exchange (ticker: PSI) and on the company website.

5. Freely negotiable shares

PSI Group ASA's shares are freely negotiable. No restrictions on transferability are found in the company's articles of association.

6. General meetings

Meeting notification, registration, and participation
The company encourages all shareholders to participate in general meetings. Notice of general meetings and comprehensive accompanying information are made available to shareholders on the company's website and sent to shareholders within the deadlines stated in the Norwegian Public Limited Liability Companies Act. The deadline for shareholders to register to attend a general meeting is set as close to the date of the meeting as possible, normally two or three days prior to the meeting. The company is of the opinion that no adequate systems for handling electronic participation at general meetings are currently available. Thus, the Board has decided not to allow such participation at PSI Group ASA general meetings.

Proxy
Shareholders who are unable to attend a meeting may vote by proxy. The company has prepared proxy forms that enable shareholders to vote on individual issues. Procedures for using such proxies are available on the company's website. The company does not appoint an independent proxy to vote on behalf of shareholders. The company considers shareholders' interests are adequately maintained by the option of participation via an appointed proxy or by shareholders authorizing the Chairman of the Board or a person designated by him to vote according to specific proxy instructions.

Procedures for attendance registration and granting proxy are presented in the notice of meeting, on the attendance and proxy form, and on the company website.

Meeting chair, voting, etc.
Board members, the chairman of the nomination committee, and the company's auditor are encouraged to attend general meetings. The

Board elects indefinitely to deviate from the recommendation that the Board should look at that "there are arrangements to ensure an independent chairman of the general meeting ", and continue to practiced that the general meeting are led by the Chairman of the Board or one elected by the Annual General Meeting.

The nomination committee focuses on composing a board that works as a team, that meets legally established regulations as to equal gender representation on boards of directors, and whose members' experience and qualifications complement each other.

Minutes of general meetings are published as soon as practical via Nasdaq OMX, Newsweb, the Oslo Stock Exchange (ticker: PSI) and on the company website

7. Nomination committee

The company has a nomination committee, as stated in the articles of associations which comprises of: Kim Wahl (Chairman), Petter Qvam and Egil Wickstrand Iversen. The nomination committee is to comprise no fewer than three members. Each member is normally elected for a two-year period. The composition of the nomination committee should reflect the interests of shareholders and independence from the Board and executive management.

Nomination committee members and its chairman are elected by the company's general meeting, which also determines remuneration payable to committee members.

Pursuant to PSI Group ASA's articles of association, the nomination committee recommends candidates for election to the Board of Directors. In addition the nomination committee promotes proposal for Chairman. The nomination committee also makes recommendations as to remuneration of Board members. The nomination committee is to justify its recommendations, how it takes care of the shareholders interests and the companys need for expertise, capacity and diversity. It should be taken into account to enable the Board to function effectively as a collegiate organ. Proposals for Board candidates are to be submitted in reasonable time before the general meeting.

The annual general meeting will, in accordance with the Code of Practice, be presented with the guidelines governing the duties of the nomination committee for approval. The duties of the nomination committee are found on the company website.

8. Corporate assembly and board of directors, composition and independence

The company does not meet the requirements to have a corporate assembly. Pursuant to the company's articles of association, the Board comprises between 3 and 12 members. Board members are elected for a period of one year. The Board members are independent of the company's executive management and its significant business associates. Erik Pinnås has personal economic interests as the company's main shareholder. No member of the company's executive management is a Board member. CEO Jørgen Waaler has ownership interests in PSI Group ASA privately and trough his fully owned company Waaler AS.

The current composition of the Board is presented on the company website. The Board members' expertise is also presented. In 2014, the Board of Directors had 8 meetings. Average participation at the meetings has been 98%. One board member has in total been absent from one meeting.

Board members' shareholdings are presented in note 9 to the consolidated accounts. Board members are encouraged to invest in the company's shares. The Board members represent a combination of expertise and experience from finance, industry and organizations.

The nomination committee's proposal and reasons for candidates will be presented on the company website. The General Assembly elects the Chairman of the Board.

9. The work of the Board of Directors

The Board of PSI Group ASA annually adopts a plan for its work, emphasizing goals, strategies, and implementation. Also, the Board has adopted board instructions that regulate areas of responsibility, tasks, and division of roles of the Board, the Chairman of the Board, and the Managing Director. The Board instructions also feature rules governing Board schedules, notice and chairing of Board meetings, decision-making, the Managing Director's duty and right to disclose information to the Board, professional secrecy, impartiality, and other issues.

The Board evaluates its own performance and expertise once a year. The Board has an audit committee, which consists of Chairman of the Board Svein Jacobsen and the Board members Selma Kveim and Klaus de Vibe. The audit committee review procedures including the company's in-house reporting systems, risk management, and internal control, keeps in contact with the company's auditor regarding company audits and prepares the Board's review of financial reporting.

10. Risk management and internal control

The Board of Directors of PSI Group ASA is the group's main responsible for business operations and is to ensure that the company maintains solid in-house control practices and appropriate risk management and systems tailored to the company's business activities.

As becomes apparent from its balance sheet, PSI Group ASA is exposed to currency and interest risk, market risk, credit risk, and operational risk at its underlying companies. Management of operational risk primarily takes place at each underlying operating company. Nevertheless, PSI acts as a driver through its work on their boards of directors. As a rule, all companies have established effective risk management procedures.

Management of financial market exposure, including currency, interest, and counterparty risk, is presented in greater detail in note 17 to the parent company accounts.

PSI Group has adopted a series of policies to support this, including:

- financial reporting, financial and risk management
- ethics and social responsibility
- authorization conditions, including instructions for the Board and CEO, as well as certification authority
- audit committee

PSI Group has an accounting manual that all companies in the group are following. It contains rules for internal control and accounting, among other things:

- No one can sign for their own costs or acquisition of own equipment
- All bank transactions must be approved by two employees
- Seller Mandate establishing authority and limits for Sellers
- Hiring of new employees must be approved local CEO
- Agreements and contracts that exceed the amount stipulated in the instructions must be approved by the Group CEO
- Derivatives and foreign exchange contracts must be approved by the Group CFO. There are limits for the amount that can stand on foreign currency accounts to reduce the financial risk.

The Audit commitee annually reviews the company's most important risk areas and internal control systems and procedures, and the main elements of these assessments are presented in the Board of Directors' report. The audit committee also serves as a preparatory group in connection with the quarterly report and reviews the major events, the directors' report, balance sheet, income statement items and notes to the interim financial statements together with the administration before the report is presented to the Board.

11. Remuneration of the board of directors

Board remuneration reflects the Board's responsibility, expertise, time spent, and the complexity of the business. Remuneration does not depend on PSI's financial performance. There are no option programs for any Board members but the majority has chosen to buy shares in the company. The annual general meeting determines Board remuneration following recommendations by the company's nomination committee

Board members are elected because of their expertise and knowledge. Directors or company to which they are attached should not undertake special assignments for the company in addition to their appointment. If they still do that the whole board should be informed. Fees for such assignments must be approved by the Board. All remunerations are specified in the financial statement. Additional information on remuneration paid to Board members for 2014 is presented in note 9 to the consolidated accounts.

12. Remuneration of executive personnel

The Board has adopted guidelines for remuneration of executive management in accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act. The Board of Directors determines the remuneration of the CEO.

PSI Group ASA does not have stock option plans or other such share award programs for employees. Further information on remuneration for 2014 for members of PSI's executive management is presented in note 9 to the consolidated accounts. The company's guidelines for remuneration to executive management are discussed in note 9 to the consolidated accounts and will be presented to shareholders at the annual general meeting. Some members of PSI's executive management maintain the company's interests as board members of other PSI companies. They do not personally receive board remuneration for these memberships. The Board has limited the performance based reward of the Group CEO to a maximum of 40 % of the fixed salary.

13. Information and communications

The company has prepared a policy for investor relations (IR), which determines guidelines for contact with shareholders outside the general meeting. The company's reporting of financial and other information is based on transparency and equal treatment of interested parties.

The long-term purpose of PSI's IR activities is to ensure access to capital at competitive terms for the company and correct pricing of shares for shareholders. These goals are to be accomplished through accurate and timely distribution of information that can affect the company's share price; the company is also to comply with current rules, regulations, and market practices, including the requirement of equal treatment.

All stock exchange notices and press releases are published on the company's website. Stock exchange notices are also available at: www.newsweb.no. All information that is distributed to shareholders is simultaneously through Nasdaq OMX, Newsweb, the Oslo Stock Exchange (ticker: PSI) and on the company website. The company endeavours to hold public presentations of its financial reporting; these meetings are often broadcast simultaneously via the Internet.

The company's financial calendar is found on the company website.

14. Take-overs

In a bid situation, PSI's Board of Directors and management have an independent responsibility to help ensure that shareholders are treated equally, and that the Company's business activities are not disrupted unnecessarily.

The Board has a particular responsibility to ensure that shareholders are given sufficient information and time to form a view of the offer. The Board of Directors will not seek to hinder or obstruct take-over bids for the Company's activities or shares unless there are particular reasons for this. Agreements with providers to limit the company's ability to obtain other offerings on the company's shares will only be entered into when it clearly can be attributed to the company and shareholders' common interest. The same applies to an agreement on compensation to the provider if the offer is not completed. Any compensation shall be limited to the cost the provider has upon the submission of the bid.

Agreements between the company and provider of importance for the market's assessment of the offer should be made public and no later than the alert that the offer is made. In the event of a take-over bid for the Company's shares, the Company's Board of Directors will not exercise mandates or pass any resolutions with the intention of obstructing the take-over bid unless this is approved by the general meeting following announcement of the bid. If an offer is made for the Company's shares, the Company's Board of Directors will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The Board's statement on the offer will make it clear whether the views expressed are unanimous, and if this is not the case it should explain the basis on which specific members of the board have excluded themselves from the Board's statement. The Board will arrange a valuation from an independent expert. The valuation will include an explanation, and will be made public no later than at the time of the public disclosure of the Board's statement.

15. Auditor

The auditor participates in the Board meeting that deals with the annual accounts, and the auditor has with the Board reviewed any material changes in the company's accounting principles and assessments of material accounting estimates.

Further the auditor has provided the Board with written confirmation that the requirement of independence is met. The Board and the audit committee meet with the auditor without the presence of representatives of executive management. The audit committee determines guidelines for executive management's access to use the auditor for services other than auditing and receives an overview of services rendered by the auditor to the company.

Remuneration of auditing and other services are presented in note 5 to the PSI Group ASA accounts. Such details are presented to the annual general meeting.

Rælingen, 19.03.15

Svein S Jacobsen	Erik Pinnås	Selma Kveim	Klaus de Vibe	Camilla AC Tepfers	Jørgen Waaler
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

AUDITOR'S REPORT

Building a better working world

Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6, NO-0191 Oslo
Oslo Atrium, P.O.Box 20, NO-0051 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
Fax: +47 24 00 24 01
www.ey.no
Medlemmer av Den norske revisorforening

Til generalforsamlingen i
PSI Group ASA

REVISORS BERETNING

Uttalelse om årsregnskapet

Vi har revidert årsregnskapet for PSI Group ASA, som består av selskapsregnskap og konsernregnskap. Selskapsregnskapet består av balanse per 31. desember 2014, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger. Konsernregnskapet består av balanse per 31. desember 2014, oppstilling over totalresultat, oppstilling over endringer i egenkapitalen og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen, og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger

Styrets og konsernsjefefens ansvar for årsregnskapet

Styret og konsernsjef er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge for selskapsregnskapet og i samsvar med International Financial Reporting Standards som fastsatt av EU for konsernregnskapet, og for slik intern kontroll som styret og konsernsjef finner nødvendig for å muliggjøre utarbeidelsen av et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Revisors oppgaver og plikter

Vår oppgave er å gi uttrykk for en mening om dette årsregnskapet på bakgrunn av vår revisjon. Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder International Standards on Auditing. Revisjonsstandardene krever at vi etterlever etiske krav og planlegger og gjennomfører revisjonen for å oppnå betryggende sikkerhet for at årsregnskapet ikke inneholder vesentlig feilinformasjon.

En revisjon innebærer utførelse av handlinger for å innhente revisjonsbevis for beløpene og opplysningene i årsregnskapet. De valgte handlingene avhenger av revisors skjønn, herunder vurderingen av risikoene for at årsregnskapet inneholder vesentlig feilinformasjon, enten det skyldes misligheter eller feil. Ved en slik risikovurdering tar revisor hensyn til den interne kontrollen som er relevant for selskapets utarbeidelse av et årsregnskap som gir et rettvisende bilde. Formålet er å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll. En revisjon omfatter også en vurdering av om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene utarbeidet av ledelsen er rimelige, samt en vurdering av den samlede presentasjonen av årsregnskapet.

Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon om selskapsregnskapet og vår konklusjon om konsernregnskapet.

Building a better working world

Konklusjon om selskapsregnskapet

Etter vår mening er selskapsregnskapet for PSI Group ASA avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets balanse per 31. desember 2014 og av dets resultater og kontantstrømmer for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Konklusjon om konsernregnskapet

Etter vår mening er konsernregnskapet for PSI Group ASA avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av konsernets balanse per 31. desember 2014 og av dets resultater og kontantstrømmer for regnskapsåret som ble avsluttet per denne datoen i samsvar med International Financial Reporting Standards som fastsatt av EU.

Uttalelse om øvrige forhold

Konklusjon om årsberetningen og om redegjørelser om foretaksstyring og samfunnsansvar

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen og i redegjørelsene om foretaksstyring og samfunnsansvar om årsregnskapet, forutsetningen om fortsatt drift og forslaget til disponering av resultatet er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at styret og konsernsjef har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Oslo, 20. mars 2015
ERNST & YOUNG AS

Asbjørn Ler
statsautorisert revisor

1 PSI Group ASA (HQ)
Slynga 10, 2005 Rælingen, Norge
Tel: +47 03254
Fax: 63 83 58 01
E-mail: psi@psi.no
Web: www.psigroup.no

PSI TECHNOLOGY

2 CashGuard AB
Isafjordsgatan 5, 164 40 Kista, Sverige
Tel: +46 (0)8 732 22 00
Fax +46 (0)8 732 22 10
E-mail: info@cashguard.com
Web: www.cashguard.com

3 Vensafe AS
Solgaard Skog 110
1599 Moss, Norge
Tel: +47 69 20 58 20
Fax: +47 69 20 58 21
E-mail: vensafe@vensafe.com
Web: www.vensafe.com

4 SQS Security Qube System AB
P.O.Box 715, Maskinvägen 13
SE-931 27 Skellefteå, Sverige
Tel: +46 910 71 41 00
Fax: +46 910 71 41 09
Web: www.psigroup.no/sqs

PSI RETAIL

1 PSI Systems AS
Slynga 10, 2005 Rælingen, Norge
Tel: +47 03254
Fax: 63 83 58 01
E-mail: psi@psi.no
Web: www.psi.no

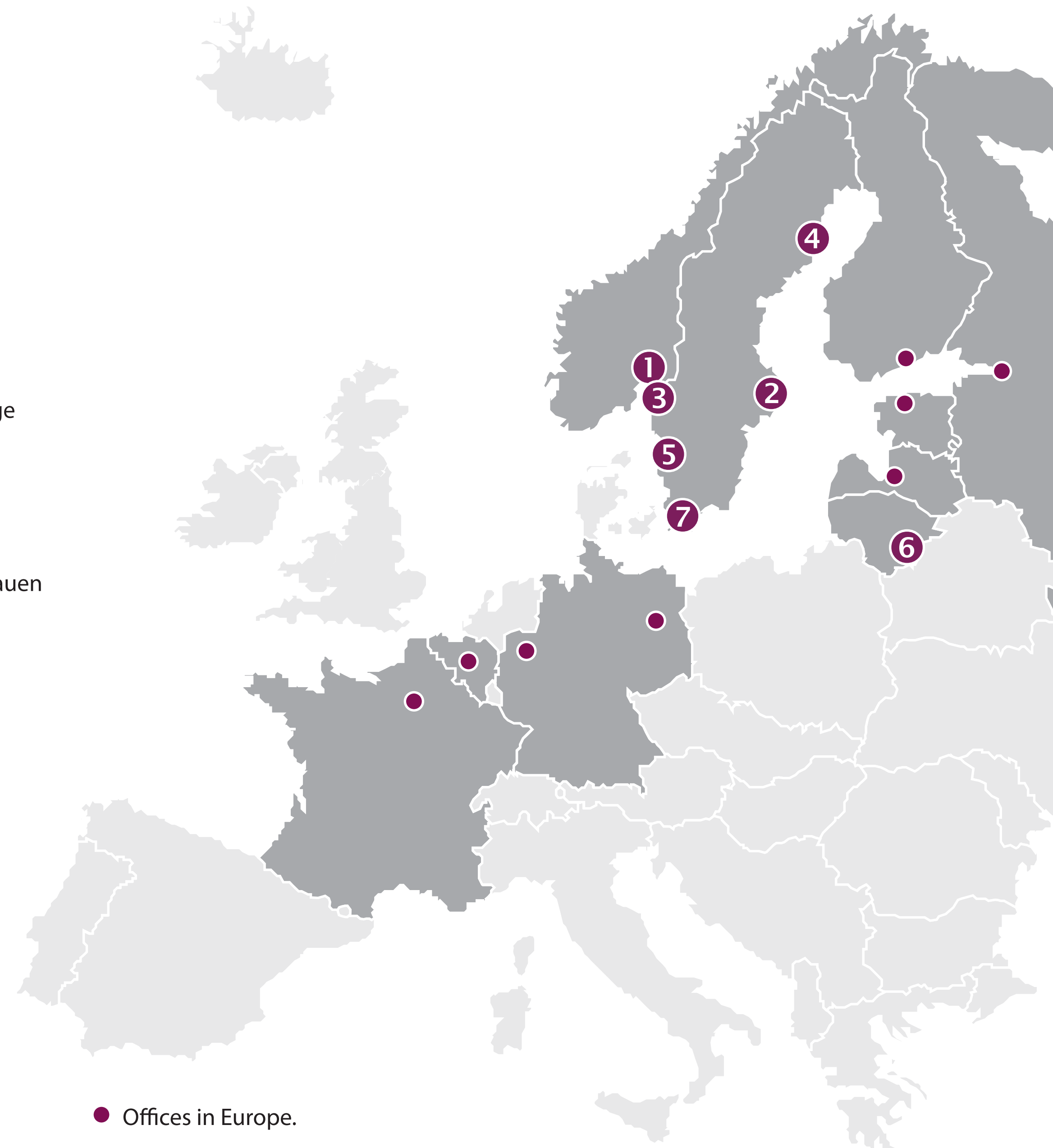
5 PSI Antonson AB
Johannefredsgatan 2
P.O.Box 275, 431 24 Mölndal, Sverige
Tel: +46(0)31 706 80 00
E-mail: info@antonson.se
Web: www.antonson.se

6 New Vision Baltija UAB
Laisvės Av. 85, LT-06123 Vilnius, Litauen
Tel: +370 5 243 12 52
Fax: +370 5 247 80 36
E-mail: info.lt@new-vision.com

PSI LABELS

7 Antonson Etikett AB
Testvägen 9
232 37 Arlöv, Sverige
Tel: +46 40 43 28 10
E-mail: info@sydetikett.se
Web: www.sydetikett.se

1 PSI Systems AS
Slynga 10, 2005 Rælingen, Norge
Tel: +47 03254
Fax: 63 83 58 01
E-mail: psi@psi.no
Web: www.psi.no



● Offices in Europe.

PSI Group ASA
Slynga 10, 2005 Rælingen
Tel: +47 03254 | www.psigroup.no