Annual Report 2015

StrongPoint

Financial highlights 2013 - 2015

	2015	2014	2013	
Sales revenue [1]	1 146 049	828 514	718 873	KNOK
Annual growth	38,3	15,3	20,6	%
EBITDA	90 479	60 982	54 155	KNOK
EBT	49 564	-12 290	56 383	KNOK
Total assets	675 351	610 847	494 241	KNOK
Equity	297 247	246 520	250 798	KNOK
Equity ratio [2]	44,0	40,4	50,7	%
Current ratio [3]	1,06	1,01	1,13	
Earnings per share [4]	0,82	-0,04	1,16	NOK
Number of shares (average for year)	44 271	43 981	43 758	T
Number of shares 31.12	44 376	44 376	44 376	T
Dividend per share	0,35	0,30	0,25	NOK
Share price (Oslo Børs)	14,15	7,25	5,62	NOK
Number of employees 31.12	577	571	314	

1) Sales revenue

Sales revenue for 2015 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

$$\frac{\text{Annual profit after tax}}{\text{Average no. of shares}}$$

All time high for StrongPoint

Dear shareholders!

We can look back at a year where the employees delivered above their goals and exceeded most expectations. Both revenue and EBITDA were record high.

The Group reached MNOK 1 146.0 in revenue for 2015, compared to MNOK 828.5 in 2014 and MNOK 718.9 in 2013. EBITDA for the year 2015 was MNOK 90.5, compared to MNOK 61.0 in 2014 and MNOK 54.2 in 2013. The shareholder values, including dividend, doubled throughout the year 2015 - compared with 34 per cent a year in 2014 and 39 per cent in 2013.

In addition to the financial accomplishments, the Group completed a successful reorganisation. Seven companies were consolidated into one with common identity and management. The project ONE Company was launched at the end of 2014 and is almost completed.

A central part of this project was changing the name to StrongPoint. All subsidiaries in all markets are now named StrongPoint. We have focused all marketing resources on this brand. The feedback from shareholders, customers and other stakeholders regarding the name has been overwhelmingly positive.

Proprietary Technologies

The new banknotes and coins in Sweden was a particularly big contributor to the positive results in 2015. The Cash Management solution area (CashGuard) updated and upgraded several thousand systems in Sweden, so that our customers were prepared to handle the new banknotes and coins. Technical and logistical expertise have been crucial for the success of the project.

We increased our investments in South East Asia during 2015. It is becoming increasingly clear that a breakthrough will take longer than initially expected. The StrongPoint brand has improved the possibilities to market all our solutions in the region. Stricter tobacco regulations are also expected in the region, which increases the potential for Vensafe.

Equally promising is our agreement with our most important third party supplier Pricer – we will be their sales representative in Malaysia.

The Loss Prevention Solution Area (Vensafe) delivered positive results during 2015. This despite the fact that we had and still have higher expectations for both volume and revenue in Vensafe in the future.

Our self-checkout solutions have received increased recognition during 2015, particularly in the Baltics.

Cash Security had the most positive development among our proprietary technologies. Cash Security contributed with considerable financial results to the Group, after several years with weak results. This was achieved through cost reductions, improved product quality and increased investments in sales & marketing. We expect this positive trend to continue in 2016.

3rd Party Technologies

The roll-out of ESL (electronic shelf labelling) technology to 130 Meny-Ultra stores was a significant contributor to our positive results. Our customers value our high-quality project management as much as the leading ESL technology we provide. Extensive services within installation, logistics and support were required for the successful completion of this project.

We had at the beginning of 2015, based on new legislation in Sweden, expectations within Repant reverse vending machines. We have not realized the desired sales volume, partly due to a large and dominant competitor.

Digi scales is a stable solution area in Norway, Sweden and the Baltics. New technology that automatically recognises fruits and vegetables on the scale has contributed to the positive results for 2015.

We continue to develop Click ‘n Collect solutions. However, during 2015 we have only done some test installations. We believe that e-commerce is a future growth area, even for the grocery industry. We recognise that it takes time for the right solution to be realised. We believe that storage solutions for dry, chilled and frozen goods will be crucial features for such solutions. It remains to be seen if the optimal placements of those storage solutions will be outside the stores, at petrol stations, train stations or in parking lots.

Labels

Our business area for adhesive labels continues to grow, riding the wave of an expanding market. Today, more and more things have to be labelled, either for information, identification or tracking. Focus on digital technology, high production- and delivery-quality are critical success factors.

Historically, Labels is our most stable business area. Although to make new customers and new projects every day, a significant proportion of revenues can characterised as recurring. At the beginning of 2015, we further strengthened the Labels operations through investments in digital production technology in Norway. We also consolidated all Labels functions in Norway to one location – Tangen.

The Future

StrongPoint's mission is to drive retailers' productivity by providing innovative and integrated technology solutions. This is achieved by optimising daily tasks in the store, improving the work environment and enhancing security for the employees. It is also achieved by providing retailers' customers with a well-functioning, efficient and pleasant shopping experience.

StrongPoint's vision is to become a recognised global provider of such innovative retail technology solutions. This is what we strive for, and we believe that the StrongPoint brand helps us getting there. We have increased our international activities to grow our business outside the home markets.

Our offer today and in the future, is based on thorough analyses of shop owners daily challenges in combination with the consumers changing shopping patterns and various consumer trends.

We will focus on solving problems for store managers regarding pricing strategy/integrity, minimising of queues, efficient payment solutions, and loyalty programs that drive customer volume, reducing shrinkage and theft and employee safety. At the same time, our offering needs to consider the changing shopping habits – how customers will shop in the future, how they will pay and how they want to be rewarded.

We are primarily a project-driven company. Therefore, the quarterly predictability tends to be challenging. However, our annual growth ambitions is a driving force in our management - including strategic, value-added acquisitions.

StrongPoint

Our customers always have a choice. Therefore, we have to ensure that we always deliver more value than our competitors. We also have to make sure that we can convert that customer value into attractive shareholder value.

Looking back at 2015, I am proud to say that we are well on track to deliver on this ambition.

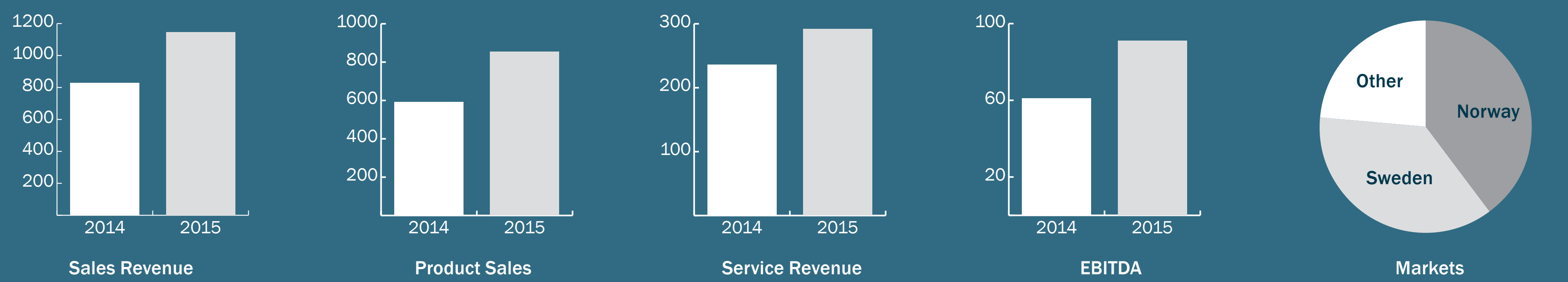
Jørgen Waaler
CEO

About StrongPoint

StrongPoint is an integrated technology solutions provider specialising in the retail industry. We provide hassle-free and innovative solutions on retailers' terms. All StrongPoint solutions help retailers increase productivity and improve their customers' shopping experience. StrongPoint's solutions include cash management, loss prevention, self-checkout, electronic shelf labelling and weighting, among others. We also provide labels and cash security solutions to a wide variety of verticals and industries.

The Group has transformed itself from being seven individual companies to being ONE Company with one common identity and management. This ONE Company project began at the end of 2014 and has almost been completed during 2015.

Financial highlights 2014 - 2015 (MNOK)



Mission:

Driving retailers' productivity by providing innovative integrated technology solutions.

Vision:

Becoming a recognised global provider of retail technology solutions.

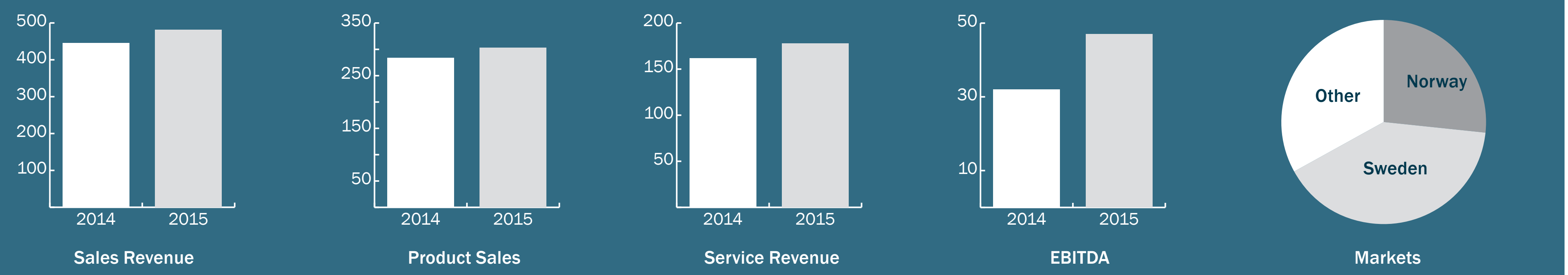
Proprietary Technologies

Proprietary Technologies comprises sales and service for StrongPoint's own patented technologies. The dominating solution areas are Cash Management (CashGuard), Loss Prevention (Vensafe) and Cash Security (SQS Security). The figures for each solution area represent turnover and result for the entire value chain in StrongPoint.

Evaldas Budvilaitis
SVP & Managing Director StrongPoint Technology

The CashGuard systems in Sweden were successfully upgraded to accommodate the new banknotes and coins. The international expansion of CashGuard continued and resulted in a record number of systems sold worldwide. Cash Security also showed great progress in Russia, securing contracts with Sberbank and Absolute Bank.

Financial highlights 2014 - 2015 (MNOK)

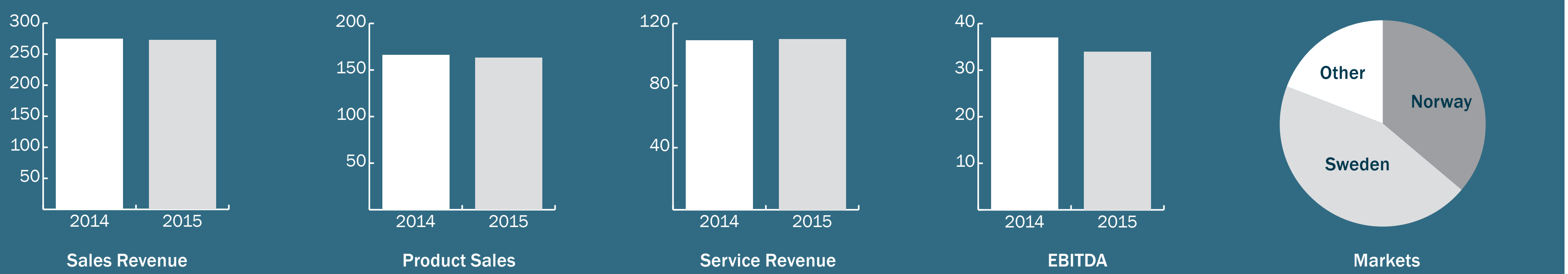


Cash Management

CashGuard is the leading cash management solution in the retail industry. With CashGuard, retailers enjoy increased revenue, lower costs, improved customer service and enhanced security. More than 26 000 CashGuard systems has been sold around the world.

Cash Management showed robust growth in several markets. Sweden particularly stands out because of the new banknotes and coins, which required upgrades or replacements of CashGuard systems. The continuing investment in EMEA-markets resulted in new contracts in South Africa and Spain. These contracts are important contributions to the continued international expansion of our cash management business in 2016.

Financial highlights 2014 - 2015 (MNOK)




Cash
Guard

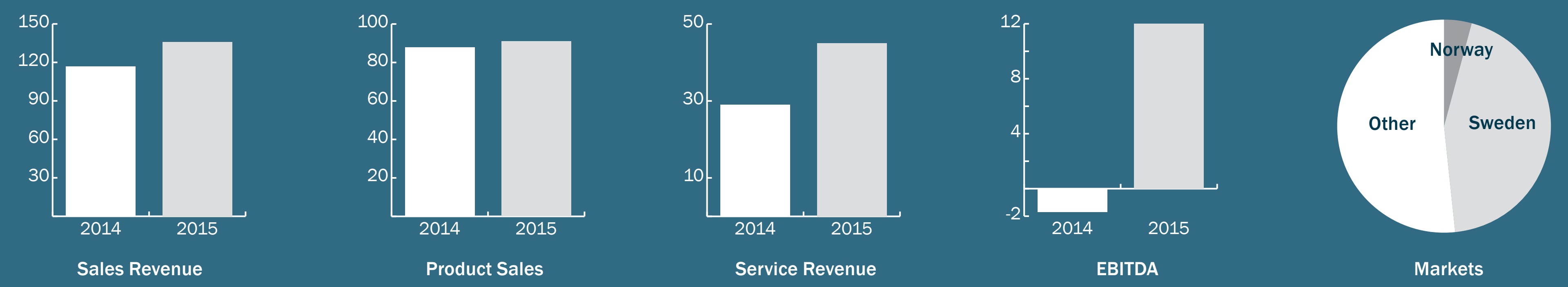
Cash Security

The Cash Security division sells and develops equipment for secure transport of cash. The division focuses on innovative Intelligent Banknote Neutralisation System (IBNS) technology. This technology protects cash without the need for weapons or expensive armoured trucks. Cash Security operates in more than 15 countries and partners with leading CIT-companies such as Loomis, G4S, Brinks and Sberbank.

Lars-Åke Ericson Köpper
SVP & Managing Director
Cash Security

The turnaround of Cash Security in 2015 was mainly due to the launch of a new ergonomic product series and increased focus on product quality. This has led to a large reduction in warranty costs and has resulted in several long-term service contracts. At the same time, Cash Security has successfully re-established themselves in Russia.

Financial highlights 2014 - 2015 (MNOK)




StrongPoint

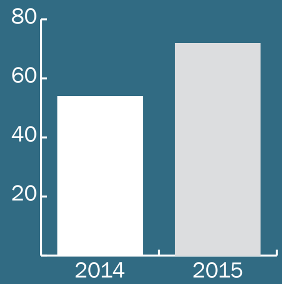
Loss Prevention

Vensafe is StrongPoint's solution for premium price products (such as tobacco, cosmetics and medicines) that eliminates losses and optimises inventory operations. The solution consists of touch screens and product cards for selection of purchase items, and dispensers that store the actual products.

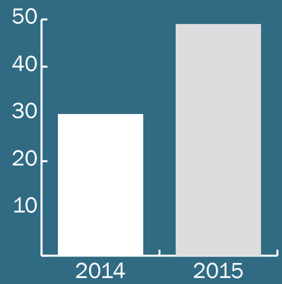
Belgium and Germany had the most growth during 2015. Two pilots were also installed in Lithuania and more are planned in new markets as Singapore and South Africa. In Norway, NorgesGruppen has renewed and expanded their framework agreement for Vensafe solutions.

Financial highlights 2014 - 2015 (MNOK)

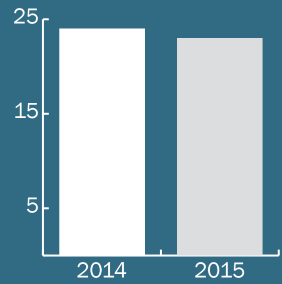
*) Vensafe became a part of StrongPoint from Q2 2014.



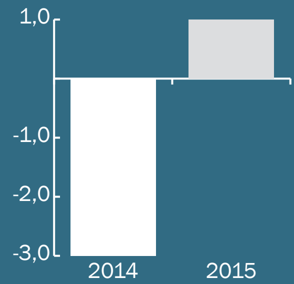
Sales Revenue *)



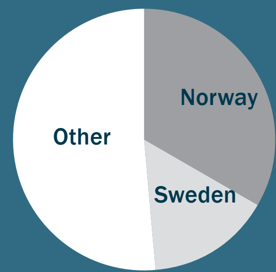
Product Sales *)



Service Revenue *)



EBITDA *)



Markets


Gillette
Fusion Power
4 barberblader
Varer opp til 3 måneder
vensafe
Automatkjøp

1

2

3

1. StrongPoint has signed a contract for delivery of 800 security cases to the largest bank in Russia, Sberbank.

2. StrongPoint, through its partner Bullion IT Ltd, has received an order of 150 cash management solutions (CashGuard) from First National Bank in South Africa. First National Bank will offer secure cash management solutions as an added value to their retail customers in South Africa.

3. NorgesGruppen and StrongPoint have signed a frame agreement, which gives StrongPoint the right to sell Vensafe solutions in their Norwegian stores. This is a continuation of a previous agreement.

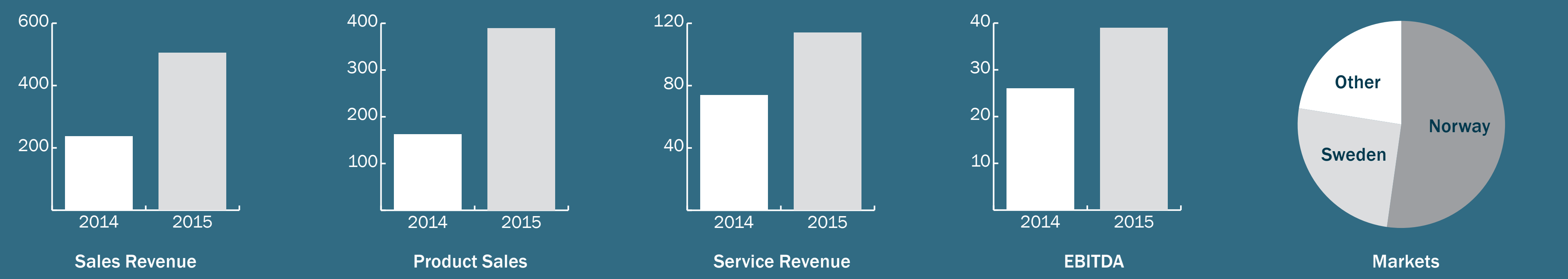
3rd Party Technologies

StrongPoint offers innovative retail solutions through partnerships with external suppliers such as Pricer, Digi, NCR and Microsoft. New Vision was acquired in July 2014 and now represents StrongPoint's operations in the Baltics and in Russia.

Per Haagensen
SVP & Managing Director StrongPoint Norway

The success with electronic shelf labelling solutions in Norway will contribute to securing more important strategic partnerships in other geographical regions where StrongPoint is represented.

Financial highlights 2014 - 2015 (MNOK)



2

3

1. StrongPoint has delivered electronic shelf labelling solutions to 130 Meny-Ultra stores in Norway during 2015. An agreement was also made with Coop to deliver electronic shelf labelling to about 150 stores that were previously ICA-branded. Furthermore, the BUNNPRIS chain has chosen to equip its stores with electronic shelf labelling technology from StrongPoint. StrongPoint received the Partner of the Year award from Pricer in 2015.

2. APRANGA Group, the leading fashion store chain in the Baltics, has started to upgrade all of its 168 stores in collaboration with StrongPoint. The stores will be outfitted with the LS Nav and Microsoft Dynamics NAV software solutions.

3. E-commerce is expanding in many markets. It is one of the fastest growing areas within retail today. There is a wide variety of technologies that support e-commerce. StrongPoint has achieved great success with electronic shelf labelling, which secures consistent pricing in the store and online. StrongPoint actively works to increase its e-commerce offering with both proprietary products and third-party partnerships.

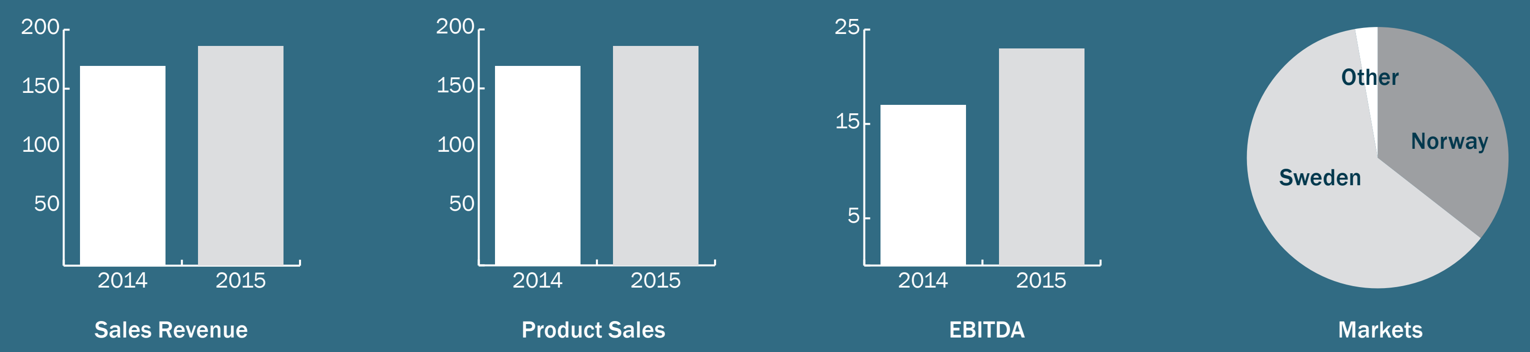

JOTUN
LADY
BALANCE
matt
Hvit-Base
SZ344 781995:2
A-base
LADY BALANCE 0.68L
HVIT BASE
Kr.Pr/Stk
145 00
Pr/liter
213.24

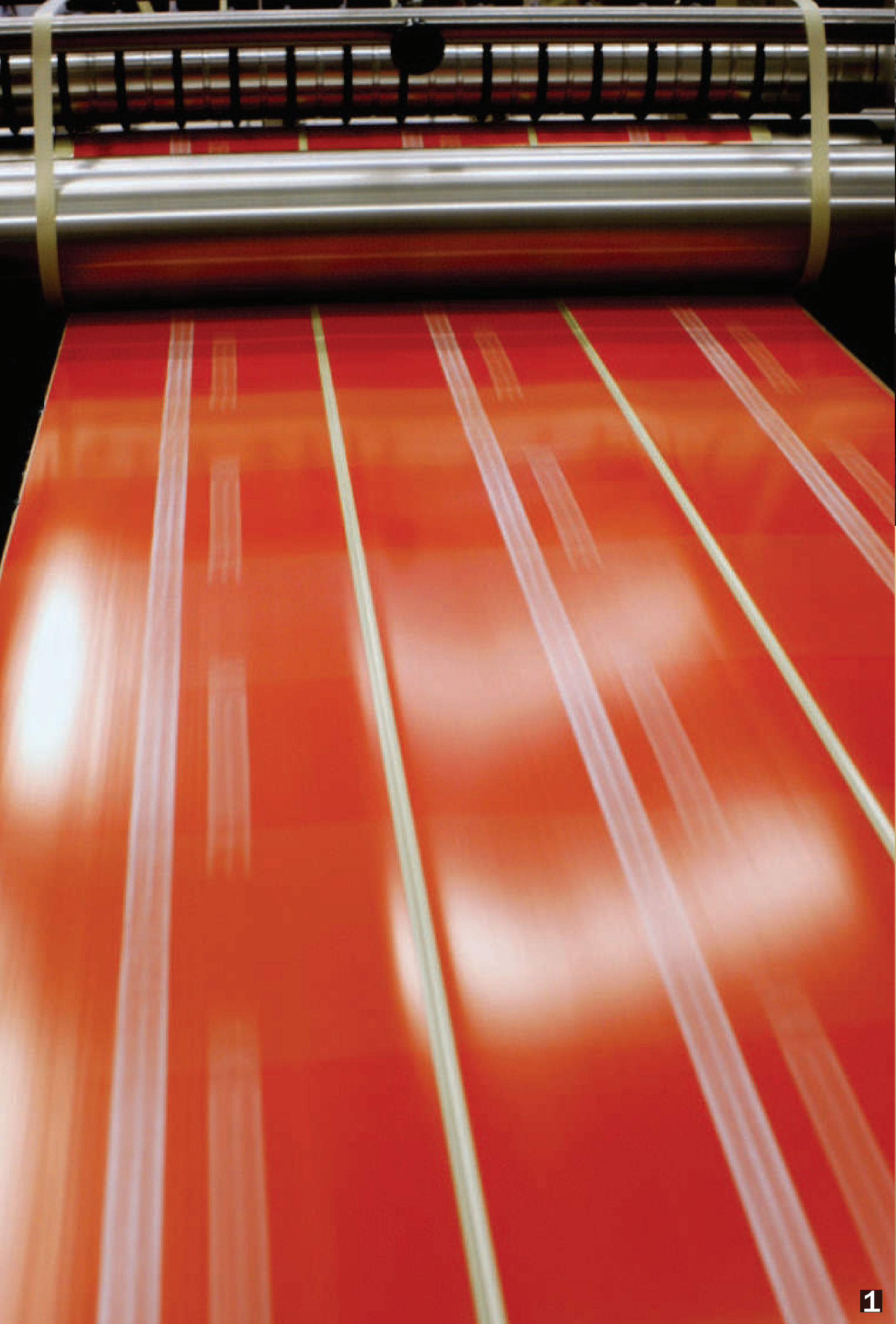
Labels

StrongPoint Labels is a full-service supplier of a wide range of adhesive labels that are produced in state-of-the-art printing facilities. The dedicated Labels staff provides customers with consultative services on label design, secure top-quality delivery to the customers and ensure that the labels follow all regulatory requirements. StrongPoint Labels has production and sales offices in both Sweden and Norway.

2015 was a good year with increased turnover. Even more importantly, we improved our EBIT-result. During the year, we also consolidated all our operations in Norway in one location, and both Sweden and Norway now follow the same strategy for attracting more customers.

Financial highlights 2014 - 2015 (MNOK)





1

2

3

1. Labels has renewed the framework agreement from 2012 with Posten Norge for another year. The agreement is for several types of adhesive labels for Posten's production.

2. StrongPoint Labels made a big impact at the Scanpack fair, held in Gothenburg in October. Scanpack is the largest fair and meeting place for the packaging industry in Europe. The focus on custom-made label solutions has secured a number of new contracts for Labels during 2015.

3. A framework agreement with two trade associations in Norway have begun to pay off. The two agreements are with FIAS (procurement association for the fishing industry) and Norsk Kjøtthandel (a trade association for the meat industry). StrongPoint Labels produces an increasing amount of labels for these organisations.

Directors report for the year 2015

2015 was all time high for StrongPoint. The Group turnover increased by 38.3 per cent to MNOK 1 146.0 (828.5), and operating results before depreciation(EBITDA) increased by 48.4 per cent to MNOK 90.5 (61.0). After several major acquisitions in 2013 and 2014, 2015 was a year with consolidation. The Group got a common identity under the StrongPoint name, and the focus is now on utilizing expertise across national borders and between the business areas in the Group.

Financial statements for 2015

The Group turnover increased by 38.3 per cent to MNOK 1 146.0 (828.5), whereof MNOK 262.3 was organic. Operating results before depreciation (EBITDA) was MNOK 90.5 (61.0). The Group's Net Income is MNOK 36.4 for the year compared to a loss of MNOK 1.8 last year. The financial statements for 2014 included an impairment of MNOK 32.4 related to the intangible assets in the business area Cash Security

The Group's total assets as per 31 December 2015 were MNOK 675.4, compared to MNOK 610.8 at the same time in 2014. The equity was MNOK 297.2. This gives an equity ratio of 44.0 per cent.

At year-end 2015, the Group's net interest bearing debt, reduced with cash and cash equivalents, amounted to MNOK 68.6. 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 Group's cash and cash equivalents at year end 2014 amounted to MNOK 22.6, including restricted funds of MNOK 0.0. Available lines of credit amounted to MNOK 37.1.

The cashflow statement for 2015 shows positive cashflow from operational activities of MNOK 54.3 (45.9). The cash flow is impacted by increased working capital in Norway. This is related to the delivery of electronic shelf labels in the fourth quarter of 2015 and expected deliveries in the first quarter of 2016. The working capital has increased with MNOK 67.3 in 2015. During the year, MNOK 25.4 has been recognized in the balance sheet as investments in fixed assets.

Highlights

StrongPoint received a contract with Cobelguard of MNOK 10.4, in January 2015. Cobelguard, the fastest growing CIT company in Belgium, wanted to further equip their fleet of vehicles with security cases and intelligent accessories from Cash Security. The deliveries was completed during the 1st quarter of 2015.

In February 2015, StrongPoint was selected by OKQ8 as its preferred supplier of cash management solutions. OKQ8 has 700 fuel stations in Sweden, and 40 stations designed for trucks. OKQ8 began installing CashGuard in 2013. Since then, the collaboration has expanded, and OKQ8 has now decided to replace other cash management solutions and exclusively install CashGuard. The order resulted in deliveries of MSEK 10 in 2015.

In April 2015, Norsk Butikkdrift AS, a fully owned subsidiary of Coop Norge Handel AS, and StrongPoint reached an agreement regarding deliveries, installation and service of electronic shelf labels for 150 former ICA stores which Coop will convert to Coop Extra. The agreement has a value of approximately MNOK 100. The infrastructure and solutions was delivered and installed during 2015 and 2016.

In November 2015, StrongPoint signed a frame agreement with Sberbank in Russia, regarding StrongPoint's security cases. There was an agreement on the delivery of 800 cases, where most were delivered in Q4 2015. In November 2015, StrongPoint AS signed an agreement for the delivery of electronic shelf labels to BUNNPRIS stores in Norway. The intention is that all BUNNPRIS stores will be equipped with ESL technology - which suggests a total value of approximately MNOK 100 spread over the coming years.

In December 2015, NorgesGruppen and StrongPoint entered into an agreement for intended deliveries of the next generation of cash handling checkout solutions for their stores. The agreement indicates a need for approximately 800 new CashGuard systems plus a significant number of upgrades of existing systems. The project leads to all cash managements systems in NorgesGruppen being prepared for new Norwegian banknotes within 2017. In December 2015, StrongPoint received, through its partner Bullion IT Ltd, an order of 150 cash management solutions (CashGuard) from First National Bank in South Africa. First National Bank will offer secure and closed cash management solutions to their retail customers in South Africa. The deliveries will take place during the first four months of 2016.

Post balance sheet events

StrongPoint and Alimerka S.A. entered in January 2016, into a "cash management as a service" contract for six years. For 2016, Alimerka and StrongPoint plan to install more than 500 systems in 130 stores. The remaining stores are scheduled for 2017. The agreement is based on a monthly fee per system based on a rental- and service level agreement (SLA) for no less than five years per system.

In February 2016 StrongPoint entered into a contract with one of Europe's largest CIT companies to equip their entire fleet of vehicles in one of the countries where they are represented, with security cases and intelligent accessories. The role out of 2000 security cases will start in the second quarter 2016 and end in the beginning of the fourth quarter 2016.

Risk

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 StrongPoint.

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 2015. 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 in the company's annual report, as well as on the company's website. These principles include the information required by 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 2015.

The board has one sub-committee: the audit committee. The audit committee consists of two board members and had five meetings in 2015. 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

StrongPoint'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, Kista, Mölndal, Arlöv and Vilnius. StrongPoint also conducts its business activities through subsidiaries or branches in France, Germany, Belgium, Estonia, Latvia, Finland, Russia and Southeast Asia.

The Group is organiced in three business areas; Proprietary Technologies, 3rd Party Technologies and Labels.

Proprietary Technologies

Proprietary Technologies develops, sells, implement and servicing retail solutions, based on StrongPoints patented technology solutions.

The operating revenue in the business area increased by 8.0 per cent to MNOK 481.5 (445.8). EBITDA increased by 45.6 per cent to MNOK 46.6 (32.0). MNOK 24.1 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.

MNOK	2015	2014
Product Sales	303,3	284,1
Service	178,2	161,7
Revenue	**481,5**	**445,8**
EBITDA	46,6	32,0
EBITDA-margin	9,7 %	7,2 %
EBT	34,1	-17,9

3rd Party Technologies

3rd Party Technologies sells retail solutions solutions based on products from third party technology providers. The following criteria applies when selecting solutions: unique potential for market penetration, a significant requirement for integration comptence and service. The solutions include Pricer, Digi LS Retail, Microsoft Navision and NCR. The operating revenue in the business area increased by 112.8 per cent to MNOK 504.5 (237.1). EBITDA was MNOK 39.4 (25.5). MNOK 223.8 of the revenue growth was organic, while the rest came from New Vision which was acquired in July 2014. New Vision has changed its name and now represents StrongPoint's focus on software, as well as our geographical presence in the Baltics and Russia.

MNOK	2015	2014
Product Sales	390,4	162,7
Installation og service	114,1	74,4
Revenue	**504,5**	**237,1**
EBITDA	39,4	25,5
EBITDA-margin	7,8 %	10,8 %
EBT	29,1	20,1

Labels

Labels delivers adhesive labels to customers in Norway and Sweden. The business area has upgraded their production equipment in both countries in 2015. Modern equipment makes it possible achieve ecconomies of scale. There was considerable focus on coordinating and streamlining operations in Sweden in 2014, and in 2015 a similar project started for Norway.

The operating revenue in the business area increased by 10.1 per cent to MNOK 185.5 (168.5). EBITDA increased by MNOK 5.6 to MNOK 22.7 (17.1).

MNOK	2015	2014
Product Sales	185,5	168,5
Revenue	**185,5**	**168,5**
EBITDA	22,7	17,1
EBITDA-margin	12,2 %	10,2 %
EBT	8,5	4,8

Employees

The Group had 577 employees as per 31 December 2015. The company has a share program for the employees in Norway and Sweden. Through these programs, employees subscribed for a total 220,277 shares in 2014 and 168,637 shares in 2015.

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 2016 it is paid NOK 770 000 in bonus to the CEO based on the results in 2015.

Research & development

The Group devotes substantial resources each year to research and development (R&D). No development costs were activated during 2015.

With regard to CashGuard, our focus on R&D has enabled the business area to be in a leading provider of closed and secure cashhandling solutions to the retail sector. The development in 2014 and 2015 has focused particularly on the new generation of CashGuard, as well as new software with additional functionality to the current generation of CashGuard.

Cash 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 2015 has focused on the new product family, as well as implement product changes that make the production of this more cost-effective.

Vensafe focus 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.

3rd Party Technologies development of software 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.

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, if disposed in inproper ways. Subsidiaries have tentered into contracts with authorized recovery and recycling organizations. There have been no discharge of environmentally harmful substances in 2015, and our clear goal is that this will not occur in 2016 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 has utilized, and that we will maintain in the future.

Our employees

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 2.6 per cent, compared to 2.1 per cent for the previous year. No employees have been injured or involved in accidents at work during the year. The company is working actively to prevent injuries and repetitive strain injuries.

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 2015, 139 of the Group's 577 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. 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. 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 introduced responsible supplier management, where the Group's Code of Conduct is part of all agreements concluded with major suppliers to our own production. The Code of Conduct includes the group's ethical guidelines, environmental policy and supplier management.

Corruption and whistle blowing

StrongPoint ASA has a zero tolerance for corruption, and has established notification procedures. 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.

Shareholder relations

As at 31 December 2015, 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 2015 104,544 shares at an average cost price of NOK 5.37.

There were 1,415 shareholders in the company as at year-end 2015. The 20 largest shareholders accounted for 69.9 per cent of the total share capital. At year-end 2015, 212 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 2015. The Board prioritizes organic growth by strengthening international sales and dealership structures for Proprietary Technology. The Board is also continuously assessing possibilities other than organic growth. These may involve the acquisition of additional printing facilities, 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 across the legal entities will provide future results. The Board believes that StrongPoint ASA is well positioned to improve revenue and profitability in 2016.

Parent company – StrongPoint 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 StrongPoint 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 StrongPoint ASA achieved a loss for the year of MNOK - 9.1, compared to MNOK -9.9 in 2014. The net financial result was MNOK - 3.6 for 2015 (- 5.4).

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 StrongPoint ASA in respect of 2015:

Profit for the year:
NOK - 9 101 524

Transfer from other reserves:
NOK 29 023 697

Proposed dividend:
NOK 19 922 173, equivalent to NOK 0.45 per share.

Rælingen, 16 March 2016

Svein S Jacobsen	**Erik Pinnås**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Inger Johanne Solhaug**	**Jørgen Waaler**
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

Board of Directors in StrongPoint ASA

Svein 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 StrongPoint ASA since January 9, 2009.

Erik Pinnås
Director

Erik Pinnas established Pinnas System Industri AS and Pinnas System International AS in 1993, the origin of the StrongPoint ASA. He was CEO of StrongPoint ASA to 1 March 2006, and has been a member of the board in StrongPoint ASA since December 21, 2005.

Klaus De Vibe
Director

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

Camilla AC Tepfers
Director

Camilla AC Tepfers has 18 years experience from DnB NOR and NTNU. The last 14 years of her career she has worked with innovation. She is founder and partner of the analysis and advisory firm inFuture. 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 StrongPoint ASA since 26 April, 2013.

Inger Johanne Solhaug
Director

Inger Johanne Solhaug has extensive experience from the retail industry. She has held senior positions in Orkla for 20 years, including Executive Vice President and member of Orkla's Executive Group and Managing Director of Nidar. Solhaug is currently Partner at XO Executive Advisors. She has been a member of the board in StrongPoint ASA since April 30, 2015.

Jørgen Waaler
CEO

Jorgen Waaler has been CEO of StrongPoint ASA since 2006 and prior to that he was 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	2015	2014
Sales revenue	3	**1 146 148**	**828 514**
Share of profit associated companies	6	**-99**	**-**
Cost of goods sold	12	630 353	408 291
Payroll	9	300 624	250 571
Depreciation	10, 11	31 902	34 802
Impairments	11	-	32 430
Other operating expenses	5, 16, 22	124 592	108 670
Total operating expenses		**1 087 472**	**834 764**
Operating profit		**58 577**	**-6 250**
Interest income	8	277	251
Other financial income	8	2 151	3 908
Total financial income		**2 428**	**4 159**
Interest expenses	8	4 442	4 188
Other financial expenses	6, 8	7 000	6 012
Total financial expenses		**11 442**	**10 200**
Net financial items		**-9 014**	**-6 041**
Profit before tax		**49 564**	**-12 290**
Income tax expense	26	13 121	-10 471
Net income		**36 443**	**-1 819**

KNOK	Note	2015	2014
Other income and expenses			
Items that may be reclassified through profit or loss in later periods			
Currency translation differences		29 779	7 567
Total comprehensive income		**66 222**	**5 748**
Of which:			
Controlling interest		66 222	5 748
Non-controlling interest		-	-
		66 222	**5 748**
Profit for the year after tax			
Controlling interest		36 443	-1 819
Non-controlling interest		-	-
		36 443	**-1 819**
Earnings per share			
Earnings per share	23	0,82	-0,04
Fully diluted earnings per share	23	0,82	-0,04

Consolidated balance sheet

KNOK	Note	31.12.2015	31.12.2014
ASSETS			
Intangible assets	11	75 469	86 175
Goodwill	11	153 410	141 759
Equipment	10	50 320	37 938
Land and buildings	10	4 749	4 901
Associated companies	6	508	-
Other long-term investments	7	481	481
Other long-term receivables	18	-	1 850
Deferred tax assets	26	28 117	39 221
Total fixed assets		**313 054**	**312 326**
Short term financial investments	7	-	27
Inventories	12	125 042	95 575
Accounts receivables	13	185 237	156 903
Prepaid expenses	13	12 092	10 323
Other current receivables	13	17 317	16 721
Bank deposits etc.	14	22 610	18 973
Total current assets		**362 297**	**298 522**
TOTAL ASSETS		**675 351**	**610 847**

KNOK	Note	31.12.2015	31.12.2014
EQUITY AND LIABILITIES			
Share capital	24	27 513	27 513
Treasury shares	24	-65	-65
Other equity		269 799	219 072
Total equity		**297 247**	**246 520**
Long term interest bearing liabilities	15	37 186	39 481
Other long term liabilities	22	-	28 691
Total long term liabilities		**37 186**	**68 172**
Current interest bearing liabilities	15	54 025	46 634
Accounts payable		95 978	105 502
Tax payable	26	233	127
Public duties payable		27 329	26 173
Other short term liabilities	22, 27	163 353	117 717
Total short term liabilities		**340 918**	**296 155**
Total liabilities		**378 104**	**364 327**
TOTAL EQUITY AND LIABILITIES		**675 351**	**610 847**

Rælingen, 16 March 2016

Svein S Jacobsen
Chairman

Erik Pinnås
Director

Klaus de Vibe
Director

Camilla AC Tepfers
Director

Inger Johanne Solhaug
Director

Jørgen Waaler
CEO

Consolidated cash flow statement

KNOK	Note	2015	2014
Profit before tax		49 564	-12 290
Net interest		4 165	3 937
Tax paid		2 359	1 100
Share of profit, associated companies	6	99	-
Ordinary depreciation	10, 11	31 902	34 802
Impairments	11	-	32 430
Profit on sale of fixed assets	10	-1 884	-154
Change in inventories		-22 524	3 312
Change in accounts receivables		-19 609	-24 791
Change in accounts payable		-15 757	-102
Change in other accrued items		25 953	7 647
Net cash flow from operational activities		**54 268**	**45 890**
Payments for fixed assets	10	-14 677	-13 081
Capitalisation of development costs		-	-323
Effect acquisition Vensafe AS		-	843
Effect acquisition New Vision		-	-13 546
Effect acquisition Etikett-Produsenten AS		-	-4 325
Effect acquisition Sydetikett AB		-9 012	-
Payment from sale of fixed assets	10	2 089	652
Effect acquisition Vårdal Butikkdata AS	6	-1 700	-
Interest income	8	277	251
Net cash flow from investment activities		**-23 024**	**-29 529**

KNOK	Note	2015	2014
Payment long-term debt		-25 790	-11 049
New long-term debt		10 000	16 266
Change in other short term debt regarding Vensafe		-	-10 247
Change in overdraft		7 245	16 045
Interest expenses	8	-4 442	-4 188
Dividends paid		-15 495	-13 115
Net cash flow from financing activities		**-28 483**	**-6 288**
Net change in liquid assets		2 762	10 073
Cash and cash equivalents at the start of the period		18 973	8 554
Effect of foreign exchange rate fluctations on foreign curency deposits		875	345
Cash and cash equivalents at the end of the period	14	**22 610**	**18 973**

Consolidated statement of changes in equity

KNOK	Share capital	Treasury shares	Other paid-in equity	Translation variances	Other equity	Total equity
Equity at 31.12.2013	**27 513**	**-409**	**351 262**	**29 108**	**-156 675**	**250 798**
Profit for the year after tax					-1 819	-1 819
Other comprehensive income and expenses				7 567		7 567
Disposals of own shares in connection with the acquisition of New Vision		345			3 006	3 351
Adapting K3 Sweden					-260	-260
Dividend 2013					-13 115	-13 115
Equity at 31.12.2014	**27 513**	**-65**	**351 262**	**36 675**	**-168 863**	**246 520**
Profit for the year after tax					36 443	36 443
Other comprehensive income and expenses				29 779		29 779
Dividend 2014					-15 495	-15 495
Equity at 31.12.2015	**27 513**	**-65**	**351 262**	**66 454**	**-147 916**	**297 247**

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

Note 1 - General information

Note 1 - General information

StrongPoint 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 STRONG. 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. 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: Proprietary Technologies, 3rd Party Technologies and 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 31.12.2015. 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 31.12.2015. The introduction of changes and new standards has not resulted in significant adjustments, as StrongPoint not has engaged in transactions or events during 2015 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, SEK and EUR. 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:
a) The balance is converted to the closing rate on the balance sheet date.
b) The income statement is converted to the average monthly exchange rate.
c) Currency translation differences are recognised in comprehensive income.
d) 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 3-10 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 risk and rewards to StrongPoint (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. Group policy for 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. Intercompany sales are eliminated. 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 satisfactory 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: loans, receivables and available for sale. 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 amortized cost. 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.

Gains and losses on derecognition of financial assets and financial liabilities are classified by type of financial instrument and by accounting portfolio. For each item net realized gains or losses attributable to the transaction which is deducted is reported. The net amount is the difference between realized gains and realized losses.

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 og 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.

IFRS 16 Leases

The new standard for leases have a commencement date of 1 January 2019. The implementation of this will result in the Group's operating leases mainly will be capitalized. Pr. 12.31.15 the group had an estimated minimum commitment for operating leases of MNOK 93.

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 StrongPoint ASA to subsidiaries are not included in the numbers below.

a) Business segment

	Proprietary Technologies		3rd Party Technologies		Labels		StrongPoint ASA		Eliminations		Consolidated	
KNOK	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Sales revenue, external customers	473 729	439 347	499 933	234 009	172 487	155 158	-	-	-	-	1 146 148	828 514
Sales revenue, internal customers	7 811	6 497	4 690	3 095	13 016	13 317	240	480	-25 756	-23 389	-	-
Total sales revenue	**481 540**	**445 844**	**504 623**	**237 104**	**185 502**	**168 475**	**240**	**480**	**-25 756**	**-23 389**	**1 146 148**	**828 514**
Share of profit associated companies	-	-	-99	-	-	-	-	-	-	-	-99	-
Spesification sales revenue and share of profit associated companies:												
Sale of products, external customers	295 490	277 615	385 812	159 622	172 487	155 158	-	-	-	-	853 788	592 395
Sale of products, internal customers	7 811	6 497	4 690	3 095	13 016	13 317	240	480	-25 756	-23 389	-	-
Sale of installation and service, external customers	178 239	161 732	114 121	74 387	-	-	-	-	-	-	292 360	236 119
EBITDA	46 559	31 975	39 384	25 522	22 678	17 121	-18 475	-14 140	333	504	90 479	60 982
EBT	34 098	-17 865	29 091	20 102	8 452	4 776	-22 410	-19 808	333	504	49 564	-12 290
Assets	480 753	501 882	174 343	115 742	59 808	62 414	384 527	401 383	-426 080	-470 574	673 351	610 847
Liabilities	170 124	244 397	121 686	90 011	61 112	58 292	156 049	148 308	-130 867	-176 681	378 104	364 327
Working capital	83 767	74 538	104 368	48 258	31 345	30 238	-623	-267	-4 557	-5 791	214 300	146 976
Investment in fixed assets	9 631	2 513	1 558	757	2 881	9 495	608	639	-	-	14 677	13 404

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

Business area

The group is divided into three business areas. This is done because the group want to show sales and profit generated by each business area throughout the value chain within StrongPoint. 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 2015 followed up the business area based on reported sales revenues, EBITDA and EBT.

Proprietary Technologies

Comprises sales and services of solutions, based on StrongPoints patented technology solutions. The major solution areas are Cash Management (CashGuard), Vensafe and Cash Security (SQS Security). The figures in the business area show sales and profit generated by the technology products throughout the value chain within StrongPoint.

3rd Party Technologies

The business area delivers innovative retail solutions based on solutions from third party world leading technology providers.

Labels

Designs, manufacture and sell adhesive labels. The business area offers leading expertise and production technology in labeling and design of adhesive labels.

B) Geographical information

	Norway		Sweden		Other markets		Consolidated	
KNOK	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Sales revenue:								
Proprietary Technologies	128 900	133 620	193 671	192 088	158 969	120 137	481 540	445 844
3rd Party Technologies	263 876	60 688	127 796	118 511	112 851	57 904	504 523	237 104
Labels	66 238	60 115	114 432	105 748	4 833	2 612	185 502	168 475
StrongPoint ASA	240	480	-	-	-	-	240	480
Elimination	-1 615	-786	-16 240	-21 863	-7 901	-740	-25 756	-23 389
	457 639	**254 117**	**419 659**	**394 483**	**268 751**	**179 913**	**1 146 049**	**828 514**
Fixed assets	99 921	392 680	210 454	-84 881	679	4 526	311 054	312 326
This years investments in fixed assets	2 733	8 044	11 054	4 736	890	624	14 677	13 404

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 2015.
Revenue per customer is based on sales to legal entities and not the chains.

Note 4: Changes in the group structure

Changes in 2015:
Merger
Vensafe AS and SQS Security Qube System AS has been merged with StrongPoint AS.

Liquidations
Vensafe Danmark A/S has been liquidated.

Changes in 2014:
Acquisition of Vensafe AS
8 April 2014, StrongPoint 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, StrongPoint ASA aquired the company's debt and liabilities totaling MNOK 15.

Vensafe AS, an ambitious Norwegian technology company founded in 1998, 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 was headquartered in Moss and had subsidiaries in Germany and Belgium.

This transaction complemented StrongPoint ASA's existing portfolio targeting retailers and lead to a further strengthening of StrongPoint 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, StrongPoint 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 and a normal working capital.

An upfront payment of EUR 1 840 000 in cash and 277 854 StrongPoint 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 StrongPoint on the same terms. These shares was also transferred 11. July. All shares was allocated from StrongPoint's own holding.

One third of the total settlement will be in shares in StrongPoint 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.

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.

Note 5: Other operating expenses

KNOK	2015	2014
Rent, electricity, cleaning	32 598	26 103
Marketing	5 061	4 931
Vehicles	17 615	15 399
Other fees	18 914	16 377
Travel	12 414	9 805
Maintenance machinery/tools	7 888	2 599
IT/ICT	10 842	8 698
Communications	5 900	4 850
Bad debts	1 274	-285
Audit etc.	2 028	2 334
Government grants (Skattefunn)	-3 392	-1 500
Stock exchange and VPS costs	561	516
Insurance costs	1 903	1 514
Consumables	6 483	9 404
Compensation to customer	-	3 179
Other costs	4 502	4 746
Total	**124 592**	**108 670**

Specification of recognised auditors fee (KNOK):	2015	2014
Fee for auditing services	1 799	1 821
Fee for tax advise	-	17
Fee for other services 1)	229	497
Total	**2 028**	**2 334**

1) 2014 Includes KNOK 454 regarding Due Dilligence New Vision.
Auditors fee are exclusive of VAT.

Note 6: Investment in associated companies

As at 19 November 2015, StrongPoint ASA acquired 49,9997 % of the shares in Vårdal Butikkdata AS. The company carries out servicing on behalf of StrongPoint AS, in areas where the company does not have its own service organisation.

StrongPoint ASA had the following investments in associated companies as at 31 December 2015:

KNOK			Stake	Book value	Share of net profit	Impairment	Book value
Entity	**Country**	**Industry**	**31.12.2015**	**31.12.2015**	**2015**	**2015**	**31.12.2015**
Vårdal Butikkdata AS	Norway	Service company	50 %	1 700	-99	-1 092	508
Total				**1 700**	**-99**	**-1 092**	**508**

An overview of financial information about the associated companies, based on 100 %:

KNOK	2015			
Entity	**Assets**	**Debt**	**Equity**	**Profit for year**
Vårdal Butikkdata AS	2 559	1 543	1 016	143
Total	**2 559**	**1 543**	**1 016**	**143**

Note 7: Shares in other companies

KNOK	2015			2014		
Company	Number	Cost price	Market value	Number	Cost price	Market value
Short term financial investments:						
Other financial investments	-	-	-	-	27	27
Total		**-**	**-**		**27**	**27**
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.

Note 8: Financial items

KNOK	2015	2014
Interest income	277	251
Currency adjustment bank and unpaid receivables and liabilities	2 121	3 600
Other financial income	30	307
Total financial income	**2 428**	**4 159**
Interest expense	-4 442	-4 188
Currency adjustment bank and unpaid receivables and liabilities	-4 168	-4 414
Impairment Vårdal Butikkdata AS	-1 092	-
Other financial expenses 1)	-1 740	-1 598
Total financial expenses	**-11 442**	**-10 200**
Net financial expenses	**-9 014**	**-6 041**

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 4 804 in 2015 (cost of KNOK 5 033 in 2014). Currency differences relating to the payment of sales revenues are recorded as sales revenues and constitutes a revenue of KNOK 2 002 in 2015 (cost of KNOK 2 926 in 2014).

Note 9: Payroll costs and number of employees

KNOK	2015	2014
Salaries	211 482	175 487
Severance packages	573	1 966
Director's fee and Nomination Committee	1 313	1 265
Social fee	57 681	47 353
Pension costs	16 309	13 359
Other payroll costs	13 268	11 141
Total payroll costs	**300 624**	**250 571**
Number of full-time employees employed during the year:	569	563
Number of employees at the end of the year:	577	571

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 258 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 13 178 in 2015. In 2014 the pension premium and costs in Sweden totalled KNOK 10 463.

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 StrongPoint 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 is therefore introduced 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 % discount. In addition, a employee share program is conducted, in which all employees in the Norwegian and Swedish companies are allowed to buy shares for up to NOK 25 000 with 20% discount. Executive employees have company car, free phone, internet and newspaper by appointment, but no fringe benefits beyond this. Regarding severance the CEO in StrongPoint ASA and SVP & MD EMEA 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 in 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	2015	2014
	Director's fee	Director's fee
Board of Directors at StrongPoint ASA		
Svein S. Jacobsen, Chairman	397	390
Erik Pinnås, Director	204	200
Selma Kveim, Former Director	87	218
Camilla Tepfers, Director	204	200
Klaus De Vibe, Director	224	220
Inger J. Solhaug, Director	137	-
Total Board of Directors [1]	**1 253**	**1 228**

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

KNOK	2015					2014				
	Salary	Bonus	Company car	Other remuneration	Pension expenses	Salary	Bonus	Company car	Other remuneration	Pension expenses
Group management										
Jørgen Waaler, CEO	2 143	770	-	20	75	1 936	689	-	57	71
Anders Nilsen, CFO	1 109	396	-	17	80	1 069	302	-	21	75
Per Herseth, SVP Business development / M&A	1 152	287	-	61	72	1 033	375	-	101	80
Per Haagensen, SVP & MD Norway	910	323	-	18	59	949	332	-	4	60
Sven Calissendorff, SVP & MD Sweden	997	423	59	8	366	821	288	87	-	388
Roine Gabrielsson, SVP & MD APAC	1 414	295	21	114	444	1 230	320	79	3	274
Trond Kongrød, SVP & MD EMEA	1 727	340	181	9	73	1 426	122	135	3	48
Evaldas Budvilaitis, SVP & MD Baltics, Finland, Russia	802	192	-	-	-	468	-	-	1	-
Leif Persson, SVP & MD Label Solutions	1 161	321	83	-	424	1 134	282	101	-	370
Lars-Åke Ericson Köpper, SVP & MD Cash Security	1 415	608	77	-	447	1 311	103	66	-	502
Total Group management	**12 830**	**3 955**	**422**	**246**	**2 041**	**11 377**	**2 813**	**468**	**189**	**1 869**

1) Bonus to Executive Management in 2015 is based on the achieved revenue and EBITDA compared to budget in 2015, and growth ambitions, and will be paid in 2016. The bonus is not related to the development in the stock-price.
2) In 2014 StrongPoint 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 StrongPoint ASA with an average price of NOK 6.07. On the acquisition date this amounted to EUR 200 000 which is recorded as short term receivables with KNOK 2 065 including interest as at 31 December 2015 (long-term receivables with KNOK 1 850 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:

	31.12.15	31.12.14
Board of Directors at StrongPoint ASA		
Svein S. Jacobsen, Chairman [1)]	400 000	450 000
Erik Pinnås, Director [2)]	4 932 276	4 932 276
Selma Kveim, Former Director	20 500	20 500
Klaus de Vibe, Director [3)]	78 660	78 660
Total	**5 431 436**	**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 companies Herseth AS and Gardd McGillan CO AS.
6) Evaldas Budvilaitis's shares are owned through the company NV Invest UAB.
No employees or Directors have stock options.

	31.12.15	31.12.14
Group management		
Jørgen Waaler, CEO [4)]	1 060 000	1 050 000
Anders Nilsen, CFO	58 000	50 315
Per Herseth, SVP Business development / M&A [5)]	114 043	85 000
Per Haagensen, SVP & MD Norway	23 015	15 315
Lars-Åke Ericson Köpper, SVP & MD Cash Security	7 000	3 500
Roine Gabrielsson, SVP & MD APAC	100 408	44 108
Sven Calissendorff, SVP & MD Sweden	31 000	22 000
Trond Kongrød, SVP & MD EMEA	3 475	-
Leif Persson, SVP & MD Label Solutions	7 850	-
Evaldas Budvilaitis, SVP & MD Baltics, Finland, Russia [6)]	555 709	555 709
Total	**1 960 500**	**1 825 947**

Note 10: Fixed assets

Building and land (KNOK)	Land Norway	Buildings Sweden	Buildings Norway	2015 total	2014 total
Acquisiton costs 01.01.	825	2 056	6 434	9 315	9 007
Acquired	-	-	241	241	308
Acquisiton costs 31.12	**825**	**2 056**	**6 675**	**9 556**	**9 315**
Accumulated depreciations 01.01.	-	-2 017	-2 398	-4 414	-4 065
Accumulated depreciations 31.12.	-	-2 033	-2 777	-4 810	-4 414
Translation differences	-	3	-	3	-
Book value 31.12	**825**	**27**	**3 898**	**4 749**	**4 901**
Depreciations of the year	-	-16	-380	-396	-349
Depreciation ratio	0%	5%	5%		
Depreciation method		Straight line	Straight line		

Equipment, vehicles, inventories (KNOK)	Equipment	Financial leasing carried on	2015 total	2014 total
Acquisiton costs 01.01.	84 168	37 345	121 513	103 454
Acquired by aquisition	-	-	-	4 996
Acquired	13 551	11 571	25 122	13 278
Divestment	-8 945	-	-8 945	-498
Translation differences	373	1 396	1 769	283
Acquisiton costs 31.12	**89 148**	**50 312**	**139 460**	**121 513**
Accumulated depreciations 01.01.	-61 853	-21 722	-83 575	-71 951
Divestment sale	8 741	-	8 741	-
Accumulated depreciations 31.12.	-60 877	-28 263	-89 140	-83 575
Book value 31.12	**28 271**	**22 049**	**50 320**	**37 938**
Depreciations of the year	-7 765	-6 541	-14 306	-11 624
Depreciation ratio	10-33%	10-33%		
Depreciation method	Straight line	Straight line		

See note 16 for information about the comittments related to the financial leasing.
Some equipment has been fully depreciated as of 31 December 2015 but is still in use. StrongPoint has no contractual purchasing obligations.

Note 11: Intangible assets

Other intangible assets (KNOK)	2015						2014					
	Technology	Brand	Customer	Software	Other	Total	Technology	Brand	Customer	Software	Other	Total
Acquisiton costs 01.01.	153 091	36 353	63 770	16 824	549	270 588	152 769	36 353	48 562	-	549	238 232
Acquired by aquisition	-	-	-	-	-	-	-	-	15 208	14 965	-	30 174
Acquired	150	-	-	736	-	885	323	-	-	1 859	-	2 181
Acquisiton costs 31.12.	**153 241**	**36 353**	**63 770**	**17 560**	**549**	**271 473**	**153 091**	**36 353**	**63 770**	**16 824**	**549**	**270 588**
Accumulated impairments and depreciations 01.01.	-126 401	-15 678	-36 739	-8 253	-467	-187 537	-97 059	-	-28 341	-	-414	-125 814
Access depreciation acquisitions	-	-	-	-	-	-	-	-	-	-6 464	-	-6 464
Accumulated impairments and depreciations 31.12.	-134 173	-15 678	-43 861	-10 525	-500	-204 737	-126 401	-15 678	-36 739	-8 253	-467	-187 537
Translation differences	-396	4 234	4 516	408	-29	8 733	-1 918	2 146	2 840	87	-29	3 125
Book value 31.12.	**18 672**	**24 910**	**24 425**	**7 443**	**19**	**75 469**	**24 773**	**22 822**	**29 871**	**8 657**	**52**	**86 175**
Depreciations of the year	-7 773	-	-7 122	-2 271	-34	-17 200	-13 528	-	-7 459	-1 789	-52	-22 829
Impairment of the year	-	-	-	-	-	-	-15 813	-15 678	-939	-	-	-32 430
This year change in translation differences	1 522	2 088	1 676	321	1	5 608	183	417	1 118	87	-8	1 797
Depreciation schedule	10 og 15 years	Impairment test	1-7 years	4-7 years	3 years		10 og 15 yeard	Impairment test	1-7 years	4-7 years	3 years	
Depreciation ratio	7-10%		14-100%	14-25%	33%		7-10%		14-100%	14-25%	33%	

Intangible assets relate to product development at StrongPoint Cash Security and StrongPoint Technology as well as intangible assets identified in relation to the merger between CashGuard AB and StrongPoint ASA in 2008, the aqcuisition of Etikett-Produsenten AS and Sydetikett AB in 2013, and the aqcuistion of New Vision Baltija UAB in 2014. In 2015 there have been expensed KNOK 34 359 (KNOK 31 297 in 2014) in research and development costs.

Goodwill (KNOK)	StrongPoint AS	StrongPoint AB	StrongPoint Labels AB	StrongPoint Technology AB	StrongPoint Baltic	Total 2015	Total 2014
Acquisiton costs 01.01.	17 976	2 612	19 039	81 127	27 433	148 187	367 641
Acquired	-	-	-	-	-	-	27 433
Acquisiton costs 31.12.	**17 976**	**2 612**	**19 039**	**81 127**	**27 433**	**148 187**	**395 074**
Accumulated impairment and depreciations 01.01.	-14 689	-229	-	-	-	-14 918	-253 005
Accumulated impairment and depreciations 31.12.	-14 689	-229	-	-	-	-14 918	-253 005
Translation differences	-	-	2 959	13 116	4 067	20 142	-308
Book value 31.12.	**3 286**	**2 383**	**21 998**	**94 243**	**31 501**	**153 410**	**141 759**
							-
Write-downs of the year	-	-	-	-	-	-	-
This year change in translation differences	-	-	2 106	9 024	4 067	15 197	3 547
Depreciation schedule	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test	Impairment test

Acquired company	Cash generating unit	31.12.2015	31.12.2014
StrongPoint AS	StrongPoint AS	3 286	3 286
StrongPoint AB	StrongPoint AB	2 383	2 383
StrongPoint Labels AB	StrongPoint Labels AB	21 998	20 154
StrongPoint Technology AB	StrongPoint Technology AB with subsidiaries	94 243	86 343
StrongPoint UAB	StrongPoint Baltic	31 501	29 593
Total goodwill		**153 410**	**141 759**

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

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 StrongPoint Technology AB the cash flow-generating entity is defined as its 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 - StrongPoint Technology AB

The expected cash flows are based on the budgeted revenue for 2016, followed by 10 % annual growth in external sales until 2020 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 expected inflation by 2.5 % annually. Sales to units in the group is expected to be reduced with 10 % annualy until 2020. Expected gross margin is expected to be increased from 38 % achieved margin in 2015, 36 % in 2016 and 37 % in the period 2017-2020. 1.5 % annual growth is applied for other operating expenses, and 2.5 % annual growth in personel expenses.

These assumptions give a EBITDA margin of 8 % in 2016, 7 % in 2017, 8 % in 2018, 9 % in 2019 and 11 % in 2020. No change in working capital is expected, and MSEK 4 has been applied as expected investment in 2016 and MSEK 1 in the period 2017-2020. 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 2017 to 2020 shows that if growth is reduced to 7 % annualy, and other assumptions remain unchanged the calculated value is still higher than the book value. A reduction in EBITDA margin to 5 % in 2017 and 2018 and an increase in WACC to 13.38 % after tax gives the same result. Changes beyond this will result in an impairment.

Impairment test - StrongPoint Labels 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 2016, followed by 2.5 % annual growth in external sales until 2020, 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 55 % achieved margin in 2015 in the period 2016-2020. 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 12 % in the periode 2016 - 2019 and 13 % in 2020. No change in working capital is expected, and MSEK 1 has been applied as expected investment in the period 2017-2020. 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 - 2.8 % annualy, and other assumptions remain unchanged the calculated value is still higher than the book value. A reduction in EBITDA margin to 2 % in 2017 and 2018, and an increase in WACC to 21.89 % after tax gives the same result. Changes beyond this will result in an impairment.

Impairment test - StrongPoint AB

The items include goodwill from the acquisition of StrongPoint AB, which makes our Swedish distribution 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).

Note 12: Inventories

Inventories (KNOK)	2015	2014
Raw materials	45 252	35 880
Work in progress	380	1 682
Finished products	90 970	69 535
Provision for obsolete stock	-11 560	-11 522
Total	**125 042**	**95 575**

The respective companies' stock is valued at fair value or acquisition cost, whichever is lower. Reported provision for obsolete stock is KNOK 11 560 compared with KNOK 11 522 in 2014.

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

Provision for obsolete stock (KNOK)	2015	2014
Provision for obsolete stock, opening balance	-11 522	-7 327
Taken to income/charged to expence (-) change in provision	-38	-4 194
Provision for obsolete stock, closing balance	**-11 560**	**-11 522**

The cost of goods sold of KNOK 630 353 includes direct costs of goods with KNOK 560 689.

Note 13: Other receivables

Receivables (KNOK)	2015	2014
Accounts receivables	185 237	156 903
Prepaid expenses	12 092	10 323
Other receivables	17 317	16 721
Total receivables 31.12	**214 646**	**183 946**

Other receivables includes MNOK 2.5 in expected government grants (skattefunn) refunds for development costs in 2015 and MNOK 1.5 in 2014.

Changes in provision for bad debts (KNOK)	2015	2014
01.01	4 383	4 147
Applied provisions	257	5
Reverserd provisions	-573	-1 105
New provision for bad debt	1 006	1 336
Total 31.12	**5 073**	**4 383**

Provisions for bad debts in 2015 totalled KNOK 5 073 compared with KNOK 4 383 in 2014. There has been made provisions for bad debts of KNOK 1 456 related to one client, the remaining provisions per 31.12.2015 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)	2015	2014
Not due	152 804	131 064
0-3 months	31 719	24 930
3-6 months	553	518
6-12 months	56	392
Older than 12 months	105	-
Total 31.12	**185 237**	**156 903**

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 31.12.2015.

Note 14: Cash and cash equivalents

KNOK	2015	2014
Cash and bank deposits	22 610	18 973
Overdraft	27 667	22 049
Unused overdraft facilities	37 143	34 193

The Group had liquid assets (bank deposits and unused overdraft facilities) of MNOK 59.8 as at 31.12.2015 (2014: MNOK 53.2). KNOK 0 are restricted funds pr. 31.12.2015 (2014: KNOK 105).

Note 15: Interest-bearing debt and secured debt

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

Type of loan	2015	2014	Borrowing terms	Average nominal interest for 2015
Multi-currency, group credit account 1)	22 857	16 627	Overdraft limit MNOK 60, not time limited	3,60%
Multi-currency, group credit account KEUR 500 (StrongPoint UAB)	4 810	5 422	No repayment before 18.08.16	2,93%
Financial leasing, Printing presses KSEK 224 (StrongPoint Labels AB)	235	295	Monthly repayments, last payment 31.12.2017	9,14%
Financial leasing, Printing presses KSEK 2 456 (StrongPoint Labels AB)	2 573	2 840	Monthly repayments, last payment 31.03.2019	2,24%
Financial leasing, Printing presses KSEK 4 234 (StrongPoint Labels AB)	4 435	5 335	Monthly repayments, last payment 31.05.2018	1,60%
Financial leasing, Printing presses KSEK 424 (StrongPoint Labels AB)	444	905	Monthly repayments, last payment 31.08.2016	1,00%
Financial leasing, Printing presses KSEK 1 710 (StrongPoint Labels AB)	1 791	2 778	Monthly repayments, last payment 30.09.2016	1,00%
Financial leasing, Printing presses KSEK 551 (StrongPoint Labels AB)	577	727	Monthly repayments, last payment 30.11.2017	1,51%
Financial leasing, Printing presses KSEK 2 222 (StrongPoint Labels AB)	2 328	-	Monthly repayments, last payment 31.07.2020	1,39%
Financial leasing, IT KSEK 322 (StrongPoint AB)	337	552	Quarterly repayments, last payment 31.01.2017	2,48%
Financial leasing, Printing presses (StrongPoint AS)	7 584	-	Monthly repayments, last payment 01.02.2021	3,04%
Financial leasing, cars KEUR 39 (StrongPoint UAB)	375	217	Monthly repayments, last payment 30.07.2019	2,49%
Financial leasing, cars KEUR 44 (StrongPoint UAB)	423	506	Monthly repayments, last payment 29.08.2018	2,67%
Financial leasing, cars KEUR 33 (StrongPoint UAB)	317	551	Monthly repayments, last payment 10.01.2018	1,75%
Repayment loan, businesses 1) (StrongPoint Cash Security AB)	-	288	Quarterly repayments, last payment 20.03.2015	1,40%
Repayment loan, businesses 1) (StrongPoint ASA)	19 142	15 142	Quarterly term loans, last payment 01.07.2016	3,13%
Repayment loan, businesses 1), TEUR 675 (StrongPoint ASA)	6 493	14 232	Quarterly term loans, last payment 11.07.2016	2,16%
Repayment loan, businesses 1) (StrongPoint AS)	2 780	3 015	Quarterly term loans, last payment 20.12.2027	3,17%
Long term debt 1) KSEK 387 (StrongPoint AB)	405	1 116	Monthly repayments, last payment 30.06.2016	2,49%
Long term debt 1) KSEK 9 100 (StrongPoint AB)	9 532	10 869	Quarterly term loans, last payment 31.03.2020	2,49%
Long term debt 1) KEUR 392 (StrongPoint UAB)	3 771	4 699	Monthly repayments, last payment 31.12.2016	3,43%
	91 211	**86 116**		

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

KNOK	2015	2014
Due within one year	26 358	24 585
Bank overdraft	27 667	22 049
Due after one year:	37 186	39 482
Total interest-bearing debts	**91 211**	**86 116**

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 9.1 to StrongPoint AB.

Pledged assets as at 31.12.2015 and book value:

Asset	Book value / nominal security (KNOK)
Operating equipment, accounts receivables and inventories for StrongPoint AS	145 953
Inventories StrongPoint UAB	5 085
Lien over Företagsinnteckning StrongPoint Cash Security AB [1]	54 470
Lien over Företagsinnteckning StrongPoint Technology AB [1]	37 710
Lien over Företagsinnteckning StrongPoint AB [1]	32 473

StrongPoint Technology AB and StrongPoint Cash Security 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

StrongPoint AS

Tenancy agreement for the company's premises at Slynga 10 in Rælingen running until March 2023. Total annual rent was KNOK 2 353 in 2015 (KNOK 3 421 in 2014). The rent will be index-regulated annually. Tenancy agreements on premises in Moss, is running until 31 December 2016.. Total annual rent is approx KNOK 1 001. Leasing contracts on vehicles has a running period of 3-5 years. Annual liability is approx KNOK 993. Leasing of inventory is running for 1 year. Annual liability is approx KNOK 214.

StrongPoint AB

Leasing contracts on vehicles has a running period of 3-6 years. Annual liability is approx KNOK 1 744. Tenancy agreements on other premises including the companys premises in Kista and Grums, is running for 0,5 to 5,5 years. Total annual rent for these premises is approx KNOK 4 163.

StrongPoint Labels AB

Leasing contracts on vehicles has a running period of 3 years. Annual liability is approx KNOK 448. Leasing of inventory is running for 3 years. Annual liability is approx KNOK 29. Tenancy agreements on other premises including the companys premises in Mölndal and Arlöv, is running for 1-8 years. Total annual rent is approx KNOK 6 206.

StrongPoint Cash Security AB

Leasing of company cars is running for 3 years. Annual liability is approx KNOK 448. Leasing of inventory is running for 1-5 years. Annual liability is approx KNOK 145. Tenancy agreements on premises including Skellefteå, are running for 1 to 9 years. Total annual rent for these premises is approx KNOK 2 035.

StrongPoint Technology AB

Leasing of company cars is running for 3-4 years. Annual liability is approx KNOK 397. Leasing of inventory is running for 3-5 years. Annual liability is approx KNOK 125. Tenancy agreements on premises in Kista, are running for 5 years. Total annual rent is approx KNOK 1 525.

StrongPoint UAB

Tenancy agreements on premises are running for 1-5 years. Total annual rent is approx KNOK 1 972.

Future minimum rent for the contracts as at 31.12 is as follows: | **The present value of future payments**

KNOK	2015	2014	2015
Within one year	21 938	22 174	19 667
After one year, but within five years	50 366	38 753	35 685
Aften more than five years	20 498	6 250	10 639
Total	**92 802**	**67 177**	**65 991**

Financial leasing agreements

The carrying value of financial leasing are included in note 10.

StrongPoint AS

Leasing agreement on printing presses and production equipment is running for 6 years. Annual liability is approx KNOK 1 382.

StrongPoint AB

Leasing agreement on IT equipment is running for 1 years. Annual liability is approx KNOK 278.

StrongPoint Labels AB

Leasing agreement on printing presses is running for 4 to 5 years. Annual liability is approx KNOK 5 178.

StrongPoint UAB

Leasing agreement on cars is running for 5 to 7 years. Annual liability is approx KNOK 491.

Future minimum rent for the contracts as at 31.12 is as follows: / **The present value of future payments**

KNOK	2015	2014	2015
Within one year	7 328	4 642	6 569
Aften one year, but within five years	14 198	8 180	10 133
Aften more than five years	234	-	122
Total	**21 760**	**12 822**	**16 824**

Note 17: Financial instruments

Financial risks

StrongPoint 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 31.12.2015 the Group had KNOK 185 237 in outstanding accounts receivables. Of this KNOK 32 433 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 expenses in relation to bad debts amounting to KNOK 1 274, 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 31.12.2015 22 customers had an account receivable greater than KNOK 1 000. The total exposure to these 22 customers were KNOK 65 718, of which KNOK 60 051 was not due or past due with less than 31 days. The 22 customers are spread over 3 customers in Norway (KNOK 3 470). 5 customers in Sweden (KNOK 17 705) and 14 European customers (KNOK 44 543). With the exception of one customer in Sweden and 10 customers in Europe, have all the customers paid the open items per 31.12.2015 by the end of February 2016. This is due both to late payment and that some invoices are yet not due.

For more information on loss and aging see note 13.

Debt ratio:

KNOK	2015	2014
Total interest bearing debt	91 211	86 116
Cash	22 610	18 973
Net interest bearing debt	68 601	67 143
Total capital adjusted for Goodwill	521 941	469 088
Debt ratio	**13%**	**14%**

(ii) Interest rate risk

The company's interest bearing debt increased in 2015. 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.

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

	2015	2014
Bank overdraft	3,26%	3,30%
Financial leasing contracts	2,53%	3,07%
Loans secured with a lien	2,61%	3,63%

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 monthly. See note 15 for information about long-term loans and note 16 for information about liabilities in relation to financial leasing agreements.

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 2015 or 2014.

Based on the financial instruments in existence as of 31 December 2015, a general increase in interest rates of two per cent will reduce pre-tax profits by KNOK 1 824.

(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 2015 and 2014. Interest bearing debt was totally increased by MNOK 1.5 during 2015. This combined with the EBITDA increased to MNOK 90.5 (from MNOK 61.0 in 2014) resulted in net debt divided by 12 month rolling income before depreciation (EBITDA) as at 31.12.2015 was 0.8. As at 31.12.2014 it was measured 1,1.

(iv) Currency risks

The Company has no material debt or bank deposits in foreign currency, except Euro, 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)	42 123	9 016	10 218	15 707	2 565	4 617	-
Secured loans, interest	NA	545	186	178	113	IA	-
Overdraft (short-term interest bearing debt) 1)	27 667	-	4 810	-	-	-	22 857
Overdraft, interest	NA	481	411	822	822	IA	-
Financial leasing (long-term and short-term interest bearing debt)	21 420	3 336	3 788	4 854	4 282	5 160	-
Financial leasing, interest	NA	223	159	196	107	IA	
Accounts payable	95 978	95 978	-	-	-	-	-
Net liabilities financial instruments	**187 188**	**109 579**	**19 572**	**21 757**	**7 889**	**9 777**	**22 857**

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 2015 would have resulted in the following effects on the profit in the group;

Sensitivity currency exposure;	
SEK weakened by 5% against EUR	-807
SEK weakened by 5% against GBP	20
SEK weakened by 5% against USD	25
NOK weakened by 5% against SEK	67
NOK weakened by 5% against EUR	4
NOK weakened by 5% against GBP	-
NOK weakened by 5% against USD	138

(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 StrongPoint 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 31.12.15.

(vii) Determing of fair value

KNOK	2015		2014	
	Balance sheet value	Fair value	Balance sheet value	Fair value
Financial assets				
Cash	22 610	22 610	18 973	18 973
Accounts receivable	185 237	185 237	156 903	156 903
Total financial assets at amortized cost	**207 846**	**207 846**	**175 875**	**175 875**
Assets held for sale	481	481	508	508
Financial debts				
Overdraft	-27 667	-27 667	-22 049	-22 049
Accounts payable	-95 978	-95 978	-105 502	-105 502
Bank loans	-42 123	-42 123	-49 361	-49 361
Financial leasing liabilities	-21 420	-21 420	-14 706	-14 706
Total financial debts at amortized cost	**-187 188**	**-187 188**	**-191 618**	**-191 618**

Based on characteristics of the financial instruments recognized in the consolidated financial statements, these have been grouped in classes and categories as described below. The estimated fair value for both financial assets and liabilities are based on unobservable inputs, with valuation level three.

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 StrongPoint AS has had an 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 rent for 2015 was KNOK 2 353 (KNOK 3 421 in 2014). In January 2016, Pinnås Eiendom AS sold the premises to the company Bee AS.
- In 2014 StrongPoint 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 StrongPoint ASA with an average price of NOK 6.07. On the acquisition date this amounted to EUR 200 000 which is recorded as short term receivables with KNOK 2 065 including interest as at 31 December 2015 (long-term receivables with KNOK 1 850 as at 31 December 2014. The amount will be settled in connection with the final payment of New Vision Baltija UAB in 2016.

Transactions with associated companies

The group has carried out a number of transactions with Vårdal Butikkdata in 2015. All transactions were carried out as part of its ordinary activities and at arm's length prices. StrongPoint ASA acquired 49,9997 per cent of the shares in Vårdal Butikkdata AS as at 19 November 2015. Sales to and purchases from the associated companies are as follows in the period after StrongPoint ASA acquired the shares:

KNOK	2015	
	Sale	Purchase
Vårdal Butikkdata AS	34	280
Total	**34**	**280**

The balance includes the following amounts resulting from transactions with the associated company:

KNOK	2015	
	Sale	Purchase
Vårdal Butikkdata AS	33	49
Total	**33**	**49**

Binding future transactions with related parties.

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
StrongPoint AS [1)]	Rælingen	Service and product provider	100%	100%
StrongPoint AB	Göteborg (Sweden)	Service and product provider	100%	100%
StrongPoint Labels AB	Malmö (Sweden)	Printing	100%	100%
StrongPoint Technology AB [2)]	Täby (Sweden)	Hardware and software	100%	100%
StrongPoint Cash Security AB [3)]	Skellefteå (Sweden)	Production and sales	100%	100%
StrongPoint UAB [4)]	Vilnius (Lithuania)	Service and product provider	100%	100%

1) StrongPoint AS owns 100 % of iths sales companies in Sweden, Belgium and Germany.
2) StrongPoint Technology AB owns 100 % of its sales companies in France and Germany.
3) StrongPoint Cash Security AB owns 100 % of its sales companies in the Germany and France and the branch in Belgium.
4) StrongPoint UAB owns 100 % of its sales companies in Latvia, Estonia, Finland and Russia.

Note 21: Exchange rates

	2015													2014	
	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	0,949	0,908	0,935	0,911	0,904	0,944	0,952	0,965	0,991	0,994	0,994	1,023	1,048	0,919	0,960
Euro	8,932	8,619	8,643	8,499	8,410	8,755	8,936	9,182	9,308	9,289	9,257	9,463	9,619	8,355	9,037

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 31.12.2015.

Note 22: Long term debt and provisions

Long term debt (KNOK)	2015	2014
Balance 01.01	**38 288**	**9 472**
Currency differences	1 264	125
Settlement of liabilities related to the acquisition of Sydetikett	-9 012	-
Additions from acquisition New Vision [1)]	-	28 691
Balance 31.12	**30 540**	**38 288**
Of which provisions due within 1 year	30 540	9 597

1) Earn-out see note 4.

Royalty avtale

StrongPoint Cash Security AB had a limited royalty obligation until January 2015.

Long term provision (KNOK)	2015	2014
Balance 01.01	**-**	**4 328**
Currency differences	-	57
Commitments made up	-	-732
Provision reversed	-	-3 653
Balance 31.12	**-**	**-**

Warranty provisions (KNOK)	2015	2014
Balance 01.01	**5 540**	**5 063**
Provision	1 945	1 250
Additions from acquisition	-	990
Currency differences	324	81
Provision reversed	-2 295	-602
Provision used	-	-1 243
Balance 31.12	**5 513**	**5 540**
Of which warranties due within 1 year	5 513	5 540

Note 23: Earnings per share

The Group's time-weighed earnings per share	2015		2014	
Profit for year	36 492		-1 819	
--	-------------	= 0,82	------------	= (0,04)
Time-weighed average of outstanding ordinary shares	44 271		43 981	

Number of outstanding shares (numbers in thousand)	2015	2014
01.01: Number of shares (after deductions for own shares)	**44 271**	**43 716**
Sale of own shares during the year	-	556
31.12: Number of shares (after deductions for 104.5 thousand own shares)	**44 271**	**44 271**

Note 24: Shareholder information

Shareholders as at 31.12.2015

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	3 788 362	8,5 %
4	HOLMEN SPESIALFOND	2 365 000	5,3 %
5	SKANDINAVISKA ENSKILDA BANKEN AB	1 940 760	4,4 %
6	NORDNET BANK AB	1 640 274	3,7 %
7	AVANZA BANK AB	1 604 684	3,6 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 533 256	3,5 %
9	GLAAMENE INDUSTRIER AS	1 292 259	2,9 %
10	WAALER, JØRGEN (incl. fully owned companies) [1]	1 060 000	2,4 %
11	GRESSLIEN, ODD ROAR	1 005 000	2,3 %
12	V. EIENDOM AS	976 887	2,2 %
13	CARNEGIE INVESTMENT BANK AB	883 593	2,0 %
14	RING, JAN	705 122	1,6 %
15	MP PENSJON PK	699 806	1,6 %
16	SVENSKA HANDELSBANKEN AB	693 352	1,6 %
17	ROMULD, ARVE	600 000	1,4 %
18	BUDVILAITIS, EVALDAS (incl. fully owned companies) [1]	555 709	1,3 %
19	BJØRNSTAD, DANIEL	421 985	1,0 %
20	JACOBSEN, SVEIN (incl. fully owned companies) [1]	400 000	0,9 %
	Total 20 largest shareholders	**31 031 417**	**69,9 %**
	Total 1 398 other shareholders	**13 344 623**	**30,1 %**
	Total all 1 418 shareholders	**44 376 040**	**100,0 %**

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

As at 31.12.2015 StrongPoint 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 31.12.2015 StrongPoint ASA has no outstanding options. All shares have equal voting rights.

Changes in share capital:

	Number of shares		Share capital	
KNOK	2015	2014	2015	2014
Ordinary shares 01.01	44 376	44 376	27 513	27 513
Ordinary shares 31.12	44 376	44 376	27 513	27 513

Own shares:

Numbers in 1000	2015	2014
01.01	**105**	**660**
Sales of own shares	-	-556
31.12	**105**	**105**
Nominal value	0,62	0,62
Own shares specified in equity (KNOK)	65	65

As at 31.12.2015 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 15 495 in dividend in 2015, which was NOK 0,35 per share. The Board has proposed a dividend of NOK 0,45 per share in 2016. Total dividends to external shareholders will be KNOK 19 922. 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

StrongPoint must allocate the cost price of acquired entities to acquired assets and transferred debts based on estimated fair value. Significant intangible assets that StrongPoint 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 2015 deferred tax assets of MNOK 28 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	2015	2014
Tax payable	233	127
Change from 27.0 % to 25.0 % tax in Norway	1 255	-
Change in deferred tax	11 634	-10 598
Tax expense	**13 121**	**-10 471**
Included as tax expense in the financial statements	13 121	-10 471
Reconsiliation of the nominal tax rate	27%	27%

KNOK	2015	2014
Profit before tax	**49 564**	**-12 290**
Tax calculated at a rate of 27 %	13 382	-3 318
Taxing related to Sweden at a rate of 22 %	-427	639
Change from 27.0 % to 25.0 % tax in Norway	1 255	-
Non-taxable items (27 % of permanent differences) [1)]	318	-987
Effect of reversal of depreciation of deffered tax	-	-8 053
Non-listed deffered tax	-1 406	1 248
Tax expense	**13 121**	**-10 471**

Deferred tax assets and deferred tax liabilities:

	Consolidated balance sheet		Consolidated income statement	
KNOK	2015	2014	2015	2014
Deferred tax assets				
Current assets	823	1 904	1 147	-1 274
Liabilities	3 199	851	-2 093	253
Fixed assets	-21 209	-17 667	1 540	-4 923
Losses carried forward	45 304	54 133	12 293	-4 654
Deferred tax assets	**28 117**	**39 221**	**12 888**	**-10 598**

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

In 2014, 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 2016, the tax rate on ordinary income in Norway is reduced to 25 percent. Deferred tax assets and deferred tax liabilities as at 31.12.2015 is measured using the new tax rate. The effect on net cost of tax amounts to KNOK 1 255.

The Group has total losses of MNOK 122.4 to be carried forward as at 31 December 2015 in the Norwegian entities. Deferred tax asset of MNOK 16.1 associated with this are included in the balance sheet as at 31.12.2015. The deficits have no due date. This year's decrease in these losses amounted to MNOK 14,7. MNOK 57.7 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 29.2 and is related to losses carried forward in the Swedish units and StrongPoint UAB. Most of the deficit is related to StrongPoint Cash Security AB. Net deferred tax assets in StrongPoint Cash Security AB per 31.12.2015, after taking into account deferred tax liability on unrealized gains, amounted to MNOK 14.4. This advantage is expected used in part by future profits in the StrongPoint Cash Security AB and partly through group contributions from the other Swedish units.

The group also has around MNOK 5.8 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	2015	2014
Holiday pay owed	22 273	19 645
Accrued expenses	14 879	16 056
Deferred income on balance sheet	64 872	57 107
Warranty provisions	5 513	5 540
Other short term debt	55 816	19 370
Total other short term debt	**163 353**	**117 717**

Finacial Statements StrongPoint ASA

Income Statement

KNOK	Note	2015	2014
Other operating income	3	10 940	6 730
Total operating income		**10 940**	**6 730**
Payroll	2	11 697	10 025
Depreciation	5	375	123
Other operating expenses	2	7 018	4 594
Total operating expenses		**19 090**	**14 742**
Operating profit		**-8 150**	**-8 012**
Financial income and expenses			
Interest income from group companies		-	336
Other interest income		104	76
Other financial income	6	1 083	285
Other interest expenses		2 470	1 468
Other financial expenses	6	2 277	4 775
Net financial result		**-3 560**	**-5 546**
Profit before tax		**-11 710**	**-13 558**
Income tax expense	13	-2 608	-3 647
Net income		**-9 102**	**-9 912**
Distributions			
Transfer from other equity	8	-29 024	-25 407
Proposed dividend	8	19 922	15 495
Total distributions		**-9 102**	**-9 912**

Balance sheet

KNOK	Note	31.12.2015	31.12.2014
ASSETS			
Tangible assets	5	788	555
Investments in subsidiaries	11	363 099	360 650
Other long term investments		2 176	476
Other long term receivables		-	1 850
Deferred tax	13	6 861	4 253
Total fixed assets		**372 924**	**367 784**
Intra-group receivables	10	9 332	33 423
Prepaid expenses		2 270	175
Total current assets		**11 603**	**33 598**
TOTAL ASSETS		**384 527**	**401 383**

KNOK	Note	31.12.2015	31.12.2014
EQUITY AND LIABILITIES			
Share capital	7,8	27 513	27 513
Treasury shares	8	-65	-65
Other equity	8	181 108	210 131
Total equity		**208 556**	**237 580**
Long term liabilities to credit institutions	9	19 635	17 242
Other long term liabilities		-	28 691
Total long term liabilities		**19 635**	**45 932**
Current liabilities to credit institutions	9	101 243	79 762
Short term liabilities to group companies	10	137	9 604
Accounts payable		623	267
Public liabilities		592	566
Proposed dividend		19 922	15 495
Other short term liabilities	4	33 819	12 176
Total short term liabilities		**156 336**	**117 870**
Total liabilities		**175 971**	**163 803**
TOTAL EQUITY AND LIABILITIES		**384 527**	**401 383**

Rælingen, 16 March 2016

Svein S Jacobsen	**Erik Pinnås**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Inger Johanne Solhaug**	**Jørgen Waaler**
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

Cash flow statement

KNOK	Note	2015	2014
Ordinary profit before tax		-11 710	-13 558
Ordinary depreciation	5	375	123
Change in accounts payable		356	-1 711
Change in short term group accounts		14 625	13 941
Change in other accrued items		1 745	4 230
Net cash flow from operational activities		**5 390**	**3 024**
Payments for fixed assets	5	-608	-639
Aqcuisition of Vårdal Butikkdata AS		-1 700	-
Aqcuisition of SQS Security Qube System AS		-2 449	-
Aqcuisition of Etikett-Produsenten AS		-	-4 325
Aqcuisition of Sydetikett AB		-9 012	-
Aqcuisition of Vensafe AS		-	-1 000
Aqcuisition of New Vision		-	-17 089
Net cash flow from investment activities		**-13 769**	**-23 053**
Change in long-term debt		2 393	2 100
Dividend paid		-15 495	-13 115
Change in overdraft		21 481	31 044
Net cash flow from financing activities		**8 379**	**20 028**
Net change in liquid assets		-	-
Cash and cash equivalents at 01.01		-	-
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 classififying 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)	2015	2014
Salaries	9 647	8 165
Social fee	1 337	1 167
Pension costs	340	310
Other benefits	374	384
Total	**11 697**	**10 025**
Number of full-time equivalents employed during the year:	5	5
Number of employees at the end of the year:	5	5

Salaries and remuneration for Group management and Directors

	Directors' fee	
KNOK	2015	2014
Board of Directors		
Svein S. Jacobsen, Chairman	397	390
Erik Pinnås, Director	204	200
Selma Kveim, former Director	87	218
Camilla Tepfers, Director	204	200
Klaus de Vibe, Director	224	220
Inger J. Solhaug, Director	137	-
Total Board of Directors [1]	**1 253**	**1 228**

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

	2015				2014			
KNOK	Salary	Bonus	Other remun.	Pension exp.	Salary	Bonus	Other remun.	Pension exp.
Group management								
Jørgen Waaler, CEO	2 143	770	20	75	1 936	689	57	71
Anders Nilsen, CFO	1 109	396	17	80	1 069	302	21	75
Per Herseth, VP Business development	1 152	287	61	72	1 033	375	101	80
Total Group management	**4 404**	**1 453**	**97**	**226**	**4 038**	**1 366**	**179**	**227**
Totalt	**5 657**	**1 453**	**97**	**226**	**5 265**	**1 366**	**179**	**227**

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 31.12.15	Shares as at 31.12.14
Board of Directors		
Svein S. Jacobsen, Chairman [1]	400 000	450 000
Erik Pinnås, Director [2]	4 932 276	4 932 276
Selma Kveim, former Director	20 500	20 500
Klaus de Vibe, Director [3]	78 660	78 660
Group management		
Jørgen Waaler, CEO [4]	1 060 000	1 050 000
Anders Nilsen, CFO	58 000	50 315
Per Herseth, VP Business development [5]	114 043	85 000
Total	**6 663 479**	**6 666 751**

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 companies Herseth AS and Gardd McGillan & Co. 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 2015 was NOK 260 000 (against NOK 446 667 in 2014). Remuneration for other services was NOK 103 000 (against NOK 490 292 in 2014). The high amount in 2014 was due to assistance in connection with the acquisition of New Vision Baltija UAB.

Note 3: Other operating income

KNOK	2015	2014
Received management fee from Norwegian subsidiaries	2 140	1 250
Received management fee from Swedish subsidiaries	8 560	5 000
Other operating income	240	480
Total operating income	**10 940**	**6 730**

Note 4: Other short term debt

KNOK	2015	2014
Holiday pay owed	854	577
Accrued expenses	2 424	2 002
Other short term debt [1)]	30 540	9 597
Total other short term debt	**33 819**	**12 176**

1) Earn-out to the previous owner of New Vision (2014 vendor loan to the previous owner of Sydetikett AB).

Note 5: Fixed assets

	Offices machines	
KNOK	2015	2014
Acquisiton costs 01.01	738	213
Acquired	608	639
Divestment	-	-115
Acquisiton costs 31.12	**1 345**	**738**
Accumulated depreciations 01.01	182	172
Accumulated depreciations 31.12	557	182
Accumulated depreciations and write-downs 31.12	557	182
Book value as at 31.12	**788**	**555**
Depreciations of the year	375	123
Useful economic life	3 years	3 years
Depreciaton method	Straight line	Straight line

Note 6: Other financial items

KNOK	2015	2014
Profit on exchange	1 082	279
Other	1	6
Other financial income	**1 083**	**285**

KNOK	2015	2014
Loss on exchange	1 910	4 250
Other financial expenses	367	525
Other financial expenses	**2 277**	**4 775**

Note 7: Share capital and shareholder information

Overview of shareholders as at 31.12.2015

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	3 788 362	8,5 %
4	HOLMEN SPESIALFOND	2 365 000	5,3 %
5	SKANDINAVISKA ENSKILDA BANKEN AB	1 940 760	4,4 %
6	NORDNET BANK AB	1 640 274	3,7 %
7	AVANZA BANK AB	1 604 684	3,6 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 533 256	3,5 %
9	GLAAMENE INDUSTRIER AS	1 292 259	2,9 %
10	WAALER, JØRGEN (incl. fully owned companies) [1]	1 060 000	2,4 %
11	GRESSLIEN, ODD ROAR	1 005 000	2,3 %
12	V. EIENDOM AS	976 887	2,2 %
13	CARNEGIE INVESTMENT BANK AB	883 593	2,0 %
14	RING, JAN	705 122	1,6 %
15	MP PENSJON PK	699 806	1,6 %
16	SVENSKA HANDELSBANKEN AB	693 352	1,6 %
17	ROMULD, ARVE	600 000	1,4 %
18	BUDVILAITIS, EVALDAS (incl. fully owned companies) [1]	555 709	1,3 %
19	BJØRNSTAD, DANIEL	421 985	1,0 %
20	JACOBSEN, SVEIN (incl. fully owned companies) [1]	400 000	0,9 %
	Total 20 largest shareholders	**31 031 417**	**69,9 %**
	Total 1 398 other shareholders	**13 344 623**	**30,1 %**
	Total all 1 418 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 31.12.2015 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 equity	Total 2015
Equity as at 01.01	**27 513**	**-65**	**210 131**	**237 580**
Change of equity for the year:				
Proposed dividend			-19 922	-19 922
Profit for the year			-9 102	-9 102
Equity as at 31.12	**27 513**	**-65**	**181 107**	**208 556**

Own shares:

Numbers in thousand	2015	2014
01.01	**105**	**660**
Sale of own shares		-556
31.12	**105**	**105**
Nominal value	0,62	0,62
Treasury shares specified in equity (KNOK)	65	65

As at 31.12.2015 the company 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 15 495 in dividend in 2015. The Board has proposed a dividend of NOK 0,45 per share in 2016. Total dividends to external shareholders will be KNOK 19 922. The tax effect of dividends does not affect the company's current or deferred tax.

Note 9: Interest bearing debt

Distribution repayment loans (KNOK)	2015	2014
Due within one year	6 000	12 133
Debt, not time-restricted (group credit account	95 243	67 630
Total short term liabilities to credit institutions	**101 243**	**79 762**
Due after more than one year	19 635	17 242
Total long term liabilities to credit institutions	**19 635**	**17 242**

Debts and terms of borrowing

Lender (KNOK)	2015	2014	Borrowing terms	Interest terms
Multi-currency, group credit account	95 243	67 630	Overdraft limit MNOK 60, not time limited	3,60 %
Repayment business loan	19 142	15 142	Quarterly term loans, last payment 29.12.2017	3,13 %
Repayment business loan (KEUR 675)	6 493	14 232	Quarterly term loans, last payment 11.07.2016	2,16 %
Total interest bearing debt	**120 878**	**97 004**		

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. 31.12.15. The loans are secured.

Loan security as at 31.12.2015

Asset (KNOK)	Book value / nominal security
Co-surety Norway, StrongPoint Cash Security AB, StrongPoint Technology AB, StrongPoint AB and StrongPoint Labels AB [1)]	145 000

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

Note 10: Intercompany balances

KNOK	2015	2014
Debts		
Debt to Group companies	137	9 604
Total debts	**137**	**9 604**
Receivables		
Short term intercompany balances	9 332	33 423
Total receivables	**9 332**	**33 423**

Note 11: Shares in subsidiaries

Company	Address	Main area of business	Stake	Book Value
StrongPoint AS	Rælingen	Service and product provider	100%	45 990
StrongPoint Labels AB	Malmö (Sweden)	Printing	100%	36 264
StrongPoint AB	Göteborg (Sweden)	Service and product provider	100%	32 349
StrongPoint Techonolgy AB	Täby (Sweden)	Hardware and soft-ware	100%	158 431
StrongPoint Cash Security AB	Skellefteå (Sweden)	Production and sales	100%	46 380
StrongPoint UAB	Vilnius (Lithuania)	Service and product provider	100%	43 686
Total				**363 099**

Vensafe AS was merged with StrongPoint AS in 2015.

Note 12: Shares in associated companies

Company	Main area of business	Stake	Book Value
Vårdal Butikkdata AS	Service and product provider	50%	1 700
Total			**1 700**

Note 13: Tax expense

Tax expenses for the year are as follows (KNOK):	2015	2014
Change in deferred tax	-2 608	-3 647
Tax expense ordinary profit	**-2 608**	**-3 647**
Tax expense	-2 608	-3 647

Reconciliation from nominal to actual tax rate:

KNOK	2015	2014
Ordinary profit before tax	-11 710	-13 558
Expected income tax based on nominal rate of tax 27 %	-3 162	-3 661
Tax effect of the following items:		
Permantet differences	4	14
Change in tax rate from 27 % to 25 %	549	-
Tax expense	**-2 608**	**-3 647**
Effectiv tax rate	**22,3 %**	**26,9 %**

Overview of deferred tax assets (KNOK):	2015	2014
Fixed assets	-66	-40
Profit and loss account	394	493
Losses carried forward	-27 774	-16 204
Net negative differences	**-27 446**	**-15 752**
Deferred tax assets	6 861	4 253

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	2015	2014
Cash and bank deposit	-	-
Unused overdraft facility	**36 683**	**34 193**
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 60 000 from the group's overdraft facility.

Statement

We confirm that the financial statements for the period 1 January 2015 to 31 December 2015 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, 16 March 2016

Svein S Jacobsen	**Erik Pinnås**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Inger Johanne Solhaug**	**Jørgen Waaler**
Chairman	*Director*	*Director*	*Director*	*Director*	*CEO*

Corporate Governance

StrongPoint ASA's objective is to create the greatest possible value for its shareholders over time. Good corporate governance is vital to the success of StrongPoint ASA. Thus, corporate governance is a key concern for StrongPoint's Board and employees, and in StrongPoint ASA'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 StrongPoint's practice. Deviations from Code recommendations are listed in the table to the right and discussed under the item in question.

1. Implementation and reporting on corporate governance

StrongPoint 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

Chapters in the recommendation Comment	Comments
1. Implementation and reporting on corporate governance	STRONG complies with the recommendations in the chapter
2. Business	STRONG complies with the recommendations in the chapter
3. Equity and dividends	STRONG 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	STRONG complies with the recommendations in the chapter
5. Freely negotiable shares	STRONG complies with the recommendations in the chapter
6. General meetings	With the exception of two items, StrongPoint 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	STRONG complies with the recommendations in the chapter
8. Corporate assembly and board of directors: composition and independence	STRONG complies with the recommendations in the chapter
9. The work of the board of directors	STRONG complies with the recommendations in the chapter
10. Risk management and internal control	STRONG complies with the recommendations in the chapter
11. Remuneration the board of directors	STRONG complies with the recommendations in the chapter
12. Remuneration of executive personnel	STRONG complies with the recommendations in the chapter
13. Information and communication	STRONG complies with the recommendations in the chapter
14. Take-overs	STRONG complies with the recommendations in the chapter
15. Auditor	STRONG complies with the recommendations in the chapter

to investments and voting at general meetings as possible.

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 a responsible business conduct. StrongPoint ASA's guidelines are presented on the company's website.

2. Business

The company's business objective is described in the company's articles of association

StrongPoint 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 StrongPoint ASA is entirely on the group's website: www.strongpoint.com. 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 2015 amounted to MNOK 297.2, corresponding to an equity ratio of 44 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

StrongPoint'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, StrongPoint 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 2016) 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 StrongPoint ASA or companies where StrongPoint 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: STRONG) and on the company website.

5. Freely negotiable shares

StrongPoint 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 StrongPoint 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: STRONG) 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 StrongPoint 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 StrongPoint 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 2015, the Board of Directors had 9 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 StrongPoint 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 member 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 StrongPoint 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, StrongPoint 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, StrongPoint 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.

StrongPoint 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

StrongPoint 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

Board remuneration reflects the Board's responsibility, expertise, time spent, and the complexity of the business. Remuneration does not depend on StrongPoint'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 2015 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.

StrongPoint ASA does not have stock option plans or other such share award programs for employees. Further information on remuneration for 2015 for members of StrongPoint'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 StrongPoint's executive management maintain the company's interests as board members of other StrongPoint 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 StrongPoint'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 Newsweb, the Oslo Stock Exchange (ticker: STRONG) 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, StrongPoint'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 StrongPoint ASA accounts. Such details are presented to the annual general meeting.

Rælingen, 16 March 2016

Svein S Jacobsen	**Erik Pinnås**	**Klaus de Vibe**	**Camilla AC Tepfers**	**Inger Johanne Solhaug**	**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
StrongPoint ASA

REVISORS BERETNING

Uttalelse om årsregnskapet

Vi har revidert årsregnskapet for StrongPoint ASA, som består av selskapsregnskap og konsernregnskap. Selskapsregnskapet består av balanse per 31. desember 2015, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger. Konsernregnskapet består av oppstilling over finansiell stilling per 31. desember 2015, 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 administrerende direktørs ansvar for årsregnskapet

Styret og administrerende direktør 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 administrerende direktør 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 StrongPoint ASA avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2015 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 StrongPoint ASA avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av konsernets finansielle stilling per 31. desember 2015 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 administrerende direktør 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, 17. mars 2016
ERNST & YOUNG AS

Asbjørn Ler
statsautorisert revisor

1 StrongPoint ASA (HQ)
Slynga 10, 2005 Rælingen, Norway
Tel: +47 03254
Fax: 63 83 58 01
E-mail: info.no@strongpoint.com
Web: www.strongpoint.com

Proprietary Technologies

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

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

4 StrongPoint Cash Security AB
P.O.Box 715, Maskinvägen 13
SE-931 27 Skellefteå, Sweden
Tel: +46 910 71 41 00
Fax: +46 910 71 41 09
Web: www.strongpoint.com/cashsecurity

3rd Party Technologies

1 StrongPoint AS
Slynga 10, 2005 Rælingen, Norway
Tel: +47 03254
Fax: 63 83 58 01
E-mail: info.no@strongpoint.com
Web: www.strongpoint.no

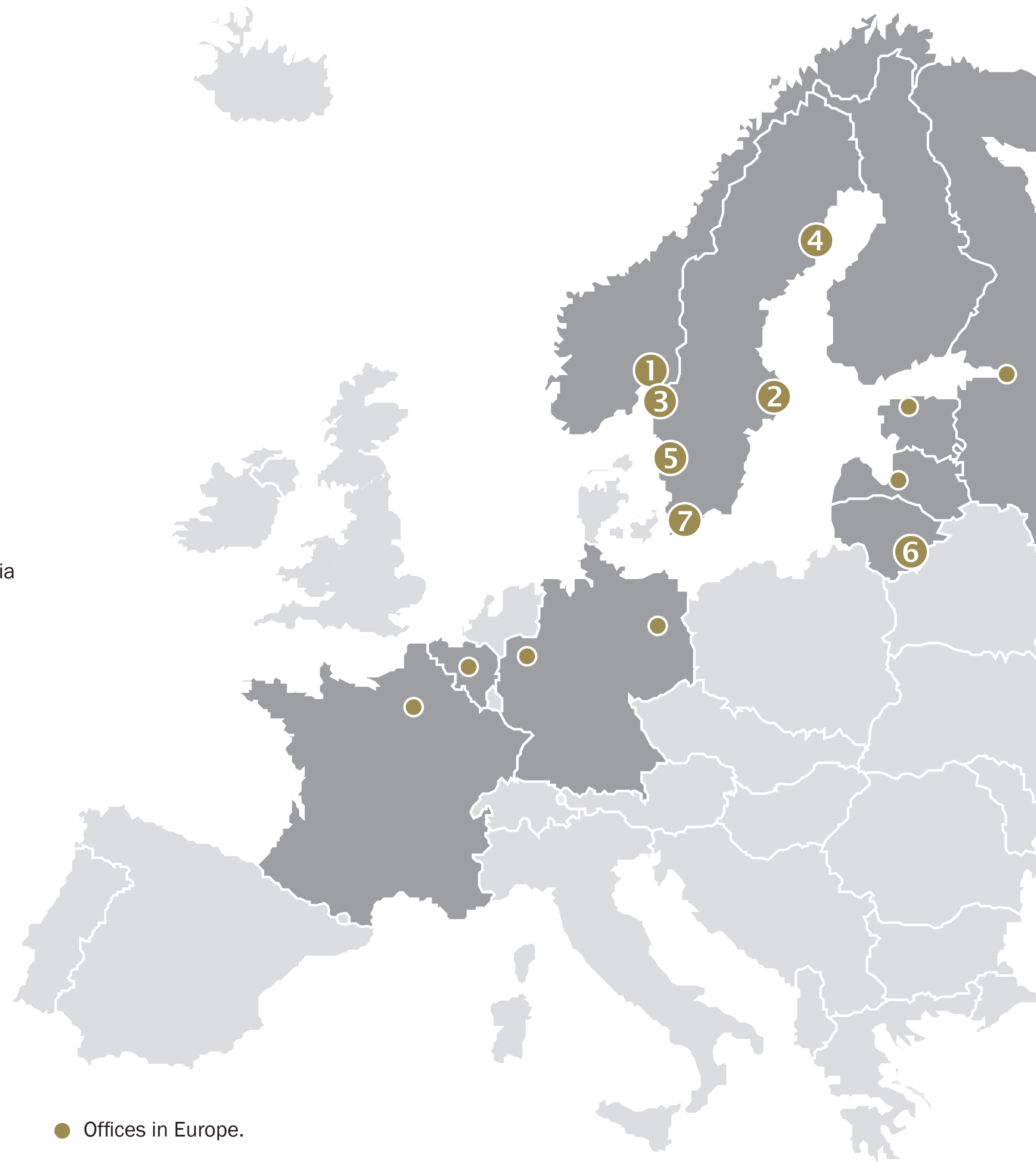
5 StrongPoint AB
Johannefredsgatan 2
P.O.Box 275, 431 24 Mölndal, Sweden
Tel: +46(0)31 706 80 00
E-mail: info@psiantonson.se
Web: www.psiantonson.se

6 StrongPoint UAB
Laisvės Av. 85, LT-06123 Vilnius, Lithuania
Tel: +370 5 243 12 52
Fax: +370 5 247 80 36
E-mail: info.lt@new-vision.com
Web: www.new-vision.com

Labels

7 StrongPoint Labels AB
Testvägen 9
232 37 Arlöv, Sweden
Tel: +46 40 43 28 10
E-mail: info@antonsonetikett.se
Web: www.antonsonetikett.se

1 StrongPoint AS
Slynga 10, 2005 Rælingen, Norway
Tel: +47 03254
Fax: 63 83 58 01
E-mail: info.no@strongpoint.com
Web: www.strongpoint.no



● Offices in Europe.

StrongPoint

StrongPoint ASA
Slynga 10, 2005 Rælingen
Tel: 03254 | www.strongpoint.com