

PSI Group ASA

Q3 and YTD 2013

Financial report and status



HIGHLIGHTS

- The sale of InStore IT companies generated a profit of MNOK 32.5 in the 3rd quarter.
- PSI Group ASA has acquired Sydetikett AB and Etikett-Produsenten AS. After this Retail Solutions will be a leading Scandinavian supplier of labels, with a turnover of about MNOK 150 per year with good profitability.
- In the 3rd quarter Loomis has been delivered cases for approx. MNOK 9 to secure their CIT in Norway.

- **Operating revenues**

Operating revenues of MNOK 144.9 in the third quarter (MNOK 146.4), a decrease of 1.0 per cent.

In the first three quarters 2013 operating revenue was MNOK 530.3 (MNOK 408.0), an increase of 30.0 per cent.

- **EBITDA**

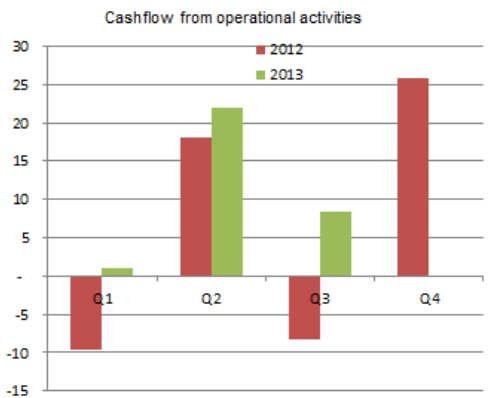
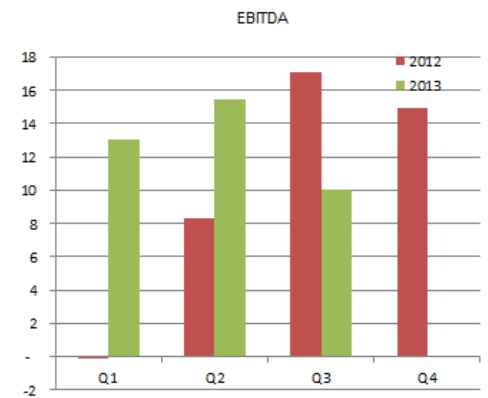
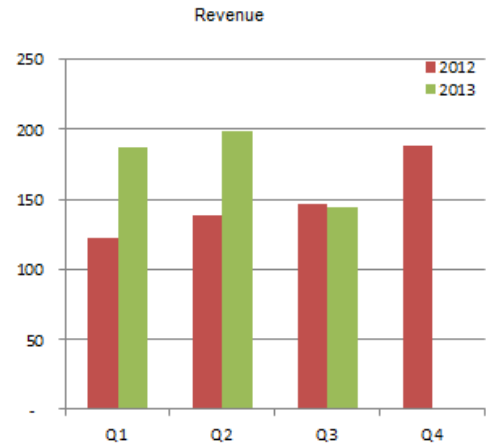
EBITDA of MNOK 10.1 in the third quarter (MNOK 17.1), a decrease of MNOK 7.0.

In the first three quarters 2013 EBITDA was MNOK 38.6 (MNOK 25.3), an increase of MNOK 13.3.

- **Cash flow**

Cash flow from operating activities has been good and increased by MNOK 16.6 in the third quarter compared to the same period in 2012.

In the first three quarters 2013 the cash flow from operating activities was MNOK 31.3 (MNOK 0.1).



MNOK	Q3 2013	Q3 2012	YTD 2013	YTD 2012	Year 2012
Revenue	144,9	146,4	530,3	408,0	595,9
EBITDA	10,1	17,1	38,6	25,3	40,2
Operating profit (EBIT)	3,5	11,1	21,0	8,1	17,4
Ordinary profit before tax (EBT) ¹⁾	35,1	7,9	49,3	0,8	8,7
Net cash flow operations	8,3	-8,3	31,3	0,1	25,9
Disposable funds	37,6	23,2	37,6	23,2	22,6
Earnings per share (NOK)	0,77	0,13	1,01	0,02	-0,14
EBITDA margin	7 %	12 %	7 %	6 %	7 %

¹⁾ Included a profit of MNOK 32.5 related to the sale of InStore IT companies.

Accounting effects of acquisitions and sales are described in Note 6

THE GROUP

Acquisitions and sales of companies in the period

The Group has in the period completed several transactions to realize the value in the group, as well as acquired new companies.

The accounting effects of the transactions and unaudited pro forma figures are described in Note 6.

PSI Group ASA completed 8th July the sales of their shares in five InStore IT companies (one subsidiary and four associated companies) to Visma Norge Holding AS for MNOK 48.9. PSI Systems AS and Visma Retail simultaneously agreed to continue the long-term service cooperation in the regions in Norway through these companies. Retail Solutions will be affected by the sale through future losses of profit contribution after tax from associated companies and the loss of consolidation of the subsidiary. The sale of shares in InStore IT companies revealed the values of these four companies. The sale resulted in a profit of MNOK 32.5.

PSI Group ASA has acquired Etikett-Produsenten AS for MNOK 8.65 and Sydetikett AB for MSEK 40.0. The purchase price are related to the equity in the companies. The companies had at the acquisition time a cash balance of respectively MNOK 1.6 and MSEK 2.7. The companies are specialized commercial printing companies aimed at small and medium circulations in a wide quality range, with very short delivery times and high delivery precision. The acquisitions complement PSI Group ASA's existing commercial printing facilities that are focused on larger circulations. The label business in the Group is a part of the business area Retail Solutions.

Results

The Group generated operating revenues of MNOK 144.9 in the third quarter 2013, compared with MNOK 146.4 in the corresponding period in 2012 - a decrease of 1.0 per cent. In the first three quarters 2013 operating revenue was MNOK 530.5 compared with MNOK 408.0 in the first three quarters 2012.

Operating profit before depreciation (EBITDA) was MNOK 10.1 (MNOK 17.1) in the third quarter. In the first three quarters 2013 EBITDA were MNOK 38.6 compared with MNOK 25.3 in the first three quarters 2012.

Profit before tax (EBT) of MNOK 35.1 in the third quarter 2013, compared with MNOK 7.9 in the same quarter in 2012. In the first three quarters 2013 EBT were MNOK 49.3 compared with MNOK 0.8 in the first three quarters 2012. EBT for the quarter and so far this year includes a profit of MNOK 32.5 related to the sale of InStore IT companies.



RETAIL SOLUTIONS

Retail Solutions comprises the sale of technological solutions to the retail sector – including systems integration, installations, service, support and consumables. In addition, the business area is one of Scandinavia's largest producers of adhesive labels for use in retail industry, corresponding food chain, as well as in transport and logistics.

The business area's goal is to enhance retailers' profitability by making store employees' working environment more efficient and streamlining consumers' shopping experience. The technological solutions include cash management, scales/packing machines, vending machines, reverse vending machines, deposit refund systems and electronic shelf labels.

MNOK	Q3 2013		YTD		Year
	2013	2012	2013	2012	2012
Product Sales	72,7	74,1	286,3	209,1	318,3
Service	33,8	37,0	117,9	102,6	145,8
Revenue	106,5	111,1	404,2	311,7	464,1
EBITDA	11,7	13,9	48,2	26,5	44,9
EBITDA-margin	11,0 %	12,5 %	11,9 %	8,5 %	9,7 %
EBT ¹⁾	40,6	11,6	72,8	20,8	36,9

¹⁾ Included a profit of MNOK 32.5 related to the sale of InStore IT companies.

The business area Retail Solutions' gross operating revenue has decreased by 4.1 per cent and ended at MNOK 106.5 (MNOK 111.1) in the third quarter. In the first three quarters 2013 the business area showed an increase in operating revenue of 29.7 per cent to MNOK 404.2 (MNOK 311.7). The figures reflect the agreement with Rema 1000 regarding roll out of electronic shelf labels, which started in Q3 2012, but where the majority of the deliveries were completed in Q2 2013.

EBITDA was MNOK 11.7 (MNOK 13.9) in the third quarter. In the first three quarters EBITDA was MNOK 48.2 (MNOK 26.5).

Label and label printers

Retail Solutions had a turnover of MNOK 26.0 on labels in the third quarter (MNOK 17.1). In the first three quarters the turnover was MNOK 64.5 (MNOK 53.0). Retail Solutions' label business is strengthened considerably by the purchase of two printing facilities in the period (see note 6). As a result of the acquisition, Retail Solutions now

is one of the leading supplier of adhesive labels in Scandinavia.

PSI Systems is in the current quarter selected as the preferred label supplier for the purchase-organization Norsk Kjøtthandel's 114 member companies.

In Sweden PSI Antonson has started delivery of adhesive labels to Coop Sverige on the basis of the agreement signed earlier this year. PSI Antonson has expanded its partnership with Papyrus to include the sale of labels to the paper wholesalers other customers in addition to Volvo.

Deliveries of adhesive labels for use in Postens production has started. PSI Systems has also signed an agreement regarding delivery of labels to Bama Dagligvare, and won a tender in partnership with Staples to the Norsk Medisinaldepot AS.

CashGuard

PSI Systems has in the third quarter signed an agreement with G-MAX regarding purchase of CashGuard with MultiPOS to the sportwarehouse-chains stores in Norway.

CashGuard Multi POS, a new software that allows you to connect multiple cash registers to one CashGuard, was launched in late 2012. So far this year, the chain Right Price Tiles has installed the solution in two of its 11 stores.

We have signed an agreement with MAL Proff chain for the delivery of CashGuard.

Preem, Sweden's largest fuel company, has during the third 3 quarter installed a CasGuard pilot.

As a result of the framework agreement Retail Solutions signed with Reitan Service Handel in January 2013, the first installation of Cash Guard has been delivered to their convenience stores.

Other

The delivery of electronic shelf labels to Rema 1000 in Norway is now almost completed. The feedback from the customer is very positive. An increasing number of Coop's cooperatives install Pricer in its stores in Norway.

Retail Solutions has been selected as «preferred supplier» of electronic shelf labels to Coop in Norway and Sweden. ICA in Sweden has signed a 2-year service contract on Pricer.



CASHGUARD

Comprises the development, production and sale of the market's most reliable cash handling systems to global partners and distributors. The business areas goal is to make cash payments effective and competitive for retailers. Partners who are 100 per cent owned by PSI Group ASA is included in the business area Retail Solutions.

	Q3 2013		YTD		Year
	2013	2012	2013	2012	2012
Product Sales	16,1	22,9	76,8	61,8	85,8
Service	6,9	2,2	8,9	4,2	4,3
Revenue	23,0	25,1	85,7	65,9	90,0
EBITDA	-0,7	3,3	-1,1	3,5	2,3
EBITDA-margin	-3,1 %	13,4 %	-1,2 %	5,3 %	2,5 %
EBT	-2,1	0,7	-6,5	-3,8	-6,1

The business area had a very positive trend in export markets, mainly Denmark and South Africa, while revenue was slightly lower in Norway. Due to this CashGuard's operating revenue decreased with 8.3 per cent to MNOK 23.0 (MNOK 25.1) in the third quarter. In the first here quarters 2013 the business area showed an increase in operating revenue of 29.9 per cent to MNOK 85.7 (MNOK 65.9), driven by increased sales in export markets, and Sweden (see table below).

	Q3 2013		YTD		Year	Total number of sold systems
	2013	2012	2013	2012	2012	
Norway	102	153	453	427	574	8 129
Sweden	89	87	354	295	484	9 920
Total domestic markets	191	240	807	722	1 058	18 049
International	181	91	577	295	342	3 342
Total	372	331	1 384	1 017	1 400	21 391

EBITDA was MNOK - 0.7 (MNOK 3.3) in the third quarter. In the first three quarters EBITDA was MNOK - 1.1 (MNOK 3.5). The missing effect on EBITDA was mainly due to a more aggressive pricing structure in the partner program, where the largest and most competent partners are rewarded with a higher discount. In addition, the business area has increased resources on marketing, research and development. Development in the exchange rate of the Swedish krone has also had a negative impact in the first three quarters.

It has been sold 60 systems to French bakeries and pharmacies in the third quarter, which is an increase compared to previous quarters.

The orders in Spain has improved, with sale of 30 systems in the third quarter. Sodexo, which among other things offering canteen services worldwide, has installed a pilot of CashGuard Premium, and considering further investments.

Belgian Select Service Partner (SSP), a world leading supplier of food and drink at airports and train stations, has installed a pilot of CashGuard Premium.

The French retail chain Monoprix chose in the second quarter CashGuard as their closed cash handling solution. With about 450 stores, Monoprix is a leading retail chain in France, offering food items, clothing, hardware, household items and gifts. So far 10 of their stores has installed CashGuard Premium. The plan is to install additional systems in the next three years.

CashGuard delivered 100 systems to South Africa in the first quarter. It was delivered 40 systems to South Africa in the third quarter.

The largest CashGuard installation in the world with 35 systems is in South Africa, at a supermarket called President Hyper. The magazine Supermarket and Retailer, reaching 4 000 retailers in South Africa, had an article about the supermarket where the owner told that he was very satisfied with the installation.

Our partner in South Africa, Bullion IT, had a campaign at the KFC conference in June. The partner had prior to this completed its first delivery to a Kentucky Fried Chicken restaurant located in Soweto.

In the first quarter CashGuard sold the first Presidio solution to the Austrian gas station market.

Go to www.cashguard.com to subscribe to news about the role cash has in society, as well as news within cash management solutions.

We now see that the international commitment starting to give results. In addition, we experience that the market is showing signs of improvement. In the home market in the Nordic countries it is expected an increased demand for CashGuard among others as a result of the introduction of new banknotes and coins in Sweden.



SQS SECURITY

Comprises development, production and sale of the market's most advanced cash security solutions for ATM and cash in transit (CIT) operators based on patented destruction and tracking technologies. In addition SQS is a sub-contractor of this security technology to some of CashGuard's products in the retail distribution segment which requires the highest level of security on the market.

	Q3 2013		YTD		Year
	2013	2012	2013	2012	2012
MNOK					
Product Sales	24,6	23,4	82,5	63,4	93,8
Service	7,8	6,0	22,7	18,3	24,1
Revenue	32,4	29,4	105,2	81,8	117,9
EBITDA	2,0	1,9	-0,5	1,6	2,7
EBITDA-margin	6,1%	6,3%	-0,5%	2,0%	2,3%
EBT	-0,7	-2,0	-8,7	-8,5	-10,1

New agreements within both CIT and ATM in Norway has contributed to a positive sales trend, where revenue increased 10.3 per cent and ended at MNOK 32.4 (MNOK 29.4) in the third quarter. In the first three quarters 2013 the business area showed an increase in operating revenue of 28.7 per cent to MNOK 105.2 (MNOK 81.8).

EBITDA was MNOK 2.0 (MNOK 1.9) in the third quarter. In the first three quarters EBITDA was MNOK - 0.5 (MNOK 1.6). The low margins is due to competition in new markets where the contribution is somewhat reduced.

EBITDA in the first quarter included non-recurring expenses of NOK 2.4 million related to management changes in the business area.

SQS Security Qube System AB has been a preferred supplier of Loomis in Norway since 1999. During the third quarter SQS Security delivered an order of approx. MNOK 9 in new cases to secure Loomis' cash in transit.

We now see a positive development in Finland. In the second quarter it was delivered CIT cases for approx. MNOK 1.

In the first quarter the business area completed the delivery of 900 SMP suitcases to Croatia with very positive feedback from the customer. This delivery was the first step to reach the goal to be the market leader in the region.

The SMP case (which is the new generation multi purpose case) can be used for transport for both cash and ATM cassettes. The case is designed for most of the producers of ATM-cassettes. The technology also provides the basis for developing more functions in the future.

The introduction of the new SQS SMP case has, after a successful delivery in Croatia, received considerable attention from most international actors in the market.

In advance of Croatia's accession to the EU on 1 July, SQS completed, together with our partner in Croatia, Eurokod, a seminar in Zagreb. Along with the SMP case, the company's other security solutions was presented for 60 participants from among other CIT carriers, banks, the national bank, police and other government departments. The good feedback shows that these types of products and solutions correspond to the company's product development strategy.

The Swedish market continues to show good sales of security systems for ATMs. This trend is also applicable to the market in Norway, where sales of our products is increasing.

The company's traditional customers in Europe are reluctant to investment in new equipment. In Russia the situation is pending.

CASH FLOW AND EQUITY

Cash flow from operating activities improved by MNOK 16.6 in the third quarter, and ended at MNOK 8.3 compared with MNOK - 8.3 in the same period in 2012.

Working capital decreased by MNOK 14.4 in the quarter compared with the end of the second quarter of 2013.

Net interest-bearing debt has decreased by MNOK 17.6 compared with the end of the previous quarter and totalled MNOK 73.6.

Disposable funds was MNOK 37.6 per 30 September 2013.

The Norwegian Ministry of Trade and Industry granted 27th of June this year the applicaton for permission to carry out a compulsory acquisition of shares owned by shareholders whose shares have a total value that did not exceed NOK 500. The acquisition was completed in the third quarter of 2013. In connection with the compulsory acquisition to a redemption price of NOK 6,00 per share 1,351 shareholders were exercised, and 71,141 shares transferred to PSI Group ASA. After that PSI Group ASA owns 660,253 of its own shares which represent 1.5 per cent of outstanding shares.

The Board wants the members of the executive management to have shares in the company. It was therefore in the first quarter 2013 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 per cent discount. In addition, the first employee share program was conducted, in which all employees in the Norwegian companies were allowed to buy shares for up to NOK 25 000 with 20 per cent discount.

A dividend is NOK 0.25 per share was paid in May.

The Board of Directors of PSI Group ASA,
Rælingen, 24 October 2013

Svein S. Jacobsen
Chairman

Erik Pinnås
Director

Selma Kveim
Director

Camilla Teffers
Director

Klaus de Vibe
Director

Jørgen Waaler
CEO

STATEMENT FROM THE BOARD

The board and group CEO have today considered and approved PSI Group's financial statements for the third quarter and first three quarters 2013, including summary comparative consolidated figures for the third quarter and first three quarters 2012. This report has been prepared in accordance with IAS 34 on interim financial reporting as determined by the European Union, and with supplementary requirements pursuant to the Norwegian Securities Trading Act.

The board and CEO hereby declare, to the best of their knowledge, that the financial statements for the third quarter and first three quarters 2013 have been prepared in accordance with prevailing accounting principles and that the information in the financial statements gives a true and fair view of the assets, liabilities, financial position and profit of the group taken as a whole at 30 September 2013 and 30 September 2012. To the best of their knowledge, the report gives a true and fair overview of important events during the accounting period and the impact of these events on the financial statements.

The Board of Directors of PSI Group ASA,
Rælingen, 24 October 2013

Svein S. Jacobsen
Chairman

Erik Pinnås
Director

Selma Kveim
Director

Camilla Tepfers
Director

Klaus de Vibe
Director

Jørgen Waaler
CEO

CONSOLIDATED INCOME STATEMENT

KNOK	Q3 2013	Q3 2012	Chg. %	YTD 2013	YTD 2012	Chg. %	Year 2012
Sales revenues	144 937	146 134	-0,8%	527 960	405 852	30,1%	592 448
Profit from AC, Service companies	-	264	-100,0%	2 367	2 128	11,2%	3 471
Cost of goods sold	75 115	72 626	3,4%	285 533	195 736	45,9%	298 422
Payroll	40 114	36 905	8,7%	141 575	126 911	11,6%	174 195
Other operating expenses	19 638	19 808	-0,9%	64 569	60 070	7,5%	83 131
Total operating expenses	134 867	129 339	4,3%	491 678	382 716	28,5%	555 749
EBITDA	10 071	17 059	-41,0%	38 649	25 264	53,0%	40 170
Depreciation tangible assets	2 767	2 146	28,9%	7 263	6 016	20,7%	8 514
Depreciation intangible assets	3 810	3 791	0,5%	10 400	11 168	-6,9%	14 235
Write down intangible assets	-	-	-	-	-	-	-
Write down goodwill	-	-	-	-	-	-	-
EBIT	3 493	11 122	-68,6%	20 987	8 080	159,7%	17 421
Interest	-523	-1 417	63,1%	-3 421	-3 648	6,2%	-4 767
Other financial income	32 166	-1 801	1885,6%	31 740	-3 645	970,8%	-3 969
EBT ¹⁾	35 137	7 903	344,6%	49 306	787	6164,1%	8 685
Taxes	1 245	2 115	-41,1%	4 920	-278	1868,7%	14 558
Profit/loss after tax	33 892	5 788	485,5%	44 386	1 065	4066,7%	-5 872
Of which							
Majority interest	33 892	5 744	490,0%	44 063	826	5234,3%	-6 206
Minority interest	-	44	0,0%	323	239	0,0%	334
	33 892	5 788	485,5%	44 386	1 065	4066,7%	-5 872
Earnings per share							
Number of shares outstanding	44 376 040	44 376 040	0,0%	44 376 040	44 376 040	0,0%	44 376 040
Av. Number of shares - own shares	43 785 398	43 711 719	0,0%	43 771 881	43 915 212	0,0%	43 865 891
Earnings per share	0,77	0,13	0,0%	1,01	0,02	0,0%	-0,14
Diluted earnings per share	0,77	0,13	0,0%	1,01	0,02	0,0%	-0,14
EBITDA per share	0,23	0,39	0,0%	0,88	0,58	0,0%	0,92
Diluted EBITDA per share	0,23	0,39	0,0%	0,88	0,58	0,0%	0,92

Total earnings	Q3 2013	Q3 2012	Chg. %	YTD 2013	YTD 2012	Chg. %	Year 2012
Profit/loss after tax	33 892	5 788	485,5%	44 386	1 065	4066,7%	-5 872
Exchange differences on foreign operations	9 638	5 314	81,4%	19 589	3 042	543,9%	-2 992
Total earnings	43 529	11 102	292,1%	63 975	4 107	1457,6%	-8 865
Of which							
Majority interest	43 529	11 058	293,6%	63 652	3 868	1545,5%	-9 199
Minority interest	-	44	0,0%	323	239	0,0%	334

¹⁾ Included a profit of MNOK 32.5 related to the sale of InStore IT companies.

CONSOLIDATED BALANCE SHEET

KNOK	30.09.2013	30.09.2012	30.06.2013	31.12.2012
ASSETS				
Intangible assets	116 076	102 377	102 093	97 564
Goodwill	110 607	82 140	84 488	80 584
Tangible assets	37 430	26 336	23 866	25 381
Long term investments	481	12 428	13 133	12 590
Deferred tax	16 971	46 028	26 483	29 794
Non-current assets	281 564	269 309	250 064	245 913
Financial investments	25	22	24	22
Goods	81 255	90 839	74 035	83 419
Accounts receivable	120 864	126 159	127 831	94 325
Prepaid expenses	10 488	5 740	8 322	10 078
Other receivables	12 577	15 770	9 972	10 906
Bank deposits	9 997	3 079	7 621	3 670
Current assets	235 206	241 609	227 805	202 421
TOTAL ASSETS	516 769	510 918	477 869	448 335
EQUITY AND LIABILITIES				
Share capital	27 513	27 513	27 513	27 513
Holding of own shares	-409	-416	-365	-416
Other equity	214 114	174 234	170 999	161 262
Total equity	241 218	201 331	198 147	188 359
Long term interest bearing liabilities	45 875	46 186	39 240	42 943
Other long term liabilities	15 196	8 069	6 209	5 909
Total long term liabilities	61 071	54 255	45 449	48 852
Short term interest bearing liabilities	37 678	65 197	59 561	52 206
Accounts payable	83 641	102 482	68 958	70 826
Taxes payable	618	1 195	210	643
Dividend	-	1	-	2
Other short term liabilities	92 544	86 458	105 544	87 448
Total short term liabilities	214 481	255 333	234 273	211 124
TOTAL EQUITY AND LIABILITIES	516 769	510 918	477 869	448 335

STATEMENT OF EQUITY

KNOK	Share capital	Share premium account	Treasury shares	Other paid-in equity	Translation variances	Other equity	Total	Minority interest	Total equity
Equity 31.12.2011	13 757	182 919	-185	108 879	10 152	-112 310	203 213	49	203 261
Dividend to minority interest	-	-	-	-	-	-	-	-120	-120
Purchase of own shares	-	-	-232	-	-	-1 271	-1 503	-	-1 503
Transaction costs on purchase of treasury	-	-	-	-	-	-509	-509	-	-509
Write down share premium account	-	-100 000	-	100 000	-	-	-	-	-
Dividend 2011	-	-	-	-	-	-11 020	-11 020	-	-11 020
Profit this year after tax	-	-	-	-	-	-6 206	-6 206	334	-5 872
Other comprehensive income and expenses	-	-	-	-	-2 992	-	-2 992	-	-2 992
Equity 31.12.2012	27 513	42 383	-416	308 879	6 480	-196 834	188 006	354	188 358
Dividend to minority interest	-	-	-	-	-	-	-	-120	-120
Sale of own shares	-	-	51	-	-	338	389	-	389
Purchase of own shares / Compulsory	-	-	-44	-	-	-393	-438	-	-438
Dividend 2012	-	-	-	-	-	-10 947	-10 947	-	-10 947
Profit this year after tax	-	-	-	-	-	44 063	44 063	323	44 386
Other comprehensive income and expenses	-	-	-	-	19 589	-	19 589	-	19 589
Equity 30.09.2013	27 513	42 383	-409	308 879	26 069	-163 773	240 662	557	241 218

STATEMENT OF CASH FLOW

KNOK	Q3 2013	Q3 2012	YTD 2013	YTD 2012	Year 2012
Ordinary profit before tax	35 137	7 903	49 306	787	8 685
Net interest	523	1 417	3 421	3 648	4 767
Tax paid	-	-	-433	-	650
Share of profit, associated companies	-	-264	-2 367	-2 128	-3 471
Ordinary depreciation	6 578	5 938	17 663	17 184	22 749
Profit / loss on sale of fixed assets	-	-	-	-	-73
Non-realised loss on financial instruments	-	-	-	-	1 161
Realised profit on financial instruments	-32 517	-	-32 517	-	-10
Change in inventories	-3 506	-11 266	8 588	-24 458	-18 100
Change in receivables	17 380	-40 937	-13 480	-44 543	-13 762
Change in accounts payable	10 429	35 203	6 499	63 722	32 655
Change in other accrued items	-25 700	-6 293	-5 428	-14 101	-9 384
Net cash flow from operational activities	8 323	-8 300	31 251	111	25 867
Net payments for fixed assets	-598	-1 319	-2 473	-4 324	-6 282
Net payments for long term shares	-	-	-476	-	-
Net effect sale InStore IT companies	46 398	-	46 398	-	-
Net effect acquisition Etikett-Produsenten AS	4 325	-	-2 706	-	-
Net effect acquisition Sydetikett AB	-24 732	-	-24 732	-	-
Payment from sale of fixed assets	-	-	-	-	268
Interest income	54	591	113	2 001	328
Dividend received from associated companies	-	-	2 300	1 340	1 340
Net cash flow from investment activities	25 447	-728	18 425	-983	-4 346
Buying of treasury shares / compulsory acquisition	-438	-2 012	-438	-2 012	-2 012
Selling of treasury shares	-	-	389	-	-
Change in long-term debt	-4 271	-3 003	-9 288	-9 849	-12 498
Change in overdraft	-26 214	26 263	-20 037	28 391	8 737
Interest expenses	-576	-2 008	-3 534	-5 649	-5 094
Dividend paid	1	-11 019	-10 546	-11 019	-11 018
Dividend paid to minorities	-	-	-120	-120	-120
Net share issue	-	-	-	-	-
Net cash flow from financing activities	-31 498	8 220	-43 573	-258	-22 005
Net change in liquid assets	2 273	-808	6 103	-1 130	-485
Cash and cash equivalents at the start of the period	7 621	3 852	3 670	4 219	4 219
Effect of foreign exchange rate fluctuations on foreign currency deposits	104	35	225	-10	-64
Cash and cash equivalents at the end of the period	9 997	3 079	9 997	3 079	3 670

KEY FIGURES

KNOK	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	YTD 2013	YTD 2012
Income statement							
Operating revenue	144 937	198 614	186 776	187 939	146 398	530 327	407 980
EBITDA	10 071	15 499	13 080	14 906	17 059	38 649	25 264
Operating revenue EBIT	3 493	10 114	7 380	9 341	11 122	20 987	8 080
Ordinary profit before tax (EBT) ¹⁾	35 137	9 054	5 115	7 898	7 903	49 306	787
Profit for the year	33 892	6 881	3 613	-6 938	5 788	44 386	1 065
EBITDA-margin	6,9 %	7,8 %	7,0 %	7,9 %	11,7 %	7,3 %	6,2 %
EBT-margin	24,2 %	4,6 %	2,7 %	4,2 %	5,4 %	9,3 %	0,2 %
Balance sheet							
Non-current assets	281 564	250 064	249 661	245 913	269 309	281 564	269 309
Current assets	235 206	227 805	216 404	202 421	241 609	235 206	241 609
Total assets	516 769	477 869	466 065	448 335	510 918	516 769	510 918
Equity	241 218	198 147	201 674	188 359	201 331	241 218	201 331
Long-term debt	61 071	45 449	48 117	48 852	54 255	61 071	54 255
Short-term debt	214 481	234 273	216 274	211 124	255 333	214 481	255 333
Working capital	118 478	132 907	128 220	106 918	114 515	118 478	114 515
Equity ratio	46,7 %	41,5 %	43,3 %	42,0 %	39,4 %	46,7 %	39,4 %
Liquidity ratio	109,7 %	97,2 %	100,1 %	95,9 %	94,6 %	109,7 %	94,6 %
Cash Flow							
Net cash flow from operation	8 323	21 943	986	25 756	-8 300	31 251	111
Net cash flow	2 273	3 501	329	645	-808	6 103	-1 130
Share information							
Number of shares	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040
Weighted average shares outstanding	43 785 398	43 786 928	43 742 849	43 718 999	43 711 719	43 771 881	43 915 212
EBT per shares	0,80	0,21	0,12	0,18	0,18	1,13	0,02
Earnings per share	0,77	0,16	0,08	-0,16	0,13	1,01	0,02
Equity per share	5,5	4,5	4,6	4,3	4,6	5,5	4,6
Dividend per share	-	0,25	-	-	0,25	-	0,25
Employees							
Number of employees (end of period)	326	297	309	301	311	326	311
Average number of employees	307	303	304	306	310	305	305
Operating revenue per employee	445	669	604	624	471	1 627	1 312
Operating cost per employee	414	617	562	575	416	1 508	1 231
EBT per employee	108	30	17	26	25	151	3

¹⁾ Q3 2013 and YTD 2013 includes a profit of MNOK 32.5 related to the sale of InStore IT companies.

DEFINITIONS

Number of shares	Number of issued shares year and
Working capital	Inventories + accounts receivables – accounts payable
Equity per share	Book value equity / number of shares
Operating revenue	Sales revenues and profit from AC, Service companies
Operating revenue per employee	Operating revenue / average number of employees
Operating cost	Operating cost / average number of employees
EBT	Profit before tax
EBIT	Operating profit
EBIT pr. ansatt	EBIT / average number of employees
EBIT pr. utestående aksje	EBIT / average number of shares outstanding
EBIT-margin	EBIT / operatin revenue
EBITDA	Operating profit + depreciation fixed asstets amd tangible assets
EBITDA-margin	EBITDA / operating revenue
Egenkapitalandel	Book value equity / total assets
Weighted average basic shares outstanding	Issued shares adjusted for own shares on average for the year
Cash Flow margin	Net cash flow operations / operating revenue
Liquidity ratio	Current assets / short term debt
Earnings per share	Profit after tax / weighted average basic shares outstanding
Dividend per share	Paid dividend per share throughout the year

NOTE 1 CONFIRMATION OF REPORTING FRAMEWORK

The condensed and consolidated quarterly financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The quarterly financial statements do not contain all the information required in an annual financial statement and should be read in connection with the Group financial statements for 2012.

NOTE 2 KEY ACCOUNTING PRINCIPLES

The accounting principles for 2012 are described in the annual financial statements for 2012. The Group financial statements for 2012 were prepared in accordance with the IFRS principals and interpretations thereof, as defined by the EU, as well as other disclosure requirements pursuant to the Norwegian Accounting Act and the Oslo Stock Exchange regulations and rules applicable as at 31.12.2012. The quarterly report and the interim financial statements have not been revised by auditor.

NOTE 3 SEGMENT INFORMATION

SEGMENT: BUSINESS AREAS

MNOK	Q3 2013			Q3 2012			YTD 2013			YTD 2012			Year 2012		
	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT
CashGuard	23,0	-0,7	-2,1	25,1	3,3	0,7	85,7	-1,1	-6,5	65,9	3,5	-3,8	90,0	2,3	-6,1
SQS Security	32,4	2,0	-0,7	29,4	1,9	-2,0	105,2	-0,5	-8,7	81,8	1,6	-8,5	117,9	2,7	-10,1
Retail Solutions ¹⁾	106,5	11,7	40,6	111,1	13,9	11,6	404,2	48,2	72,8	311,7	26,5	20,8	464,1	44,9	36,9
Group	0,1	-2,8	40,6	0,2	-2,0	-1,0	0,4	-7,9	39,4	0,6	-6,9	-5,6	0,5	-9,2	13,7
Eliminations	-17,1	-0,1	-43,3	-19,3	-0,1	-1,4	-65,1	0,0	-47,7	-52,0	0,6	-2,1	-76,6	-0,5	-25,8
Total	144,9	10,1	35,1	146,4	17,1	7,9	530,3	38,6	49,3	408,0	25,3	0,8	595,9	40,2	8,7

¹⁾ Q3 2013 and YTD 2013 includes a profit of MNOK 32.5 related to the sale of InStore IT companies.

SEGMENT: SALES REVENUES BY GEOGRAPHICAL MARKET

MNOK	Q3 2013			Q3 2012			YTD 2013			YTD 2012			Year 2012		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets
CashGuard	8,7	5,4	8,9	13,2	5,1	6,7	33,9	22,5	29,3	32,2	17,1	16,6	42,8	29,3	17,9
SQS Security	11,7	13,0	7,7	3,0	5,3	21,1	14,2	45,0	45,9	4,7	21,8	55,3	4,4	35,5	78,0
Retail Solutions	50,0	56,4	0,1	63,1	47,9	0,0	231,6	172,2	0,4	163,8	147,7	0,2	254,7	209,1	0,3
Group	0,1	0,0	0,0	0,2	0,0	0,0	0,4	0,0	0,0	0,6	0,0	0,0	0,5	0,0	0,0
Elimineringer	-8,9	-8,2	0,0	-13,5	-5,8	0,0	-34,7	-30,5	0,0	-33,1	-18,9	0,0	-43,6	-33,0	0,0
Total	61,6	66,5	16,8	66,1	52,4	27,9	245,5	209,3	75,6	168,2	167,7	72,1	258,8	240,9	96,2

SEGMENT: SALES REVENUES BY PRODUCT AND SERVICE

MNOK	Q3 2013		Q3 2012		YTD 2013		YTD 2012		Year 2012	
	New Service sales	Repair	New Service sales	Repair	New Service sales	Repair	New Service sales	Repair	New Service sales	Repair
CashGuard	16,1	6,9	22,9	2,2	76,8	8,9	61,8	4,2	85,8	4,3
SQS Security	24,6	7,8	23,4	6,0	82,5	22,7	63,4	18,3	93,8	24,1
Retail Solutions	72,7	33,8	74,1	37,0	286,3	117,9	209,1	102,6	318,3	145,8
Group	0,1	0,0	0,2	0,0	0,4	0,0	0,6	0,0	0,5	0,0
Group/Eliminations	-17,1	0,0	-19,3	0,0	-65,1	0,0	-52,0	0,0	-76,6	0,0
Total	96,5	48,4	101,2	45,2	380,9	149,5	282,9	125,1	421,7	174,2

NOTE 4 RELATED PARTIES

No significant transactions between the Group and related parties had taken place as at 30 September 2013.

NOTE 5 TOP 20 SHAREHOLDERS PER 30 SEPTEMBER 2013

No.	Name	No. of shares	%
1	PINNÅS, ERIK (incl. fully owned companies) ¹	4 932 276	11,1 %
2	GLAAMENE INDUSTRIER AS	4 176 417	9,4 %
3	SKAGEN VEKST OG SKAGEN VEKST III	4 000 798	9,0 %
4	STRØMSTANGEN AS	3 933 092	8,9 %
5	HOLMEN SPESIALFOND	2 100 000	4,7 %
6	AVANZA BANK AB	1 719 609	3,9 %
7	NORDNET BANK AB	1 549 401	3,5 %
8	SKANDINAVISKA ENSKILDA BANKEN	1 545 327	3,5 %
9	ZETTERBERG, GEORG (incl. fully owned companies)	1 508 904	3,4 %
10	DYVI MARITIME INVEST AS	1 183 024	2,7 %
11	WAALER, JØRGEN (incl. fully owned companies) ¹	1 005 315	2,3 %
12	GRESSLIEN, ODD ROAR	910 000	2,1 %
13	DELTA INVEST AS	770 282	1,7 %
14	V. EIENDOM AS	715 000	1,6 %
15	MP PENSJON PK	699 806	1,6 %
16	PSI GROUP ASA	660 253	1,5 %
17	RING, JAN	601 322	1,4 %
18	SWEDBANK AB (PUBL)	541 324	1,2 %
19	NORDEA BANK AB (PUBL)	463 063	1,0 %
20	JACOBSEN, SVEIN (incl. fully owned companies) ¹	450 000	1,0 %
	Sum 20 largest shareholders	33 465 213	75,4 %
	Sum 1 689 other shareholders	10 910 827	24,6 %
	Sum all 1 709 shareholders	44 376 040	100 %

¹ Primary insiders

NOTE 6 UNAUDITED PRO FORMA FIGURES

InStore IT companies are deconsolidated as of July 2013.

Etikett-Produsenten AS is consolidated as of July 2013, while Sydetikett AB is consolidated as of September 2013.

KNOK	YTD 2013				PSI GROUP ASA Pro forma consolidated
	PSI GROUP ASA consolidated	Sydetikett AB	Etikett-Produsenten AS	InStore IT companies	
Sales revenues	527 960	34 637	6 570	-2 810	566 357
Profit from AC, Service companies	2 367			-2 367	-
EBITDA	38 649	5 559	1 048	-4 075	41 181
Depreciation and amortizations of intangible assets and goodwill	-17 663	-1 662	-704	85	-19 943
EBIT	20 987	3 897	344	-3 990	21 239
Net financial items	28 319	-218	-68	-32 509	-4 476
Profit before tax ¹⁾	49 306	3 678	277	-36 498	16 763
Tax	-4 920	-809	-77	452	-5 354
Net Profit ¹⁾	44 386	2 869	199	-36 046	11 408
BALANCE SHEET	30.09.13				30.09.13
Intangible assets	243 654				243 654
Tangible assets	37 430				37 430
Financial assets	481				481
Total non-current assets	281 564				281 564
Inventory	81 255				81 255
Receivables	143 954				143 954
Bank deposits	9 997				9 997
Total current assets	235 206				235 206
TOTAL ASSETS	516 769				516 769
Share capital	27 513				27 513
Own shares	-409				-409
Other equity	214 114				214 114
Minority interests	-				-
Total equity	241 218				241 218
Long term interest bearing liabilities	45 875				45 875
Other long term debt	15 196				15 196
Total long term liabilities	61 071				61 071
Short term interest bearing liabilities	37 678				37 678
Short term liabilities	176 802				176 802
Total short term liabilities	214 480				214 480
TOTAL EQUITY AND LIABILITIES	516 769				516 769

¹⁾ Included a profit of MNOK 32.5 related to the sale of InStore IT companies.

KNOK	2012				PSI GROUP ASA Pro forma consolidated
	PSI GROUP ASA consolidated	Sydetikett AB	Etikett-Produsenten AS	InStore IT companies	
Sales revenues	592 448	44 887	13 176	-6 207	644 304
Profit from AC, Service companies	3 471			-3 471	-
EBITDA	40 170	6 677	2 346	-5 725	43 467
Depreciation and amortizations of intangible assets and goodwill	-22 749	-1 945	-1 320	50	-25 965
EBIT	17 421	4 732	1 025	-5 676	17 502
Net financial items	-8 736	-235	-191	-17	-9 178
Profit before tax	8 685	4 497	835	-5 693	8 324
Tax	-14 558	-1 201	-249	664	-15 344
Net Profit	-5 872	3 296	586	-5 029	-7 019
BALANCE SHEET	31.12.12	31.12.12	31.12.12	31.12.12	31.12.12
Intangible assets	207 942	-	259	-49	208 152
Tangible assets	25 381	7 850	2 263	-359	35 135
Financial assets	12 590	985	-	-12 585	990
Total non-current assets	245 913	8 835	2 522	-12 993	244 277
Inventory	83 419	1 791	672	-1 066	84 815
Receivables	115 331	6 135	2 756	-2 358	121 864
Bank deposits	3 670	2 591	2 043	-1 348	6 956
Total current assets	202 421	10 517	5 471	-4 773	213 636
TOTAL ASSETS	448 335	19 352	7 993	-17 766	457 913
Share capital	27 513	-	-	-	27 513
Own shares	-416	-	-	-	-416
Other equity	160 908	7 165	4 293	-14 348	158 018
Minority interests	354	-	-	-354	0
Total equity	188 359	7 165	4 293	-14 702	185 115
Long term interest bearing liabilities	42 943	7 307	1 981	-	52 231
Other long term debt	5 909	-	-	-	5 909
Total long term liabilities	48 852	7 307	1 981	-	58 140
Short term interest bearing liabilities	52 206	-	-	-	52 206
Short term liabilities	158 916	4 880	1 719	-3 064	162 451
Total short term liabilities	211 124	4 880	1 719	-3 064	214 659
TOTAL EQUITY AND LIABILITIES	448 335	19 352	7 993	-17 766	457 913

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