

PSI Group ASA

Q3 and YTD 2014

Financial report and status



HIGHLIGHTS 3RD QUARTER 2014

Operating revenues: MNOK 206.3 (MNOK 144.9) + 42.3 per cent

PSI Technology had revenues of MNOK 123.6 (MNOK 76.9), an increase of 60.8 per cent, whereof the organic growth was 39.2 per cent. CashGuard is the largest contributor with an increase in revenues of 65.2 per cent while SQS Security has increased the revenue by 3.4 per cent. In addition newly acquired Vensafe contributes with MNOK 16.6 in the period.

PSI Retail had revenues of MNOK 51.7 (MNOK 43.9), an increase of 17.6 per cent, whereof an organic decrease in revenue of 31.3 per cent. The decrease comes as a natural result of the completion of a major ESL-project to a leading Norwegian retail chain. The acquisition of New Vision contributes with a growth of MNOK 21.5 in the period.

PSI Labels had revenues of MNOK 39.0 (MNOK 26.1), an increase of 49.4 per cent. The increase comes primarily from organic growth.

EBITDA: MNOK 14.1 (MNOK 10.1)

PSI Technology: MNOK 11.6 (MNOK 5.7), an increase of MNOK 5.9. EBITDA includes MNOK – 0.5 from Vensafe.

PSI Retail: MNOK 2.7 (MNOK 6.0), a decrease of MNOK 3.3. EBITDA includes MNOK 0.5 from New Vision.

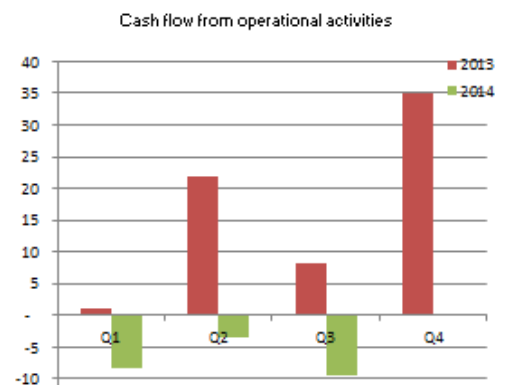
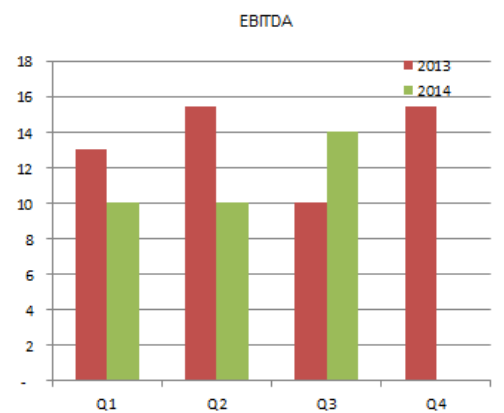
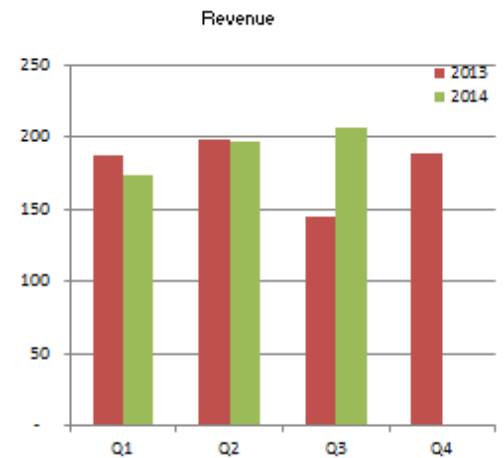
PSI Labels: MNOK 3.6 (MNOK 0.9), an increase of MNOK 2.7.

Cash flow from operational activities: MNOK - 9.4 (MNOK 8.3)

Two strategically important acquisitions in 2014

Vensafe: In the second quarter PSI Technology got yet another world-leading retail technology in its portfolio of owned technologies.

New Vision: In the third quarter PSI got a new geographic market in the Baltic, as well as a newly started business in Russia and Finland. This strengthens PSI Technology's distribution network, and gives PSI Retail important IT - and solution expertise within retail.



ACQUISITIONS OF COMPANIES

PSI Group ASA has an ambitious strategy to develop the Group into a leading European retail group. This goal will be reached by offering customers an attractive product range in retail solutions, software solutions, services and service in more and more markets. As a step towards this goal PSI Group acquired two new businesses in the second and third quarter 2014:

Vensafe's solutions fit well into PSI Group, both as a product in our company-owned distribution network (in Norway, Sweden, the Baltic, Finland and Russia), in addition it will be marketed together with CashGuard and SQS Security to dealers outside of our own distribution network. Vensafe AS became a wholly owned subsidiary of PSI Group ASA through a private placement 8th April 2014 and is included in the business area PSI Technology as of April 2014. Vensafe streamline store operations, reduce shrinkage and theft and help reduce working capital on a number of high value products. The most important markets as of today are Germany, Norway, Sweden and Belgium.

See www.vensafe.com for more information.



New Vision adds new markets to PSI Group for sale of our own technology. New Vision Baltija UAB, with its subsidiaries in the Baltic countries as well as Finland and Russia, became a wholly owned subsidiary of PSI Group ASA on 2 July 2014. The company is included in the business area PSI Retail as of July 2014. The company is an ambitious Baltic technology - and service company that specializes in delivering IT and business solutions to the retail industry.

See www.new-vision.com for more information.



- PSI Retail before acquisition of New Vision
- New Vision

GROUP

The Group has three business areas:

PSI Technology: Developing, manufacturing, promoting, selling, installing, implementing and servicing innovative retail solutions globally, based on PSI Groups world leading proprietary retail technology brands. The market strategy involves a tactical combination of direct salesforces and professional dedicated partner salesforces worldwide. The major PSI Technology brands include CashGuard, Vensafe and SQS Security.

PSI Retail: Promoting, selling, installing, implementing and servicing innovative retail solutions based on products from third party world leading technology providers. Retail technology brands include NCR, Pricer, LS Retail, Repant and Digi. PSI Retail geographical market segments include Norway, Sweden, Lithuania, Latvia, Estonia, Russia & Finland.

PSI Labels: Designing, manufacturing, promoting and selling stickers/labels necessary for all retail products, in order to promote, identify, describe and track retail products from manufacturers via transportation to retail shelves and finally necessary for scanning products at checkouts. Label products are manufactured on PSI Groups own printing facilities.

MNOK	Q3 2014	Q3 2013	YTD 2014	YTD 2013	2013
Revenue	206,3	144,9	576,4	530,3	718,9
EBITDA	14,1	10,1	34,2	38,6	54,2
Operating profit (EBIT)	5,2	3,5	10,9	21,0	28,3
Ordinary profit before tax (EBT) ¹⁾	4,8	35,1	9,3	49,3	56,4
Cash flow from operational activities	-9,4	8,3	-16,4	31,3	66,2
Disposable funds	25,4	37,6	25,4	37,6	65,0
Earnings per share (NOK)	0,08	0,77	0,16	1,01	1,16
EBITDA margin	7 %	7 %	6 %	7 %	8 %

¹⁾ Q3 2013, YTD 2013 and Year 2013: Included a profit of MNOK 33 related to the sale of InStore IT companies.

Results

The Group generated record-high operating revenues of MNOK 206.3 in the third quarter 2014, compared with MNOK 144.9 in the corresponding period in 2013. The organic growth in the period was MNOK 29.2. In the first three quarters 2014 operating revenue was MNOK 576.4 compared with MNOK 530.3 in the first three quarters in 2013.

Revenue	Q3		YTD		Year
	2014	2013	2014	2013	2013
MNOK	206,3	144,9	576,4	530,3	718,9
PSI Technology	123,6	76,9	332,5	258,0	355,7
PSI Retail	51,7	43,9	140,7	209,2	263,0
PSI Label	39,0	26,1	124,4	65,0	101,8
Group	0,1	0,1	0,4	0,4	0,5
Eliminations	-8,1	-2,1	-21,6	-2,3	-2,2
Total	206,3	144,9	576,4	530,3	718,9

Operating profit before depreciation (EBITDA) was MNOK 14.1 (MNOK 10.1) in the third quarter. In the first three quarters EBITDA were MNOK 34.2 (MNOK 38.6).

EBITDA	Q3		YTD		Year
	2014	2013	2014	2013	2013
MNOK	14,1	10,1	34,2	38,6	54,2
PSI Technology	11,6	5,7	26,7	18,4	24,7
PSI Retail	2,7	6,0	8,4	27,0	35,7
PSI Label	3,6	0,9	8,6	0,9	4,5
Group	-3,9	-2,8	-9,5	-7,9	-11,2
Eliminations	0,0	0,3	0,0	0,3	0,4
Total	14,1	10,1	34,2	38,6	54,2

Profit before tax (EBT) show a profit of MNOK 4.8 in the third quarter compared with MNOK 35.1 in 2013. In the first three quarters EBT were MNOK 9.3 compared with MNOK 49.3 in the first three quarters 2013. EBT in the third quarter 2013 include a profit of MNOK 33.0 related to the sale of InStore IT companies.



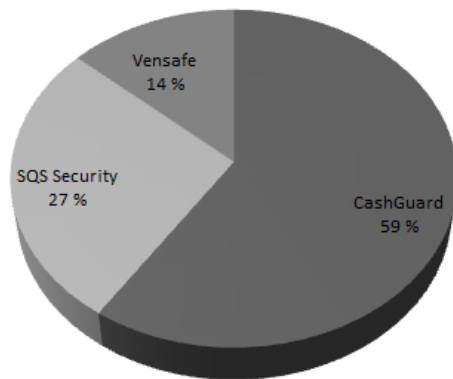
PSI TECHNOLOGY

PSI Group ASA acquired 100 per cent of Vensafe AS 8 April 2014. The acquisition added the business area yet another technology within retail solutions. Vensafe produces machines for securing valuable products in retail. See www.vensafe.com for more information.

The figures in the business area show sales and profit generated by the technology products throughout the value chain within PSI Group.

MNOK	Q3		YTD		
	2014	2013	2014	2013	2013
Product Sales	77,6	48,2	212,5	171,3	235,3
Service	46,0	28,7	120,0	86,7	120,5
Revenue	123,6	76,9	332,5	258,0	355,7
EBITDA	11,6	5,7	26,7	18,4	24,7
EBITDA-margin	9,4 %	7,4 %	8,0 %	7,1 %	6,9 %
EBT	7,7	-0,3	14,7	0,2	1,0

Revenue per technology Q3



CashGuard is the market's most reliable cash handling systems. CashGuard's goal is to make cash payments effective and competitive for retailers through its leading expertise and experience in cash handling concepts.

MNOK	Q3		YTD		
	2014	2013	2014	2013	2013
Product Sales	41,4	23,6	126,1	88,9	133,7
Service	32,0	20,9	81,3	63,9	88,2
Revenue	73,4	44,5	207,5	152,8	221,8
EBITDA	10,0	3,8	26,1	18,9	30,5
EBITDA-margin	13,6 %	8,4 %	12,6 %	12,4 %	13,8 %
EBT	8,7	0,4	22,0	9,0	18,4

The operating revenue increased by 65.2 per cent to MNOK 73.4 (MNOK 44.5) in the third quarter. In the first three quarters 2014 the business area showed an increase in operating revenue of 35.8 per cent to MNOK 207.5 (MNOK 152.8).

EBITDA was MNOK 10.0 (MNOK 3.8) in the third quarter. In the first three quarters EBITDA was MNOK 26.1 (MNOK 18.9).

CashGuard had a strong growth in revenue in Sweden in Q3 compared to the same period in 2013. The main reason is the ongoing replacement campaign related to the handling of new notes and coins, but also a significant demand from ICA and a continuing roll out to OKQ8 and Systembolaget.

In strong competition CashGuard won and secured a delivery to a large French bakery chain in the third quarter, which resulted in an order for 50 systems that were partially delivered in the third quarter. The roll-out of Monoprix continued in the third quarter. The company is also experiencing a significant increase in sales to the pharmacy industry in Germany.

During the third quarter CashGuard has installed a pilot at a major warehouse chain in South East Asia. It is also planned a pilot with another player in November.

Go to www.cashguard.com to subscribe to news or to www.youtube.com/user/CasGuard to watch videos.



Vensafe streamline store operations, reduce shrinkage and theft and help reduce working capital on a number of high value products. PSI Group ASA acquired Vensafe 8 April 2014. Vensafe was a part of PSI Technology from the second quarter 2014.

	Q3	YTD
MNOK	2014	2014
Product Sales	8,2	20,9
Service	8,4	16,5
Revenue	16,6	37,4
EBITDA	-0,5	-0,9
EBITDA-margin	-3,3 %	-2,3 %
EBT	-0,7	-1,7

YTD includes the period April - September

The operating revenue was MNOK 16.6 in the third quarter. EBITDA was MNOK – 0.5 in the third quarter.

It was in the second quarter made significant cuts in costs, focusing on realizing synergies with other companies in PSI Group. From the third quarter the organization is changed, new work processes and procedures have been implemented so that Vensafe is focused on sales and profitability.

The effect of synergies with PSI Group is expected to provide Vensafe a reduction in operating costs with an annual effect of MNOK 8.3 compared with the result in 2013. The effect of synergies is reflected from the 2nd quarter, and will strengthen further throughout the year. The work on defining cost-reducing effects in the production and coordination of suppliers for the whole PSI Technology continues. It is still expected a time consuming turnaround to achieve satisfactory profitability in Vensafe.

In Germany Vensafe has installed a pilot in a famous German retail chain in Munich, Berlin and Düsseldorf. Vensafe and CashGuard has entered into a cooperation in Germany to streamline the organization and reduce costs.



SQS Security delivers cash security solutions for ATM and cash in transit (CIT) operators based on patented destruction and tracking technologies.

	Q3		YTD		
MNOK	2014	2013	2014	2013	2013
Product Sales	28,0	24,6	65,5	82,5	101,6
Service	5,5	7,8	22,2	22,7	32,3
Revenue	33,5	32,4	87,6	105,2	133,9
EBITDA	2,2	2,0	1,4	-0,5	-5,8
EBITDA-margin	6,6 %	6,1 %	1,6 %	-0,5 %	-4,4 %
EBT	-0,3	-0,7	-5,7	-8,7	-17,4

The operating revenue increased by 3.4 per cent to MNOK 33.5 (MNOK 32.4) in the third quarter. In the first three quarters SQS Security showed a decrease in operating revenue of 16.7 per cent to MNOK 87.6 (MNOK 105.2). This is mainly due to a large delivery to Croatia in Q1 2013.

EBITDA was MNOK 2.2 (MNOK 2.0) in the third quarter. In the first three quarters EBITDA was MNOK 1.4 (MNOK -0.5). EBITDA in the first quarter 2013 included non-recurring expenses of MNOK 2.4 related to management changes in SQS Security.

The new SMP product line and the upgrade of Q400 have resulted in significant reductions in warranty costs.

In the third quarter SQS Security delivered 400 Q-Cases to a Western European CIT company.

In September, the company started delivery of a pilot in the ATM segment to the banking sector in an Asian country.

In the 2nd quarter SQS Security completed a delivery of 484 Q-Case SMP Mini relating to the framework agreement signed in March 2014.

In Germany a bank has outfitted several of its ATMs with ASP (ATM Stationary Protection). The company has totally installed approx. 20 ATMs with ASP in Germany.

In August SQS Security Qube System strengthen its management with a new sales and marketing director and a director of business development.

In September, SQS Security Qube System attended on the security fair in Essen, Germany. The new product line based on Q-Case Maxi and Mini were well received in the market.



PSI RETAIL

PSI Retail is a distributor of retail technology and supplies from the world's leading producers, as well as supplier of software solutions, consulting, service and support. Self-owned technology, such as SQS Security, CashGuard and Vensafe, are reported under PSI Technology.

New Vision is included in the business area as of July 2014. The acquisition will give the group a new position as market leader in the Baltic countries, at the same time the offices in Finland and Russia are relatively young, but can be important contributors to the business area's organic growth in the years to come. New Vision has approx. 210 employees.

	Q3		YTD		
	2014	2013	2014	2013	
MNOK	2014	2013	2014	2013	2013
Product Sales	37,6	30,4	103,0	155,7	195,4
Service	14,1	13,6	37,7	53,5	67,6
Revenue	51,7	43,9	140,7	209,2	263,0
EBITDA	2,7	6,0	8,4	27,0	35,7
EBITDA-margin	5,2 %	13,6 %	6,0 %	12,9 %	13,6 %
EBT ¹⁾	0,3	38,0	5,3	57,0	66,2

¹⁾ Q3 2013, YTD 2013 and Year 2013: Included a profit of MNOK 33 related to the sale of InStore IT companies.

The business area PSI Retail's operating revenue has increased by 17.6 per cent to MNOK 51.7 (MNOK 43.9) in the third quarter. In the first three quarters the business area showed a decrease in operating revenue of 32.7 per cent to MNOK 140.7 (MNOK 209.2). The corresponding period for 2013 was characterized by roll-out of ESL to Rema1000, while New Vision contributed with MNOK 21.5.

EBITDA was MNOK 2.7 (MNOK 6.0) in the third quarter. In the first three quarters EBITDA was MNOK 8.4 (MNOK 27.0). The decrease in EBITDA of 68.8 per cent is due to lower revenue compared with the same period last year, while New Vision contributed with MNOK 0.5.

In Sweden PSI Antonson has in the third quarter got the delivery of scales and packing machines for Coop Sverige.

Coop Hordaland in Norway has chosen to equip its new hypermarket Coop Obs! Åsane in Bergen with CashGuard, Pricer, Digi and Vensafe from PSI Systems.

ICA is upgrading all their fresh food scales. PSI Systems was preferred as supplier because of its total solution consisting of PC-scales combined with our own developed software, Scale Manager.



PSI LABELS

PSI Labels offers a wide range of adhesive labels and corresponding printer / applicators. The business area is one of Scandinavia's largest producers of label solutions.

	Q3		YTD		
	2014	2013	2014	2013	
MNOK	2014	2013	2014	2013	2013
Product Sales	39,0	26,1	124,4	65,0	101,8
Revenue	39,0	26,1	124,4	65,0	101,8
EBITDA	3,6	0,9	8,6	0,9	4,5
EBITDA-margin	9,3 %	3,4 %	6,9 %	1,4 %	4,4 %
EBT	0,2	-1,5	-0,6	-3,3	-3,2

The business area PSI Labels operating revenue has increased by 49.4 per cent to MNOK 39.0 (MNOK 26.1) in the third quarter. In the first three quarters the business area showed an increase in operating revenue of 91.4 per cent to MNOK 124.4 (MNOK 65.0).

EBITDA was MNOK 3.6 (MNOK 0.9) in the third quarter. In the first three quarters EBITDA was MNOK 8.6 (MNOK 0.9).

In Sweden, Sydetikett AB and PSI Retail's Swedish label business has been integrated into one common company - Antonson Etikett AB. The second quarter 2014 includes non-recurring expenses of MNOK 1.4 related to staff reductions as a result of this merger.

In the second quarter Coop renewed its agreement with PSI Systems and PSI Antonson, which means that the companies will continue to deliver all of the scale labels to their stores in Norway and Sweden.

CASH FLOW AND EQUITY

Cash flow from operational activities in the quarter ended at MNOK - 9.4 compared with MNOK 8.3 in the same period last year.

Working capital increased by MNOK 15.2 in the quarter compared with the end of the second quarter of 2014.

Net interest-bearing debt has increased by MNOK 38.7 compared with the end of the previous quarter and totalled MNOK 121.2. MNOK 14.6 of the increase in net debt is due to borrowing in connection with the acquisition of New Vision, and MNOK 4.3 as final payment for the acquisition of the Etikettprodusenten AS.

PSI Group ASA has secured vendor financing for the acquisition of New Vision and Sydetikett. In Q1 2015 the last installment for Sydetikett of MSEK 10.0 will be paid, while New Vision was acquired based on an earn-out model, where we estimate that MEUR 3.2 will be paid in Q1 2016.

Disposable funds was MNOK 25.4 per 30 September 2014.

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. Through these programs, employees subscribed for a total of 102,649 shares in 2013 and 205,691 shares so far in 2014.

The Groups holding of own shares amounts to 104,544, which represents 0.2 per cent of outstanding shares.

A dividend of NOK 0.30 per share was paid in May.

A capital market day is planned central in Oslo on 3 December from 08:00 to 11:00.

The Board of Directors of PSI Group ASA,
Rælingen, 23 October 2014

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 2014, including comparative consolidated figures for the third quarter and first three quarters 2013. 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 2014 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 2014 and 30 September 2013. 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, 23 October 2014

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 2014	Q3 2013	Chg. %	YTD 2014	YTD 2013	Chg. %	2013
Sales revenues	206 315	144 937	42,3 %	576 351	527 960	9,2 %	716 506
Profit from AC, Service companies	-	-	-	-	2 367	-	2 367
Cost of goods sold	107 259	75 115	42,8 %	287 490	285 533	0,7 %	378 473
Payroll	58 291	40 114	45,3 %	177 998	141 575	25,7 %	196 806
Other operating expenses	26 696	19 638	35,9 %	76 689	64 569	18,8 %	89 438
Total operating expenses	192 246	134 867	42,5 %	542 177	491 678	10,3 %	664 718
EBITDA	14 069	10 071	39,7 %	34 173	38 649	-11,6 %	54 155
Depreciation tangible assets	2 974	2 767	7,5 %	8 786	7 263	21,0 %	10 573
Depreciation intangible assets	5 853	3 810	53,6 %	14 514	10 400	39,6 %	15 299
EBIT	5 242	3 493	50,1 %	10 874	20 987	-48,2 %	28 283
Interest	-1 262	-523	-141,5 %	-2 985	-3 421	12,7 %	-4 314
Other financial income	795	32 166	-97,5 %	1 418	31 740	-95,5 %	32 414
EBT¹⁾	4 775	35 137	-86,4 %	9 307	49 306	-81,1 %	56 383
Taxes	1 269	1 245	1,9 %	2 355	4 920	-52,1 %	5 214
Profit/loss after tax	3 506	33 892	-89,7 %	6 951	44 386	-84,3 %	51 169
Of which							
Majority interest	3 506	33 892	-89,7 %	6 951	44 063	-84,2 %	50 937
Minority interest	-	-	0,0 %	-	323	0,0 %	232
	3 506	33 892	-89,7 %	6 951	44 386	-84,3 %	51 169
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	44 211 093	43 785 398	0,0 %	43 882 703	43 771 881	0,0 %	43 757 742
Earnings per share	0,08	0,77	0,0 %	0,16	1,01	0,0 %	1,16
Diluted earnings per share	0,08	0,77	0,0 %	0,16	1,01	0,0 %	1,16
EBITDA per share	0,32	0,23	0,0 %	0,78	0,88	0,0 %	1,24
Diluted EBITDA per share	0,32	0,23	0,0 %	0,78	0,88	0,0 %	1,24

Total earnings	Q3 2014	Q3 2013	Chg. %	YTD 2014	YTD 2013	Chg. %	2013
Profit/loss after tax	3 506	33 892	-89,7 %	6 951	44 386	-84,3 %	51 169
Exchange differences on foreign operations	-8 402	9 638	-187,2 %	-18 125	19 589	-192,5 %	22 628
Total earnings	-4 896	43 529	-111,2 %	-11 174	63 975	-117,5 %	73 797
Of which							
Majority interest	-4 896	43 529	-111,2 %	-11 174	63 652	-117,6 %	73 565
Minority interest	-	-	0,0 %	-	323	0,0 %	232

¹⁾ Q3 2013, YTD 2013 and Year 2013: Included a profit of MNOK 33 related to the sale of InStore IT companies.

CONSOLIDATED BALANCE SHEET

KNOK	30.09.2014	30.09.2013	30.06.2014	31.12.2013
ASSETS				
Intangible assets	114 132	116 076	100 418	113 747
Goodwill	128 274	110 607	107 295	110 779
Tangible assets	42 349	37 430	42 174	36 445
Long term investments	480	481	481	481
Deferred tax	26 668	16 971	34 578	18 084
Non-current assets	311 903	281 564	284 946	279 535
Financial investments	1 673	25	51	26
Goods	108 641	81 255	92 421	85 787
Accounts receivable	154 313	120 864	140 007	98 156
Prepaid expenses	11 665	10 488	13 190	13 899
Other receivables	10 207	12 577	7 092	8 285
Bank deposits	18 635	9 997	14 874	8 554
Current assets	305 134	235 206	267 635	214 706
TOTAL ASSETS	617 037	516 769	552 581	494 241
EQUITY AND LIABILITIES				
Share capital	27 513	27 513	27 513	27 513
Holding of own shares	-65	-409	-409	-409
Other equity	202 171	214 114	204 053	223 694
Total equity	229 619	241 218	231 157	250 798
Long term interest bearing liabilities	46 998	45 875	37 230	43 603
Other long term liabilities	25 778	15 196	-	9 764
Total long term liabilities	72 776	61 071	37 230	53 367
Short term interest bearing liabilities	92 867	37 678	60 179	9 271
Accounts payable	106 210	83 641	90 835	71 163
Taxes payable	-	618	-60	207
Other short term liabilities	115 565	92 544	133 239	109 435
Total short term liabilities	314 642	214 481	284 193	190 076
TOTAL EQUITY AND LIABILITIES	617 037	516 769	552 581	494 241

¹⁾ The InStore IT companies was sold in the 3rd quarter 2013

STATEMENT OF EQUITY

KNOK	Share capital	Treasury shares	Other paid-in equity	Translation variances	Other equity	Total	Minority interest	Total equity
Equity 31.12.2012	13 757	-185	108 879	10 152	-112 310	203 213	49	203 261
Dividend to minority interest	-	-	-	-	-	-	-120	-120
Sale of own shares	-	51	-	-	338	389	-	389
Purchase of own shares / Compulsory	-	-44	-	-	-636	-680	-	-680
Dividend 2012	-	-	-	-	-10 947	-10 947	-	-10 947
Profit this year after tax	-	-	-	-	51 403	51 403	-234	51 169
Other comprehensive income and expenses	-	-	-	22 628	-	22 628	-	22 628
Equity 31.12.2013	27 513	-409	351 262	29 108	-156 675	250 800	-	250 798
Sale of own shares	-	345	-	-	3 006	3 351	-	3 351
Dividend 2013	-	-	-	-	-13 115	-13 115	-	-13 115
Adapting K3 Sweden	-	-	-	-	-241	-241	-	-241
Profit this year after tax	-	-	-	-	6 951	6 951	-	6 951
Other comprehensive income and expenses	-	-	-	-18 125	-	-18 125	-	-18 125
Equity 30.09.2014	27 513	-65	351 262	10 983	-160 074	229 621	-	229 619

STATEMENT OF CASH FLOW

KNOK	Q3 2014	Q3 2013	YTD 2014	YTD 2013	2013
Ordinary profit before tax	4 775	35 137	9 307	49 306	56 383
Net interest	1 262	523	2 985	3 421	4 314
Tax paid	-	-	-	-433	667
Share of profit, associated companies	-	-	-	-2 367	-2 367
Ordinary depreciation	8 827	6 578	23 300	17 663	25 872
Profit / loss on sale of fixed assets	-	-	-	-	-169
Realised profit on financial instruments	-	-32 517	-	-32 517	-32 969
Change in inventories	-8 025	-3 506	-14 320	8 588	4 712
Change in receivables	-777	17 380	-30 567	-13 480	9 422
Change in accounts payable	-1 383	10 429	6 288	6 499	-6 480
Change in other accrued items	-14 049	-25 700	-13 420	-5 428	6 774
Cash flow from operational activities	-9 371	8 323	-16 428	31 251	66 159
Net payments for fixed assets	-1 065	-598	-9 320	-2 473	-4 550
Capitalisation of development costs	3	-	-94	-	-
Net payments for long term shares	-	-	-	-476	-476
Net effect acquisition Vensafe AS	-	-	843	-	-
Net effect acquisition New Vision	-15 214	-	-15 214	-	-
Net effect acquisition Etikett-Produsenten AS	-4 325	4 325	-4 325	-2 706	-2 578
Net effect acquisition Sydetikett AB	-	-24 732	-	-24 732	-24 732
Payment from sale of fixed assets	-	-	-	-	325
Net effect sale InStore IT companies	-	46 398	-	46 398	46 398
Interest income	43	54	180	113	199
Dividend received from associated companies	-	-	-	2 300	2 300
Cash flow from investment activities	-20 558	25 447	-27 930	18 425	16 887
Buying of treasury shares / compulsory acquisition	-	-438	-	-438	-680
Selling of treasury shares	-	-	-	389	389
Change in long-term debt	17 794	-4 271	8 914	-9 288	-13 435
Change in short-term debt acquisition Vensafe AS	-4 164	-	-8 886	-	-
Change in overdraft	21 689	-26 214	71 261	-20 037	-49 114
Interest expenses	-1 305	-576	-3 166	-3 534	-4 513
Dividend paid	-	1	-13 115	-10 546	-10 943
Dividend paid to minorities	-	-	-	-120	-120
Cash flow from financing activities	34 015	-31 498	55 007	-43 573	-78 416
Net change in liquid assets	4 086	2 273	10 650	6 103	4 630
Cash and cash equivalents at the start of the period	14 874	7 621	8 554	3 670	3 670
Effect of foreign exchange rate fluctuations on foreign currency deposits	-325	104	-569	225	254
Cash and cash equivalents at the end of the period	18 635	9 997	18 635	9 997	8 554

KEY FIGURES

KNOK	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	YTD 2014	YTD 2013
Income statement							
Operating revenue	206 315	196 847	173 188	188 546	144 937	576 351	530 327
EBITDA	14 069	10 066	10 038	15 506	10 071	34 173	38 649
Operating revenue EBIT	5 242	2 874	2 757	7 296	3 493	10 874	20 987
Ordinary profit before tax (EBT) ¹⁾	4 775	2 440	2 091	7 077	35 137	9 307	49 306
Profit for the year	3 506	1 938	1 507	6 783	33 892	6 951	44 386
EBITDA-margin	6,8 %	5,1 %	5,8 %	8,2 %	6,9 %	5,9 %	7,3 %
EBT-margin	2,3 %	1,2 %	1,2 %	3,8 %	24,2 %	1,6 %	9,3 %
Balance sheet							
Non-current assets	311 903	284 946	273 539	279 535	281 564	311 903	281 564
Current assets	305 134	267 635	218 486	214 706	235 206	305 134	235 206
Total assets	617 037	552 581	492 025	494 241	516 769	617 037	516 769
Equity	229 619	231 157	246 522	250 798	241 218	229 619	241 218
Long-term debt	72 776	37 230	40 072	53 367	61 071	72 776	61 071
Short-term debt	314 642	284 193	205 431	190 076	214 481	314 642	214 481
Working capital	156 743	141 593	127 847	112 780	118 478	156 743	118 478
Equity ratio	37,2 %	41,8 %	50,1 %	50,7 %	46,7 %	37,2 %	46,7 %
Liquidity ratio	97,0 %	94,2 %	106,4 %	113,0 %	109,7 %	97,0 %	109,7 %
Cash Flow							
Cash flow from operational activities	-9 371	1 227	-8 284	34 907	8 323	-16 428	31 251
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	44 211 093	43 715 787	43 715 787	43 715 787	43 785 398	43 882 703	43 771 881
EBT per shares	0,11	0,06	0,05	0,16	0,80	0,21	1,13
Earnings per share	0,08	0,04	0,03	0,16	0,77	0,16	1,01
Equity per share	5,2	5,3	5,6	5,7	5,5	5,2	5,5
Dividend per share	-	0,30	-	-	-	0,30	0,25
Employees							
Number of employees (end of period)	586	360	326	314	326	586	326
Average number of employees	571	353	324	321	307	416	305

¹⁾ Q3 2013, YTD 2013 and Year 2013: Included a profit of MNOK 33 related to the sale of InStore IT

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
EBT-margin	EBT / operating revenue
EBITDA	Operating profit + depreciation fixed assets and 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
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 2013.

NOTE 2 KEY ACCOUNTING PRINCIPLES

The accounting principles for 2013 are described in the annual financial statements for 2013. The Group financial statements for 2013 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 31.12.2013. The quarterly report and the interim financial statements have not been revised by auditor.

NOTE 3 SEGMENT INFORMATION

SEGMENT: BUSINESS AREAS

MNOK	Q3 2014			Q3 2013			YTD 2014			YTD 2013			2013		
	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT	Revenues	EBITDA	EBT
PSI Technology	123,6	11,6	7,7	76,9	5,7	-0,3	332,5	26,7	14,7	258,0	18,4	0,2	355,7	24,7	1,0
PSI Retail ¹⁾	51,7	2,7	0,3	43,9	6,0	38,0	140,7	8,4	5,3	209,2	27,0	57,0	263,0	35,7	66,2
PSI Label	39,0	3,6	0,2	26,1	0,9	-1,5	124,4	8,6	-0,6	65,0	0,9	-3,3	101,8	4,5	-3,2
Group	0,1	-3,9	-3,4	0,1	-2,8	40,6	0,4	-9,5	-10,1	0,4	-7,9	39,4	0,5	-11,2	73,6
Eliminations	-8,1	0,0	0,0	-2,1	0,3	-41,8	-21,6	0,0	0,0	-2,3	0,3	-44,1	-2,2	0,4	-81,2
Total	206,3	14,1	4,8	144,9	10,1	35,1	576,4	34,2	9,3	530,3	38,6	49,3	718,9	54,2	56,4

¹⁾ Q3 2013, YTD 2013 and Year 2013: Included a profit of MNOK 33 related to the sale of InStore IT companies.

SEGMENT: SALES REVENUES BY GEOGRAPHICAL MARKET

MNOK	Q3 2014			Q3 2013			YTD 2014			YTD 2013			2013		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets
PSI Technology	35,7	57,4	30,4	34,0	25,0	17,8	93,7	154,5	84,3	94,4	86,3	77,3	125,1	129,5	101,1
PSI Retail	10,2	20,0	21,5	18,0	25,7	0,1	46,7	72,5	21,5	124,5	84,4	0,4	153,3	108,9	0,7
PSI Label	14,0	24,1	0,8	10,2	16,0	0,0	44,4	77,9	2,0	27,2	37,8	0,0	39,1	62,5	0,3
Group	0,1	0,0	0,0	0,1	0,0	0,0	0,4	0,0	0,0	0,4	0,0	0,0	0,5	0,0	0,0
Eliminations	-0,8	-7,7	0,5	-0,7	-0,6	-0,8	-1,0	-20,3	-0,4	-0,7	-0,6	-0,9	-0,2	-2,1	0,1
Total	59,3	93,8	53,2	61,7	66,1	17,2	184,3	284,6	107,4	245,6	208,0	76,8	317,8	298,8	102,3

SEGMENT: SALES REVENUES BY PRODUCT AND SERVICE

MNOK	Q3 2014		Q3 2013		YTD 2014		YTD 2013		2013	
	New sales	Service	New sales	Service	New sales	Service	New sales	Service	New sales	Service
PSI Technology	77,6	46,0	48,2	28,7	212,5	120,0	171,3	86,7	235,3	120,5
PSI Retail	37,6	14,1	30,4	13,6	103,0	37,7	155,7	53,5	195,4	67,6
PSI Label	39,0	0,0	26,1	0,0	124,4	0,0	65,0	0,0	101,8	0,0
Group	0,1	0,0	0,1	0,0	0,4	0,0	0,4	0,0	0,5	0,0
Eliminations	-8,1	0,0	-2,1	0,0	-21,6	0,0	-2,3	0,0	-2,2	0,0
Total	146,2	60,1	102,7	42,2	418,6	157,7	390,2	140,2	530,8	188,0

NOTE 4 RELATED PARTIES

No significant transactions between the Group and related parties had taken place as at 30 September 2014.

NOTE 5 TOP 20 SHAREHOLDERS PER 30 SEPTEMBER 2014

No.	Name	No. of shares	%
1	PINNÅS, ERIK (incl. fully owned companies) ¹	4 932 276	11,1 %
2	GLAAMENE INDUSTRIER AS	4 131 077	9,3 %
3	STRØMSTANGEN AS	3 933 092	8,9 %
4	SKAGEN VEKST	3 796 612	8,6 %
5	HOLMEN SPESIALFOND	2 500 000	5,6 %
6	AVANZA BANK AB	1 800 810	4,1 %
7	NORDNET BANK AB	1 689 941	3,8 %
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 530 404	3,4 %
9	SKANDINAVISKA ENSKILDA BANKEN	1 408 021	3,2 %
10	WAALER, JØRGEN (incl. fully owned companies) ¹	1 050 000	2,4 %
11	GRESSLIEN, ODD ROAR	965 000	2,2 %
12	V. EIENDOM AS	880 000	2,0 %
13	RING, JAN	704 222	1,6 %
14	MP PENSJON PK	699 806	1,6 %
15	BUDVILAITIS, EVALDAS (incl. controlled companies) ¹	555 709	1,3 %
16	ROMULD, ARVE	500 000	1,1 %
17	JACOBSEN, SVEIN (incl. fully owned companies) ¹	450 000	1,0 %
18	SAXO PRIVATBANK A/S	408 650	0,9 %
19	SWEDBANK AB (PUBL)	351 482	0,8 %
20	NISTAD GRUPPEN AS	338 300	0,8 %
	Sum 20 largest shareholders	32 625 402	73,5 %
	Sum 1 628 other shareholders	11 750 638	26,5 %
	Sum all 1 648 shareholders	44 376 040	100 %

¹ Primary insiders



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