



# Q3 and YTD 2017

Financial report og status



**StrongPoint**

## Highlights third quarter

- Operating revenues decreased overall for the Group due to the fewer major delivery projects than at the same time last year.
  - MNOK 204.8 (258.0)
- The decrease in EBITDA is due to lower sales
  - MNOK 14.1 (36.2)
- Cash flow from operational activities
  - MNOK - 2.2 (23.8)
- Positive development within Click & Collect
  - Received an additional order for Click & Collect solutions in Sweden
  - The first systems to Utkonos in Moscow are shipped from the factory
- The positive development in Spain continues
- The start-up problems at Label's new factory in Sweden have been resolved. The business area delivered as expected in Q3. EBITDA has doubled compared with the same period last year to MNOK 8.6.

MNOK	Q3 2017	Q3 2016	YTD 2017	YTD 2016	Year 2016
Revenue	204,8	258,0	692,3	813,1	1 120,2
EBITDA	14,1	36,2	31,6	80,8	111,7
Operating profit (EBIT)	6,2	28,3	7,8	55,8	78,3
Ordinary profit before tax (EBT)	4,5	28,6	3,4	56,2	79,2
Cash flow from operational activities	-2,2	23,8	6,1	80,5	163,3
Disposable funds	37,8	71,4	37,8	71,4	127,1
Earnings per share (NOK)	0,05	0,67	0,04	1,10	1,68
EBITDA margin	6,9 %	14,0 %	4,6 %	9,9 %	10,0 %

## Group

### Operating revenue

Revenue MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Proprietary Technologies	97,1	139,5	324,8	413,3	579,6
3rd Party Technologies	68,3	82,0	245,9	271,3	376,5
Labels	43,5	39,5	132,2	139,0	179,0
Eliminations / ASA	-4,1	-3,0	-10,6	-10,5	-15,0
<b>Total</b>	<b>204,8</b>	<b>258,0</b>	<b>692,3</b>	<b>813,1</b>	<b>1 120,2</b>

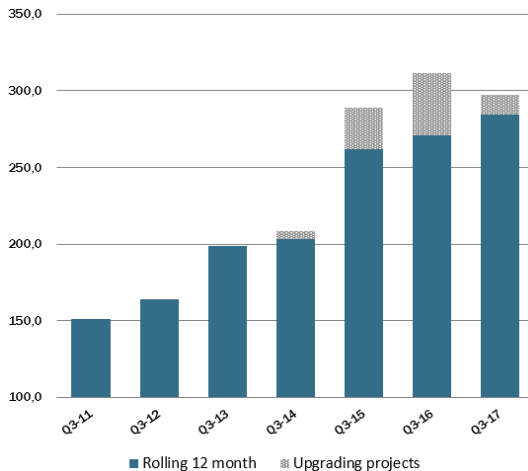
The Group operating revenue was MNOK 204.8 (258.0) in the third quarter. Year to date, operating revenue was MNOK 692.3 (813.1). StrongPoint's revenue is influenced by ongoing projects, which makes the turnover fluctuate in line with the delivery of signed agreements. This type of contract entails long negotiations and decision processes.

The decline in the quarter and year to date, was primarily due to decreased activity in Proprietary Technologies in Norway (Cash Management) and Sweden (Cash Security). These two markets had very high activity previous year.

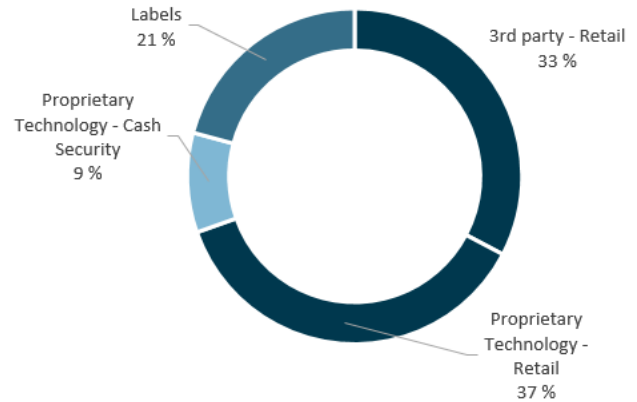
The process of strengthening the distribution network in selected European markets continues. One part of this process was the acquisition of PyD Seguridad in Spain. The acquisition has already proven very successful, and the Spanish market is now StrongPoints strongest growing market.

The increase in installed base means that service revenue, together with revenue from Labels, makes predictable earnings. For this quarter, this represented 54 per cent of the total revenue.

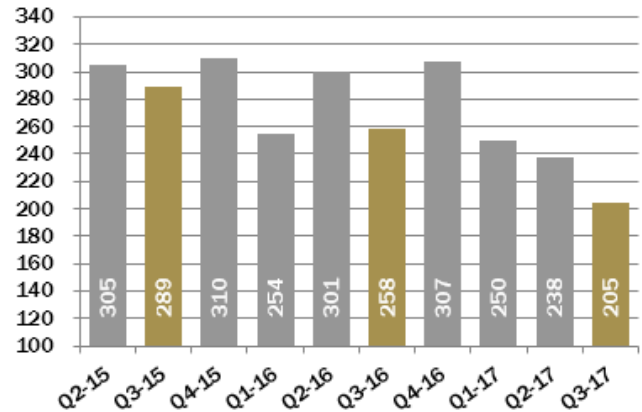
Service revenue 12 month rolling (MNOK)



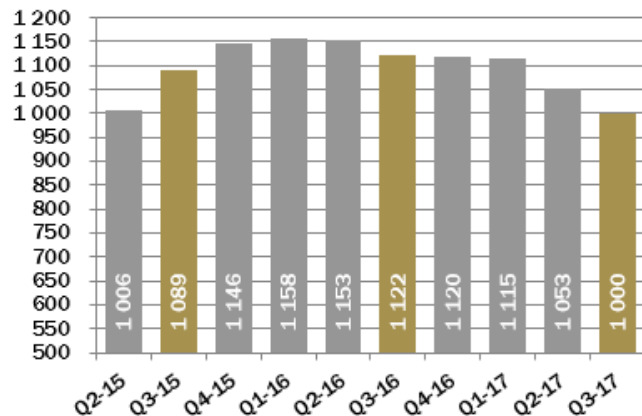
### Operating revenue per business area in the third quarter



Operating revenue per quarter (MNOK)



Operating revenue 12 month rolling (MNOK)



### EBITDA

EBITDA MNOK	Q3		YTD		YEAR
	2017	2016	2017	2016	2016
Proprietary Technologies	4,1	30,5	11,4	55,3	80,5
3rd Party Technologies	4,8	5,4	16,4	22,6	30,9
Labels	8,6	4,3	16,1	15,9	18,2
Eliminations / ASA	-3,3	-3,9	-12,3	-12,9	-17,9
<b>Total</b>	<b>14,1</b>	<b>36,2</b>	<b>31,6</b>	<b>80,8</b>	<b>111,7</b>

EBITDA was MNOK 14.1 (36.2) in the third quarter. Year to date, EBITDA was MNOK 31.6 (80.8). The decline is mainly a result of the decline in turnover in Proprietary Technologies in Norway and Sweden.

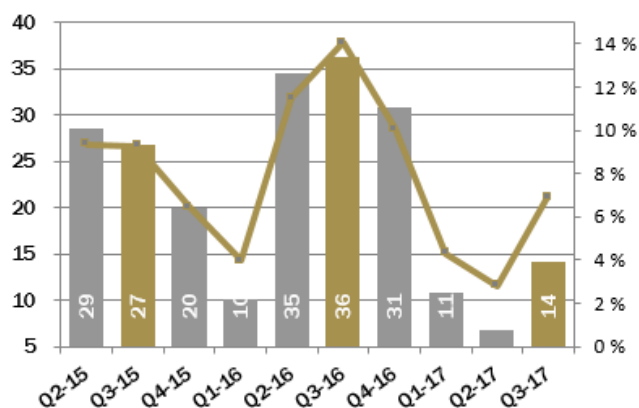
Measures have been implemented to further streamline operations. A total of 16 full-time employees were removed since the end of Q2, and the development of Vensafe was moved to Sweden and Lithuania.

The start-up problems at Label's new factory in Sweden have been solved. In the third quarter, the business area delivered significantly better results than the corresponding period previous year.

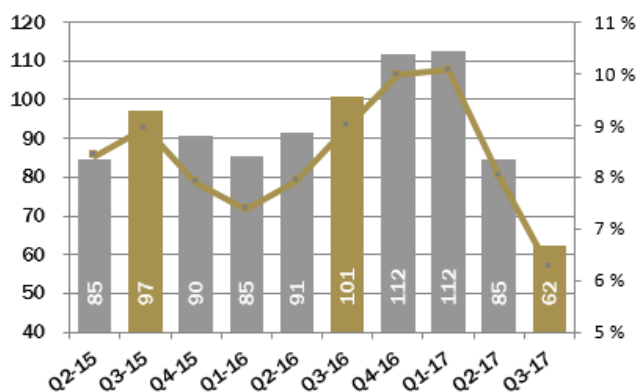
### Profit before tax (EBT)

Profit before tax (EBT) was MNOK 4.5 (28.6) in the third quarter. Year to date, EBT was MNOK 3.4 (56.2).

EBITDA and EBITDA margin per quarter (MNOK)



EBITDA and EBITDA margin 12 month rolling (MNOK)



## Proprietary Technologies

Proprietary Technologies comprises sales and services of solutions, based on StrongPoints fully owned technology solutions. This consists of Retail and Cash Security.

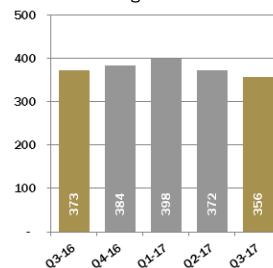
MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Product Sales	51,0	91,9	177,5	258,0	372,3
Service	46,0	47,6	147,3	155,3	207,3
<b>Revenue</b>	<b>97,1</b>	<b>139,5</b>	<b>324,8</b>	<b>413,3</b>	<b>579,6</b>
EBITDA	4,1	30,5	11,4	55,3	80,5
EBITDA-margin	4,2 %	21,8 %	3,5 %	13,4 %	13,9 %
EBT	0,8	27,4	2,4	45,7	68,8

## Proprietary Technologies - Retail

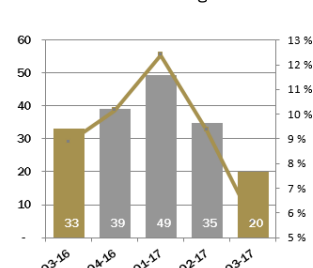
Proprietary technology that improves store efficiency and simplifies the shopping experience for consumers. The business area aims to develop and sell market-leading technology-based retail solutions, including Cash Management, Vensafe (Select & Collect), Self-checkout and Click & Collect.

MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Product Sales	40,4	53,0	143,0	160,0	216,6
Service	36,6	39,9	118,4	129,0	167,4
<b>Revenue</b>	<b>77,0</b>	<b>92,9</b>	<b>261,4</b>	<b>289,0</b>	<b>384,1</b>
EBITDA	4,6	19,3	16,0	34,9	39,0
EBITDA-margin	6,0 %	20,8 %	6,1 %	12,1 %	10,1 %
EBT	1,8	16,8	8,5	27,7	31,0

Operating revenue 12 month rolling

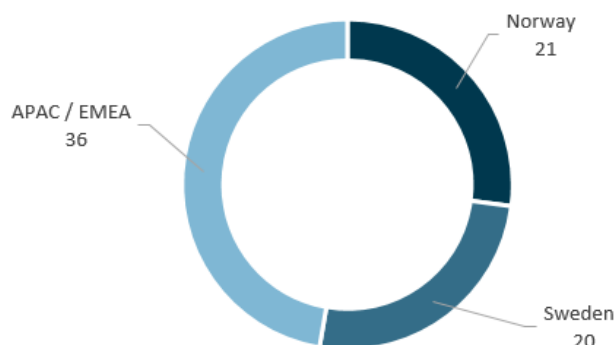


EBITDA and EBITDA margin 12 month rolling



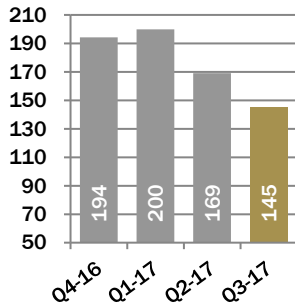
Proprietary Technology – Retail, focuses on four regions, Norway, Sweden, EMEA/APAC and the Baltic/Russia. The Baltic/Russian region currently has a marginal turnover in this business area, but we have high expectations for this region in the years to come. Especially within Click & Collect.

Turnover last quarter by region



## Norway

Operating revenue 12 month rolling



The upgrade and replacement project of existing Cash Management solutions, to handle new banknotes in Norway, was largely completed during the first quarter. This has contributed to the reduced activity in the second and third

quarter. The inhouse-developed solutions within Self-checkout and Click & Collect are being presented to potential retail customers.

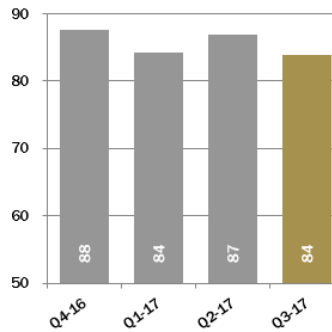
## Baltic/Russia

In June, StrongPoint received an order and partial pre-payment from Utkonos in Russia for the delivery of 25 Click & Collect Grocery Lockers with associated software solution for delivery in the fourth quarter. The next step is to sign a frame-agreement between the parties to cover a service-level-agreement (SLA) and roll-out procedures of additional units over the years to come. Utkonos is a leading e-commerce business in Russia, offering 24/7 deliveries to all districts in Moscow, as well as the nearby regions. This will be the first major order of proprietary retail technology in this region.

RIMI Lithuania and Coop Estonia continues the installation of Self-checkout solutions, consisting of StrongPoints proprietary software and hardware from a third-party supplier.

## Sweden

Operating revenue 12 month rolling

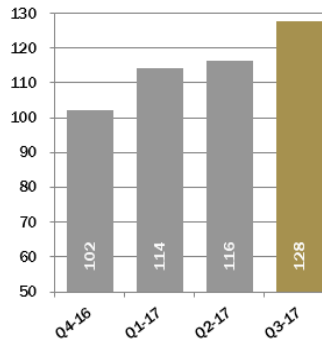


In March, StrongPoint signed an agreement with a Swedish grocery chain for delivery of Click & Collect solutions. StrongPoint has initially received an order of 30 systems, of which 19 was installed so far this year. In the third quarter, StrongPoint received an

order of additional 16 systems.

## EMEA/APAC

Operating revenue 12 month rolling



The development in the markets outside Norway/Sweden are very positive. EMEA accounted for 87 per cent of all Cash Management deliveries in Q3. The development in the Spanish market is particularly strong.

Four Cash Management systems were installed at Travis Perkins' new store concept "BUILT" in the UK in the third quarter. Travis Perkins is the UK's largest builders' merchandising and home improvement retailing.

In the third quarter, StrongPoint delivered 50 Cash Management systems to our partner in Australia. StrongPoint still sees a potential for its solutions in selected markets in Asia, and has during the year worked actively and focused on market development in this region.

The rollout of Cash Management systems to Alimerka's 170 stores was completed during the second quarter. The solutions are sold as a service, which gives stable income over the next 4 to 5 years. The StrongPoint team in Spain increased by 7 service employees following the acquisition of the business of Link Informatica Technologica. These will perform aftermarket services for the growing customer base in this important market.

### Cash Security Proprietary Technology

Proprietary IBNS technology (Intelligent banknote neutralization system) for securing ATM and CIT.

MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Product Sales	10,6	38,9	34,5	98,0	155,6
Service	9,4	7,7	28,9	26,3	39,9
<b>Revenue</b>	<b>20,1</b>	<b>46,6</b>	<b>63,4</b>	<b>124,3</b>	<b>195,5</b>
EBITDA	-0,5	11,2	-4,6	20,4	41,5
EBITDA-margin	-2,6 %	24,0 %	-7,3 %	16,4 %	21,2 %
EBT	-1,0	10,5	-6,1	18,0	37,9

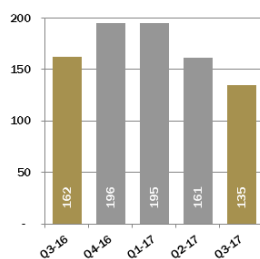
The activity level in both the quarter and year to date has been significantly lower than in the corresponding period last year, where the business area had two major ongoing projects.

The business area has stable service revenues from the installed base of CIT and ATM products. Product sales, on the other hand, are based on negotiations and product certifications that may be time consuming. Turnover in this business area fluctuates significantly.

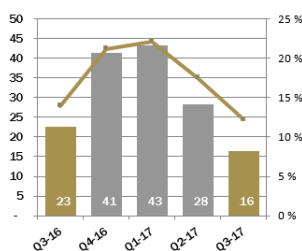
In the third quarter, StrongPoint received an order for delivery of 25 SoftCars® to one of Europe's leading CIT companies. The delivery will be completed in the fourth quarter.

An important step in sales process is the certification of products in the regulated markets. Our new ergonomic and cost effective product range with CIT bags was certified by Sberbank, the largest bank in Russia, as well as the French authorities in the first half. As a result, we received an order for 200 CIT cases in France, of which 124 CIT cases were delivered in the third quarter.

Operating revenue  
2 month rolling



EBITDA and EBITDA margin  
12 month rolling



StrongPoint has also fulfilled the certification requirements in Sweden for its new end-to-end IBNS solution for use in ATM cassettes. In cooperation with Bankomat, a pilot project has been started.

### 3rd Party Technologies

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

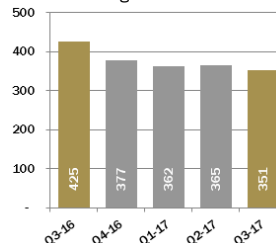
MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Product Sales	47,3	59,0	173,9	197,3	276,6
Service	21,0	23,0	72,0	74,0	100,0
<b>Revenue</b>	<b>68,3</b>	<b>82,0</b>	<b>245,9</b>	<b>271,3</b>	<b>376,5</b>
EBITDA	4,8	5,4	16,4	22,6	30,9
EBITDA-margin	7,0 %	6,5 %	6,7 %	8,3 %	8,2 %
EBT	3,4	3,0	11,9	16,9	23,4

3rd Party Technologies relies on a stable product base, consisting of ERP, POS, consulting services, scales, packing machines and ESL.

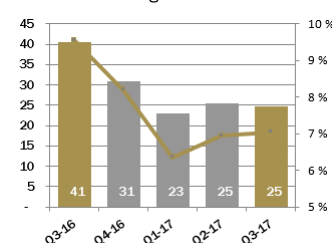
A Baltic grocery chain has entered into a pilot agreement for ESL. The chain has 264 stores in the three Baltic countries.

The framework agreement with Bunnpris for delivery of ESL takes longer time than expected.

Operating revenue  
2 month rolling



EBITDA and EBITDA margin  
12 month rolling



## Labels

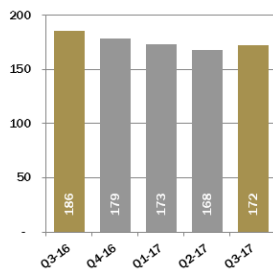
The business area offers leading expertise in the design and manufacture of adhesive labels.

MNOK	Q3		YTD		Year
	2017	2016	2017	2016	2016
Revenue	43,5	39,5	132,2	139,0	179,0
EBITDA	8,6	4,3	16,1	15,9	18,2
EBITDA-margin	19,8 %	10,9 %	12,2 %	11,4 %	10,2 %
EBT	4,7	1,1	4,7	5,1	4,2
EBT-margin	10,8 %	2,7 %	3,5 %	3,7 %	2,3 %

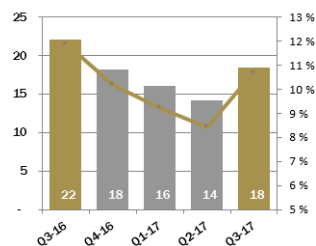
The previously communicated start-up problems at Label's new factory in Sweden have been solved. The business area delivered as expected in Q3, with a doubling of the EBITDA from the previous year. Production of labels is capital-intensive and relies on investments in new technology which is depreciated. This means that EBT is an important measurement parameter.

The business area is well adapted to today's market situation with efficient work processes, modern technology and new efficient premises.

Operating revenue  
12 month rolling



EBITDA and EBITDA margin  
12 month rolling





## Cash flow and equity

Cash flow from operational activities in the third quarter was MNOK - 2.2 (23.8). Year to date, cash flow from operational activities was MNOK 6.1 (80.5).

Disposable funds were MNOK 37.8 per September 30, 2017.

The net interest bearing debt increased by MNOK 8.5 compared with the end of the second quarter and totaled MNOK 68.9.

Fiscal year	General Assembly	Dividend per share
2016	20.04.2017	0,50
2016	05.01.2017	1,00
2015	28.04.2016	0,45
2014	30.04.2015	0,35
2013	25.04.2014	0,30
2012	26.04.2013	0,25
2011	08.05.2012	0,25

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

The Group has a shareholder program for the Group executive management and the employees in Norway and Sweden. Through these programs, employees subscribed for a total of 95,511 shares in 2016 and 62,560 shares so far in 2017.

The Board of Directors of StrongPoint ASA

Rælingen, 19 October 2017

Svein S. Jacobsen  
Chairman

Klaus de Vibe  
Director

Camilla Tefers  
Director

Inger J. Solhaug  
Director

Morthen Johannessen  
Director

Jørgen Waaler  
CEO

## Statement from the Board

The board and group CEO have today considered and approved StrongPoint's financial statements for the third quarter and year to date 2017, including comparative consolidated figures for the third quarter and year to date 2016. 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 year to date 2017 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 2017 and 30 September 2016. 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 StrongPoint ASA

Rælingen, 19 October 2017

Svein S. Jacobsen  
Chairman

Klaus de Vibe  
Director

Camilla Teffers  
Director

Inger J. Solhaug  
Director

Morthen Johannessen  
Director

Jørgen Waaler  
CEO

## Consolidated income statement

KNOK	Q3 2017	Q3 2016	Chg. %	YTD 2017	YTD 2016	Chg. %	Year 2016
Operating revenue	204 717	257 837	-20,6 %	692 315	812 493	-14,8 %	1 119 565
Profit from AC, Service companies	50	200		30	557		601
Cost of goods sold	98 427	129 235	-23,8 %	344 552	409 414	-15,8 %	572 732
Payroll	64 037	64 803	-1,2 %	223 952	233 264	-4,0 %	309 587
Other operating expenses	28 162	27 772	1,4 %	92 256	89 562	3,0 %	126 168
Total operating expenses	190 626	221 810	-14,1 %	660 761	732 240	-9,8 %	1 008 487
<b>EBITDA</b>	<b>14 142</b>	<b>36 228</b>	<b>-61,0 %</b>	<b>31 584</b>	<b>80 810</b>	<b>-60,9 %</b>	<b>111 679</b>
Depreciation tangible assets	4 562	3 203	42,4 %	13 221	11 878	11,3 %	15 868
Depreciation intangible assets	3 390	4 699	-27,8 %	10 538	13 129	-19,7 %	16 018
Write down intangible assets	-	-	-	-	-	-	1 472
Write down goodwill	-	23 345	-100,0 %	-	23 345	-100,0 %	23 345
Reversed earn-out New Vision	-	-23 338	-100,0 %	-	-23 338	-100,0 %	-23 338
<b>EBIT</b>	<b>6 189</b>	<b>28 319</b>	<b>-78,1 %</b>	<b>7 825</b>	<b>55 796</b>	<b>-86,0 %</b>	<b>78 315</b>
Interest expenses	751	524	43,4 %	2 303	1 865	23,5 %	1 899
Other financial expenses	919	-777	218,4 %	2 086	-2 240	193,1 %	-2 817
<b>EBT</b>	<b>4 519</b>	<b>28 572</b>	<b>-84,2 %</b>	<b>3 436</b>	<b>56 171</b>	<b>-93,9 %</b>	<b>79 233</b>
Taxes	2 177	-1 048	307,7 %	1 703	7 412	-77,0 %	5 035
<b>Profit/loss after tax</b>	<b>2 342</b>	<b>29 620</b>	<b>-92,1 %</b>	<b>1 733</b>	<b>48 759</b>	<b>-96,4 %</b>	<b>74 199</b>
<b>Earnings per share</b>							
Number of shares outstanding	44 376 040	44 376 040		44 376 040	44 376 040		44 376 040
Av. Number of shares - own shares	44 271 496	44 271 496		44 271 496	44 271 496		44 271 496
Earnings per share	0,05	0,67		0,04	1,10		1,68
Diluted earnings per share	0,05	0,67		0,04	1,10		1,68
EBITDA per share	0,32	0,82		0,71	1,83		2,52
Diluted EBITDA per share	0,32	0,82		0,71	1,83		2,52
<b>Total earnings</b>	<b>Q3 2017</b>	<b>Q3 2016</b>	<b>Chg. %</b>	<b>YTD 2017</b>	<b>YTD 2016</b>	<b>Chg. %</b>	<b>Year 2016</b>
Profit/loss after tax	2 342	29 620	-92,1 %	1 733	48 759	-96,4 %	74 199
Exchange differences on foreign operation	-4 605	-15 302	69,9 %	8 791	-35 774	124,6 %	-30 543
<b>Total earnings</b>	<b>-2 263</b>	<b>14 318</b>	<b>-115,8 %</b>	<b>10 524</b>	<b>12 985</b>	<b>-19,0 %</b>	<b>43 656</b>

## Consolidated balance sheet

KNOK	30.09.2017	30.09.2016	30.06.2017	31.12.2016
<b>ASSETS</b>				
Intangible assets	47 050	55 138	51 311	55 903
Goodwill	116 088	116 199	118 060	113 253
Tangible assets	82 298	53 666	84 017	85 440
Long term investments	1 412	1 546	1 940	1 625
Deferred tax	29 763	19 563	31 992	31 445
<b>Non-current assets</b>	<b>276 611</b>	<b>246 111</b>	<b>287 321</b>	<b>287 665</b>
Goods	113 648	92 582	102 391	101 200
Accounts receivable	162 355	198 841	153 363	161 202
Prepaid expenses	11 149	11 479	14 517	10 799
Other receivables	23 111	11 286	22 616	31 367
Bank deposits	24 329	11 781	30 232	67 090
<b>Current assets</b>	<b>334 592</b>	<b>325 968</b>	<b>323 120</b>	<b>371 658</b>
<b>TOTAL ASSETS</b>	<b>611 203</b>	<b>572 079</b>	<b>610 440</b>	<b>659 323</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	27 513	27 513	27 513	27 513
Holding of own shares	-65	-65	-65	-65
Other equity	237 650	262 862	239 913	293 533
<b>Total equity</b>	<b>265 098</b>	<b>290 310</b>	<b>267 361</b>	<b>320 981</b>
Long term interest bearing liabilities	26 958	22 122	28 345	32 982
Other long term liabilities	3 668	-	3 730	5 093
<b>Total long term liabilities</b>	<b>30 626</b>	<b>22 122</b>	<b>32 075</b>	<b>38 075</b>
Short term interest bearing liabilities	66 236	22 160	62 239	28 706
Accounts payable	81 972	97 268	70 975	102 480
Taxes payable	-	-	-	399
Other short term liabilities	167 271	140 219	177 790	168 682
<b>Total short term liabilities</b>	<b>315 479</b>	<b>259 647</b>	<b>311 004</b>	<b>300 267</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>611 203</b>	<b>572 079</b>	<b>610 440</b>	<b>659 323</b>

## Overview of changes in the equity

KNOK	Share capital	Treasury shares	paid-in equity	Translation variances	Other equity	Total equity
Equity 31.12.2015	27 513	-65	351 262	66 454	-147 916	297 247
Dividend 2015	-	-	-	-	-19 922	-19 922
Profit this year after tax	-	-	-	-	74 199	74 199
Other comprehensive income and expenses	-	-	-	-30 543	-	-30 543
Equity 31.12.2016	27 513	-65	351 262	35 912	-93 640	320 981
Dividend 2016	-	-	-	-	-66 407	-66 407
Profit this year after tax	-	-	-	-	1 733	1 733
Other comprehensive income and expenses	-	-	-	8 791	-	8 791
Equity 30.09.2017	27 513	-65	351 262	44 703	-158 314	265 098

## Statement of cash flow

KNOK	Q3 2017	Q3 2016	YTD 2017	YTD 2016	Year 2016
Ordinary profit before tax	4 519	28 572	3 436	56 171	79 233
Net interest	751	524	2 303	1 865	1 899
Tax paid	-	-	-	-	2 792
Share of profit, associated companies	-50	-200	-30	-557	-601
Ordinary depreciation	7 952	7 902	23 759	25 007	31 886
Write-downs	-	-	-	-	1 472
Impairment goodwill New Vision (StrongPoint Baltic)	-	23 345	-	23 345	23 345
Profit / loss on sale of fixed assets	-42	-3	-517	-8	503
Reversed earn-out New Vision (StrongPoint Baltic)	-	-23 338	-	-23 338	-23 338
Change in inventories	-12 957	6 760	-10 039	24 838	21 933
Change in receivables	-10 988	-20 842	2 021	-23 963	17 027
Change in accounts payable	12 328	13 867	-22 537	6 962	11 148
Change in other accrued items	-3 715	-12 804	7 706	-9 872	-4 007
<b>Cash flow from operational activities</b>	<b>-2 202</b>	<b>23 782</b>	<b>6 102</b>	<b>80 450</b>	<b>163 291</b>
Payments for fixed assets	-5 099	-4 819	-13 220	-15 525	-29 417
Payment from sale of fixed assets	8	-57	2 392	1 129	1 249
Net effect acquisitions	-	-4 195	-	-4 195	-7 521
Interest income	-54	-17	-16	363	1 792
<b>Cash flow from investment activities</b>	<b>-5 144</b>	<b>-9 087</b>	<b>-10 844</b>	<b>-18 227</b>	<b>-33 897</b>
Change in long-term debt	-2 445	-7 237	-17 732	-21 366	-32 409
Change in overdraft	5 018	-12 426	47 646	-27 795	-27 377
Interest expenses	-698	-507	-2 288	-2 228	-3 691
Dividend paid	-	-	-66 407	-19 922	-19 922
<b>Cash flow from financing activities</b>	<b>1 875</b>	<b>-20 170</b>	<b>-38 781</b>	<b>-71 311</b>	<b>-83 399</b>
<b>Net change in liquid assets</b>	<b>-5 471</b>	<b>-5 475</b>	<b>-43 522</b>	<b>-9 088</b>	<b>45 995</b>
Cash and cash equivalents at the start of the period	30 232	18 082	67 090	22 610	22 610
Effect of foreign exchange rate fluctuations on foreign currency deposits	-432	-826	761	-1 741	-1 514
<b>Cash and cash equivalents at the end of the period</b>	<b>24 329</b>	<b>11 781</b>	<b>24 329</b>	<b>11 781</b>	<b>67 090</b>

## Key figures

KNOK	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	YTD 2017	YTD 2016
<b>Income statement</b>							
Operating revenue	204 767	237 906	237 906	249 672	307 115	692 345	813 050
EBITDA	14 142	6 715	6 715	10 727	30 869	31 584	80 810
Operating revenue EBIT	6 189	-1 255	-1 255	2 890	22 519	7 825	55 796
Ordinary profit before tax (EBT)	4 519	-2 765	-2 765	1 682	23 062	3 436	56 171
Profit for the year	2 342	-1 936	-1 936	1 328	25 440	1 733	48 759
EBITDA-margin	6,9 %	2,8 %	2,8 %	4,3 %	10,1 %	4,6 %	9,9 %
EBT-margin	2,2 %	-1,2 %	-1,2 %	0,7 %	7,5 %	0,5 %	6,9 %
<b>Balance sheet</b>							
Non-current assets	276 611	287 321	287 321	282 003	287 665	276 611	246 111
Current assets	334 592	323 120	323 120	330 071	371 658	334 592	325 968
Total assets	611 203	610 440	610 440	612 074	659 323	611 203	572 079
Equity	265 098	267 361	267 361	282 608	320 981	265 098	290 310
Long-term debt	30 626	32 075	32 075	32 699	38 075	30 626	22 122
Short-term debt	315 479	311 004	311 004	296 767	300 267	315 479	259 647
Working capital	194 031	184 780	184 780	192 539	159 921	194 031	194 154
Equity ratio	43,4 %	43,8 %	43,8 %	46,2 %	48,7 %	43,4 %	50,7 %
Liquidity ratio	106,1 %	103,9 %	103,9 %	111,2 %	123,8 %	106,1 %	125,5 %
<b>Cash Flow</b>							
Cash flow from operational activities	-2 202	11 022	11 022	-2 718	82 841	6 102	80 450
<b>Share information</b>							
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	44 271 496	44 271 496	44 271 496	44 271 496	44 271 496	44 271 496	44 271 496
EBT per shares	0,10	-0,06	-0,06	0,04	0,52	0,08	1,27
Earnings per share	0,05	-0,04	-0,04	0,03	0,57	0,04	1,10
Equity per share	6,0	6,0	6,0	6,4	7,3	6,0	6,6
Dividend per share	1,00	1,00	1,00	1,00	-	1,00	0,45
<b>Employees</b>							
Number of employees (end of period)	557	573	573	573	580	557	590
Average number of employees	565	573	573	577	585	572	577

## Definitions

Working capital	Inventories + accounts receivables – accounts payable
Equity per share	Book value equity / number of shares
Operating revenue	Sales revenue and profit from AC, Service companies
Operating revenue per employee	Operating revenue / average number of employees
Operating cost per employee	Operating cost / average number of employees
EBT	Profit before tax
EBT-margin	EBT / operating revenue
EBIT	Operating profit
EBITDA	Operating profit + depreciation fixed assets and tangible assets
EBITDA-margin	EBITDA / operating revenue
Equity ratio	Book value equity / total assets
Weighted average basic shares	Issued shares adjusted for own shares on average for the year
Liquidity ratio	Current assets / short term debt
Earnings 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 2016.

## Note 2 Key accounting principles

The accounting principles for the report are described in the annual financial statements for 2016. The Group financial statements for 2016 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 31.12.2016. The quarterly report and the interim financial statements have not been revised by auditor.

## Note 3 Segment information

### Segment: Business areas

MNOK	Q3 2017			Q3 2016			YTD 2017			YTD 2016			Year 2016		
	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT
Proprietary	97,1	4,1	0,8	139,5	30,5	27,4	324,8	11,4	2,4	413,3	55,3	45,7	579,6	80,5	68,8
3rd Party	68,3	4,8	3,4	82,0	5,4	3,0	245,9	16,4	11,9	271,3	22,6	16,9	376,5	30,9	23,4
Labels	43,5	8,6	4,7	39,5	4,3	1,1	132,2	16,1	4,7	139,0	15,9	5,1	179,0	18,2	4,2
Eliminations / ASA	-4,1	-3,3	-4,4	-3,0	-3,9	-2,9	-10,6	-12,3	-15,5	-10,5	-12,9	-11,6	-15,0	-17,9	-17,2
<b>Total</b>	<b>204,8</b>	<b>14,1</b>	<b>4,5</b>	<b>258,0</b>	<b>36,2</b>	<b>28,6</b>	<b>692,3</b>	<b>31,6</b>	<b>3,4</b>	<b>813,1</b>	<b>80,8</b>	<b>56,2</b>	<b>1 120,2</b>	<b>111,7</b>	<b>79,2</b>

### Segment: Operating revenue by geographical market

MNOK	Q3 2017			Q3 2016			YTD 2017			YTD 2016			Year 2016		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets
Proprietary	21,6	27,2	48,3	45,5	64,3	29,7	92,7	91,3	140,7	144,5	144,0	124,7	199,6	202,5	177,6
3rd Party	25,7	32,4	10,2	29,2	35,3	17,5	96,4	98,4	51,0	100,8	108,7	61,9	137,4	152,5	86,6
Labels	15,1	26,9	1,4	13,3	25,6	0,6	43,7	85,3	3,2	45,2	91,5	2,2	58,4	117,9	2,8
Eliminations / ASA	0,0	-4,0	-0,1	-0,1	-2,8	-0,0	-0,0	-9,4	-1,1	-0,1	-10,4	-0,0	-0,4	-12,8	-1,7
<b>Total</b>	<b>62,5</b>	<b>82,5</b>	<b>59,8</b>	<b>87,9</b>	<b>122,4</b>	<b>47,8</b>	<b>232,8</b>	<b>265,6</b>	<b>193,9</b>	<b>290,4</b>	<b>333,9</b>	<b>188,7</b>	<b>394,9</b>	<b>460,1</b>	<b>265,2</b>

### Segment: Operating revenue by product and service

MNOK	Q3 2017		Q3 2016		YTD 2017		YTD 2016		Year 2016	
	New sales	Service	New sales	Service	New sales	Service	New sales	Service	New sales	Service
Proprietary	51,0	46,0	91,9	47,6	177,5	147,3	258,0	155,3	372,3	207,3
3rd Party	47,3	21,0	59,0	23,0	173,9	72,0	197,3	74,0	276,6	100,0
Labels	43,5	0,0	39,5	0,0	132,2	0,0	139,0	0,0	179,0	0,0
Eliminations / ASA	-4,1	0,0	-3,0	0,0	-10,6	0,0	-10,5	0,0	-15,0	0,0
<b>Total</b>	<b>137,8</b>	<b>67,0</b>	<b>187,5</b>	<b>70,6</b>	<b>473,1</b>	<b>219,2</b>	<b>583,8</b>	<b>229,3</b>	<b>812,8</b>	<b>307,3</b>



## Note 4 Related parties

No significant transactions between the Group and related parties had taken place as at 30 September 2017.

## Note 5 Top 20 shareholders at 30 September 2017

No.	Name	No. of shares	%
1	STRØMSTANGEN AS	3 933 092	8,9 %
2	HOLMEN SPESIALFOND	2 280 000	5,1 %
3	AVANZA BANK AB	2 072 148	4,7 %
4	SKAGEN VEKST	2 003 554	4,5 %
5	HSBC TTEE MARLB EUROPEAN TRUST	1 976 000	4,5 %
6	PROBITAS HOLDING AS	1 788 276	4,0 %
7	ZETTERBERG, GEORG (incl. fully owned companies)	1 610 000	3,6 %
8	NORDNET BANK AB	1 469 627	3,3 %
9	V. EIENDOM AS	1 007 134	2,3 %
10	WAALER, JØRGEN (incl. fully owned companies) <sup>1</sup>	1 000 000	2,3 %
11	GLAAMENE INDUSTRIER AS	873 549	2,0 %
12	RING, JAN	839 372	1,9 %
13	GRESSLIEN, ODD ROAR	828 202	1,9 %
14	MP PENSJON PK	777 402	1,8 %
15	SKANDINAVISKA ENSKILDA BANKEN AB	534 952	1,2 %
16	JOHANSEN, STEIN	450 000	1,0 %
17	VERDADERO AS	443 760	1,0 %
18	NORDEA BANK AB	427 490	1,0 %
19	SVENSKA HANDELSBANKEN AB	410 435	0,9 %
20	BUDVILAITIS, EVALDAS (incl. fully owned companies) <sup>1</sup>	408 561	0,9 %
Sum 20 largest shareholders		25 133 554	56,6 %
Sum 1 812 other shareholders		19 242 486	43,4 %
Sum all 1 832 shareholders		44 376 040	100,0 %

<sup>1</sup> Primary insiders



**StrongPoint**