

PSI Group ASA

1st quarter 2010 Presentation, May 7th 2010

Jørgen Waaler, CEO



Business Vision

Become a leading global provider of closed and secure cash handling solutions wherever cash moves



Agenda

- Highlights
- Financials
- Operations
- Q&A

Highlights

- **Key figures**
 - Operating revenues of NOK 129.4 million. down 12.1% from Q109
 - EBITDA of NOK 0.2 million, down from NOK 16.9 million in Q109
 - Negative cash flow from operations of NOK 19.9 million, mainly related to increase in working capital
- **Weak results from Cash Management CIT/ ATM**
 - Actions to improve profitability implemented and completed
 - One-off expenses of NOK 2.8 million affects result
- **Retail Solutions and Cash Management Retail on track**
- **Significant events during the quarter**
 - Updated agreement on CashGuard with NorgesGruppen
 - New management team in Cash Management Retail

Financials – P&L statement

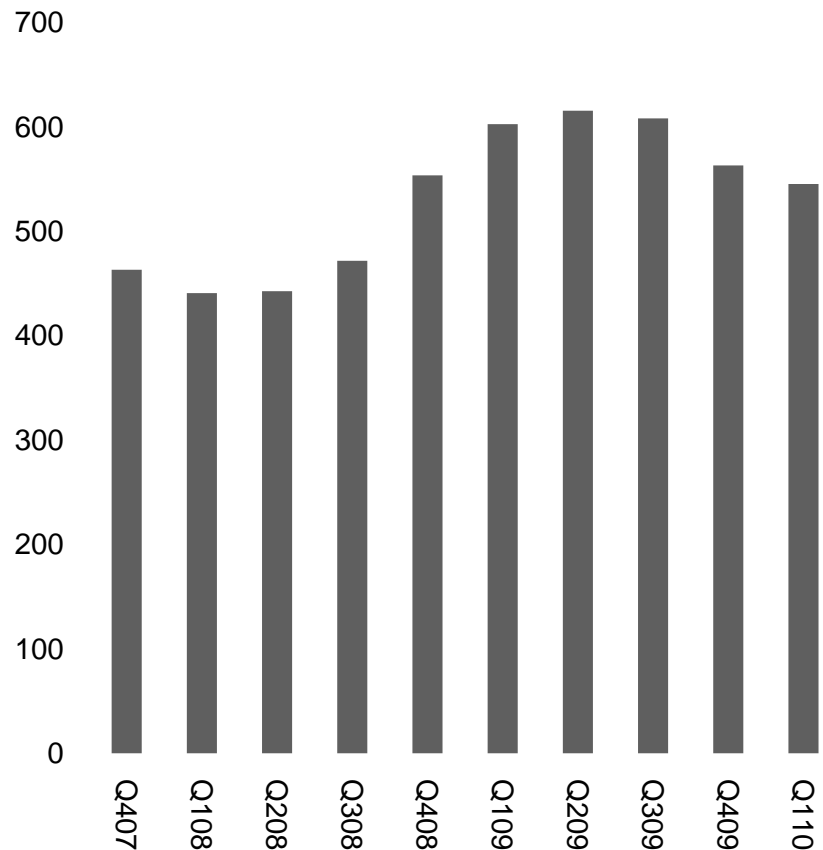
- Operating income of NOK 129.4 million
 - Weak results due to low order intake
Cash Management CIT/ ATM
- EBITDA affected by:
 - NOK 2.8 million one-off connected to
workforce reduction in CM CIT/ ATM
- Costs down by 5,7 million from 4th
quarter 2009.

<i>NOK million</i>	1st quarter 2010	2009	Year 2009
Sales revenues	129.1	146.7	563.8
Profit from AC-Service companies	0.3	0.5	1.8
Operating revenues	129.4	147.2	565.6
Cost of goods sold	57.9	59.7	240.9
Payroll	48.6	48.0	181.0
Other operating expenses	22.7	22.6	99.4
Total operating expenses	129.2	130.3	521.3
EBITDA	0.2	16.9	44.3
Depreciation tangible assets	2.6	1.6	11.0
Depreciation intangible assets	3.8	4.6	16.0
Write downs intangible assets	0.0	0.0	13.3
EBIT	-6.2	10.7	4.0
Net financial income	-4.3	-3.4	-12.7
EBT	-10.6	7.3	-8.7
Tax	-3.2	1.7	-0.1
Operating income	-7.3	5.5	-8.7

12 months rolling

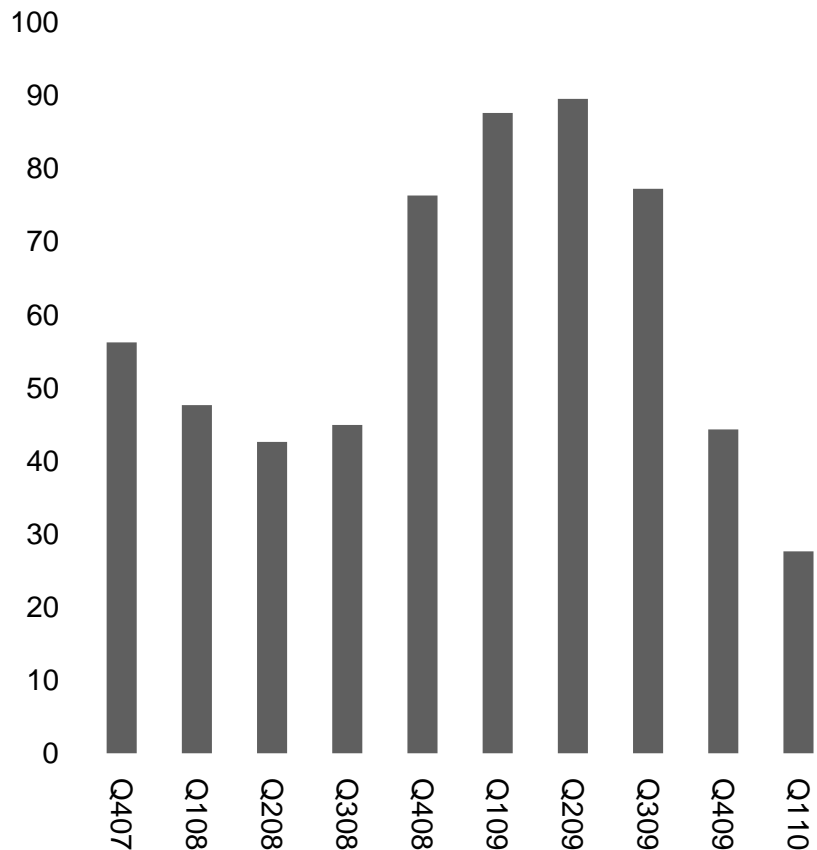
12 months rolling revenue (NOK million)

NOK million



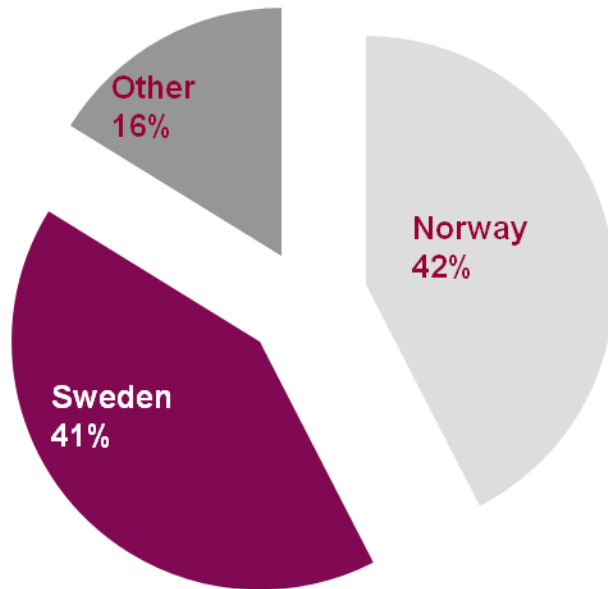
12 months rolling EBITDA (NOK million)

NOK million

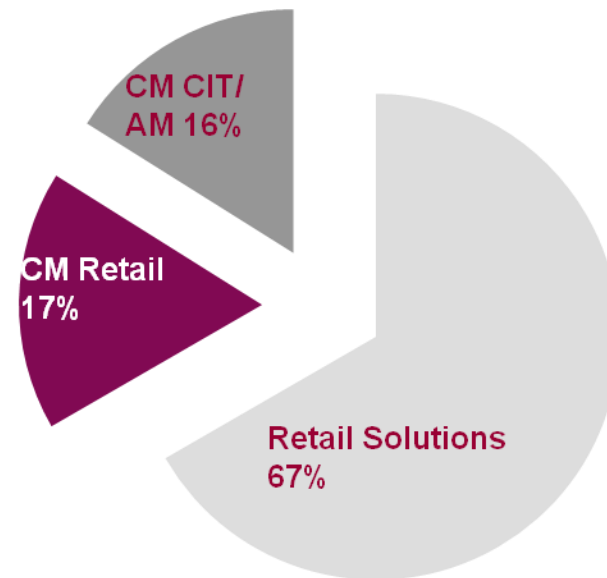


Revenue breakdown

Revenue per country

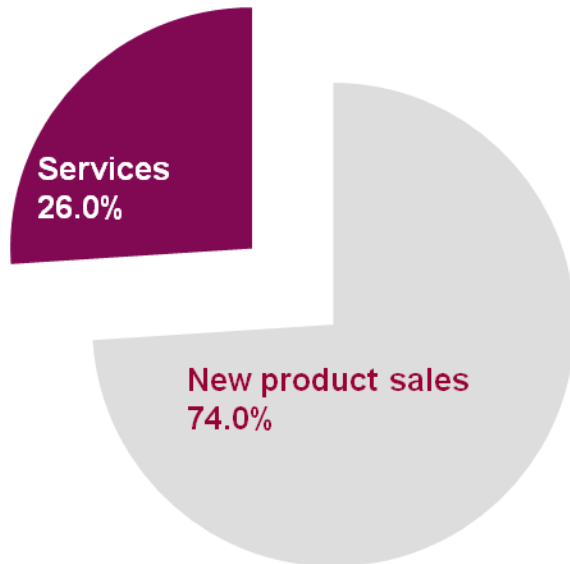


Revenue per business area

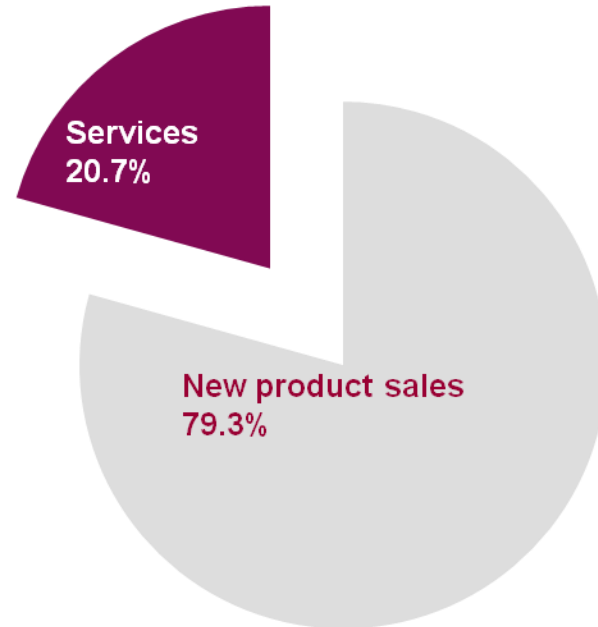


New product sale and service revenues

1st quarter 2010



1st quarter 2009



Balance sheet - Total assets

- Increase in Accounts receivables – and other receivables compared to Q4 2009

<i>NOK million</i>	31.03.2010	31.12.2009	31.03.2009
ASSETS			
Intangible assets	145.0	144.1	155.4
Goodwill	318.4	313.1	313.7
Tangible assets	36.4	38.2	41.9
Long term investments	9.5	9.7	9.7
Deferred tax	38.7	36.6	37.9
Non-current assets	548.1	541.6	558.5
Financial Investments	0.0	0.0	0.6
Goods	75.8	75.1	94.7
Accounts receivables	100.6	90.3	126.1
Prepaid costs	1.6	3.1	14.3
Other receivables	17.8	13.1	9.6
Bank deposits	5.8	9.7	14.1
Current assets	201.6	191.4	259.4
TOTAL ASSETS	749.7	733.0	817.9

Balance sheet – Total equity & liabilities

- Net interest bearing debt increased by NOK 22.1 million compared to Q4 2009
 - Total net interest bearing debt NOK 209.6 million end Q1 2010
- Disposable liquidity reduced by NOK 28.1 million to NOK 19.4 million
- 1,197,927 own shares, representing 5.4% (unchanged)

<i>NOK million</i>	31.03.2010	31.12.2009	31.03.2009
EQUITY AND LIABILITIES			
Share capital	13.8	13.8	13.8
Holding of own shares	-0.7	-0.7	-0.7
Other equity	354.8	351.1	365.8
Total equity	367.8	364.1	378.8
Long term interest bearing liabilities	76.6	81.8	98.3
Other long term liabilities	15.4	21.8	13.1
Total long term liabilities	92.1	103.6	111.5
Short term interest bearing liabilities	138.8	115.5	139.9
Accounts payable	43.2	51.1	94.5
Taxes payable	0.1	0.1	0.0
Other short term liabilities	107.7	98.6	93.3
Total short term liabilities	289.8	265.3	327.7
TOTAL EQUITY AND LIABILITIES	749.7	733.0	817.9

Financials – Cash flow statement

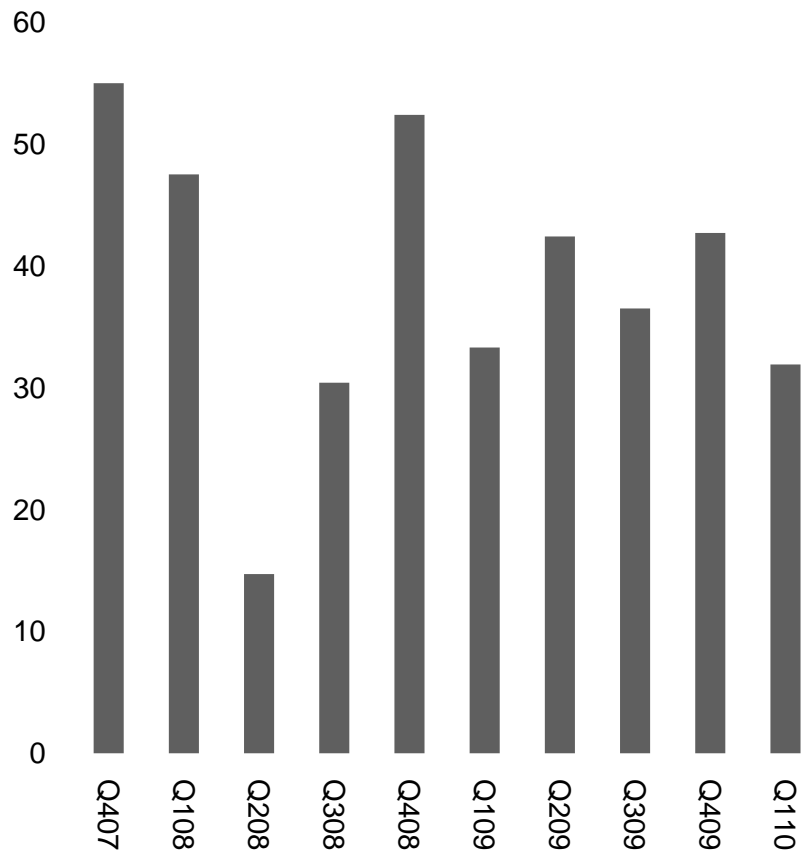
- Increase in Working capital by NOK 18.9 million in the quarter
 - Increase A/C by NOK 10.3 million
 - Reduction A/P by NOK 7.9 million

<i>NOK million</i>	1st quarter	Year	
	2010	2009	2009
Net cash flow operational activities	-19.9	-9.1	42.7
Net cash flow from investment activities	-3.7	-0.6	-16.9
Net cash flow from financing	19.6	4.4	-35.4
Net change in cash	-4,0	-5,3	-9,6
Exchange variance	0,1	-1.6	-1,7
Cash and cash equivalents at the beginning of the period	9.7	21.0	21.0
Cash and cash equivalents at the end of the period	5,8	14.1	9,7

12 months rolling

12 months rolling CF from operations (NOK million)

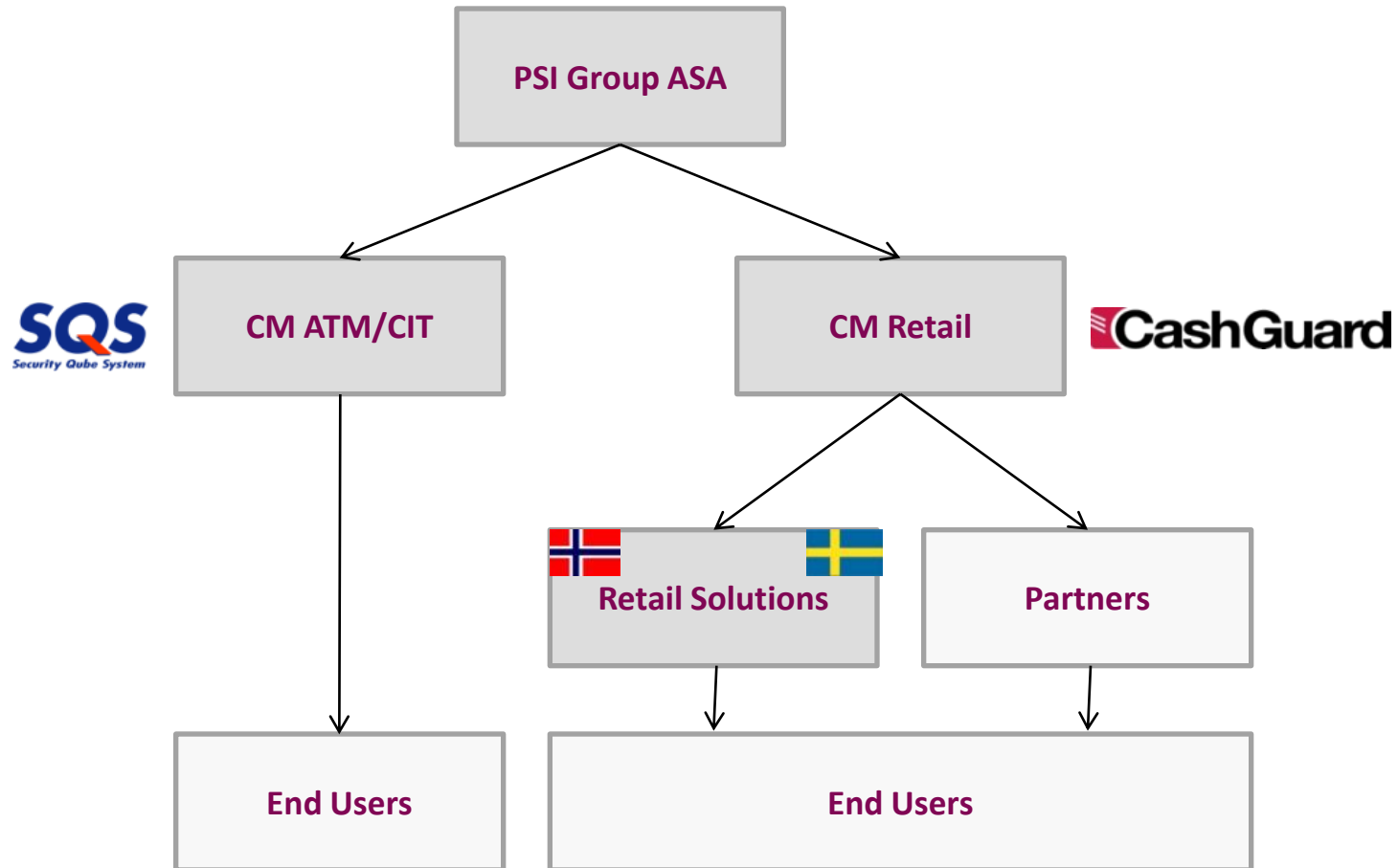
NOK million



Operations – Business units

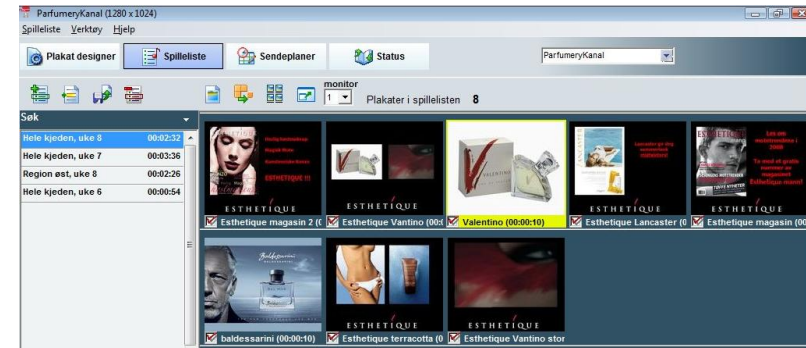


PSI organisation structure



Retail Solutions

- In Store Retail Technology Solutions
- Presence in Norway and Sweden
 - Dominating position in both countries
 - Independent supplier to retail stores
 - Country-wide service organizations



Retail Solutions

1st quarter highlights

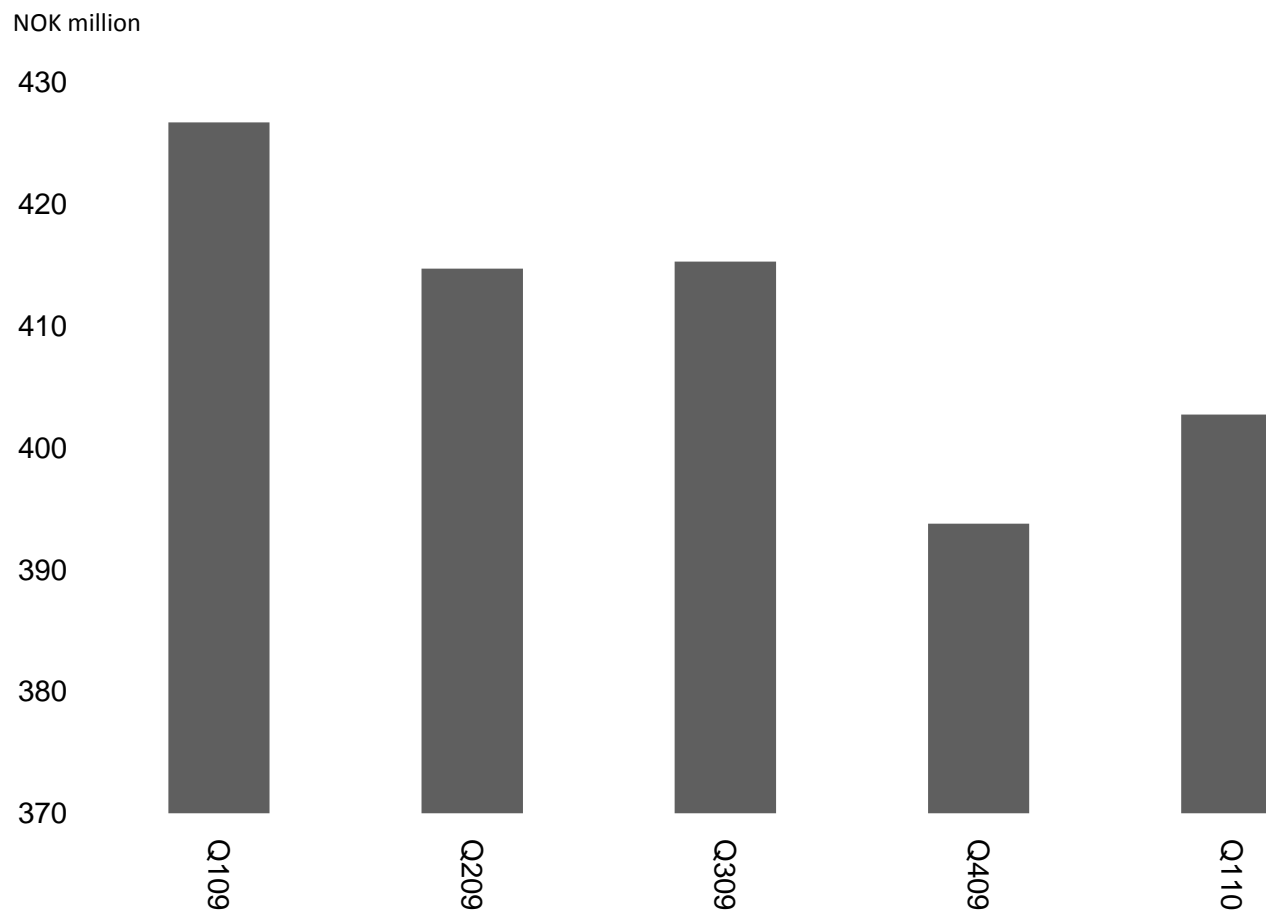
- 9,5 % turnover growth & 34,8 % EBITDA growth.
- 385 CashGuard systems sold in Q110 compared to 335 and 412 systems sold in Q109 and Q409 respectively.
- Satisfactorily ESL sales in Sweden during the quarter.
- Renewed agreement with NorgesGruppen.

1st quarter Key Figures

	1st quarter		Full year
	2010	2009	2009
Revenue new sale	76.2	70.8	302,6
Revenue services	25.6	22.2	91,2
Total operating rev.	101.8	93.0	393.8
EBITDA	6.2	4.6	14.9
EBITDA-margin	6.1%	5.0%	3.8%

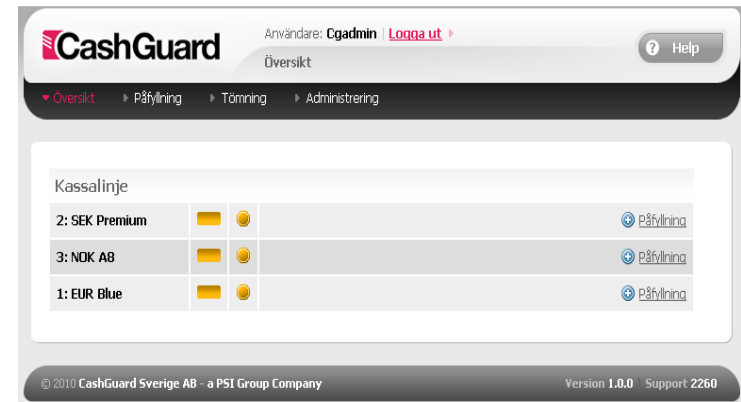
Retail Solutions

12 months rolling revenues



Cash Management Retail

- Develops & markets closed & secure cash handling solutions to retailers.
- Outsourced manufacturing.
- Channel strategy: Sales through partners only.
- Strong market leader in Norway and Sweden – with a promising international potential.



Cash Management Retail

1st quarter highlights & outlook

- 1.1 % decline in turnover and 17 % decline in EBITDA.
- Increased R &D costs.
- New management team in place:
 - Torgeir Abusdal CEO – January 1st
 - Berend Knauerhase VP S & M – May 1st
- Two new distribution agreements in the quarter – in Germany and Holland
- 40 CashGuard systems delivered in France 1st quarter.
- New products planned in 2010.

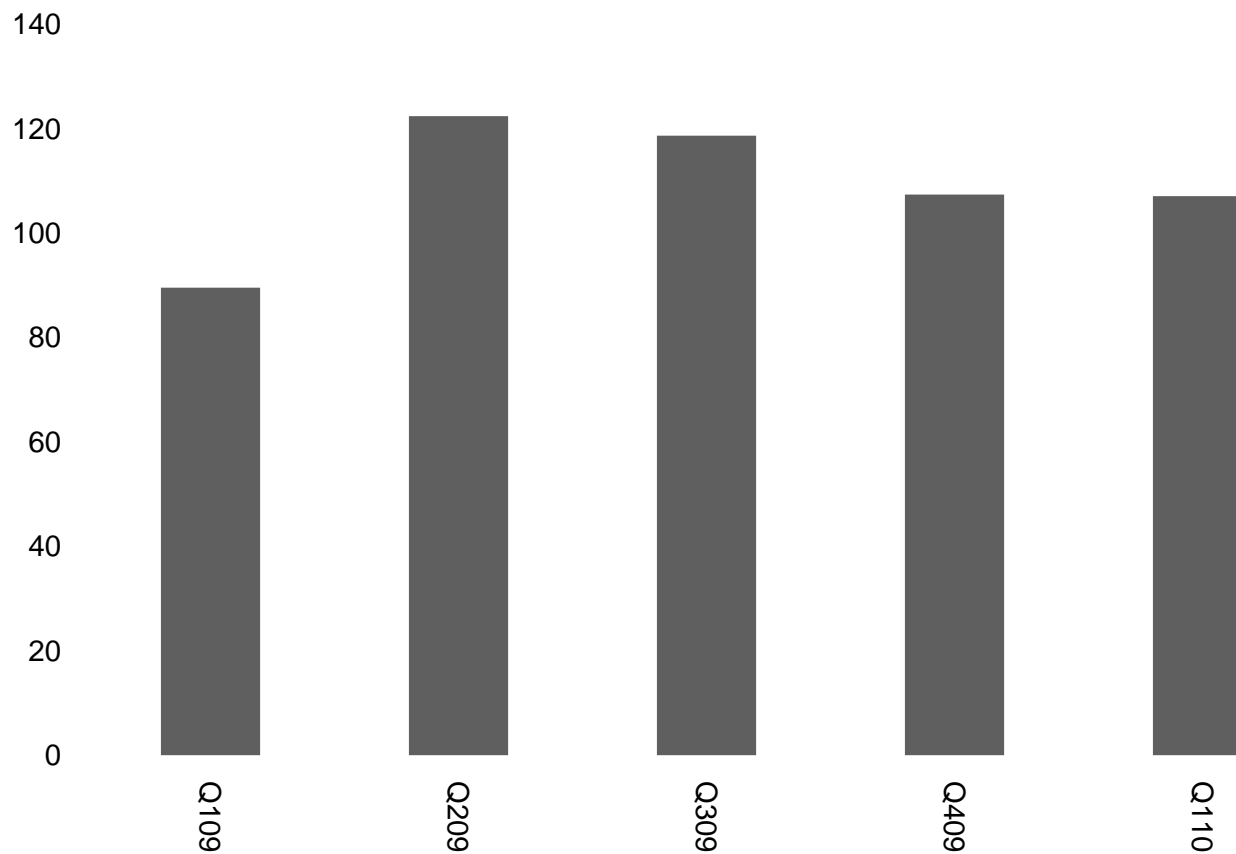
1st quarter Key Figures

	1st quarter		Full year
	2010	2009	2009
Revenue new sale	25.3	26.1	105,8
Revenue services	1.1	0.7	1,6
Total operating rev.	26.4	26.7	107.4
EBITDA	2.9	3.5	7.6
EBITDA-margin	11.0%	13.1%	7.1%

Cash Management Retail

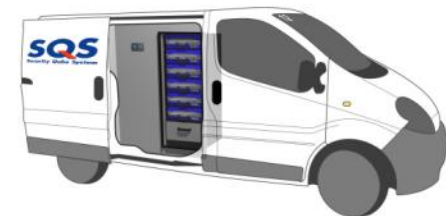
12 months rolling revenues

NOK million



Cash Management ATM & CIT

- Develops, manufactures & markets closed & secure cash handling solutions to the ATM & CIT market segments
- Market leader – High quality – high price
- New entry level product line to be launched in June 2010



Cash Management ATM & CIT

1st quarter highlights

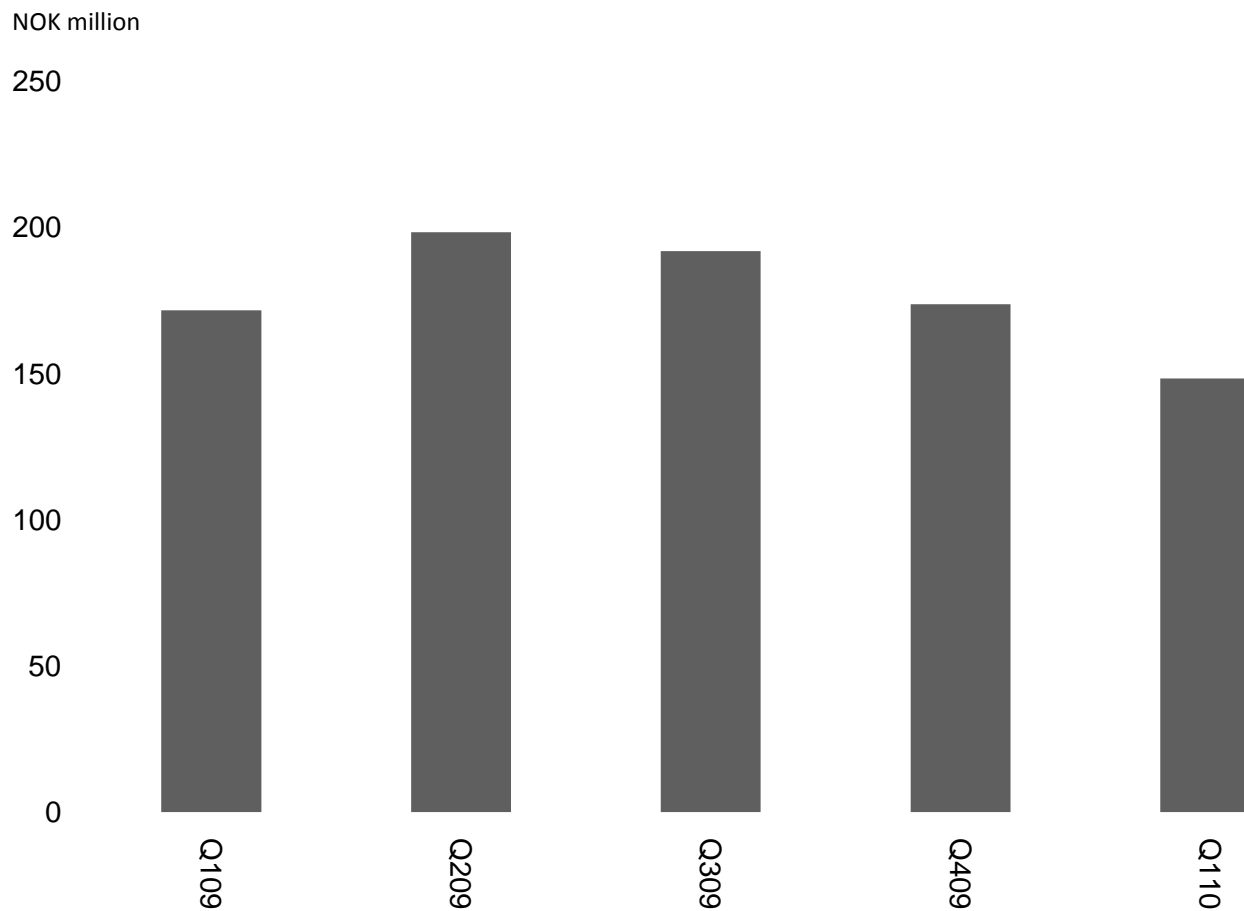
- 50,8 % decline in turnover
- Weak results due to low order intake
 - Normally slow start each year
- Cost reductions implemented
 - Work force reduction of 16
 - One-off expenses affects result by NOK 2.8 million

1st quarter Key Figures

	1st quarter		Full year
	2010	2009	2009
Revenue new sale	17.7	42.6	138,6
Revenue services	6.9	7.4	35,1
Total operating rev	24.6	50.0	173.7
EBITDA	-7.4	10.4	28.7
EBITDA-margin	-30.0%	20.9%	16.5%

Cash Management ATM & CIT

12 months rolling revenues



Top 20 shareholders per 31st March 2010

No.	NAME	No. of shares	%
1	PINNÅS. ERIK (incl. fully owned companies) ¹	2 961 276	13.3 %
2	SKAGEN VEKST OG SKAGEN VEKST III	1 355 798	6.1 %
3	PSI GROUP ASA (own holding)	1 197 927	5.4 %
4	DYVI CAPITAL AS	1 183 024	5.3 %
5	BARCLAYS CAP SEC CAYMAN CLIENT	1 050 401	4.7 %
6	AWAKE SWEDISH EQUITY FUND	652 000	2.9 %
7	DETALJHANDELSEKONOMI I ENKÖPING AB	453 920	2.0 %
8	ZETTERBERG. GEORG (incl. fully owned companies)	411 269	1.9 %
9	GLAAMENE INDUSTRIER AS	358 000	1.6 %
10	RING. JAN	355 410	1.6 %
11	NISTAD GRUPPEN AS	338 300	1.5 %
12	GRESSLIEN. ODD ROAR	275 000	1.2 %
13	WAALER AS ¹	270 000	1.2 %
14	LÖFMAN. MICHAEL	267 319	1.2 %
15	NORDNET PENSIONS FÖRSÄKRING AB	242 146	1.1 %
16	JPMORGAN CHASE BANK	237 068	1.1 %
17	AVANZA PENSION	221 790	1.0 %
18	V. EIENDOM AS	211 400	1.0 %
19	SWEDBANK LUXEMBOURG S.A.	203 532	0.9 %
20	NORDNET BANK AB	189 109	0.9 %
Sum 20 largest shareholders		12 434 689	56.0 %
Sum 8 629 other shareholders		9 753 331	44.0 %
Sum all 8 649 shareholders		22 188 020	100 %

¹ primary insiders

Questions?

”Zero losses - wherever cash moves”

