

PSI Group ASA

3rd quarter 2011 Presentation, October 28th 2011

Jørgen Waaler, CEO



Business Vision

The leading global provider of closed and secure cash handling solutions where ever money moves & the leading local provider of retail technology in selected markets.



Agenda

- Highlights 3rd quarter
- Financials
- Segment operations & Markets
- Q&A



Highlights

- **Key figures Q3 2011:**
 - Operating revenues of NOK 116.8 million, up 2.4% from Q310
 - EBITDA of NOK 9.0 million, down from NOK 12.1 million in Q310
 - Negative cash flow from operations of NOK 5.6 million
- **Key figures YTD 2011:**
 - Operating revenues YTD NOK 410,1 million, up 7,3% from 2010
 - EBITDA YTD NOK 40.0 million, up 59,8 % from 2010
 - Positive cash flow YTD from operations of NOK 4,9 million
- **SQS transaction terminated in August - shown as "Continued Operations"**
- **Successfully completed rights issue – net NOK 62,6 million**

Financials – P&L statement

- Operating income of NOK 117 million

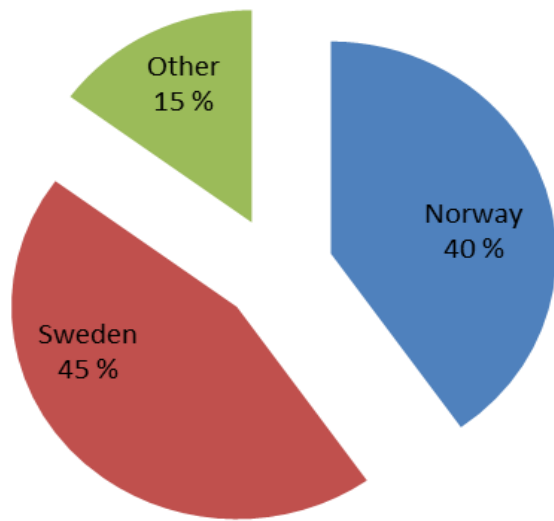
- Gross margin from 57,0 % to 50,0%

- Other costs down by 3.5 million yr on yr

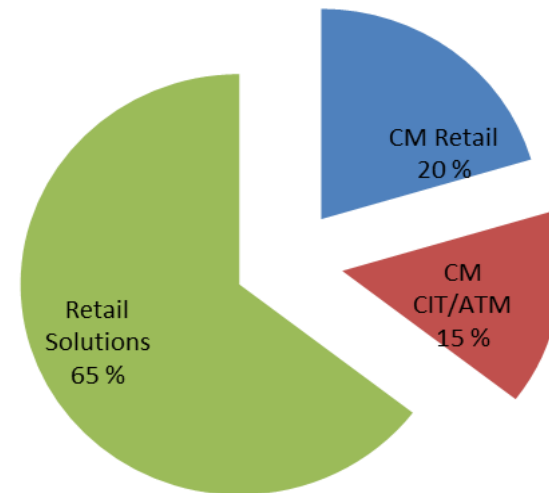
NOK thousand	Q3 2011	Q3 2010	Chg. %	YTD 2011	YTD 2010	Chg. %	Year 2010
Sales revenues	116 677	114 127	2,2 %	408 809	381 172	7,3 %	522 044
Profit from AC-Service companies	139	-52	368,1 %	1 290	1 129	14,3 %	2 240
Operating revenues	116 816	114 075	2,4 %	410 099	382 302	7,3 %	524 285
Cost of goods sold	58 444	49 012	19,2 %	185 710	167 182	11,1 %	217 828
Payroll	33 657	33 762	-0,3 %	122 584	126 410	-3,0 %	173 827
Other operating expenses	15 725	19 178	-18,0 %	61 762	63 652	-3,0 %	102 680
Total operating expenses	107 826	101 952	5,8 %	370 056	357 243	3,6 %	494 335
EBITDA	8 990	12 124	-25,8 %	40 044	25 058	59,8 %	29 950
Depreciation tangible assets	2 192	2 896	-24,3 %	6 882	8 204	-16,1 %	11 134
Depreciation intangible assets	3 751	3 987	-5,9 %	11 444	11 641	-1,7 %	15 879
Write down goodwill	-	-	-	-	-	-	194 412
EBIT	3 047	5 240	-41,9 %	21 718	5 213	316,6 %	-191 475
Interest	-1 859	-1 998	7,0 %	-5 858	-5 372	-9,1 %	-6 853
Other financial income	1 415	-360	493,4 %	1 000	-2 611	138,3 %	-4 938
EBT	2 603	2 882	-9,7 %	16 860	-2 769	708,8 %	-203 266

Revenue breakdown YTD 2011

Revenue per country

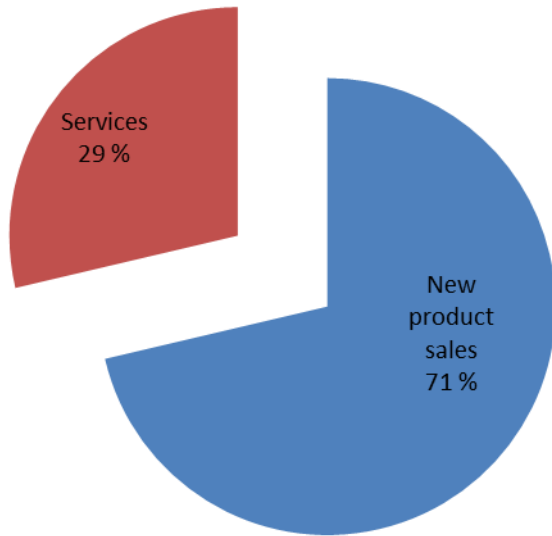


Revenue per business area

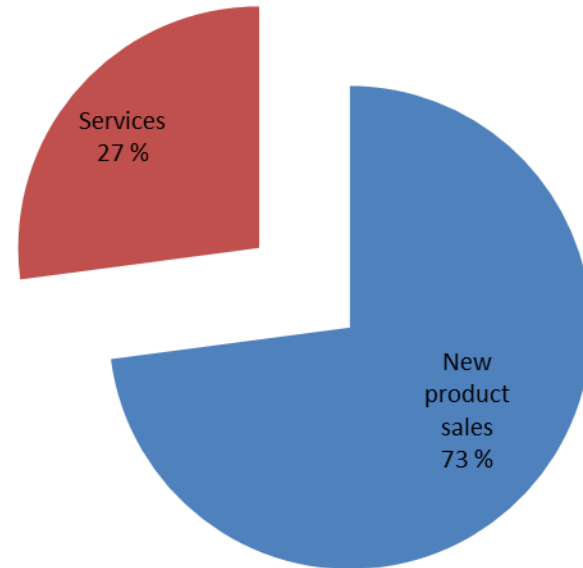


New products sales and service revenues

YTD 2011



YTD 2010



Balance sheet - Total assets

- A/R down by 2.6 million
- Inventory down by 7.2 million

NOK thousand	30.09.2011	30.09.2010	30.06.2011	31.12.2010
ASSETS				
Intangible assets	132 175	148 113	72 637	76 922
Goodwill	133 971	335 502	86 999	88 961
Tangible assets	28 175	32 785	28 048	30 738
Long term investments	11 532	9 381	11 414	11 083
Deferred tax	35 353	37 470	18 934	22 272
Non-current assets	341 206	563 252	218 033	229 975
Financial investments	25	25	24	25
Goods	71 453	78 614	50 548	44 785
Accounts receivable	91 424	94 017	70 339	61 833
Prepaid expenses	6 073	1 513	4 106	2 174
Other receivables	11 713	26 260	10 374	11 271
Bank deposits	4 316	4 871	1 626	2 716
Current assets	185 004	205 299	137 017	122 802
Asset from discontinued operations	-	-	177 962	195 556
TOTAL ASSETS	526 210	768 551	533 012	548 333

*Cash Management CIT/ATM are shown as discontinued operations per 30.06.11 and 31.12.10

Balance sheet – Total equity & liabilities

- Net interest bearing debt reduced by NOK 57.7 million compared to Q2 2011
- Total net interest bearing debt NOK 114.7 million end Q3 2011
- Disposable liquidity increased by NOK 11.5 million to NOK 26.5 million
- 297,927 own shares, representing 0.7%

NOK thousand	30.09.2011	30.09.2010	30.06.2011	31.12.2010
EQUITY AND LIABILITIES				
Share capital	27 513	13 757	13 757	13 757
Holding of own shares	-185	-743	-185	-185
Other equity	240 587	381 907	193 507	189 689
Total equity	267 915	394 921	207 079	203 261
Long term interest bearing liabilities	55 228	3 635	3 956	504
Other long term liabilities	9 718	14 911	1 019	1 091
Total long term liabilities	64 946	18 546	4 975	1 595
Short term interest bearing liabilities	63 742	205 754	128 795	140 118
Accounts payable	46 406	56 766	41 062	40 602
Taxes payable	712	86	314	287
Other short term liabilities	82 489	92 479	73 787	74 879
Total short term liabilities	193 349	355 085	243 959	255 886
Debt from discontinued operations	-	-	76 999	87 591
TOTAL EQUITY AND LIABILITIES	526 210	768 551	533 012	548 333

*Cash Management CIT/ATM are shown as discontinued operations per 30.06.11 and 31.12.10

Financials – Cash flow statement

NOK thousand	Q3 2011	Q3 2010	2011 YTD	2010 YTD	Year 2010
Net cash flow from operation	-5 577	7 967	4 901	1 053	26 119
Net cash flow from investment	1 622	1 296	1 996	-3 181	-1 011
Net cash flow from financing	5 071	-10 652	-7 600	-3 193	-30 171
Net change in cash	1 116	-1 389	-703	-5 321	-5 063
Effect of foreign exchange rate fluctuations on foreign currency deposits	21	316	-73	499	462
Cash and cash equivalents at the start of the period	3 180	5 943	5 092	9 692	9 692
Cash and cash equivalents at the end of the period	4 316	4 871	4 316	4 871	5 092
Cash and cash equivalents at the end of the period for discontinued operations	-	-	-	-	2 376
Cash and cash equivalents at the end of the period for continued operations	4 316	4 871	4 316	4 871	7 468

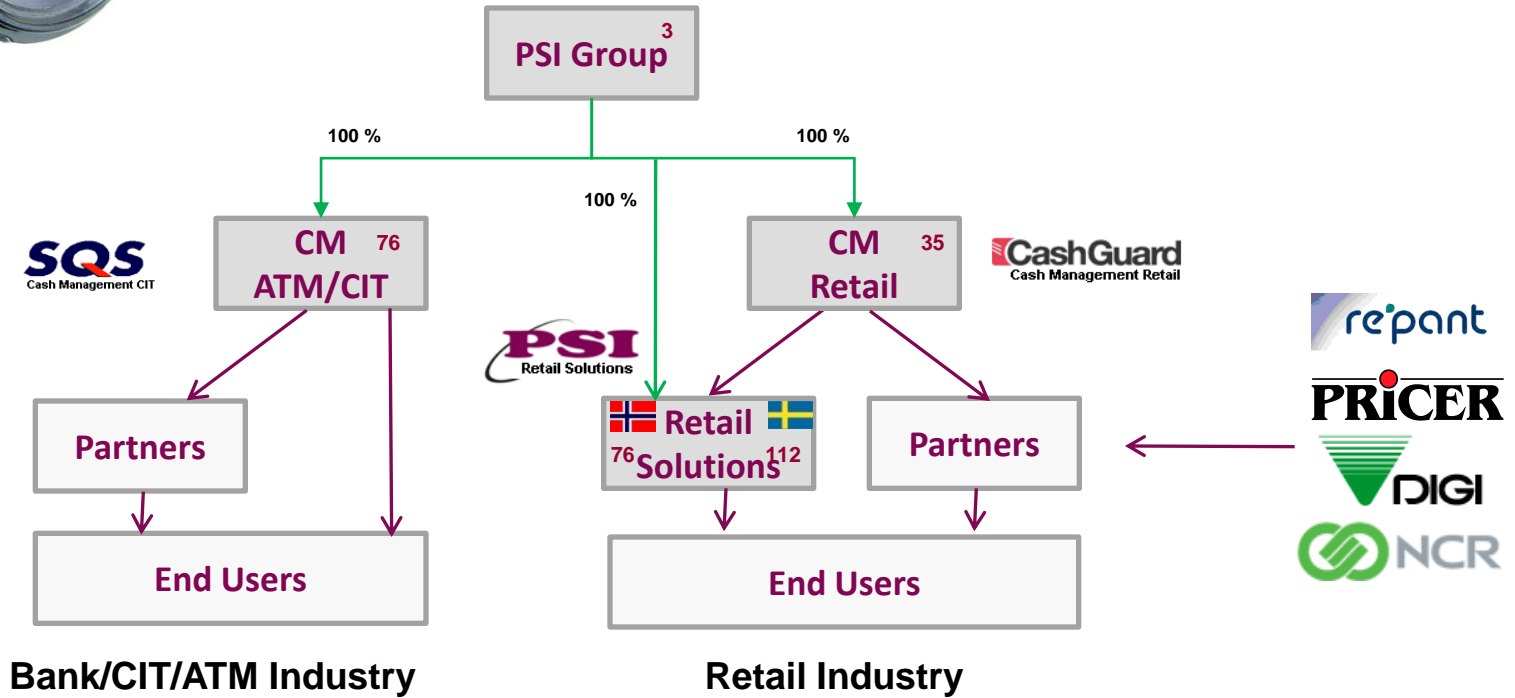
- Increase in Working capital by NOK 4.7 million during 3rd quarter

Operations – Business units





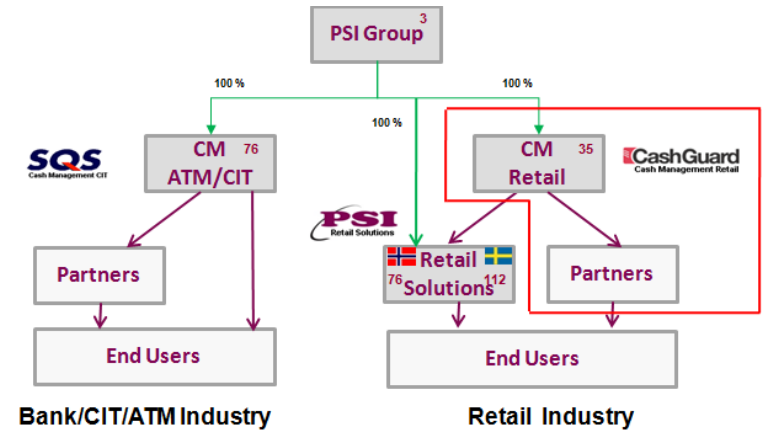
PSI Group business model



- 302 employees

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.



“Zero losses where ever money moves”

Cash Management Retail

3rd quarter highlights

- 18.3 % reduction in turnover
- 200 CashGuard systems delivered outside Scandinavia (174)
- 192 system delivered in Norway & Sweden (260)

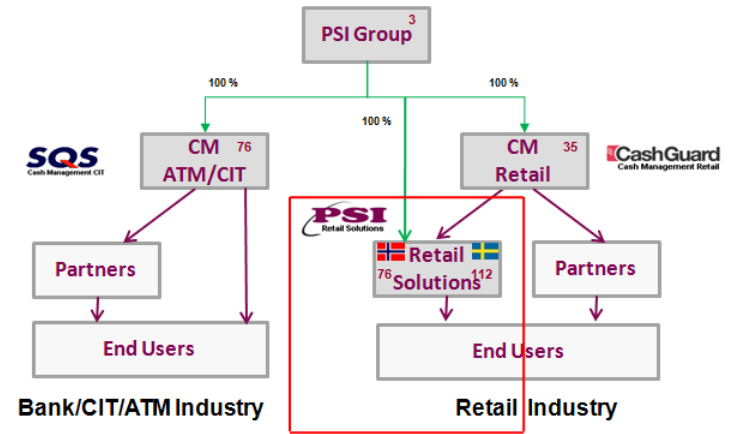
3rd quarter Key Figures

	Q3		YTD		Year
	2011	2010	2011	2010	2010
NOK millions	21,4	27,2	96,9	83,6	121,9
New Sales	1,1	0,3	3,2	1,2	2,6
Service/repairs	22,5	27,5	100,1	84,8	124,5
Total revenue	2,1	3,8	15,5	10,9	13,6
EBITDA	9,2 %	13,6 %	15,5 %	12,8 %	10,9 %
EBITDA-margin	0,7	-0,8	9,5	-1,9	1,6
EBT					



Retail Solutions

“Driving store owners profitability by increasing store employees efficiency”



- In Store Retail Technology Solutions
 - System integrator of leading technologies
 - Complex integration knowledge
 - Significant after market revenues
- Presence in Norway and Sweden
 - Dominating position in both countries
 - Independent supplier to retail stores
 - Country-wide service organizations



Retail Solutions

3rd quarter highlights

- NOK 1.5 million EBITDA reduction
- 192 CashGuard systems sold in Q311 compared to 260 in Q310
- 15 934 CashGuard systems delivered in Norway and Sweden
- Increased efficiencies and cost savings

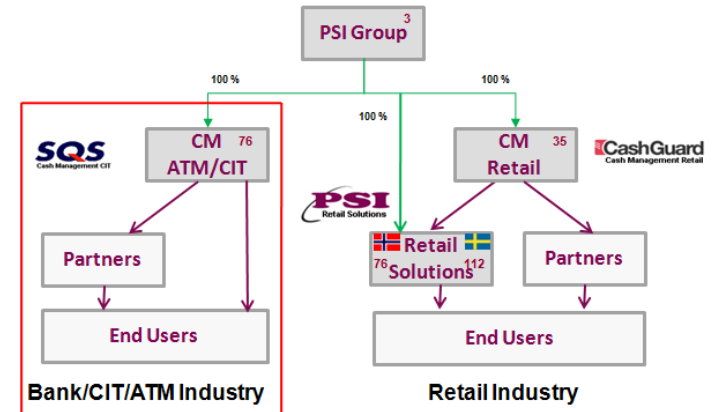
3rd quarter Key Figures

	Q3		YTD		Year
	2011	2010	2011	2010	2010
NOK millions					
New Sales	61,4	58,5	226,9	217,1	297,6
Service/repairs	29,0	33,3	89,6	83,7	108,9
Total revenue	90,4	91,9	316,5	300,8	406,4
EBITDA	8,4	11,9	28,3	28,2	38,8
EBITDA-margin	9,3 %	13,0 %	8,9 %	9,4 %	9,5 %
EBT	6,4	8,3	22,4	20,8	20,3



Cash Management ATM & CIT

“Zero losses wherever money moves”



- Providing proprietary closed cash handling solutions to ATM & CIT market segments
- Market leader – most secure, advanced and most expensive products
- Tremendous growth potential – only handful countries running soft concepts.
- In-house assembly & production



Cash Management ATM & CIT

3rd quarter highlights

- 6.4 % growth in turnover

3rd quarter Key Figures

NOK millions	Q3		YTD		Year
	2011	2010	2011	2010	2010
New Sales	10,9	11,3	49,2	50,8	67,4
Service/repairs	6,7	5,2	24,5	18,4	25,6
Total revenue	17,6	16,5	73,6	69,2	93,0
EBITDA	0,3	-1,4	4,9	-7,2	-11,9
EBITDA-margin	1,7 %	-8,6 %	6,6 %	-10,4 %	-12,8 %
EBT	-2,1	-5,5	-4,2	-18,5	-214,6



**WINCOR
NIXDORF**

BRINK'S



VAKT SERVICE

LOOMIS

SECURITAS



DeLaRue



DEXIA

FORTIS

Crédit Mutuel
LA banque à qui parler

ING

BNP PARIBAS

SEB

NCR

Nordea

DEBOLD

COBELGUARD
Security

DnB NOR

Cash Management ATM & CIT – Soft & smart protection

Soft Concept:

- No armoured cars
- No armed guards (2)
- Ordinary cars
- Dyeing, tracking



Top 20 shareholders per 30 September 2011

No.	Name	No. of shares	%
1	PINNÅS, ERIK (incl. fully owned companies) ¹	4 932 276	11,1 %
2	GLAAMENE INDUSTRIER AS	4 120 052	9,3 %
3	SKAGEN VEKST OG SKAGEN VEKST III	4 005 798	9,0 %
4	STRØMSTANGEN AS	3 933 092	8,9 %
5	ZETTERBERG, GEORG (incl. fully owned companies)	1 460 804	3,3 %
6	DYVI CAPITAL AS	1 183 024	2,7 %
7	BARCLAYS CAP SEC CAYMAN CLIENT	1 136 586	2,6 %
8	SEB MERCHANT BANKING	1 097 467	2,5 %
9	WAALER, JØRGEN (incl. fully owned companies) ¹	900 000	2,0 %
10	DELTA INVEST AS	749 835	1,7 %
11	GRESSLIEN, ODD ROAR	706 000	1,6 %
12	V. EIENDOM AS	638 150	1,4 %
13	LÖFMAN, MICHAEL	594 810	1,3 %
14	RING, JAN	576 954	1,3 %
15	FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	556 316	1,3 %
16	DETALJHANDELSEKONOMI I ENKÖPING AB	453 920	1,0 %
17	JACOBSEN, SVEIN (incl. fully owned companies) ¹	450 000	1,0 %
18	NORDNET PENSIONS FÖRSÄKRING AB	379 562	0,9 %
19	UNIONEN	354 612	0,8 %
20	NISTAD GRUPPEN AS	338 300	0,8 %
Sum 20 largest shareholders		28 567 558	64,4 %
Sum 7 769 other shareholders		15 808 482	35,6 %
Sum all 7 789 shareholders		44 376 040	100 %

¹ Primary insiders

Questions?

"Zero losses - wherever money moves"

