

**Precise Biometrics AB (publ), Corporate Identity No. 556545-6596**  
**Interim Report for the period January – March 2008**

- The group's net sales for the first quarter amounted to SEK 9.0 million (6.0).
- Losses for the first quarter were SEK -10.7 million (-9.3).
- Losses per share for the first quarter amounted to SEK -0.11 (-0.10).
- Liquid assets at the end of the quarter amounted to SEK 25.5 million (64.8).
- During the quarter Precise Biometrics received an order for 50,000 licenses for Precise Match-on-Card<sup>TM</sup> for an employee ID card program in one of the largest police departments in the US. The total value of the project for Precise Biometrics is expected to amount to SEK 2-5 million.
- Precise Biometrics has also been asked to participate in the TURBINE project (TrUsted Revocable Biometric IdeNtitiEs) financed by the EU. Precise Biometrics' contribution will be financed with SEK 5.7 million during a two-year period.
- Precise Biometrics won the second prize in SIMagine, a global competition aimed at allowing small companies and universities to develop and present future applications for SIM cards and NFC (near field communication). The finalists were presented at the GSMA World Mobile Congress in Barcelona.
- Precise Biometrics has released a new Precise Match-on-Card<sup>TM</sup> tool, Precise BioMatch<sup>TM</sup> Flex Toolkit, for simple and smooth integration of fingerprint technology. The target groups for the product are solution partners, systems integrators, and to some extent smart card companies. The product will be sold as part of a new partner program offered to existing and new partners.

**Significant events after the quarter**

- Precise Biometrics has hired Patrik Norberg as new CFO, who will start in this position in July.

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**For further information**

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Precise Biometrics AB is an innovative company offering solutions for fingerprint recognition to prove people's identities. With top-of-the-line expertise in fingerprint verification, Precise Biometrics offers fast, accurate and secure authentication of a person. Our core product Precise BioMatch<sup>TM</sup> integrates into ID and bank card programs and secure chips, as well as systems for access control to buildings, computers and networks. We act on a global market and our technology is licensed to more than 78 million users all over the world. The Precise Biometrics group has subsidiaries in Sweden (with group headquarters in Lund), Great Britain, Hong Kong and USA, and a joint venture agreement in China. Precise Biometrics is listed on the small cap list at the Nordic Exchange in Sweden (symbol:PREC). For more information, please visit <http://www.precisebiometrics.com/>



**Comments on the quarterly report by the CEO, Thomas Marschall**

I am pleased with the quarter we are now leaving behind as we have followed the plan that we have set out and it feels rewarding that we have achieved better results than planned when it comes to sales. It is satisfying to see how last year's long-term efforts to plan, focus and build up the team and processes have achieved success on several levels.

A major order from one of the largest police departments in the US is one of the commercial successes in this quarter. The importance of our research has also been acknowledged through an invitation to participate in a major project financed by the EU. Together with several other achievements during the quarter, this indicates that the market is, once again, confirming Precise Biometrics' dominant position in the Match-on-Card sector.

**Improvement of result**

I am also pleased with the financial results we have achieved during the first quarter. In comparison with the same quarter last year we have achieved a growth of approximately 50%. Our gross margin in this quarter is 45%, compared to the 26% last year. This confirms that it was the correct decision and a good strategy to shift our focus from sales of hardware to a more license-based business model.

The weak dollar has had an unfavourable effect on our profit by more than SEK 2 million. However, apart from changes in currency it is uplifting to see that the net result for the quarter is an improvement in comparison with the first quarter in 2007.

**First on SIM-cards**

The fact that we have once again been first to offer Match-on-Card for additional applications and new platforms is yet another reason to be pleased. Precise Biometrics took second place in February in SIMagine at the GSMA World Mobile Congress in Barcelona. The objective of this global competition is to find new applications for SIM cards in mobile telephones with NFC functionality.

Several billion SIM cards are manufactured every year, and as an increasing number of functions are integrated in these cards, security is becoming an increasingly important factor. By combining fingerprint recognition with SIM cards, this provides the opportunity to conduct secure transactions such as payments and different forms of identification on mobile telephones. The experience and networks we have built up through our success with national ID cards, enable efficient and flexible packaging of our technology for new platforms and business areas. In a long-term perspective I believe that this market will offer great potential for Precise Biometrics.

**SUS is making progress**

Concerning our joint-venture company Smart Unicorn Solutions (SUS) in China, I believe we have got the right team in place and the right focus. It remains, however, too early to assess what results we can expect from this investment, and when. We will continue during the year to give SUS both time and support in its efforts to realize our joint ambitions.

We have already entered an exciting second quarter, where we are continuing to work in the best possible way to utilize our leading position in the market. I can also see that the time is now ripe to employ new staff, and with a larger and stronger team to implement the plan and achieve the goals we have set to focus on long-term profitability.

**Sales and result**First quarter 2008

Sales for the first quarter amounted to SEK 9.0 million (6.0). The gross margin amounted to 45%. During the corresponding period last year the gross margin amounted to 26%. The Group's net loss for the first quarter amounted to SEK -10.7 million (-9.3). The weak development of the US dollar has affected our result, mainly balancing sheet items, with approximately SEK -2.0 million. Operating costs excluding costs for products sold, and excluding participations in associated companies, amounted to SEK 14.2 million (11.2), including depreciation of SEK 0.7 million (1.0) and capitalization of costs for development work of SEK 0.7 million (0.0). Losses per share (average number of shares) for the first quarter amounted to SEK -0.11 (-0.10).

**Financing and liquidity**

Equity amounted as of March 31, 2008 to SEK 61.2 million (85.6) and equity/share to SEK 0.60 (0.88).

Cash flow from current operations during the quarter amounted to SEK -6.3 million (-11.2). Liquid assets as of March 31, 2008 amounted to SEK 25.5 million (64.8).

**Geographic markets and future prospects**

Precise Biometrics' sales organization is divided into five geographic markets: Asia, Europe (including Scandinavia), Middle East & Africa, North America and Latin America.

Efforts to further develop our partner relations have continued in all regions during the quarter. A new partner program was introduced in April to link partners to Precise Biometrics at different levels, depending on the type of cooperation, choice of products, focus, and preferred commitment in terms of joint marketing and sales activities.

In association with the new partner program the Company also released Precise BioMatch<sup>TM</sup> Flex Toolkit – a new tool for integration of Precise Match-on-Card<sup>TM</sup> that allows new partners and integrators to launch Match-on-Card solutions more quickly in the market. This product is mainly intended for the markets for national ID cards and ID cards for employees.

During the quarter Precise Biometrics has also been invited to speak at several industry conferences. The opportunity to present the Precise Match-on-Card<sup>TM</sup> technology in contexts that highlight national ID cards, new applications for SIM cards and other applications for specific target groups, is an important component in the marketing of this technology and the creation of confidence in the Company and its products.

Europe

Several countries in Europe are investigating and assessing the possibilities of introducing ID cards based on smart cards and biometrics. One of the most widely discussed projects at the moment is the procurement of the British ID card. The authorities have communicated their interest in a database solution with fingerprint recognition. Precise Biometrics is working actively to lobby for a supplementary Match-on-Card functionality as a value-add to the British national ID card.

During the quarter one of Sweden's most rapidly expanding fitness chains, Fitness24seven, continued to place orders for cards with biometrics for its growing number of members.

Fitness24seven now has a total of 20,000 members, mainly in the south of Sweden, who regularly use Precise Biometrics' technology to access the gyms.

During the quarter Precise BioKeyboards, i.e. keyboards with built-in fingerprint readers and custom designed software, have been delivered to Swisscom following a previous order.

The roll-out of ID cards to Portugal's citizens continues, for which Precise Biometrics is supplying Precise Match-on-Card<sup>TM</sup>-licenses for Java cards through the partner Gemalto.

The subsidiary Precise Biometrics Solutions has during the quarter continued to work with the aviation industry and has established a great interest for fingerprint recognition solutions among both potential partners and airline companies. The company is working with a long-term perspective and with the expectation that it will generate business opportunities in 2009.

#### The Middle East & Africa

The Middle East & Africa is a very active region in terms of the introduction and roll-out of national ID cards. The combination of working with the right local partners and large international suppliers of smart cards and other system solutions is decisive for the success of Precise Biometrics in the region.

At the end of 2007 the Company communicated that yet another country had chosen Precise Match-on-Card<sup>TM</sup> for its national ID card. Even if this country, Bahrain, is a small country in terms of its population it should be considered strategically important. It is an market advantage in relation to future procurements in the Middle East that Precise Biometrics is the only supplier that has provided Match-on-Card to several other countries in the region. This project has been won in cooperation with the partner Gemalto, which also has a very strong position in the region.

The emphasis for work in the Middle East & Africa will continue to focus on the positioning of Precise Match-on-Card<sup>TM</sup> in current and potential procurements for ID card projects.

#### North America

During the quarter Precise Biometrics received an order for 50,000 Match-on-Card-licenses for one of the largest police authorities in the US. The cards will be used by their employees to access their work stations and networks. The value of the project, which includes software licenses and fingerprint readers, is estimated to be SEK 2-5 million for a two-year period. An order of this size consolidates the Company's position in the American market for Match-on-Card, where a similar solution has previously been supplied to the US Department of State.

Precise Biometrics has chosen to focus its resources on commercially mature Match-on-Card projects and has therefore decided not to participate at present in NIST's Minex II, phase II feasibility study, where Match-on-Card is evaluated on the basis of a few technical criteria. The MINEX II report was published in the first quarter and Precise Biometrics sees this study as an acknowledgement of the advantages of the technology. It is especially positive in relation to the fact that Precise Biometrics has the most contracted Match-on-Card-licenses in the world and that the Company's technology has already been demonstrated in several projects that have emphasized security.

North America is the geographic area that has historically accounted for sales of hardware and work in this region has now primarily been concentrated on shifting the focus to license-based sales. By building up and improving cooperation with both existing and new partners that

develop and sell solutions based on Precise Match-on-Card<sup>TM</sup> for selected segments, such as state and local government and the health care sector, the Company is working towards the objective of achieving an increase in license sales. It is pleasing that a considerable part of turnover in the first quarter has already been related to license revenues, over and above the part related to the American police department.

#### Latin America

Precise Biometrics' work in the region continues as before through its partners. With the help of smart card companies and their local presence, Precise Biometrics is monitoring market trends and supporting the activities of its partners in current and potential projects in the region. The focus in the region is exclusively on large ID card projects.

#### Asia

Precise Biometrics works together with the joint-venture company Smart Unicorn Solutions (SUS) in Asia to develop and focus marketing on the Chinese market. The main focus is on selling Precise Match-on-Card<sup>TM</sup> through a network of partners to selected segments, such as the banking sector.

Work is also underway in the region to identify and establish partnerships in India. In India there is a market for the use of biometrics in combination with smart cards for both identification documents and bank cards.

Smart cards have been purchased in Thailand for the next phase in the roll-out of the national ID-card program. For Precise Biometrics this means identifying new sales opportunities over and above the licenses that have already been contracted to the card-issuing authority. Such opportunities include licenses of Precise BioMatch<sup>TM</sup> for fingerprint readers and for card applications.

During the quarter Precise Biometrics has also signed a distribution agreement with MobileTech in Hong Kong. MobileTech's customers include Aeon Bank, which uses a solution based on Precise BioMatch<sup>TM</sup> for its employees.

Precise Biometrics' cooperation with OKI resulted last year in a chip with integrated fingerprint recognition functionality. Production of the chip will start in April and OKI estimates it will be around 200,000 chips a month. An OKI customer, bioMETRX Inc, has in the first quarter communicated that it has chosen to use OKI's biometric chip for its product line smartTOUCH. bioMETRX manufactures and sells consumer products based on fingerprint recognition for door and cabinet locks, mailboxes, and access to garage doors. The fact that bioMETRX has chosen to integrate the OKI chip confirms the advantages of a small and cost-efficient biometric solution that is ideal for price-sensitive segments.

#### **Parent company**

Parent company sales for the first quarter amounted to SEK 6.5 million (2.7). Operating loss before tax for the first quarter amounted to SEK -11.5 million (-7.9).

At the end of the first quarter 24 persons were employed in the parent company. Liquid assets at the end of the first quarter amounted to SEK 20.3 million (60.5). The parent company had no debts to credit institutions at the end of the first quarter. Investments in tangible fixed assets have been made to an amount of SEK 0.06 million (0.0)

During the first quarter costs for development work were capitalized to an amount of SEK 0.7 million (0.0).

**Organization and staff**

The parent company of Precise Biometrics has its head office in Lund, Sweden. The organization also consists of the subsidiaries Precise Biometrics Inc. in Washington DC, USA, Precise Biometrics Solutions AB with office in Karlstad, Precise Biometrics Asia Ltd. with office in Hong Kong, as well as the dormant companies Precise Biometrics UK Ltd, Precise Biometrics Services AB and Loqware Sweden AB (in the process of liquidation).

Patrik Norberg is the new CFO, who will start in this position by mid July.

As of March 31, 2008 the group had 39 (51) employees, 37 in Sweden, 1 in the US and 1 in Hong Kong. Of these employees, 30 (36) were men and 9 (15) were women.

**Investments in tangible fixed assets**

In the first quarter the group has invested SEK 0.06 million (0.0) in tangible fixed assets.

**Capitalization and depreciation of development work**

During the first quarter costs for development work have been capitalized to an amount of SEK 0.7 million (0.0). Depreciation and write-downs of capitalized costs for development work amounted in the first quarter to SEK 0.6 million (1.0).

**Patents**

The group's long-term patent strategy focuses on establishing a strong protection around Precise Match-on-Card<sup>TM</sup> as our core technology. The patents portfolio has been successively expanded since 2001 and at the end of the first quarter in 2008 included 51 different patents and 35 applications for patents in 21 different product families. Precise Biometrics has twelve different patent families just for the Match-on-Card technology.

**Shares**

The company's shares were listed on the O-list of the Stockholm Stock Exchange since October 3, 2000, which after October 2, 2006 was replaced by the Nordic Stock Exchange where the Company is now listed on the Small Cap list.

The total number of registered shares at the end of the quarter was 101,220,600. During the quarter the average turnover per day was SEK 485 thousand and the list price ranged from SEK 1.16 to 1.69.

**The five main shareholders as of March 31, 2008**

Name	Percentage of share capital	No. of shares
Storebrand fonder	4.9 %	4,992,666
Smart Unicorn Group Ltd.	4.2%	4,300,000
Fjärde AP-fonden	3.6 %	3,685,000
Banco fonder	3.3 %	3,344,199
HJ Byggkonsulter AB	1,9 %	1,920,000

*Source: SIS Ägarservice*

**Warrants**

There are a total of 2,355,000 warrants

**Risk factors**Technological development

The market on which the Company operates is subject to rapid change. New technology and new players are constantly emerging. The Company's technology must therefore to a large extent be accepted by the leading players on the market, both by suppliers and customers. The market must be mature enough to understand and accept the new technology supplied by the Company. This can mean that major investments in marketing and sales may be required to achieve the expected sales volumes.

Employees

There are a number of key persons in the Company who are important for operations, and who possess unique competence. If one or more of these key persons should leave the Company it could, in the short term, have a negative impact on operations. There is also the risk that the recruitment of new employees for these positions can take time and result in additional costs for the Company.

Partners

Today the Company cooperates with several different partners. They include systems integrators, smart card manufacturers, chip manufacturers and suppliers of applications. The Company relies on this cooperation in order to be able to offer end-users complete security solutions. There is a risk that one or more of these partners could end their cooperation or fail to achieve the expected results, which would result in a loss of expected future earnings.

Patents and industrial and intellectual property rights

It is important for the Company to protect its technology through patents or other industrial and intellectual property rights, and thereby retain its technological lead and create the opportunity for license earnings in the future. The company therefore pursues an active patent strategy, which involves applying for patents for strategically important inventions in the countries where this is considered to be appropriate.

Competitors

The company operates on the biometrics market where competition is intense. The competing companies can have substantially larger financial and industrial resources at their disposal than the Company, and it cannot be excluded that competition from this type of player can lead to diminished market shares and/or a reduction in profitability for Precise Biometrics.

Forecasting reliability

The Company operates on a market that is in an early stage of growth and is characterized by long sales promotion periods, which leads to a certain degree of inaccurate forecasts. Earlier or later submissions of orders can have a significant effect on annual sales and earnings.

Cash flow

The Company endeavors to minimize the time capital is tied up, for example in stocks and accounts receivable. To reduce the risks of tied-up capital the Company works actively to improve the internal process for forecasting and production planning. The Company also endeavors to ensure that the long ID card projects are not an excessive burden in terms of the cash flow.

For a full account of identified risks, please refer to the Annual Report for 2007.



**Future report dates**

Interim Report Q2	July 22, 2008
Interim Report Q3	October 23, 2008
Year-end Report	February 5, 2009

**Accounting principles**

This interim report has been prepared in accordance with IAS 34, Interim reporting and the Swedish Company Accounts Act.

For information on the applied accounting principles please refer to the Annual Report for 2007. The report has not been subjected to review by the Company's auditors.

Lund, April 22, 2008

Thomas Marschall, President and CEO, Precise Biometrics AB (publ)



## Income statement, Group

(Figures in thousands SEK)

	<b>Q1 2008</b>	<b>Q1 2007</b>	<b>Full year 2007</b>
Net sales	9,015	5,959	24,815
Cost of goods sold	-4,952	-4,390	-15,928
<b>Gross profit/loss</b>	<b>4,063</b>	<b>1,569</b>	<b>8,887</b>
Selling expenses	-5,632	-5,934	-21,357
Administrative expenses	-3,446	-2,554	-9,608
R&D costs	-2,764	-3,013	-13,762
Other operating income and changes in value	-2,384	255	542
Result from participations in associated companies	-778	-	-1,448
	-15,004	-11,246	-45,633
<b>Operating profit/loss</b>	<b>-10,941</b>	<b>-9,677</b>	<b>-36,746</b>
Financial costs	245	408	1,457
<b>Profit/loss after financial items</b>	<b>-10,696</b>	<b>-9,269</b>	<b>-35,289</b>
Tax	-	-1	-
<b>Profit/loss for the period</b>	<b>-10,696</b>	<b>-9,270</b>	<b>-35,289</b>
<i>Results per share, SEK</i>	<i>-0.11</i>	<i>-0.10</i>	<i>-0.35</i>

## Balance Sheet, Group

(Figures in thousands SEK)

	<u>3/31/2008</u>	<u>3/31/2007</u>	<u>12/31/2007</u>
<b>Assets</b>			
Intangible fixed assets	10,408	13,330	10,316
Tangible fixed assets	1,537	2,193	1,602
Financial fixed assets	-	151	-
Participations in associated companies	21,618	13,124	22,396
Receivables from associated companies	6,170	-	6,630
Inventories	1,791	2,463	1,865
Accounts receivable - trade	8,614	6,958	8,391
Other current receivables	3,953	2,133	2,434
Cash and bank balances	25,531	64,827	32,516
<b>Total assets</b>	<b>79,622</b>	<b>105,179</b>	<b>86,150</b>
<b>Equity and liabilities</b>			
Equity	61,154	85,641	71,201
Current liabilities	18,468	19,538	14,949
<b>Total equity and liabilities</b>	<b>79,622</b>	<b>105,179</b>	<b>86,150</b>
<b>Pledged assets</b>	<b>4,115</b>	<b>9,115</b>	<b>4,115</b>
<b>Contingent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Cash Flow Statement, Group

(Figures in thousands SEK)

	<u>Q1 2008</u>	<u>Q1 2007</u>	<u>Full year 2007</u>
Cash flow from operating activities before changes in working capital	-8,324	-8,603	-29,224
Cash flow from changes in working capital	2,059	-2,604	-7,389
Cash flow from operating activities	-6,265	-11,207	-36,613
Cash flow from investing activities	-720	-44	-7,255
Cash flow from financing activities	-	-224	82
<b>Cash flow for the period</b>	<b>-6,985</b>	<b>-11,475</b>	<b>-43,786</b>
Liquid funds at the beginning of the period	32,516	76,302	76,302
Liquid funds at the end of the period	25,531	64,827	32,516

## Key Figures, Group

	<u>3/31/2008</u>	<u>3/31/2007</u>	<u>12/31/2007</u>
Working capital (thousands SEK)	21,421	56,843	30,257
Liquid ratio	206%	378%	290%
Equity/assets ratio	77%	81%	83%
Return on average equity	-	-	neg
Capital employed (thousands SEK)	61,154	87,999	71,201
Return on capital employed	-	-	neg
Profit/loss per share (SEK)	-0.11	-0.10	-0.35
EBITDA (thousands SEK)	-10,248	-8,711	-31,679
Equity per share (SEK)	0.60	0.88	0.70
Number of shares	101,220,600	97,220,600	101,220,600
Number of employees at the end of the period	39	51	38
Average number of employees during the period	38	50	45

### Definitions - Key Figures

Working capital: Current assets less current liabilities

Liquid ratio: Current assets less inventories divided by current liabilities

Equity/assets ratio: Equity as of the balance sheet date divided by total assets as of the balance sheet date

Return on equity: Profit/loss for the period divided by average equity

Capital employed: Balance sheet total minus non-interest-bearing liabilities and provisions

Return on capital employed: Profit/loss after financial items plus financial expenses divided by the average capital employed

Profit/loss per share: Profit/loss after tax divided by the average number of shares. The options are not included in the calculation since the subscription price is higher than the market rate at the 31st of March 2008

EBITDA: Profit/loss before net financial items, depreciations, write-downs and tax

Equity per share: Equity at the end of the period divided by the number of shares at the end of the period

## Changes in Equity, Group

(Figures in thousands SEK)

	<u>Q1</u> <u>2008</u>	<u>Q1</u> <u>2007</u>	<u>Full year</u> <u>2007</u>
<b>Initial Equity</b>	<b>71,201</b>	<b>95,016</b>	<b>95,016</b>
New share issue	-	-224	10,496
Options <sup>1)</sup>	-	-	306
Translation difference	649	119	672
Profit/loss for the period	-10,696	-9,270	-35,289
<b>Equity at the end of the period</b>	<b>61,154</b>	<b>85,641</b>	<b>71,201</b>

1) Relates to 2,355,000 subscription options to employees at a rate of SEK 0.13.

### Turnover and profitability by Regions Q1 2008

(Figures in thousands SEK)	North America		Europe		Middle East & Africa		Asia	
	2008	2007	2008	2007	2008	2007	2008	2007
Net sales	3,116	1,065	4,989	4,524	712	169	198	202
Expenses <sup>1)</sup>	<u>-2,143</u>	<u>-1,626</u>	<u>-4,670</u>	<u>-4,624</u>	<u>-659</u>	<u>-539</u>	<u>-711</u>	<u>-1,296</u>
Operating profit/loss	973	-561	319	-100	53	-370	-513	-1,094
	Latin America		Other					
	2008	2007	2008	2007				
Net sales	-	-	-	-				
Expenses <sup>1)</sup>	-	-	<u>-25</u>	<u>-581</u>				
Operating profit/loss	-	-	-25	-581				

1) The above expenses in Regions include Cost of goods sold as well as operation expenses for each region.

## Income statement, Parent company

(Figures in thousands SEK)

	<b>Q1</b>	<b>Q1</b>	<b>Helår</b>
	<b>2008</b>	<b>2007</b>	<b>2007</b>
Net sales	6,490	2,725	12,425
Cost of goods sold	-3,206	-2,254	-7,788
<b>Gross profit/loss</b>	<b>3,284</b>	<b>471</b>	<b>4,637</b>
Selling expenses	-4,582	-4,352	-15,993
Administrative expenses	-3,296	-2,311	-7,993
R&D costs	-2,764	-3,013	-13,762
Other operating income and changes in value	-4,464	775	-1,513
	-15,106	-8,901	-39,261
<b>Operating profit/loss</b>	<b>-11,822</b>	<b>-8,430</b>	<b>-34,624</b>
Financial costs	342	539	1,910
<b>Profit/loss after financial items</b>	<b>-11,480</b>	<b>-7,891</b>	<b>-32,714</b>
Tax	-	-	-
<b>Profit/loss for the period</b>	<b>-11,480</b>	<b>-7,891</b>	<b>-32,714</b>
<i>Results per share, SEK</i>	<i>-0.11</i>	<i>-0.08</i>	<i>-0.33</i>

## Balance Sheet, Parent company

(Figures in thousands SEK)

	3/31/2008	3/31/2007	12/31/2007
<b>Assets</b>			
Intangible fixed assets	5,477	7,720	5,385
Tangible fixed assets	1,005	1,460	1,048
Participations in group companies	6,540	7,219	6,540
Participations in associated companies	21,320	10,600	21,320
Receivables from associated companies	6,170	-	6,630
Inventories	1,719	2,256	1,788
Accounts receivable - trade	6,573	3,535	4,471
Other current receivables	44,796	44,583	47,072
Cash and bank balances	20,256	60,534	27,813
<b>Total assets</b>	<b>113,856</b>	<b>137,907</b>	<b>122,067</b>
<b>Equity and liabilities</b>			
Equity	100,883	126,945	112,364
Other provisions	330	333	240
Current liabilities	12,643	10,629	9,463
<b>Total equity and liabilities</b>	<b>113,856</b>	<b>137,907</b>	<b>122,067</b>
<b>Pledged assets</b>	<b>1,715</b>	<b>1,715</b>	<b>1,715</b>
<b>Contingent liabilities</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>

**In view of today's Interim Report we have the pleasure to invite investors and journalists to the following informative meeting during the day**

**Telephone conference in Swedish**

- The conference starts at 13:00 (CET)
- To participate, please call +46 (08) 506 269 30

An operator will note your name and connect you to the conference. She/he will also provide you with information about what to do if you have any questions. The presentation will be held in Swedish but afterwards there will be an opportunity to ask questions in English.

Participating on behalf of Precise Biometrics

- Thomas Marschall, President and CEO

A recording from the conference will be available for three days after the telephone meeting. To listen to the conference afterwards dial +46 (0)8 506 269 49. When asked to state a reference number please dial 220617 and finish with (#).

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**For further information**

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Precise Biometrics AB is an innovative company offering solutions for fingerprint recognition to prove people's identities. With top-of-the-line expertise in fingerprint verification, Precise Biometrics offers fast, accurate and secure authentication of a person. Our core product Precise BioMatch™ integrates into ID and bank card programs and secure chips, as well as systems for access control to buildings, computers and networks. We act on a global market and our technology is licensed to more than 78 million users all over the world. The Precise Biometrics group has subsidiaries in Sweden (with group headquarters in Lund), Great Britain, Hong Kong and USA, and a joint venture agreement in China. Precise Biometrics is listed on the small cap list at the Nordic Exchange in Sweden (symbol:PREC). For more information, please visit <http://www.precisebiometrics.com/>

