

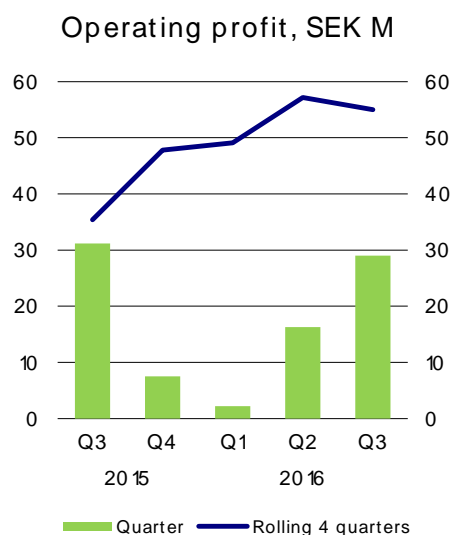
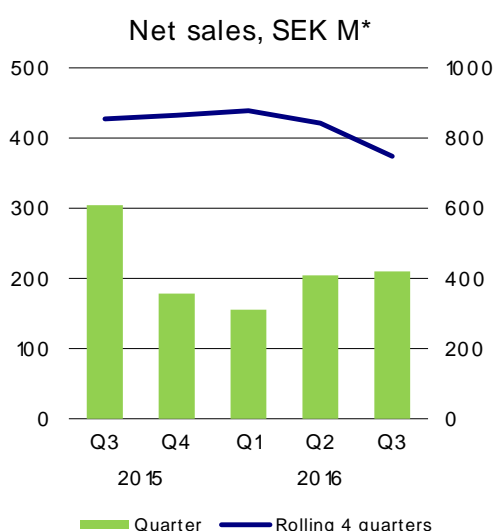
Improved operating margin, cash flow and order intake

Third quarter 2016

- Net sales of SEK 210.0 M (304.3), a decrease of 31 percent compared to the same period last year
- Operating profit of SEK 29.0 M (31.3) and profit for the period of SEK 23.6 M (20.7)
- Cash flow from operating activities improved to SEK 68.8 M (24.6)
- Order intake of SEK 145 M (119), an increase of 22 percent compared to the same period last year
- The backlog is approximately SEK 100 M (130), of which the majority is expected to be invoiced in the fourth quarter of 2016
- Andreas Renulf has been appointed as the new President and CEO of Pricer AB and will take up his position on January 1, 2017. Charles Jackson, who has been acting CEO since May this year, will continue in this role until Andreas Renulf takes up his position and will subsequently return to his role as Deputy CEO, responsible for strategy, sales and marketing.

| Amounts in SEK M unless otherwise stated | Q 3 2016 | Q 3 2015 | 9 months 2016 | 9 months 2015 | Full year 2015 |
|--|-------------|-------------|------------------|------------------|-------------------|
| Order intake | 145 | 119 | 603 | 684 | 792 |
| Net sales* | 210,0 | 304,3 | 569,6 | 686,6 | 864,8 |
| Gross margin* | 29,7% | 21,7% | 27,8% | 20,8% | 21,8% |
| Operating profit | 29,0 | 31,3 | 47,5 | 40,4 | 47,8 |
| Operating margin | 13,8% | 10,3% | 8,3% | 5,9% | 5,5% |
| Cash flow from operating activities | 68,8 | 24,6 | 110,7 | 8,7 | 101,4 |
| Profit for the period | 23,6 | 20,7 | 39,3 | 29,1 | 37,0 |
| Earnings per share (SEK) | 0,21 | 0,19 | 0,36 | 0,26 | 0,34 |

* Note 1.



* Note 1.



Comments from acting CEO, Charles Jackson

During the third quarter, both gross margin and operating margin showed improvement compared to the same period last year. An achievement despite the fact that sales fell short of the record high reported in the corresponding quarter last year. The stronger gross margin, which also contributed to

a higher operating margin, is an effect of reduced costs in the supply chain and a continued favorable product mix. Third quarter sales consisted of less significant but more distributed projects which has also had a positive impact on gross margin.

Third quarter order intake was somewhat higher than in the corresponding quarter of last year and was spread between a large number of customers and across several geographical areas, however France continues to stand out as the biggest single market for Pricer. Looking ahead, we anticipate continued high activity from our existing customer base. As previously reported, deliveries to our Norwegian partner Strongpoint for the grocery retailer Bunnpris have been delayed but is expected to commence in the fourth quarter this year. Deliveries to a number of franchise stores in the French grocery retail chain Système U were started as planned during the third quarter, contributing to both order intake and net sales. Deliveries to this customer are expected to continue throughout 2016 and 2017.

We believe that the lack of new major customer projects to our existing portfolio of customer deployments is temporary. The digitization of retail clearly includes optimized solutions for price updating, but for our customers the development also involves increased considerations in terms of infrastructure and information systems that prolongs decision times. The requirements for scalability, durability and speed continuously increases, which specifically favors Pricer.

The third quarter of 2016 was characterized by continued strong demand in France and a consistently high level of activity in Europe as well as both North and South America where the number of pilot programs continue to increase. The rising number of pilot installations for store digitization reinforce our impression that major procurements in the years ahead will include systems for electronic shelf labels that support solutions for both shelf edge price and data updating as well as product positioning. Grocery retail, which currently makes up Pricer's strongest segment, will continue to be part of this trend and serve as a platform for increased growth in closely related segments such as electronics and Do-it-yourself chains.

Another interesting trend worth pointing out is that we see an increase in partial store installations where the retailers are deploying electronic shelf labels system specifically in one or two departments of the store to update price information more often. Recent deal activity includes, for example, a deployment in fruit and vegetable as well as fish sections. This trend highlights the need to use price optimization to reduce waste and improve profitability.

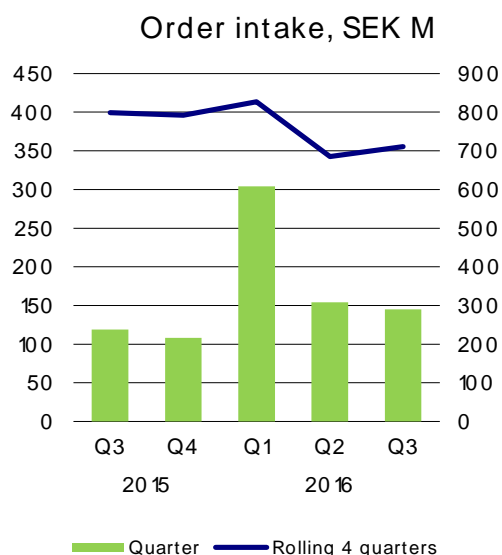
I am particularly proud of our strong cash flow as a result of the structural improvements we have achieved in the production and delivery processes during the last year. This makes us well poised to add-on major customer projects. The strengthened financial position now gives Pricer the ability to accelerate the development of products and services in parallel with a continued focus on sales- and marketing activities in numerous strategic markets.

Market development in the third quarter of 2016

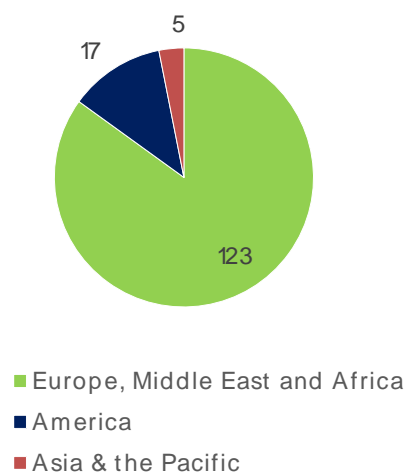
In September Pricer took part in the annual French retail trade show Equipmag, where Pricer received the Paris Retail Awards "Customer Experience 360" trophy for the automated product positioning kiosk 'Quick Search'. Through a unique process that locates products by the relative position of the electronic shelf labels, the Quick Search kiosk helps shoppers to find what they need in the store. The search results and a store map can then be directly downloaded to a smartphone or other enabled device.

Despite its high penetration rate of electronic shelf labels, primarily within grocery retail, France continues to be the largest single market while still showing growth. Besides a constant influx of new stores, several large customers have a need for upgrading their existing installations. This is a natural part of the electronic shelf label life cycle as the battery lifetime in the label is estimated to approximately 7-10 years. The success of electronic shelf labels in France has also spread to neighboring geographic markets such as Spain, Italy and Belgium, as well as to segments in proximity to grocery retail, such as pharmacies and DIY chains.

In the Americas region, the number of pilot projects continued to increase and net sales for the first three quarters of the year is showing growth compared to the same period last year. Net sales from the Asia Pacific region however remains on the same low level as last year. The penetration rate for digital shelf labels is expected to pick up over coming years as the digitization trend is influencing activity level as well as pace of maturation in the American and Asian markets.



Order intake per region in Q3 2016, SEK M



NET SALES AND PROFIT, SEK M

| | Q 3 2016 | Q 3 2015 | 9 months 2016 | 9 months 2015 | Full year 2015 |
|-------------------------|-------------|-------------|------------------|------------------|-------------------|
| Net sales* | 210,0 | 304,3 | 569,6 | 686,6 | 864,8 |
| Cost of goods sold* | -147,7 | -238,4 | -411,5 | -544,0 | -676,6 |
| Gross profit* | 62,3 | 65,9 | 158,1 | 142,6 | 188,1 |
| Gross margin* | 29,7% | 21,7% | 27,8% | 20,8% | 21,8% |
| Operating expenses | -34,0 | -36,6 | -112,1 | -106,2 | -142,8 |
| Other income and costs* | 0,7 | 2,0 | 1,5 | 3,9 | 2,5 |
| Operating profit | 29,0 | 31,3 | 47,5 | 40,4 | 47,8 |
| Operating margin | 13,8% | 10,3% | 8,3% | 5,9% | 5,5% |

* Note 1.

Orders, net sales and profit for third quarter 2016

Order intake in the third quarter was SEK 145 M (119), an increase of 22 percent compared to the corresponding quarter last year. Adjusted for changes in exchange rates, order intake increased by 21 percent. The increase reflects the growing size of the run-rate sales, which are distributed across a large number of both customers and geographical markets.

Net sales amounted to SEK 210.0 M (304.3) in the quarter. The decrease was 31 percent (the same adjusted for changes in exchange rates) compared to the same quarter of last year. Net sales in the third quarter of 2015, which were Pricer's highest ever, included deliveries under a number of large customer projects. This should be compared to the third quarter of this year, when sales were to a greater extent distributed across a large number of customers, with the majority in France. Seen as a stand-alone quarter however, net sales during the third quarter was among the highest ever.

Gross profit amounted to SEK 62.3 M (65.9) and gross margin improved to 29.7 percent (21.7) in the quarter. The product and contract mix affect the gross margin in individual quarters, combined with the effects of changes the cost structure that have been made in the past year.

Operating expenses decreased to SEK 34.0 M (36.6) in the quarter. Project-related capitalization of development costs is a contributing factor to fluctuations in operating expenses between quarters.

Other income and expenses, consisting of the net effect of foreign exchange revaluations of trade receivables and trade payables to the closing rate, contributed SEK 0.7 M (2.0) in the quarter. This currency effect was previously reported in the gross margin (see further Note 1).

Operating profit amounted to SEK 29.0 M (31.3), which corresponds to an operating margin of 13.8 percent (10.3) in the quarter.

Net financial items amounted to SEK 2.3 M (-1.7) in the quarter. Currency revaluation of cash and cash equivalents in primarily USD made a positive contribution in the quarter.

Profit for the period was SEK 23.6 M (20.7) due to the strong operating profit combined with favorable currency effects.

Translation differences in other comprehensive income of SEK 6.8 M (7.8) consisted of foreign currency translation of net assets in foreign subsidiaries, primarily goodwill, in EUR and USD.

Orders, net sales and profit for the period January to September 2016

Order intake in the first nine months of the year was SEK 603 M (684), a decrease of 12 percent (the same adjusted for changes in exchange rates) compared to the corresponding period last year. This is a consequence of fewer new large customer projects during the period.

Net sales for the same period amounted to SEK 569.6 M (686.6). The decrease was 17 percent (the same adjusted for changes in exchange rates) compared to the corresponding period last year, as a result of fewer large customer projects received.

Gross profit amounted to SEK 158.1 M (142.6) and gross margin to 27.8 percent (20.8) in the period. A favorable product and contract mix, combined with the effects of changes in the cost structure that were made earlier in the year, contributed to the stronger gross margin.

Operating expenses increased to SEK 112.1 M (106.2) for the period. Operating expenses in the period included restructuring-related charges of SEK 6.5 M, whereof 4 MSEK relating to costs for the former CEO are considered to distort comparability between years. Adjusted for this item, operating expenses increased to SEK 108.1 M (106.2) for the first nine months of the year.

Other income and expenses, consisting of the net effect of foreign exchange revaluations of trade receivables and trade payables to the closing rate, decreased to SEK 1.5 M (3.9) for the period. This currency effect was previously reported in the gross margin (see further Note 1).

Operating profit for the period amounted to SEK 47.5 M (40.4), which corresponds to an operating margin of 8.3 percent (5.9). The improved operating margin is primarily explained by the stronger gross margin.

Net financial items in the period amounted to SEK 5.3 M (0.5). Currency revaluation of cash and cash equivalents in primarily US dollars but to some extent euros had a positive impact in the period.

Profit for the period was SEK 39.3 M (29.1), primarily as a result of the improved gross margin. .

Translation differences in other comprehensive income of SEK 15.4 M (-2.7) consisted of foreign currency translation of net assets in foreign subsidiaries in euros and US dollars, primarily goodwill.

CURRENCY TRANSLATION DIFFERENCE ORDER INTAKE & NET SALES*

| | Q 3 2016 | Q 3 2015 | 9 months 2016 | 9 months 2015 | Full year 2015 |
|---|-------------|-------------|------------------|------------------|-------------------|
| % change in Order intake | 22% | -28% | -12% | 61% | 46% |
| whereof currency translation difference | 1% | 4% | 0% | 18% | 14% |
| % change in Order intake adjusted for currency translation difference | 21% | -32% | -12% | 43% | 32% |
| | | | | | |
| % change in Net sales* | -31% | 96% | -17% | 70% | 51% |
| whereof currency translation difference | 0% | 18% | 0% | 17% | 13% |
| % change in Net sales adjusted for currency translation difference | -31% | 78% | -17% | 53% | 38% |

* Note 1.

Cash flow and financial position

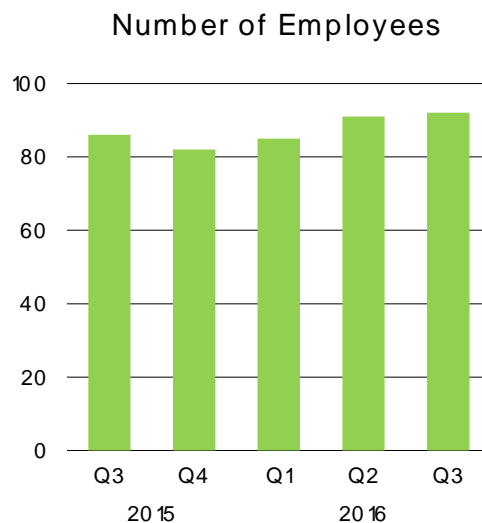
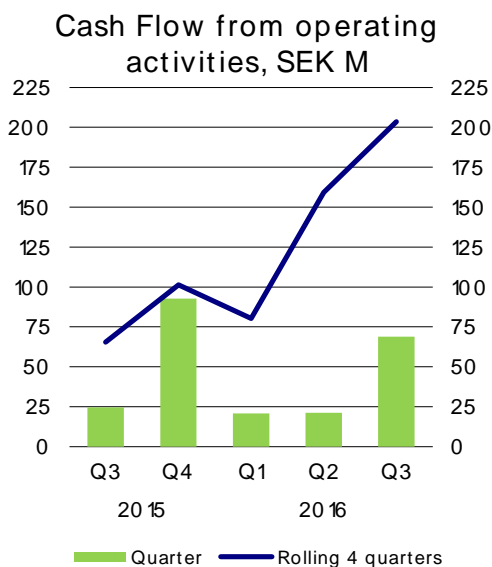
Third quarter 2016

Cash flow from operating activities for the third quarter amounted to SEK 68.8 M (24.6). The improvement was primarily driven by the decrease in capital tied up in inventory and in the production chain, which is a result of structural changes in processes as well as changed conditions in the production and logistics chain.

Period January 1 to September 30, 2016

Cash flow from operating activities for the period amounted to SEK 110.7 M (8.7), mainly owing to reduced tied up capital inventory and the production chain combined with the period's profit before tax. Cash flow from financing activities includes a dividend payment amounting to SEK 27.5 M (0) in accordance with the decision of the Annual General Meeting on April 28, 2016.

Cash and cash equivalents at the end of the period amounted to SEK 208.0 M (49.8). In addition to cash and cash equivalents, Pricer has an unutilized overdraft facility amounting to SEK 50 M and an additional SEK 50 M in a credit facility.



Personnel

The average number of employees during the period was 89 (84) and the number of employees at the end of the period was 92 (86).

Equity

Pricer holds 936 thousand treasury shares in order to fulfill the promise of matching and performance shares in the two outstanding stock saving programs. The value of the promise is reported in accordance with IFRS and is expensed over the vesting period.

On September 30, 2016, a total of 1,235 thousand warrants were outstanding in the programs TO15 & TO16.

ISSUED AND OUTSTANDING SHARES

| Stated in thousands of shares | Series A | Series B | Total |
|---|----------|----------|---------|
| Issued at the beginning of the year, 2016-01-01 | 226 | 110 746 | 110 972 |
| Issued and converted shares in the year | | 0 | 0 |
| Issued at the end of the period, 2016-09-30 | 226 | 110 746 | 110 972 |
| Treasury shares | - | -936 | -936 |
| Outstanding shares at end of period | 226 | 109 810 | 110 036 |

Class A share carries five votes and class B share carries one vote

Investment

Third quarter 2016

Investments in non-current assets amounted to SEK 5.1 M (2.2) in the third quarter and consisted mainly of capitalized development costs of SEK 2.9 M (1.5).

Period from January 1 to September 30, 2016

Investments in non-current assets amounted to SEK 12.8 M (11.9) in the period and consisted mainly of capitalized development costs of SEK 9.0 M (7.6).

Parent Company

The Parent Company's net sales amounted to SEK 477.1 M (580.2) and profit for the period amounted to SEK 33.1 M (25.2). The Parent Company's cash and cash equivalents amounted to SEK 187.6 M (39.4) at the end of the period.

Risks and uncertainties

Pricer's results and financial position are affected by various risk factors that must be considered when assessing the Group and the Parent Company and their future potential. These risks are primarily associated with development of the market for electronic shelf labels and large currency fluctuations. In view of the client structure and the extensive scale of the agreements, a delay in the installations or major fluctuations in exchange rates can have a significant impact in an individual quarter. For other risks, please see the 2015 annual report, pages 14 and 43.

Related parties

No significant transactions have taken place with related parties that have significantly affected the financial position or results of the Group or the Parent Company.

Financial instruments

Financial instruments are assets and liabilities that can immediately be converted into cash. Pricer reports financial instruments according to the classification derivatives, cash and cash equivalents, other financial assets and other financial liabilities. All the financial instruments reported are valued at amortized cost as no derivatives are outstanding.

FINANCIAL INSTRUMENTS

Financial instruments valued at amortized cost

| Amounts in SEK M | Sept 30 2016 | Sept 30 2015 | Dec 31 2015 |
|-----------------------------|-----------------|-----------------|----------------|
| Financial assets | | | |
| Other financial assets | 225,1 | 270,2 | 191,6 |
| Cash and cash equivalents | 208,0 | 49,8 | 135,6 |
| Summa | 433,1 | 320,1 | 327,2 |
| Financial liabilities | | | |
| Other financial liabilities | -125,4 | -42,6 | 67,2 |
| Summa | -125,4 | -42,6 | 67,2 |

Taxes

Income tax expenses in the quarter amounted to SEK -7.7 M (-8.8), of which SEK -6.2 M (0.4) relates to deferred tax expenses arising due to accumulated tax loss carryforwards. Remaining accumulated tax loss carryforwards in the balance sheet at September 30, 2016, amount to SEK 85.6 M (94.3). The actual tax rate (i.e. effective tax) was 5 percent (31), which is based on a standard calculation of the anticipated tax rate for the full year 2016. The effective tax rate for the full year 2015 was 11 percent.

Accounting policies

This interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions in the Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, and RFR 2. For both the Group and the Parent Company, the same accounting policies and methods of computation were applied as in the latest annual report.

As of January 1, 2016, the net effect of realized and unrealized exchange rate effects based on the revaluation of trade receivables and trade payables at closing rate for the period, is reported under Other income and expenses. Earlier, the currency effects of revaluations of trade receivables were reported in Net sales while currency effects from revaluations of trade payables were reported in Cost of goods sold. With regard to this change of reporting method and for the sake of comparability, Net sales, Cost of goods sold and Gross profit have been restated for previous periods in line with the new accounting policy. Operating profit remains unchanged.

Forecasts

No forecast is issued for 2016.

Nomination committee and annual general meeting

Pricer's nomination committee for the 2017 Annual General Meeting consists of the Chairman of the Board Bo Kastensson together with Göran Sundholm, Tedde Jeansson (as nominated by TAMT AB, Hajsikäret AB, etc), Stefan Roos (as nominated by Sifonen AB, Origo Capital AB, etc), and Gunnar Ek (representing smaller shareholders). Shareholders wishing to submit proposals to Pricer's Nomination Committee can contact the Committee before November 30, 2016, by e-mail at ir@pricer.com or by letter to: Pricer AB, Attention: Valberedningen, Box 215, S-101 24 Stockholm, Sweden. The Annual General Meeting is planned to be held in Stockholm on April 27, 2017.

Next reporting date

The interim report for January - December 2016 will be published on Friday February 10, 2017.

Stockholm, October 28, 2016

Pricer AB (publ)

Charles Jackson
Acting CEO

This information is information that Pricer AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency by the contact persons set out below, at 8:30 CET on October 28, 2016.

For further information, please contact:

Charles Jackson, Acting CEO, or Helena Holmgren, CFO, Pricer AB: +46 8 505 582 00.

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Review report

Pricer AB (publ), corporate identity number 556427-7993

Västra järnvägsgratan 7
111 64 Stockholm

Introduction

We have reviewed the condensed interim report for Pricer AB (publ) as at September 30, 2016 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, October 28, 2016

Ernst & Young AB

Rickard Andersson
Authorized Public Accountant

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME IN SUMMARY

| Amounts in SEK M | Q 3 2016 | Q 3 2015 | 9 months 2016 | 9 months 2015 | Full year 2015 |
|--|-------------|-------------|------------------|------------------|-------------------|
| Net sales* | 210,0 | 304,3 | 569,6 | 686,6 | 864,8 |
| Cost of goods sold* | -147,7 | -238,4 | -411,5 | -544,0 | -676,6 |
| Gross profit* | 62,3 | 65,9 | 158,1 | 142,6 | 188,1 |
| Selling and administrative expenses | -28,9 | -30,9 | -97,7 | -91,3 | -122,9 |
| Research and development costs | -5,1 | -5,7 | -14,4 | -14,9 | -19,9 |
| Other income and expenses* | 0,7 | 2,0 | 1,5 | 3,9 | 2,5 |
| Operating profit | 29,0 | 31,3 | 47,5 | 40,4 | 47,8 |
| Net financial items | 2,3 | -1,7 | 5,3 | 0,5 | 1,4 |
| Profit before tax | 31,3 | 29,6 | 52,8 | 40,9 | 49,2 |
| Income tax | -7,7 | -8,8 | -13,5 | -11,8 | -12,2 |
| Profit for the period | 23,6 | 20,7 | 39,3 | 29,1 | 37,0 |
| Other comprehensive income | | | | | |
| <i>Items that are normally reclassified to profit or loss for the period</i> | | | | | |
| Translation differences | 6,8 | 7,8 | 15,4 | -2,7 | -14,5 |
| Tax attributable to items in other comprehensive income | 0,0 | -0,4 | 0,0 | 0,2 | 0,8 |
| Other comprehensive income for the period | 6,8 | 7,4 | 15,4 | -2,5 | -13,7 |
| Net comprehensive income for the period | 30,4 | 28,1 | 54,7 | 26,6 | 23,3 |
| Profit for the period attributable to: | | | | | |
| Owners of the Parent Company | 23,6 | 20,7 | 39,3 | 29,1 | 37,0 |
| Other comprehensive income for the period attributable to: | | | | | |
| Owners of the Parent Company | 30,4 | 28,1 | 54,7 | 26,6 | 23,3 |

EARNINGS PER SHARE

| | Q 3 2016 | Q 3 2015 | 9 months 2016 | 9 months 2015 | Full year 2015 |
|---|-------------|-------------|------------------|------------------|-------------------|
| Basic earnings per share, SEK* | 0,21 | 0,19 | 0,36 | 0,26 | 0,34 |
| Diluted earnings per share, SEK* | 0,21 | 0,19 | 0,36 | 0,26 | 0,34 |
| Number of shares before dilution, million | 110,0 | 109,9 | 110,0 | 109,9 | 109,9 |
| Diluted number of shares, million | 110,2 | 109,9 | 110,2 | 109,9 | 110,2 |

* Note 1.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION IN SUMMARY

| Amounts in SEK M | Sept 30 2016 | Sept 30 2015 | Dec 31 2015 |
|--|-----------------|-----------------|----------------|
| Intangible assets | 266,1 | 257,0 | 250,9 |
| Tangible fixed assets | 9,1 | 8,9 | 8,6 |
| Financial fixed assets | 85,6 | 94,3 | 94,8 |
| Total non-current assets | 360,8 | 360,2 | 354,3 |
| Inventories | 94,3 | 108,0 | 113,7 |
| Current receivables | 238,8 | 341,8 | 200,2 |
| Cash and cash equivalents | 208,0 | 49,8 | 135,6 |
| Total current assets | 541,1 | 499,6 | 449,5 |
| TOTAL ASSETS | 901,9 | 859,8 | 803,8 |
| Equity attributable to holders of the Parent Company | 713,0 | 687,6 | 684,7 |
| Total equity | 713,0 | 687,6 | 684,7 |
| Non-current liabilities | 6,8 | 5,2 | 6,1 |
| Current liabilities | 182,1 | 167,0 | 113,0 |
| Total liabilities | 188,9 | 172,2 | 119,1 |
| TOTAL EQUITY AND LIABILITIES | 901,9 | 859,8 | 803,8 |
| Pledged assets | 60,5 | 60,4 | 60,4 |
| Contingent liabilities | 0,8 | 0,8 | 0,8 |
| Basic shareholders' equity per share, SEK | 6,48 | 6,26 | 6,23 |
| Diluted shareholders' equity per share, SEK | 6,47 | 6,26 | 6,21 |

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN SUMMARY

| Amounts in SEK M | 9 months 2016 | 9 months 2015 | Full year 2015 |
|---|------------------|------------------|-------------------|
| Equity at beginning of period | 684,7 | 659,7 | 659,7 |
| Profit for the period | 39,3 | 29,1 | 37,0 |
| Other comprehensive income for the period | 15,4 | -2,5 | -13,7 |
| Net comprehensive income for the period | 54,7 | 26,6 | 23,3 |
| Share issue | - | - | - |
| Repurchase of own shares | - | - | - |
| Dividend | -27,5 | - | - |
| Share based payments, equity settled | 1,1 | 1,3 | 1,7 |
| Total transactions with owners of the Group | -26,4 | 1,3 | 1,7 |
| Equity at end of period | 713,0 | 687,6 | 684,7 |
| Attributable to: | | | |
| - Owners of the Parent Company | 713,0 | 687,6 | 684,7 |

STATEMENT OF CONSOLIDATED CASH FLOWS IN SUMMARY

| | Q 3 | Q 3 | 9 months | 9 months | Full year |
|--|-------|-------|----------|----------|-----------|
| Amounts in SEK M | 2016 | 2015 | 2016 | 2015 | 2015 |
| Profit before tax | 31,3 | 29,6 | 52,8 | 40,9 | 49,2 |
| Adjustment for non-cash items whereof depreciations and amortizations | 4,1 | 7,4 | 6,1 | 11,9 | 12,1 |
| Paid income tax | -1,3 | -1,1 | -4,7 | -3,7 | -4,8 |
| Change in working capital | 34,7 | -11,3 | 56,5 | -40,4 | 44,9 |
| Cash flow from operating activities | 68,8 | 24,6 | 110,7 | 8,7 | 101,4 |
| Cash flow from investing activities | -5,1 | -2,2 | -12,8 | -11,9 | -15,9 |
| Cash flow from financing activities | - | - | -27,5 | - | - |
| Cash flow for the period | 63,7 | 22,4 | 70,4 | -3,2 | 85,5 |
| Cash and cash equivalents at beginning of period | 144,4 | 27,6 | 135,6 | 53,0 | 53,0 |
| Exchange rate difference in cash and cash equivalents | -0,1 | -0,2 | 2,0 | 0,0 | -2,9 |
| Cash and cash equivalents at end of period | 208,0 | 49,8 | 208,0 | 49,8 | 135,6 |
| Unutilised bank overdraft facilities | 50,0 | 50,0 | 50,0 | 50,0 | 50,0 |
| Disposable funds at end of period | 258,0 | 99,8 | 258,0 | 99,8 | 185,6 |

KEY RATIOS

| | Q 3 | Q 2 | Q 1 | Q 4 | Q 3 |
|--|-------|-------|-------|-------|-------|
| Amounts in SEK M | 2016 | 2016 | 2016 | 2015 | 2015 |
| Order intake | 145 | 154 | 304 | 108 | 119 |
| Order intake - rolling 4 quarters | 711 | 685 | 827 | 792 | 799 |
| Net sales ^{*)} | 210,0 | 204,2 | 155,4 | 178,2 | 304,3 |
| Net sales - rolling 4 quarters ^{*)} | 747,8 | 842,0 | 877,3 | 864,8 | 854,7 |
| Operating profit | 29,0 | 16,3 | 2,2 | 7,4 | 31,3 |
| Operating profit - rolling 4 quarters | 54,9 | 57,2 | 49,1 | 47,8 | 35,5 |
| Profit for the period | 23,6 | 14,6 | 1,1 | 7,9 | 20,7 |
| Cash flow from operating activities | 68,8 | 21,1 | 20,8 | 92,7 | 24,6 |
| Cash flow from operating activities - rolling 4 quarters | 203,4 | 159,2 | 80,2 | 101,4 | 65,5 |
| Number of employees, end of period | 92 | 91 | 85 | 82 | 86 |
| Equity ratio | 79% | 81% | 81% | 85% | 80% |

*) Note 1.

NET SALES BY GEOGRAPHICAL MARKET*

| | Q 3 | Q 3 | 9 months | 9 months | Full year |
|--------------------------------|-------|-------|----------|----------|-----------|
| Amounts in SEK M | 2016 | 2015 | 2016 | 2015 | 2015 |
| Europe, Middle East and Africa | 186,7 | 285,0 | 516,8 | 632,8 | 799,4 |
| America | 19,3 | 14,6 | 40,0 | 38,0 | 46,4 |
| Asia & the Pacific | 4,0 | 4,7 | 12,8 | 15,8 | 19,0 |
| Total net sales | 210,0 | 304,3 | 569,6 | 686,6 | 864,8 |

* Note 1.

PARENT COMPANY**STATEMENT OF INCOME OF PARENT COMPANY IN SUMMARY**

| Amounts in SEK M | 9 months 2016 | 9 months 2015 | Full year 2015 |
|-------------------------------------|------------------|------------------|-------------------|
| Net sales* | 477,1 | 580,2 | 724,3 |
| Cost of goods sold* | -383,7 | -499,6 | -625,5 |
| Gross profit* | 93,4 | 80,6 | 98,8 |
| Selling and administrative expenses | -43,5 | -37,0 | -51,2 |
| Research and development costs | -14,4 | -14,9 | -19,9 |
| Other income and expenses* | 1,6 | 4,0 | 2,5 |
| Operating profit | 37,1 | 32,7 | 30,2 |
| Net financial items | 5,2 | 0,4 | -2,2 |
| Profit before tax | 42,3 | 33,1 | 28,0 |
| Income tax | -9,2 | -7,9 | -6,4 |
| Profit for the period | 33,1 | 25,2 | 21,6 |

STATEMENT OF COMPREHENSIVE INCOME OF PARENT COMPANY

| Amounts in SEK M | 9 months 2016 | 9 months 2015 | Full year 2015 |
|---|------------------|------------------|-------------------|
| Profit for the period | 33,1 | 25,2 | 21,6 |
| <i>Comprehensive income for the period</i> | | | |
| <i>Items that are or may be reclassified to profit or loss for the period</i> | | | |
| Translation differences | - | -1,0 | - |
| Cash flow hedges | - | - | - |
| Tax attributable to items in other comprehensive income | - | 0,2 | - |
| Comprehensive income for the period | 0,0 | -0,8 | 0,0 |
| Net comprehensive income for the period | 33,1 | 24,4 | 21,6 |

PARENT COMPANY BALANCE SHEET IN SUMMARY

| Amounts in SEK M | Sept 30 2016 | Sept 30 2015 | Dec 31 2015 |
|-------------------------------------|-----------------|-----------------|----------------|
| Intangible assets | 22,0 | 17,6 | 18,7 |
| Tangible fixed assets | 8,3 | 8,1 | 7,8 |
| Financial fixed assets | 369,6 | 368,3 | 368,0 |
| Total non-current assets | 399,9 | 394,0 | 394,5 |
| Inventories | 69,6 | 85,0 | 91,7 |
| Current receivables | 186,0 | 242,1 | 158,7 |
| Cash and cash equivalents | 187,6 | 39,4 | 120,6 |
| Total current assets | 443,2 | 366,5 | 371,0 |
| TOTAL ASSETS | 843,1 | 760,5 | 765,5 |
| Shareholders' equity | 582,6 | 578,4 | 576,0 |
| Total equity | 582,6 | 578,4 | 576,0 |
| Provisions | 18,0 | 27,6 | 18,5 |
| Non-current liabilities | 0,1 | 4,2 | 3,7 |
| Current liabilities | 242,4 | 150,3 | 167,3 |
| Total provisions and liabilities | 260,5 | 182,1 | 189,5 |
| TOTAL EQUITY AND LIABILITIES | 843,1 | 760,5 | 765,5 |
| Pledged assets | 59,6 | 59,6 | 59,6 |
| Contingent liabilities | - | - | - |

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY

| Amounts in SEK M | 9 months 2016 | 9 months 2015 | Full year 2015 |
|---|------------------|------------------|-------------------|
| Equity at beginning of period | 576,0 | 552,7 | 552,7 |
| Net comprehensive income for the period | 33,1 | 24,4 | 21,6 |
| Share issue | - | - | - |
| Repurchase of own shares | - | - | - |
| Dividend | -27,5 | - | - |
| Share based payments, equity settled | 1,0 | 1,3 | 1,7 |
| Equity at end of period | 582,6 | 578,4 | 576,0 |

Note 1 – Changed accounting principle for exchange rate differences

As of January 1, 2016, the net effect of realized and unrealized exchange rate effects based on the revaluation of trade receivables and trade payables at the closing rate for the period, is reported under Other income and expenses. Earlier, the currency effects from revaluations of trade receivables were reported in Net sales, while currency effects from revaluations of trade payables were reported in Cost of goods sold. With regard to this change of reporting method and for the sake of comparability, Net sales, Cost of goods sold and Gross profit have been restated for previous periods in line with the new accounting policy. Operating profit remains unchanged.

The table below illustrates the restatement of the reported figures for 2015.

| Amounts in SEK M | 2015 | | | | |
|--|--------|--------|--------|--------|-----------|
| | Q 1 | Q 2 | Q 3 | Q 4 | Full year |
| <i>Restated figures</i> | | | | | |
| Net sales | 142,9 | 239,5 | 304,3 | 178,2 | 864,8 |
| Cost of goods sold | -110,7 | -194,9 | -238,4 | -132,7 | -676,6 |
| Gross profit | 32,2 | 44,5 | 65,9 | 45,5 | 188,1 |
| Operating expenses | -34,4 | -35,2 | -36,6 | -36,7 | -142,8 |
| Other income and expenses | 3,1 | -1,1 | 2,0 | -1,4 | 2,5 |
| EBIT | 0,9 | 8,2 | 31,3 | 7,4 | 47,8 |
| <i>Gross margin %</i> | 22,5% | 18,6% | 21,7% | 25,5% | 21,8% |
| <i>EBIT-margin %</i> | 0,6% | 3,4% | 10,3% | 4,2% | 5,5% |
| <i>Reported figures in 2015</i> | | | | | |
| Net sales | 147,5 | 236,6 | 308,0 | 178,5 | 870,6 |
| Cost of goods sold | -112,2 | -193,2 | -240,1 | -134,4 | -679,9 |
| Gross profit | 35,3 | 43,4 | 67,9 | 44,1 | 190,6 |
| Operating expenses | -34,4 | -35,2 | -36,6 | -36,7 | -142,8 |
| EBIT | 0,9 | 8,2 | 31,3 | 7,4 | 47,8 |
| <i>Gross margin %</i> | 23,9% | 18,3% | 22,0% | 24,7% | 21,9% |
| <i>EBIT-margin %</i> | 0,6% | 3,5% | 10,2% | 4,1% | 5,5% |
| <i>Difference in reporting methods</i> | | | | | |
| Net sales | -4,6 | 2,9 | -3,7 | -0,3 | -5,8 |
| Cost of goods sold | 1,5 | -1,7 | 1,7 | 1,7 | 3,3 |
| Gross profit | -3,1 | 1,1 | -2,0 | 1,4 | -2,5 |
| Operating expenses | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Other income and expenses | 3,1 | -1,1 | 2,0 | -1,4 | 2,5 |
| EBIT | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |

Definitions

In addition to the financial metrics as required by the financial reporting framework based on IFRS, this report also includes other metrics and indicators that are used to monitor, analyze and manage the business. These measures also provide Pricer's stakeholders with useful insight on the Group's financial position, performance and development in a consistent way. Below is a list of definitions of metrics and indicators used in this report.

Gross margin - Gross profit as a percentage of net sales.

Operating profit – Earnings before interest and tax (EBIT)

Basic shareholders' equity per share - Equity attributable to owners of the Parent Company divided by the weighted basic number of shares on the closing date.

Diluted shareholders' equity per share - Equity attributable to owners of the Parent Company divided by the number of shares outstanding after dilution on the closing date. The dilutive effects arise from the warrants as well as rights to matching and performance shares depending of the conditions of each program.

Order intake – Value of legally binding customer orders, invoiced service agreements and call-off from frame agreement. Expected future value of frame agreement is not included.

Backlog – Value of order intake that has not been invoiced.

Basic earnings per share - Result for the year attributable to owners of the Parent Company divided by the weighted average number of shares outstanding during the period.

Diluted earnings per share - Result for the year attributable to owners of the Parent Company divided by the weighted average number of shares outstanding after dilution during the period. The dilutive effects arise from the warrants as well as rights to matching and performance shares depending of the conditions of each program.

Operating margin - Operating profit/loss as a percentage of net sales.

Equity ratio - Equity as a percentage of the balance sheet total.

About Pricer

Pricer offers solutions for more efficient and reliable price information through electronic display and information systems for the retail industry. Pricer's system significantly improves consumer benefit and store productivity. The platform is based on a two-way communication protocol to ensure complete traceability and effective management of resources. The Pricer system leads to higher productivity in the store and enhances the customer experience.

Pricer, founded in 1991 in Uppsala, Sweden, is the leading global provider of electronic display and information systems. With the most complete ESL solution, Pricer has installations in over 50 countries and commands the largest share of the global ESL market. Customers include many of the world's top retailers and some of the foremost retail chains in Europe, Japan and the USA. Pricer, in cooperation with qualified partners, offers a totally integrated solution together with supplementary products, applications and services.

Pricer's shares are listed on the Nasdaq Stockholm Small Cap. For more information, please visit www.pricer.com.

Pricer AB
Box 215
SE-101 24 Stockholm

Website: www.pricer.com
Telephone no.: +46 8 505 582 00
Corporate registration number: 556427-7993

Office address: Västra Järnvägsgatan 7
SE-111 64 Stockholm