ITERIM REPORT • January–June 2016

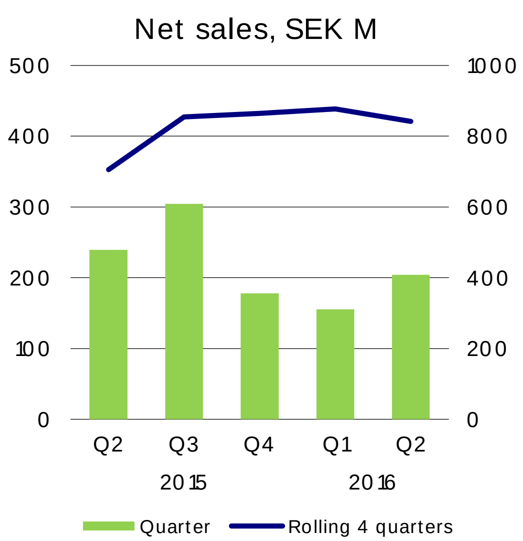
Improved operating margin and profit, weaker order intake

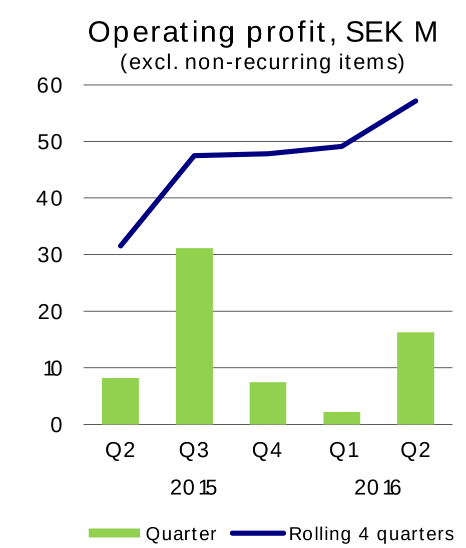
Second quarter 2016

- Net sales of SEK 204.2 M (239.4), a decrease of 15 percent compared to the same period last year
- Operating profit of SEK 16.3 M (8.2) and profit for the period of SEK 14.6 M (7.0)
- Operating profit includes costs affecting comparability related to restructuring of SEK 6.5 M (0)
- Cash flow from operating activities improved to SEK 21.1 M (-57.9)
- Order intake of SEK 154 M (296), a decrease of 48 percent compared to the same period last year
- The backlog is approximately SEK 163 M (303), whereof the majority is expected to be invoiced in the third and fourth quarter of 2016
- The Board appointed Charles Jackson as acting CEO of Pricer AB as per 16 May 2016 after Jonas Vestin resigned as President and CEO of Pricer AB

Amounts in SEK M unless otherwise stated	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Order intake	154	296	458	565	792
Net sales*	204,2	239,4	359,6	382,3	864,8
Gross margin*	27,6%	18,6%	26,6%	20,1%	21,8%
Operating profit	16,3	8,2	18,5	9,1	47,8
Operating margin	8,0%	3,4%	5,1%	2,4%	5,5%
Cash flow from operating activities	21,1	-57,9	41,9	-15,9	101,4
Profit for the period	14,6	7,0	15,7	8,3	37,0
Earnings per share (SEK)	0,13	0,06	0,14	0,08	0,34

* Note 1.





* Note 1.

Comments from acting CEO, Charles Jackson

The second quarter showed sustained high demand from the existing customer base but, due to the postponement of a few major project procurements, order intake was lower than in the previous year and did not meet the company's own expectations. We can however be pleased of a significant strengthening of the gross margin which, combined with good cost control, raised operating profit compared to last year despite lower sales.

We do not consider that the order intake level during the second quarter reflects a market slowdown but see it rather as due to the investment horizon of individual customers combined with delayed call-offs under previously reported framework agreements. The international grocery business is a structurally and financially sensitive market in which investment decisions sometimes take longer than we would like. As previously reported, major projects in individual quarters affect the consistency of our figures.

Existing framework agreements are recognized as order intake only in the quarter in which call-offs take place. The deliveries to our Norwegian partner Strongpoint, relating to the Bunnpris grocery chain, were pushed back in relation to the previously estimated timetable with only a small portion being included in recognized order intake for the first half. The total order value is still estimated at approximately SEK 100 M which means that we expect additional order intake related to Bunnpris during the current year while deliveries and installation will partly be pushed into to 2017. Furthermore, the French grocery chain Système U did not start call-offs under its framework agreement until the end of the second quarter, which was slightly later than expected. Order intake under this framework agreement is now expected to continue according to plan during the second half of 2016 and in 2017.

Net sales decreased by 15 percent compared to the same quarter in 2015, from SEK 239 M to SEK 204 M. Pricer delivered several major orders in the second quarter of last year which was not the case this quarter. However, supported by improved product costs and an advantageous product mix, we raised the operating margin in the second quarter of 2016 considerably compared with the previous year, from 3.4 percent to over 11 percent if we exclude the non-recurring costs in the quarter attributable to the change of CEO and other staff changes. Cash flow from operating activities also improved by a full SEK 78.8 M compared with last year as a result of less capital being tied in supply chain and inventory combined with better control of our working capital in relation to the fluctuations we are seeing in net sales and order backlog.

To counter these fluctuations, which to some extent are hard to predict, we work continuously to improve our operational processes in order to achieve greater scalability while retaining control of costs. During the past six months we have also achieved a marked improvement of the cost structure which has both strengthened our competitiveness and reduced the need to tie up capital in the production chain. In parallel, we are also investing in more intensive marketing in a number of selected geographies where we want to be in a position to land the major projects. A market that is expected to take off in the coming years is the USA. The USA is the world's single largest grocery market and trends such as increased automation, active price strategies and increased interactivity with customers can be clearly seen here which strengthens interest in Pricer's solutions. Several American retail chains within both the grocery trade and the DIY sector have ongoing test installations, a significant step in the sales cycle.

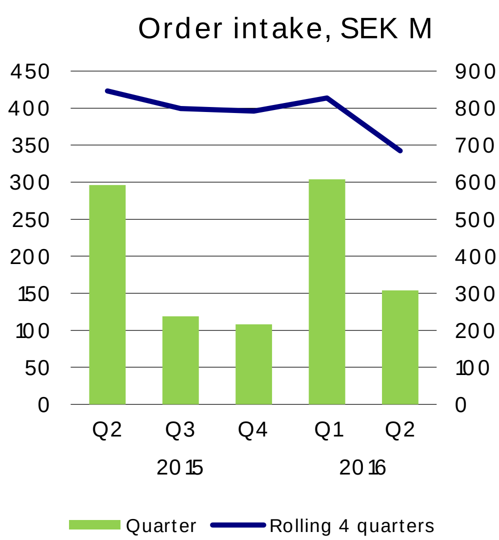
Our strategy to expand our offer into digital services that increase store profitability and enhance the shopper experience remains unchanged. Pricer's aim is to be a key partner as the world's major retail chains develop their omni-channel concepts. This is expected to include both global platform solutions and local customizations. A local presence and proximity to customers are pre-requisites to be successful. As part of this work we currently have several test installations with strategic customers in France and Sweden, among other countries. Here, Pricer's platform guides consumers via an interactive digital map of the store which will, we believe, result in enhanced shopper experience and increased sales. This solution for product positioning is in demand in all our geographical markets and here we intend to accelerate development in order to meet demand from several of the major retail chains in strategically important markets such as France and the USA.

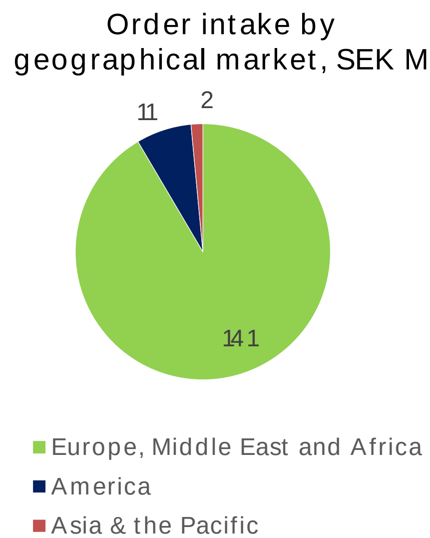
Market development in the second quarter of 2016

The number of new pilot installations in the important segments grocery and Do It Yourself (DIY) retail continued to grow in the quarter, especially in Europe and the Americas but also for significant geographical markets like Brazil and Hongkong. Through its global network of resellers combined with own presence, Pricer reaches almost all major retailers around the world. This in combination with the unique IR technology benefits makes Pricer an attractive candidate for pilot installations and other early phase evaluation projects. This early stage dialogue with customers provide a global competitive advantage versus competition.

Quotations in the form of Request for Proposals (RFP´s) continue to increase and reflect the growing need to automate. Competition continues to be strong everywhere but vary greatly depending on the maturity of the market. There is a regular inflow of new competitors, but as seen many times before it is difficult for them to reach a state of maturity. Scalability and installed base are important factors in customers' evaluation, which provides a competitive advantage for Pricer. In addition, cloud based centralized systems, a fundamental part of Pricer's offering in digital services, have gained importance in customers' evaluation process.

The international grocery trade continues to be characterized by restructuring, price pressure and consolidation to retain profitability when consumer buying behavior changes. Pricer's solutions compete with other structural investments which impacts the decision-making process at Pricer's potential customers. Added to this there is continued uncertain development in the business environment, both political and economic, which affects the industry.





Orders, net sales and profit for second quarter 2016

Order intake was SEK 154 M (296) in the second quarter, a decrease of 48 percent (the same adjusted for changes in exchange rates) compared to the corresponding quarter last year. This decrease is mainly due to the fact that no major single order was signed during the quarter. The order intake is distributed across a large number of customers, with the majority in France.

Net sales amounted to SEK 204.2 M (239.4) in the quarter. The decrease was 15 percent compared to the same quarter of last year. Adjusted for changes in exchange rates, net sales decreased by 14 per cent. The change in the product mix, where a larger proportion of sales compared with the same period last year is related to segment-based labels, resulted in lower sales but a higher gross margin.

Gross profit amounted to SEK 56.4 M (44.5) and gross margin improved to 27.6 percent (18.6) in the quarter. The product and contract mix affect the gross margin in individual quarters and efforts to reduce costs in the production and logistics chain made a positive contribution.

Operating expenses increased to SEK 40.8 M (35.2) in the quarter. Operating expenses in the quarter included restructuring cost amounting to SEK 6.5 M, whereof severance costs related to the previous CEO account for a significant part. Adjusted for this item affecting comparability, operating expenses decreased by SEK 0.9 M in the quarter compared to the previous year. Project-related capitalization of development costs in each quarter leads to fluctuations in operating expenses that are not matched by changes in the underlying cost structure but only in their allocation.

Other income and costs, consisting of the net effect of foreign exchange revaluations of customer receivables and supplier payables to closing rate, contributed with SEK 0.7 M (-1.1) for the quarter. This currency effect was previously reported in the gross margin (see further Note 1).

Operating profit amounted to SEK 16.3 M (8.2) which corresponds to an operating margin of 8.0 percent (3.4) in the quarter. Excluding the above-mentioned restructuring cost, the adjusted operating profit amounted to SEK 22.8 M, which corresponds to an adjusted operating margin of 11.2 percent.

Net financial items amounted to SEK 3.7 M (0.1) in the quarter. Currency revaluation of cash and cash equivalents in primarily USD gave a positive contribution in the quarter.

Profit for the period was SEK 14.6 M (7.0) due to the strong operating profit combined with favorable currency fluctuations.

Translation differences in other comprehensive income of SEK 6.0 M (-5.5) 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 June 2016

Order intake was SEK 458 M (565) in the first six months of the year, a decrease of 19 percent (the same adjusted for changes in exchange rates) compared to the corresponding period last year.

Net sales amounted to SEK 359.6 M (382.3) in the period. The decrease was 6 percent (the same adjusted for changes in exchange rates) compared to the corresponding period last year.

Gross profit amounted to SEK 95.8 M (76.7) and gross margin to 26.6 percent (20.1) in the period. In addition to a favorable product and contract mix, efforts to reduce costs in production and the logistics chain made a positive contribution.

Operating expenses increased to SEK 78.1 M (69.6) in the period. Operating expenses in the period included restructuring cost amounting to SEK 6.5 M, whereof severance costs related to the previous CEO account for a significant part. Adjusted for this item, operating expenses increased by SEK 2.0 M in the period compared to the same period last year. The increase is driven by costs related to the implementation of the new service-oriented strategy in combination with a strengthened organization.

Other income and costs, consisting of the net effect of foreign exchange revaluations of customer receivables and supplier payables to closing rate, decreased to SEK 0.8 M (2.0) for the period. This currency effect was previously reported in the gross margin (see further Note 1).

Operating profit amounted to SEK 18.5 M (9.1) for the period which corresponds to an operating margin of 5.1 percent (2.4). The improved operating margin is mainly explained by the stronger gross margin. Excluding the costs mentioned above related to restructuring, the adjusted operating profit amounted to SEK 25.0 M which corresponds to an adjusted operating margin of 7 percent.

Net financial items amounted to SEK 3.0 M (2.2) in the period. 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 15.7 M (8.3).

Translation differences in other comprehensive income of SEK 8.6 M (-10.5) 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 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
% change in Order intake	-48%	133%	-19%	117%	46%
whereof currency translation difference	0%	25%	0%	28%	14%
% change in Order intake adjusted for currency translation difference	-48%	108%	-19%	96%	32%
% change in Net sales*	-15%	64%	-6%	53%	51%
whereof currency translation difference	-1%	19%	0%	17%	13%
% change in Net sales adjusted for currency translation difference	-14%	45%	-6%	36%	38%

* Note 1.

NET SALES AND PROFIT, SEK M

	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Net sales*	204,2	239,4	359,6	382,3	864,8
Cost of goods sold*	-147,8	-194,9	-263,8	-305,6	-676,7
Gross profit*	56,4	44,5	95,8	76,7	188,1
Gross margin*	27,6%	18,6%	26,6%	20,1%	21,8%
Operating expenses	-40,8	-35,2	-78,1	-69,6	-142,8
Other income and costs*	0,7	-1,1	0,8	2,0	2,5
Operating profit	16,3	8,2	18,5	9,1	47,8
Operating margin	8,0%	3,4%	5,1%	2,4%	5,5%

* Note 1.

Cash flow and financial position

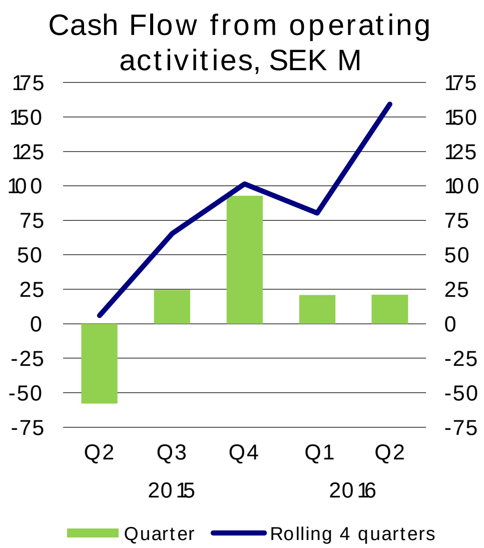
Second quarter 2016

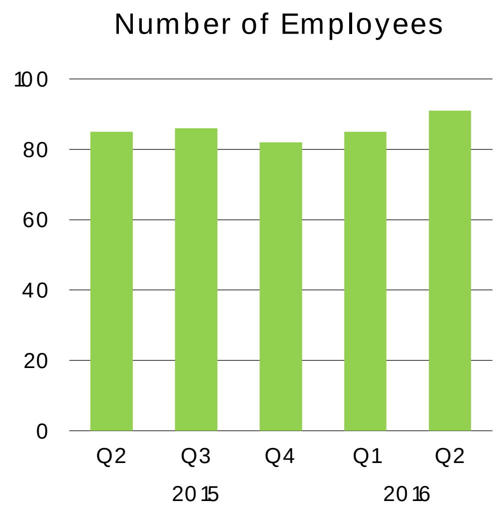
Cash flow from operating activities amounted to SEK 21.1 M (-57.9) in the second quarter. The improvement is mainly related to the lower order backlog which resulted in lower capital tied up in inventory and in the production chain. In conjunction with the review of the production and logistics chain, Pricer has also focused on reducing tied up capital in relation to sales and order backlog. Cash flow from financing activities includes a dividend payment amounting to SEK 27.5 M (0) in accordance with the decision from the Annual General Meeting on April 28, 2016.

Period January 1 to June 30, 2016

Cash flow from operating activities amounted to SEK 41.9 M (-15.9) in the period mainly due to reduced tied up capital inventory and the production chain. Cash flow from financing activities includes a dividend payment amounting to SEK 27.5 M (0) in accordance with the decision from the Annual General Meeting on April 28, 2016.

Cash and cash equivalents at the end of the period amounted to SEK 144.4 M (27.6). 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 (81) and the number of employees at the end of the period was 91 (85).

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.

In June, Pricer issued 665 thousand warrants to certain key employees in accordance with the decision at the Annual General Meeting on April 28, 2016. The exercise price was set to SEK 12.80 and the warrants were not dilutive in the quarter. Pricer also repurchased warrants in the TO 15 program from the previous CEO. On June 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, 2016-06-30	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
Second quarter 2016
Investments in non-current assets amounted to SEK 5.3 M (3.2) in the second quarter and consisted mainly of capitalized development costs of SEK 3.9 M (2.8).

Period from January 1 to June 30, 2016
Investments in non-current assets amounted to SEK 7.7 M (9.7) in the period and consisted mainly of capitalized development costs of SEK 6.1 M (6.1).

Parent Company
The Parent Company's net sales amounted to SEK 296.4 M (323.6) and the profit for the period amounted to SEK 10.8 M (4.6). The Parent Company's cash and cash equivalents amounted to SEK 133.7 M (19.6) 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 digital 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. Derivatives are valued at fair value within level 2, meaning that the value is calculated based on observable market data, either directly (e.g. share price) or indirectly (derived from price).

FINANCIAL INSTRUMENTS

Financial instruments valued at amortized cost

Amounts in SEK M	June 30 2016	June 30 2015	Dec 31 2015
Financial assets			
Derivatives	-	-	-
Other financial assets	227,9	300,3	191,6
Cash and cash equivalents	144,4	27,6	135,6
Summa	372,4	282,4	327,3
Financial liabilities			
Derivatives	-	-	-
Other financial liabilities	95,4	139,2	67,2
Summa	95,4	139,2	67,2

Taxes
Income tax expenses in the quarter amounted to SEK -5.4 M (-1.3), whereof SEK -3.0 M (-0.1) relates to deferred tax expenses arising due to accumulated tax loss carryforwards. Remaining accumulated tax loss carryforwards in the balance sheet per June 30, 2016, amount to SEK 91.8 M (101.7). The actual tax rate (i.e. effective tax) was 12 percent (14), 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 accounts receivable and accounts payable at closing rate for the period, is reported under Other income and costs. Earlier, the currency effect from revaluations of accounts receivable were reported in Net sales while currency effects from revaluations of accounts payable were reported in Cost of goods sold. With regard to this change of reporting method and for comparability, Net sales, Cost of goods sold and Gross profit have been restated for previous periods in line with the new reporting policy. Operating profit remains unchanged.

Forecasts

No forecast is issued for 2016.

Next reporting date

The interim report for January - September 2016 will be published on Friday October 28, 2016.

The undersigned gives his/her assurance that the half-year report provides an accurate summary of the parent company's and Group's operations, position and result, as well as describes the significant risks and uncertainty factors that the parent company and companies in the Group are faced with.

Stockholm, August 19, 2016
Pricer AB (publ)

Charles Jackson
acting CEO

Bo Kastensson
Chairman

Bernt Ingman

Jenni Virnes

Olof Sand

Hans Granberg

Christina Åqvist

This report has not been subject to auditors' review.

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 August 19, 2016.

For further information, please contact:

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

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME IN SUMMARY

Amounts in SEK M	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Net sales*	204,2	239,4	359,6	382,3	864,8
Cost of goods sold*	-147,8	-194,9	-263,8	-305,6	-676,7
Gross profit*	56,4	44,5	95,8	76,7	188,1
Selling and administrative expenses	-36,3	-30,2	-68,8	-60,3	-122,9
Research and development costs	-4,5	-4,9	-9,3	-9,2	-19,9
Other income and costs*	0,7	-1,1	0,8	2,0	2,5
Operating profit	16,3	8,2	18,5	9,1	47,8
Net financial items	3,7	0,1	3,0	2,2	1,4
Profit before tax	20,0	8,3	21,5	11,3	49,2
Income tax	-5,4	-1,3	-5,8	-3,0	-12,2
Profit for the period	14,6	7,0	15,7	8,3	37,0
Other comprehensive income					
Items that are or may be reclassified to profit or loss for the period					
Translation differences	6,0	-5,5	8,6	-10,5	-14,5
Tax attributable to items in other comprehensive incom	0,0	0,1	0,0	0,6	0,8
Other comprehensive income for the period	6,0	-5,4	8,6	-9,9	-13,7
Net comprehensive income for the period	20,6	1,6	24,3	-1,6	23,3
Profit for the period attributable to:					
Owners of the Parent Company	14,6	7,0	15,7	8,3	37,0
Other comprehensive income for the period attributable to:					
Owners of the Parent Company	20,6	1,6	24,3	-1,6	23,3

EARNINGS PER SHARE

	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Basic earnings per share, SEK*	0,13	0,06	0,14	0,08	0,34
Diluted earnings per share, SEK*	0,13	0,06	0,14	0,08	0,34
Number of shares before dilution, millions	109,9	109,9	109,9	109,9	109,9
Diluted number of shares, millions	110,1	109,9	110,1	109,9	110,2

* Note 1.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION IN SUMMARY

Amounts in SEK M	June 30 2016	June 30 2105	Dec 31 2015
Intangible assets	259,1	255,8	250,9
Tangible fixed assets	8,6	10,2	8,6
Financial fixed assets	91,8	101,7	94,8
Total non-current assets	359,5	367,7	354,3
Inventories	97,0	151,3	113,7
Current receivables	241,6	315,7	200,2
Cash and cash equivalents	144,4	27,6	135,6
Total current assets	483,0	494,5	449,5
TOTAL ASSETS	842,5	862,3	803,8
Equity attributable to holders of the Parent Company	682,5	659,6	684,7
Total equity	682,5	659,6	684,7
Non-current liabilities	6,5	4,0	6,1
Current liabilities	153,5	198,6	113,0
Total liabilities	160,0	202,7	119,1
TOTAL EQUITY AND LIABILITIES	842,5	862,3	803,8
Pledged assets	60,4	60,4	60,4
Contingent liabilities	0,8	0,8	0,8
Basic shareholders' equity per share, SEK	6,21	6,00	6,23
Diluted shareholders' equity per share, SEK	6,20	6,00	6,21

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN SUMMARY

Amounts in SEK M	6 months 2016	6 months 2015	Full year 2015
Equity at beginning of period	684,7	659,7	659,7
Profit for the period	15,7	8,3	37,0
Other comprehensive income for the period	8,6	-9,9	-13,7
Net comprehensive income for the period	*24,3*	*-1,6*	*23,3*
Share issue	-	-	-
Repurchase of own shares	-	-	-
Dividend	-27,5	-	-
Share based payments, equity settled	1,0	1,5	1,7
Total transactions with owners of the Group	*-26,5*	*1,5*	*1,7*
Equity at end of period	682,5	659,6	684,7
Attributable to:			
- Owners of the Parent Company	682,5	659,6	684,7

STATEMENT OF CONSOLIDATED CASH FLOWS IN SUMMARY

Amounts in SEK M	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Profit before tax	20,0	8,3	21,5	11,3	49,2
Adjustment for non-cash items	-2,2	6,9	2,0	4,5	12,1
whereof depreciations and amortizations	*3,5*	*3,8*	*6,6*	*7,6*	*18,1*
Paid income tax	-2,2	-1,1	-3,4	-2,6	-4,8
Change in working capital	5,5	-72,1	21,8	-29,2	44,9
Cash flow from operating activities	21,1	-57,9	41,9	-15,9	101,4
Cash flow from investing activities	-5,3	-3,2	-7,7	-9,7	-15,9
Cash flow from financing activities	-27,5	-	-27,5	-	-
Cash flow for the period	-11,7	-61,2	6,7	-25,7	85,5
Cash and cash equivalents at beginning of period	153,0	90,8	135,6	53,0	53,0
Exchange rate difference in cash and cash equivalents	3,1	-2,1	2,1	0,2	-2,9
Cash and cash equivalents at end of period	144,4	27,6	144,4	27,6	135,6
Unutilised bank overdraft facilities	50,0	50,0	50,0	50,0	50,0
Disposable funds at end of period	194,4	77,6	194,4	77,6	185,6

KEY RATIOS

Amounts in SEK M	Q 2 2016	Q 1 2016	Q 4 2015	Q 3 2015	Q 2 2015
Order intake	154	304	108	119	296
Order intake - rolling 4 quarters	685	827	792	799	846
Net sales 2)	204,2	155,4	178,2	304,3	239,4
Net sales - rolling 4 quarters 2)	842,1	877,3	864,8	854,7	705,4
Operating profit, excl. non-recurring costs	16,3	2,2	7,5	31,2	8,2
Operating profit, excl. non-recurring costs 1) - rolling 4 quarters	57,2	49,1	47,8	47,5	31,5
Profit for the period	14,6	1,1	8,0	20,6	7,1
Cash flow from operating activities	21,1	20,8	92,8	24,5	-57,9
Cash flow from operating activities - rolling 4 quarters	159,2	80,2	101,4	65,4	6,1
Number of employees, end of period	91	85	82	86	85
Equity ratio	81%	81%	85%	80%	77%

1) Excluding non-recurring costs of SEK 12.1 M in Q4 2014 and SEK 4.1 M in Q3 2014
2) Note 1

NET SALES BY GEOGRAPHICAL MARKET*

Amounts in SEK M	Q 2 2016	Q 2 2015	6 months 2016	6 months 2015	Full year 2015
Europe, Middle East and Africa	191,3	222,7	330,1	347,8	799,4
America	8,2	11,8	20,7	23,4	46,4
Asia & the Pacific	4,7	4,9	8,8	11,1	19,0
Total net sales	204,2	239,4	359,6	382,3	864,8

* Note 1.

PARENT COMPANY

STATEMENT OF INCOME OF PARENT COMPANY IN SUMMARY

Amounts in SEK M	6 months 2016	6 months 2015	Full year 2015
Net sales*	296,4	323,6	724,3
Cost of goods sold*	-245,1	-287,9	-625,5
Gross profit*	51,3	35,7	98,8
Selling and administrative expenses	-31,9	-25,2	-51,2
Research and development costs	-9,3	-9,2	-19,9
Other income and costs*	0,9	2,0	2,5
Operating profit	11,0	3,3	30,2
Net financial items	2,8	2,2	-2,2
Profit before tax	13,8	5,5	28,0
Income tax	-3,0	-0,8	-6,4
Profit for the period	10,8	4,6	21,6

STATEMENT OF COMPREHENSIVE INCOME OF PARENT COMPANY

Amounts in SEK M	6 months 2016	6 months 2015	Full year 2015
Profit for the period	10,8	4,6	21,6
Comprehensive income for the period			
Items that are or may be reclassified to profit or loss for the period			
Translation differences	-	-2,8	-
Cash flow hedges	-	-	-
Tax attributable to items in other comprehensive incom	-	0,6	-
Comprehensive income for the period	0,0	-2,1	0,0
Net comprehensive income for the period	10,8	2,5	21,6

PARENT COMPANY BALANCE SHEET IN SUMMARY

Amounts in SEK M	June 30 2016	June 30 2015	Dec 31 2015
Intangible assets	20,3	21,3	18,7
Tangible fixed assets	7,8	9,5	7,8
Financial fixed assets	368,9	373,2	368,0
Total non-current assets	397,0	403,9	394,5
Inventories	74,1	114,7	91,7
Current receivables	148,1	239,5	158,7
Cash and cash equivalents	133,7	19,6	120,6
Total current assets	355,9	373,8	371,0
TOTAL ASSETS	752,9	777,7	765,5
Shareholders' equity	560,2	556,6	576,0
Total equity	560,2	556,6	576,0
Provisions	16,5	26,3	18,5
Non-current liabilities	4,0	1,6	3,7
Current liabilities	172,2	193,2	167,3
Total liabilities	192,7	221,1	189,5
TOTAL EQUITY AND LIABILITIES	752,9	777,7	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	6 months 2016	6 months 2015	Full year 2015
Equity at beginning of period	576,0	552,7	552,7
Net comprehensive income for the period	10,8	2,5	21,6
Share issue	-	-	-
Repurchase of own shares	-	-	-
Dividend	-27,5	-	-
Share based payments, equity settled	0,9	1,5	1,7
Equity at end of period	560,2	556,6	576,0

Note 1 – Changed reporting 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 accounts receivable and accounts payable at closing rate for the period, is reported under Other income and costs. Earlier, the currency effects from revaluations of accounts receivable were reported in Net sales while currency effects from revaluations of accounts payable were reported in Cost of goods sold. With regard to this change of reporting method and for comparability, Net sales, Cost of goods sold and Gross profit have been restated for previous periods in line with the new reporting policy. Operating profit remains unchanged.

Below table illustrates the adjustments of reported figures for 2015.

Amounts in SEK M	2015				
	Q1	Q2	Q3	Q4	Full year
Restated figures					
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	-35,1	-36,6	-36,7	-142,8
Other income and costs	3,1	-1,1	2,0	-1,4	2,5
EBIT	0,9	8,3	31,3	7,4	47,8
Gross margin %	22,5%	18,6%	21,7%	25,5%	21,8%
EBIT-margin %	0,6%	3,5%	10,3%	4,2%	5,5%
Reported figures in 2015					
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	-35,1	-36,6	-36,7	-142,8
EBIT	0,9	8,3	31,3	7,4	47,8
Gross margin %	23,9%	18,3%	22,0%	24,7%	21,9%
EBIT-margin %	0,6%	3,5%	10,2%	4,1%	5,5%
Difference in reporting methods					
Net sales	-4,6	2,9	-3,7	-0,3	-5,8
Cost of goods sold	1,5	-1,7	1,7	1,8	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 costs	3,1	-1,1	2,0	-1,4	2,5
EBIT	0,0	0,0	0,0	0,0	0,0

Definitions

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 the owners of the Parent Company divided by the number of basic shares on the closing date.

Diluted shareholders' equity per share - Equity attributable to the owners of the Parent Company divided by the outstanding shares 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 agreement not derived from customer orders 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 the owners of the Parent Company divided by the weighted average number of outstanding shares during the period.

Diluted earnings per share - Result for the year attributable to the owners of the Parent Company divided by the weighted average number of outstanding shares 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 result 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