



12%

Net sales growth

4.2%

Operating margin

4.0

SEK M

Profit for the period

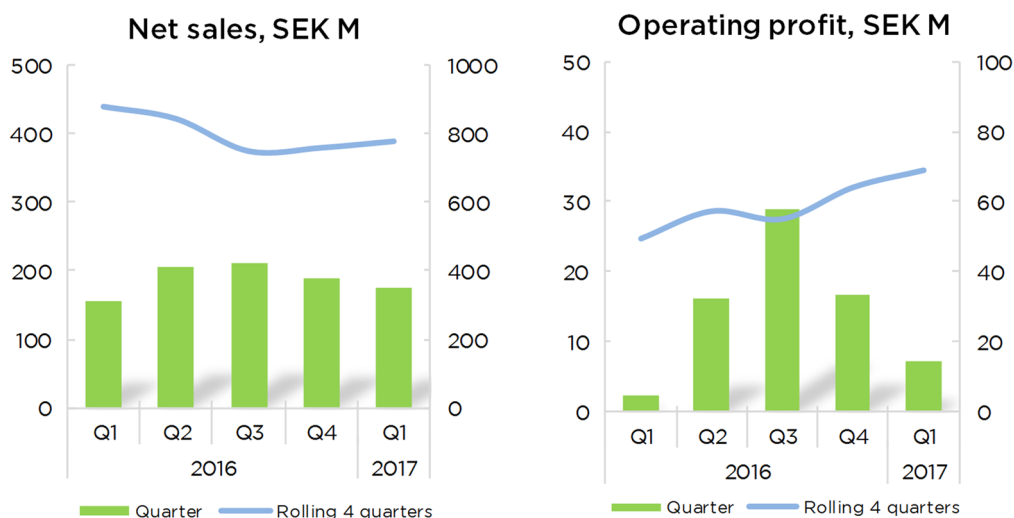
Continued improved result, order intake stable but lower than last year's record quarter

First quarter 2017

- Net sales of SEK 174.2 M (155.4), an increase of 12 percent compared to the same period last year
- Operating profit of SEK 7.2 M (2.2), corresponding to an operating margin of 4.2 percent (1.4)
- Order intake of SEK 189 M (304), a decrease of 38 percent compared to the same period last year
- The backlog is approximately SEK 103 M (206), most of which is expected to be invoiced in the second quarter of 2017
- Profit for the period amounted to SEK 4.0 M (1.1)
- Earnings per share amounted to SEK 0.04 (0.01)
- Cash flow from operating activities was SEK -4.5 M (20.8)

Amounts in SEK M unless otherwise stated	Q1 2017	Q 1 2016	Full year 2016	Rolling 4 Q
Order intake	189	304	783	667
Net sales	174,2	155,4	757,6	776,4
Gross margin	27,5%	25,4%	28,1%	28,6%
Operating profit	7,2	2,2	64,1	69,1
Operating margin	4,2%	1,4%	8,5%	8,9%
Cash flow*	-4,5	20,8	174,0	148,7
Profit for the period	4,0	1,1	57,3	60,2
Earnings per share (SEK)	0,04	0,01	0,52	0,55

* Cash flow from operating activities





Functionality for automated product positioning is gaining ground

Continued high activity in pilot programs but with long lead times for decisions

Comments from CEO, Andreas Renuf

Net sales increased and both gross margin and operating margin strengthened in the first quarter of 2017 compared to the same period of last year. Our order intake of SEK 189 M shows a stable trend compared to earlier quarters but fell short of the previous year's record high level for a single quarter. The comparative figures include a large order from the French grocery retail giant Carrefour that has not been compensated by any major new order in the first quarter of this year.

France, Belgium and Norway stood out as strong markets in the first quarter but with several smaller markets outside Europe also exhibiting robust growth, albeit from low levels. The share of graphic labels continues to increase and several markets, such as Belgium and Norway, show a clear preference for graphic labels. Following a technical evaluation process, Pricer now actively promotes black, white and red graphic labels where the red color among other things can be used to display promotions. We see a lot of interest in the market for these labels and expect many retailers to choose this solution.

An area where Pricer has a unique advantage is that we can offer automatic product positioning in a store. We are now involved with a number of different customers who want to integrate product positioning in their customer app or in a stationary quick search kiosk. This is part of the digitalization strategy for several retailers and it allows the customer to find the product they are looking for in the store by looking where the product is on a store map. Enabling customers to quickly find the product they are looking for has been a prioritized request from retailers for a long time.

In the first quarter Pricer took part in the two major retail trade shows NRF in New York and Euroshop in Dusseldorf. At Euroshop, Pricer's customer Leroy Merlin won the prestigious RETA Award for "Best Customer Experience". The award was presented to Leroy Merlin for its innovative solution that helps shoppers find what they are looking for in the store and check the product's availability, using a mobile app or a stationary quick search kiosk. The solution is based on Pricer's technology for automated product positioning.

As previously announced, I will unfortunately leave my employment with Pricer for personal reasons. I regret the loss in pace it always means to secure a strong CEO function, not least when it comes to the growth strategy. I will work with the Chairman of the board and the strong management team, who has been in the same situation before, to actively support the design of the growth strategy. This strategy includes development projects to strengthen our competitiveness and active work to identify and execute complementary acquisitions.

Pricer's strength is a market-leading installed base and a customer base that we serve well. The existing customer base offers great opportunities to grow, not least through digital services such as product positioning and the embedded flash functionality in the label that attracts strong interest from the market. In addition there are several opportunities to open new market segments through own development and acquisitions. Although we see many new competitors, some of whom have gained ground in some markets, Pricer is still a leading global player through its strong established customer base.

Market development in the fourth quarter of 2017

The number of pilot programs and the number of retail chains that test Electronic Shelf Labels (ESL) around the world is still high, but decision times are long. One of the reasons for this is that customers in different market segments need to improve their profitability calculations for ESL solutions.



This can for example be achieved by using the flash- and map functionalities that reduces the picking time and hence the cost for the consumer's growing preference for e-commerce. This greatly improves the customer's return on investment calculation. The traditional paper label still dominates retail despite the technological development that has taken place in the ESL industry, so the market potential remain significant. The great potential of the market is also one of the main reasons we have seen several new competitors in recent years.

In France, the inflow of new players in the ESL market has slowed and the turbulence that arose last year when several new competitors vied for attention from the major retail chains has calmed down. The established players in the ESL area have regained confidence from customers in France



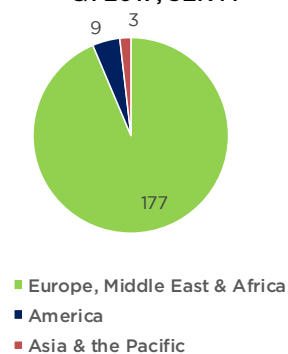
NET SALES AND PROFIT, SEK M

	Q1 2017	Q 1 2016	Full year 2016
Net sales	174,2	155,4	757,6
Cost of goods sold	-126,4	-116,0	-544,4
Gross profit	47,9	39,4	213,2
Gross margin	27,5%	25,4%	28,1%
Operating expenses	-42,0	-37,3	-149,6
Other income and costs	1,3	0,1	0,5
Operating profit	7,2	2,2	64,1
Operating margin	4,2%	1,4%	8,5%

CURRENCY TRANSLATION DIFFERENCE ORDER INTAKE & NET SALES

	Q1 2017	Q 1 2016	Full year 2016
% change in Order intake	-38%	13%	-1%
whereof currency translation difference	-1%	0%	1%
% change in Order intake adjusted for currency translation difference	-37%	13%	-2%
% change in Net sales	12%	9%	-12%
whereof currency translation difference	4%	0%	1%
% change in Net sales adjusted for currency translation difference	8%	9%	-13%

Order intake per region in Q1 2017, SEK M



Orders, net sales and profit for the first quarter 2017

Order intake in the first quarter was SEK 189 M (304), a decrease of 38 percent compared to the same period last year. Adjusted for changes in exchange rates, order intake decreased by 37 percent. The decrease is primarily explained by the fact that the large order received from Carrefour in the first quarter of 2016 has not been compensated by any new large order in the first quarter of 2017.

Net sales amounted to SEK 174.2 M (155.4) in the quarter. The increase was 12 percent compared to the same quarter last year. Adjusted for changes in exchange rates, net sales increased by 8 percent. Net sales in the quarter continued to be distributed over a large number of customers, mainly in France, Belgium and Norway.

Gross profit amounted to SEK 47.9 M (39.4) and gross margin improved to 27.5 percent (25.4) in the quarter.



The contract mix and degree of value creation from digital services affect the gross margin in individual quarters, combined with the improvements in the cost of goods that have been made over the past years. In the first quarter the gross margin was slightly pressured by a negative F/X effect as the cost of goods sold was impacted by the strong USD.

Operating expenses increased to SEK 42.0 M (37.3) in the quarter. The increase is primarily due to reinforcement of the organization in development, production, marketing and sales. Project-related capitalization of development costs contributes to fluctuations in operating expenses between quarters that distort comparability. The first quarter of the year is always associated with extra intensity in travel and marketing costs due to the international retail trade shows 2017 NRF in New York and Euroshop in Dusseldorf.

Other income and expenses, consisting of the net effect of foreign exchange revaluations of trade receivables and trade payables to the closing rate as well as realized foreign exchange gains and losses, contributed SEK 1.3 M (0.1) in the quarter.

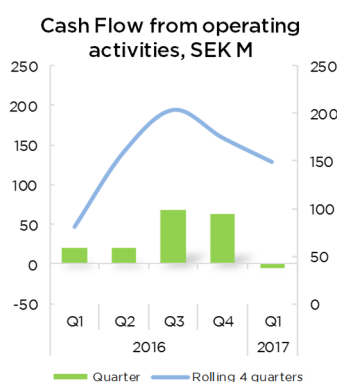
Operating profit amounted to SEK 7.2 M (2.2), which corresponded to an operating margin of 4.2 percent (1.4) in the quarter.

Net financial items, primarily attributable to currency revaluation of cash and cash equivalents, impacted the quarter negatively and amounted to SEK -1.7 M (-0.7).

Profit for the period was SEK 4.0 M (1.1).

Translation differences in other comprehensive income of SEK -0.9 M (2.6) consisted of foreign currency translation of net assets in foreign subsidiaries, primarily goodwill.

Cash flow hedges in other comprehensive income relate to the net effect of the market revaluations of the forward contracts in USD and EUR and amounted to SEK -0.3 M (0.0) in the quarter. As of 1 January 2017, in accordance with the hedge policy adopted by the board, Pricer has resumed hedge accounting for cash flow hedges.



Cash flow and financial position

Cash flow from operating activities for the first quarter amounted to SEK -4.5 M (20.8). The negative cash flow from operating activities is primarily attributable to a higher amount of more capital tied up in inventories, compared to the same period last year. The size of inventory is highly dependent on ongoing customer projects, where the product mix and planned delivery dates are the driving parameters.

Cash and cash equivalents amounted to SEK 249.1 M (153.0) on March 31, 2017.

Investments

Investments in non-current assets amounted to SEK 8.1 M (2.4) in the first quarter and consisted mainly of capitalized development costs of SEK 5.0 M (2.2).

Equity

Pricer holds 929 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 March 31, 2017, a total of 1,235 thousand warrants were outstanding in the programs decided upon in 2015 and 2016.



ISSUED AND OUTSTANDING SHARES

Stated in thousands of shares	Series A	Series B	Total
Issued at the beginning of the year, 2017-01-01	226	110 746	110 972
Issued and converted shares in the year	-	-	-
Issued at the end of the period, 2017-03-31	226	110 746	110 972
Treasury shares	-	-929	-929
Outstanding shares at end of period	226	109 817	110 042

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

Personnel

The average number of employees during the first quarter was 96 (85) and the number of employees at the end of the quarter was 98 (85). During the first quarter three persons previously engaged on consultancy basis were signed on as full-time employees. Additional strengthening of the organization has taken place in development, production and marketing/sales.

Parent Company

The Parent Company's net sales amounted to SEK 145.8 M (126.3) and profit for the period was SEK 3.2 M (-0.8). The Parent Company's cash and cash equivalents amounted to SEK 225.7 M (144.9) 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 2016 annual report, pages 14 and 43.

Taxes

Income tax expenses relating to the first quarter amounted to SEK 1.4 M (0.4), of which SEK 0.4 M (0.0) relates to deferred tax expenses arising from accumulated tax loss carryforwards in the Parent Company. The effective tax rate amounts to 18 percent (28) for the first quarter and the actual tax rate to 26 percent (26). Deferred tax relating to accumulated tax loss carryforwards in the balance sheet at March 31, 2017, amounted to SEK 76.2 M (90.7).

Forecast

No forecast is issued for 2017.

Subsequent events

Andreas Renulf, President and CEO, has resigned from his position in the company but will remain in his role during the term of notice. The company's Chairman, Bo Kastensson, will take on the role of Working Chairman during the interim period.



**Next interim report
to be published
July, 21 2017**

Annual General Meeting and next reporting date

Pricer's Annual General Meeting will be held on April 27, 2017, at 16:00 at World Trade Center in Stockholm. The interim report for April - June 2017 will be published on July 21, 2017.

Stockholm, April 27, 2017

Pricer AB (publ)

Andreas Renulf
President and CEO

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 April 27, 2017.

For further information, please contact:

Andreas Renulf, CEO, or Helena Holmgren, CFO Pricer AB +46 8 505 582 00

Financial reporting

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME IN SUMMARY

Amounts in SEK M	Q1 2017	Q 1 2016	Full year 2016
Net sales	174,2	155,4	757,6
Cost of goods sold	-126,4	-116,0	-544,4
Gross profit	47,9	39,4	213,2
Selling and administrative expenses	-36,9	-32,5	-129,3
Research and development costs	-5,1	-4,8	-20,4
Other income and expenses	1,3	0,1	0,5
Operating profit	7,2	2,2	64,1
Net financial items	-1,7	-0,7	12,6
Profit before tax	5,5	1,5	76,7
Income tax	-1,4	-0,4	-19,4
Profit for the period	4,0	1,1	57,3

Other comprehensive income

Items that are or may be reclassified to profit or loss for the period

Translation differences	-0,9	2,6	14,2
Cash flow hedges	-0,3	-	-
Tax attributable to items in other comprehensive income	0,1	-	-
Other comprehensive income for the period	-1,1	2,6	14,2
Net comprehensive income for the period	2,9	3,7	71,5

Profit for the period attributable to:

Owners of the Parent Company	4,0	1,1	57,3
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Other comprehensive income for the period attributable to:

Owners of the Parent Company	2,9	3,7	71,5
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EARNINGS PER SHARE

	Q1 2017	Q 1 2016	Full year 2016
Basic earnings per share, SEK	0,04	0,01	0,52
Diluted earnings per share, SEK	0,04	0,01	0,52
Number of shares before dilution, millions	110,0	109,9	110,0
Diluted number of shares, millions	110,3	110,2	110,2

STATEMENT OF CONSOLIDATED FINANCIAL POSITION IN SUMMARY

Amounts in SEK M	March 31 2017	March 31 2016	Dec 31 2016
Intangible assets	271,4	253,2	268,4
Tangible fixed assets	12,1	8,0	11,2
Financial fixed assets	80,9	94,8	81,2
Total non-current assets	364,3	356,0	360,8
Inventories	127,1	114,6	104,5
Current receivables	207,5	225,6	204,7
Cash and cash equivalents	249,1	153,0	261,3
Total current assets	583,7	493,2	570,5
TOTAL ASSETS	948,0	849,2	931,3
Equity attributable to holders of the Parent Company	732,3	688,7	729,4
Total equity	732,3	688,7	729,4
Provisions	8,3	7,0	8,2
Current liabilities	207,3	153,5	193,7
Total liabilities	215,6	160,5	201,9
TOTAL EQUITY AND LIABILITIES	948,0	849,2	931,3
Pledged assets	60,5	60,4	60,5
Contingent liabilities	0,8	0,8	0,8
Basic shareholders' equity per share, SEK	6,66	6,27	6,63
Diluted shareholders' equity per share, SEK	6,64	6,25	6,62

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN SUMMARY

Amounts in SEK M	3 months 2017	3 months 2016	Full year 2016
Equity at beginning of period	729,4	684,7	684,7
Profit for the period	4,0	1,1	57,3
Other comprehensive income for the period	-1,1	2,6	14,2
<i>Net comprehensive income for the period</i>	<i>2,9</i>	<i>3,7</i>	<i>71,5</i>
Dividend	-	-	-27,5
Share based payments, equity settled	0,1	0,3	0,7
<i>Total transactions with owners of the Group</i>	<i>0,1</i>	<i>0,3</i>	<i>-26,8</i>
Equity at end of period	732,3	688,7	729,4
Attributable to:			
- Owners of the Parent Company	732,3	688,7	729,4

STATEMENT OF CONSOLIDATED CASH FLOWS IN SUMMARY

Amounts in SEK M	Q1 2017	Q 1 2016	Full year 2016
Profit before tax	5,5	1,5	76,7
Adjustment for non-cash items <i>whereof depreciations and amortizations</i>	5,5 3,6	4,2 3,1	14,7 12,6
Paid income tax	-1,5	-1,2	-6,2
Change in working capital	-14,1	16,3	88,8
Cash flow from operating activities	-4,5	20,8	174,0
Cash flow from investing activities	-8,1	-2,4	-21,7
Cash flow from financing activities	-	-	-27,5
Cash flow for the period	-12,6	18,4	124,9
Cash and cash equivalents at beginning of period	261,3	135,6	135,6
Exchange rate difference in cash and cash equivalents	0,4	-1,0	0,8
Cash and cash equivalents at end of period	249,1	153,0	261,3
Unutilised bank overdraft facilities	50,0	50,0	50,0
Disposable funds at end of period	299,1	203,0	311,3

KEY RATIOS

Amounts in SEK M	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Order intake	189	180	145	154	304
Order intake - rolling 4 quarters	667	783	711	685	827
Net sales	174,2	188,0	210,0	204,2	155,4
Net sales - rolling 4 quarters	776,4	757,6	747,8	842,0	877,3
Operating profit	7,2	16,6	29,0	16,3	2,2
Operating profit - rolling 4 quarters	69,1	64,1	54,9	57,2	49,2
Profit for the period	4,0	18,0	23,6	14,6	1,1
Cash flow from operating activities	-4,5	63,3	68,8	21,1	20,8
Cash flow from operating activities - rolling 4 quarters	148,7	174,0	203,4	159,2	80,2
Number of employees, end of period	98	94	92	91	85
Equity ratio	77%	78%	79%	81%	81%

NET SALES BY GEOGRAPHICAL MARKET

Amounts in SEK M	Q1 2017	Q 1 2016	Full year 2016
Europe, Middle East & Africa	148,6	138,8	687,0
America	15,1	12,5	52,0
Asia & the Pacific	10,6	4,1	18,6
Total net sales	174,2	155,4	757,6

STATEMENT OF INCOME OF PARENT COMPANY IN SUMMARY

Amounts in SEK M	3 months 2017	3 months 2016	Full year 2016
Net sales	145,8	126,3	629,0
Cost of goods sold	-120,8	-109,2	-504,8
Gross profit	25,0	17,1	124,2
Selling and administrative expenses	-15,9	-12,5	-55,9
Research and development costs	-5,1	-4,8	-20,4
Other income and expenses	1,3	0,1	0,6
Operating profit	5,3	-0,1	48,5
Net financial items	-1,6	-0,7	12,5
Profit before tax	3,7	-0,8	61,0
Income tax	-0,4	-	-13,5
Profit for the period	3,2	-0,8	47,5

STATEMENT OF COMPREHENSIVE INCOME OF PARENT COMPANY

Amounts in SEK M	3 months 2017	3 months 2016	Full year 2016
Profit for the period	3,2	-0,8	47,5
<i>Comprehensive income for the period</i>			
<i>Items that are or may be reclassified to profit or loss for the period</i>			
Cash flow hedges	-0,3	-	-
Tax attributable to items in other comprehensive income	0,1	-	-
Comprehensive income for the period	-0,2	0,0	0,0
Net comprehensive income for the period	3,0	-0,8	47,5

PARENT COMPANY BALANCE SHEET IN SUMMARY

Amounts in SEK M	March 31 2017	March 31 2016	Dec 31 2016
Intangible assets	29,8	18,7	26,0
Tangible fixed assets	9,8	7,3	9,4
Financial fixed assets	274,5	368,5	273,6
Total non-current assets	314,1	394,5	309,0
Inventories	95,9	92,3	76,4
Current receivables	133,0	130,8	197,5
Cash and cash equivalents	225,7	144,9	238,2
Total current assets	454,7	368,0	512,1
TOTAL ASSETS	768,8	762,5	821,0
Shareholders' equity	599,7	575,4	596,6
Total equity	599,7	575,4	596,6
Provisions	20,9	17,1	21,0
Non-current liabilities	0,1	8,1	2,2
Current liabilities	148,1	161,9	201,2
Total liabilities	169,1	187,1	224,4
TOTAL EQUITY AND LIABILITIES	768,8	762,5	821,0
Pledged assets	59,6	59,6	59,6
Contingent liabilities	-	-	-

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Amounts in SEK M	3 months 2017	3 months 2016	Full year 2016
Equity at beginning of period	596,6	576,0	576,0
Net comprehensive income for the period	3,0	-0,8	47,5
Dividend	-	-	-27,5
Share based payments, equity settled	0,1	0,3	0,7
Equity at end of period	599,7	575,5	596,6

Note 1 – Accounting principles

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.

Note 2 – Related party transactions

Related party transactions are described in Note 24 in the Group’s accounting statement in the Annual Report for 2016. 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 compared to the description in the Annual Report for 2016.

Note 3 – Alternative performance measures - definitions

In addition to the key financial ratios that are covered by the IFRS framework, this report also includes other key ratios and measures, so-called alternative performance measures, that Pricer considers to be important for monitoring, analyzing and managing its operations. These key ratios and measures also provide Pricer’s stakeholders with useful information about the company’s financial position, profit or loss and development in a consistent manner. A list of the definitions to the alternative performance measures used in this report are found in the 2016 Annual Report, page 15.

Note 4 – 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. The derivatives have been valued at fair value according to level 2 in the fair value hierarchy (see definition below). All other financial instruments are valued at amortized cost.

Level 1 – quoted prices in active markets for identical financial instruments

Level 2 – inputs other than quoted market prices included in level 1 that are observable for the financial asset either directly or indirectly

Level 3 – inputs for financial instruments that are not based on input from observable market data (unobservable input)

FINANCIAL INSTRUMENTS

Financial instruments valued at amortized cost

Amounts in SEK M	March 31 2017	March 31 2016	Dec 31 2016
Financial assets			
Other financial assets	188,3	208,2	194,3
Cash and cash equivalents	249,1	153,0	261,3
Total	437,4	361,2	455,6
Financial liabilities			
Derivatives	0,1	-	-
Other financial liabilities	158,6	91,9	143,1
Total	158,7	91,9	143,1

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