

BREAKTHROUGH AGREEMENT IN THE LICENSE AREA

PRECISE BIOMETRICS AB (PUBL), CORPORATE IDENTITY NO. 556545-6596
INTERIM REPORT FOR THE PERIOD JANUARY – SEPTEMBER 2013

- The group's net sales for the interim period was SEK 32.1 million (19.9) and for the third quarter SEK 6.1 million (8.5).
- The groups income for the interim period was SEK -24.2 million (-34.0) and for the third quarter SEK -10.4 million (-11.2).
- Earnings per share for the interim period amounted to SEK -0.08 (-0.18) and for the third quarter SEK -0.03 (-0.06).
- Available cash at the end of the interim period amounted to SEK 112.1 million (3.2).

IMPORTANT EVENTS DURING THE THIRD QUARTER

- Precise Biometrics launches Tactivo™ for iPhone 5. Tactivo for iPhone 5 is certified by the US Government Service Administration (GSA).
- Precise Biometrics AB and Fingerprint Cards AB (FPC) enter into an agreement where FPC will license Precise Biometrics' fingerprint algorithm to further enhance the performance of their world leading sensors.
- Precise Biometrics launches fingerprint algorithm, Precise BioMatch™ Mobile, for Android. The software will in the future also support other mobile operating systems.
- The company completes a private placement pursuant to the authorization given by the annual general meeting in April 2013. The issue strengthens the company's available cash by SEK 81.1 million after issue costs.
- Precise Biometrics launches a global ecosystem of solutions for smartphones and tablets that can be used with Tactivo. The ecosystem includes several different types of solutions, such as encryption and signing of e-mail.
- President and CEO Thomas Marschall sell, due to personal financial reasons, all his shares in Precise Biometrics. After the transaction he retains 1,600,000 share warrants in the company.

IMPORTANT EVENTS AFTER THE THIRD QUARTER

- The first smart phone that integrates a FPC sensor with Precise Biometrics' Algorithm Precise BioMatch Mobile is introduced on the Asian market.

FOR FURTHER INFORMATION, PLEASE CONTACT

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Precise Biometrics is a market-leading provider of solutions for fingerprint recognition to prove people's identities. With top-of-the-line expertise in fingerprint verification, Precise Biometrics offers fast, accurate and secure authentication of a person.

The technology adds value to ID, enterprise and bank cards as well as access to mobile solutions, computers and networks. Precise Biometrics serves business and government organizations throughout the world and its technology is licensed to close to 160 million users.

For more information, please visit www.precisebiometrics.com

BREAKTHROUGH AGREEMENT IN THE LICENSE AREA

INTERVIEW WITH THOMAS MARSCHALL,
CEO AND PRESIDENT, PRECISE BIOMETRICS

How would you summarize the third quarter?

I am not satisfied with the financial results for this quarter. Our business area Mobile showed a negative turnover for the quarter impacted by the slow progress in the US government agency market, which has resulted in lower volumes than I projected. In addition our partner Thursby returned products as an effect of changes in our partnership. We have, however, received several small orders from customers and partners in the US that I hope will be followed by larger orders.

Apart from the financial development, we can look back on a quarter that had several important events that will contribute towards reinforcing our position in the market and which by extension can provide good opportunities for growth.

In August we presented what for us is a very important partnership agreement with Fingerprint Cards. The agreement means that Fingerprint Cards licenses Precise Biometrics' fingerprint algorithm to further enhance the performance of their world leading sensors. The trend is that an increasing number of manufacturers are embedding fingerprint sensors in mobile phones and tablets, and the agreement shows that we can play a strategic role in this rapidly expanding market. The first phone that integrates a Fingerprint Card sensor with Precise Biometrics' algorithms was launched in the Asian market after the end of the quarter.

We have implemented a successful private placement that gives us the necessary capital for a high rate of growth.

We have also launched a global eco system of solutions for smart phones and tablets for our fingerprint and smart card reader Tactivo™. This eco system makes it possible for our partners to enhance the security in their solutions as Tactivo can replace their password-based access solutions. This increases the number of possible applications for Tactivo. The applications enter the market faster, and additional contact interfaces towards potential customers are created via our partners.

What is the current trend in the market?

The market for enhanced mobile security continues to grow and we are seeing the widespread use of fingerprint technology to access sensitive information via smartphones and tablets. Apple's acquisition of our industry colleague AuthenTec and the launch of iPhone 5s with embedded fingerprint sensors have led to a significant increase in the interest for this technology.

The decision on new requirements for personal identity checks in US that require all government employees to use their PIV cards (Personal Identity Verification) for remote connection of mobile units. It remains uncertain when the different parts of the US government agency establishment will implement these requirements. Tactivo continues to be the only mobile smart card reader certified for use by US government agencies.

I still believe that the greatest potential for Tactivo is in the US government agency market, but we also see possibilities for companies and government agencies in other parts of the world, especially in the finance and health care sectors. We are already supplying Tactivo to the vehicle manufacturer Volkswagen.

What can you tell us about the new issue of shares in September?

The private placement injected SEK 81 million into Precise Biometrics after issue costs. We saw that investors, especially in the US, were showing much greater interest in biometrics and this gave us an opportunity to implement a private placement. We now have the strong capital essential to generate high rate of growth focusing on financing of our marketing and production.

How do you see the rest of 2013 developing?

We still have high ambitions for growth. There is potential for Tactivo in the US government agency market, there are additional user cases for Tactivo in the enterprise market, the licensing of algorithms to manufacturers of smart phones and tablets, and further sales of fingerprint readers to existing customers.

We still have confidence in our opportunities to expand from our strong position in the market, our broad product base and areas of different revenue streams, and above all from the widespread penetration of fingerprint technology.

SALES AND RESULT

Interim period; January to September 2013

Sales for the interim period amounted to SEK 32.1 million (19.9). The improvement in sales is impacted by the order from the US based provider of financial information services in Q1, the order from one of the largest mobile operators in US also in Q1. The gross margin amounted to 56% (58%). The lower margin is affected by a write-down of inventory, in the third quarter, for the desk-top reader Sense (in the business area IAM). The company wrote down the inventory, equivalent to SEK 1.7 million, as the sales of Sense did not meet the expectations.

Operating expenses for the interim period amounted to SEK 41.0 million (42.8). The group's net loss for the interim period amounted to SEK -24.2 million (-34.0).

Losses per share (average number of shares) for the interim period amounted to SEK -0.08 (-0.18).

Third quarter; July to September 2013

Sales for the third quarter were SEK 6.1 million (8.5). The business area Mobile (Tactivo) shows negative net sales for the quarter of SEK -0.6 million impacted by product returns from our partner Thursby as an effect of changes in our partnership. The gross margin was to 16% (55%). The lower margin is affected by a write-down of inventory for the desk-top reader Sense (in the business area IAM), equivalent to SEK 1.7 million, as the sales of Sense did not meet the expectations. The margin is also impacted by a higher proportion of hardware sales.

Operating costs were SEK 11.5 million (14.5). The Group's net loss for the third quarter amounted to SEK -10.4 million (-11.2).

Losses per share (average number of shares) for the third quarter amounted to SEK -0.03 (-0.06).

FINANCING AND LIQUIDITY

As of September 30, 2013 equity amounted to SEK 153.7 million (12.7) and equity/share to SEK 0.45 (0.07).

Cash flow from current operations amounted to SEK -14.3 million (-8.1). Available cash as of September 30 2013 amounted to SEK 112.1 million (3.2).

The company completed a private placement pursuant to the authorization given by the annual general meeting in April 2013. The issue has strengthened the company's available cash by SEK 81.1 million after issue costs. The new issue of 22 million new shares resulted in an equity dilution of 6.4% based on the number of shares after the new issue.

MARKET AND SALES – SUMMARIZING Q3 2013

Precise Biometrics' sales in the third quarter, just as in the second quarter, primarily consisted of sales of fingerprint readers to customers in the Middle East and the United States within the IAM segment. License sales have largely consisted of continued follow-up order for one of Scandinavia's largest gym chains.

The company has launched new software that is designed and optimized for integration of fingerprint recognition on smart phones and tablets, Precise BioMatch Mobile. The software supports Android, but will in the future also support other operating systems. The product is aimed at smart phone and component manufacturers worldwide. Precise BioMatch Mobile is based on Precise Biometrics' algorithm that was top rated in tests MINEX II and Ongoing MINEX, carried out by the United States NIST (the National Institute of Standards and Technology).

During the quarter, the company signed an agreement with Fingerprint Cards AB (FPC) under which FPC licenses Precise Biometrics' Precise BioMatch Mobile to further enhance the

performance of its capacitive sensors. FPC integrates the algorithm into its existing sensor products, with a primary focus on smart phones and tablets. The algorithm will further strengthen FPC sensor performance in terms of precision and speed.

After the end of the quarter Precise Biometrics announced that the first mobile phone that integrates a FPC Sensor with Precise Biometrics Precise BioMatch Mobile was released in the Asian market.

The business area Mobile, which consists of our products for mobile security for smart phones and tablets, Tactivo, shows negative sales for the quarter. The reason is product returns from our partner Thursby as an effect of changes in our partnership. Adjusted for the returns the company during the quarter sold about 800 Tactivo readers to some 30 partners in mainly the US. The readers are primarily used for test purposes prior to any deployments.

The company has launched Tactivo for iPhone 5. The product has also been certified and approved by the U.S. Government and Services Administration (GSA). This allows the US government to comply with the mandate that requires all government employees to use their PIV cards (Personal Identity Verification) for access to government information.

PARENT COMPANY

Parent company sales for the interim period amounted to SEK 24.4 million (16.9). Operating loss before tax for the interim period amounted to SEK -24.8 million (-36.8).

Available cash at the end of the third quarter amounted to SEK 107.6 million (2.2).

ORGANIZATION AND EMPLOYEES

The organization consists of Precise Biometrics AB with the head office in Lund, Sweden and an office in Karlstad, Sweden. The organization also consists of the subsidiary Precise Biometrics Inc. with an office in Virginia, USA.

As of September 30, 2013 the group had 30 (39) employees, 27 in Sweden and 3 in the US.

The company has made some changes in the management team. The team now consists of Thomas Marschall, CEO; Patrik Lindeberg, COO; Patrik Norberg, CFO and Anna Herdenberg, Corporate Counsel, who is a new member of the management team.

Patrik Lindeberg (previously CTO and Vice President, R & D) will as the Chief Operating Officer (COO) be responsible for the Group's operations including, without limitation, sales and product development.

INVESTMENTS IN TANGIBLE FIXED ASSETS

During the interim period the group has invested SEK 2.2 million (0.4) in tangible fixed assets.

During the third quarter the group has invested SEK 0.4 million (0.0) in tangible fixed assets.

CAPITALIZATION AND DEPRECIATION OF DEVELOPMENT WORK

Development work costs of SEK 7.9 million (5.5) were capitalized during the interim period with main impact from new investments within the mobile segment. Depreciation of capitalized costs for development work amounted to SEK 2.5 million (1.3) during the interim period.

During the third quarter development work costs of SEK 1.7 million (1.7) were capitalized.

Depreciation of capitalized development costs amounted to SEK 0.9 million (0.4) during the quarter.

NOMINATION COMMITTEE

Following a decision at the Annual General Meeting on April 23, 2013 a Nomination Committee shall be organized. The Nomination Committee shall consist of one representative from each of the three major shareholders per August 31, 2013 as well as the Chairman of the Board.

Accordingly the Nomination Committee consists of Marc Chatel (private holdings), Ole Søeberg (Skagen Fonder) and Christer Jönsson (private holdings).

These represent the largest shareholders in the Company as of August 31, 2013, that have accepted participation in the Nomination Committee. The Chairman of the Board, Lisa Thorsted, is also represented in the Nomination Committee, and is the convener.

RISK FACTORS

Precise Biometrics is exposed to both commercial and financial risks, which to a large extent lie outside the reach and influence of the company. There is no guarantee that the current capital will be sufficient until the Company achieves a positive cash flow. For a full account of identified risks, please refer to the Annual Report for 2012, which was submitted March 25, 2013. No further essential risks or uncertainties have arisen after the submission of the Annual Report.

FUTURE REPORT DATES

Year-end Report	February 7, 2014
Q1 2014	April 29, 2014

ANNUAL GENERAL MEETING

The annual general meeting for Precise Biometrics AB (publ) will be held on Tuesday, April 29 2014 at 4 p.m. at Precise Biometrics headquarters in Lund, Scheelevägen 30.

The annual report for 2013 will be published by the latest two weeks before the annual general meeting.

ACCOUNTING PRINCIPLES

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

New IFRS, additions to IAS and IFRIC interpretations taking effect January 1, 2013, did not have a material effect on the financial statements.

For information on the applied accounting principles please refer to the Annual Report for 2012.

Lund, October 22, 2013

The board of directors

Lisa Thorsted, Chairman

Torbjörn Clementz Eva Maria Matell Anders Harrysson Matts Lilja Torgny Hellström

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

Precise Biometrics AB (publ) may be required to disclose the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 08.00 on Oct 23, 2013.

Review Report

Introduction

We have reviewed this report for the period January 1, 2013 to September 30, 2013 for Precise Biometrics AB (publ). The board of directors and the CEO 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.

Emphasis and extent of the review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report 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, ISA, 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 with the Swedish Annual Accounts Act, regarding the Parent Company.

Lund, October 22, 2013
Öhrlings PricewaterhouseCoopers AB

Eva Carlsvi
Authorised Public Accountant
Auditor in charge

Income statement, Group

(Figures in thousands SEK)

	Q3	Q3	Q1-Q3	Q1-Q3	Full year
	2013	2012	2013	2012	2012
Net sales	6 090	8 481	32 057	19 886	28 281
Cost of goods sold ¹⁾	-5 095	-3 819	-13 965	-8 315	-12 495
Gross profit/loss	995	4 662	18 092	11 571	15 786
Selling expenses	-3 441	-6 360	-17 508	-18 595	-25 812
Administrative expenses	-3 440	-3 308	-10 156	-10 593	-13 909
R&D costs	-3 947	-4 037	-12 738	-12 962	-18 239
Other operating income and changes in value	-655	-771	-560	-692	-729
	-11 483	-14 476	-40 962	-42 842	-58 689
Operating result	-10 488	-9 814	-22 870	-31 271	-42 903
Financial costs	130	-1 344	-1 377	-2 727	-4 049
Result after financial items	-10 358	-11 158	-24 247	-33 998	-46 952
Tax	-	-	-	-	-
Result for the period	-10 358	-11 158	-24 247	-33 998	-46 952
Result attributable to:					
Owners of the parent	-10 358	-11 158	-24 247	-33 998	-46 952
<i>Result per share (before dilution), SEK</i>	<i>-0,03</i>	<i>-0,06</i>	<i>-0,08</i>	<i>-0,18</i>	<i>-0,23</i>
<i>Result per share (after dilution), SEK</i>	<i>-0,03</i>	<i>-0,06</i>	<i>-0,08</i>	<i>-0,18</i>	<i>-0,23</i>

¹⁾ Include write-down of inventory totalling SEK-1.7 million for 2013.

Groups statement of profit or loss and other comprehensive income

(Figures in thousands SEK)	Q3 2013	Q3 2012	Q1-Q3 2013	Q1-Q3 2012	Full year 2012
Profit/loss for the period	-10 358	-11 158	-24 247	-33 998	-46 952
Other comprehensive income:					
Items that can be reclassified into profit or loss					
Change in accumulated exchange rate differences	68	-178	22	163	143
	68	-178	22	163	143
Comprehensive income for the period, net of tax	68	-178	22	163	143
Total comprehensive income for the period	-10 290	-11 336	-24 225	-33 835	-46 809
Attributable to:					
Owners of the parent	-10 290	-11 336	-24 225	-33 835	-46 809
Total comprehensive income for the period	-10 290	-11 336	-24 225	-33 835	-46 809

Balance Sheet, Group

(Figures in thousands SEK)	9/30/2013	9/30/2012	12/31/2012
Assets			
Intangible fixed assets	23 670	16 959	18 358
Tangible fixed assets	3 492	1 143	1 829
Inventories	10 727	13 406	10 985
Accounts receivable - trade ¹⁾	8 632	8 721	10 803
Other current receivables	8 713	5 834	6 092
Cash and bank balances	112 053	3 157	37 584
Total assets	167 287	49 220	85 651
Equity and liabilities			
Equity	153 698	12 681	48 195
Current liabilities	13 589	36 539	37 456
Total equity and liabilities	167 287	49 220	85 651
Pledged assets	24 000	26 400	24 000
Contingent liabilities	NONE	NONE	NONE

¹⁾ Include a receivable concerning contract manufacturer totalling SEK 1.6 million (2.2) for 2013

Cash Flow Statement, Group

(Figures in thousands SEK)	Q3 2013	Q3 2012	Q1-Q3 2013	Q1-Q3 2012	Full year 2012
Cash flow from operating activities before changes in working capital	-9 331	-10 518	-21 607	-32 634	-44 620
Cash flow from changes in working capital	-4 953	2 444	-3 609	-6 747	-4 252
Cash flow from operating activities	-14 284	-8 074	-25 216	-39 381	-48 872
Cash flow from investing activities	-2 065	-1 684	-10 043	-5 920	-9 143
Cash flow from financing activities	81 066	9 528	109 729	19 528	66 669
Cash flow for the period	64 717	-230	74 470	-25 773	8 654
Liquid funds at the beginning of the period	47 337	3 387	37 584	28 930	28 930
Liquid funds at the end of the period	112 053	3 157	112 053	3 157	37 584

Key Figures, Group

	9/30/2013	9/30/2012	12/31/2012
Working capital (thousands SEK)	126 536	-5 421	28 008
Liquid ratio	952%	48%	145%
Equity/assets ratio	92%	26%	56%
Return on average equity	-	-	neg
Capital employed (thousands SEK)	153 698	34 043	68 195
Return on capital employed	-	-	neg
Profit/loss per share (SEK)	-0,08	-0,18	-0,23
EBITDA (thousands SEK)	-19 802	-29 607	-40 100
Equity per share (SEK)	0,45	0,07	0,18
Number of shares	345 306 094	188 945 120	264 523 168
Number of employees at the end of the period	30	39	37
Average number of employees during the period	34	37	37

Definitions - Key Figures

Working capital: Current assets less current liabilities

Liquid ratio: Current assets less inventories divided by current liabilities

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

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

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

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

Profit/loss per share: Profit/loss after tax divided by the average number of shares. The options are not included in the calculation due to calculation of potential shares would result in an improvement in loss per share which is not permitted according to IAS 33

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

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

Quarterly earnings ratios are not disclosed

Operating costs (as described in Sales and result): Operating costs excluding costs for products sold, participations in associated companies and goodwill write-down, but including depreciation and write-downs and after capitalization of costs for development work

Changes in equity, Group
(Figures in thousands SEK)

	Capital stock	Other paid in capital	Reserves	Balanced profit/ year's profit	Total equity
Opening balance as at January 1, 2012	75 578	564 635	584	-593 809	46 988
Comprehensive income					
Comprehensive income for the period	-	-	-	-33 998	-33 998
Other comprehensive income					
Exchangerate differences	-	-	163	-	163
Total comprehensive income	0	0	163	0	163
Total other comprehensive income	0	0	163	-33 998	-33 835
Transactions with the shareholders					
New share issue ¹⁾	-	-472	-	-	-472
Total transactions with the shareholders	0	-472	0	0	-472
Closing balance as at September 30, 2012	75 578	564 163	747	-627 807	12 681
Opening balance as at January 1, 2013	105 809	582 420	727	-640 761	48 195
Comprehensive income					
Comprehensive income for the period	-	-	-	-24 247	-24 247
Other comprehensive income					
Exchangerate differences	-	-	22	-	22
Total comprehensive income	0	0	22	0	22
Total other comprehensive income	0	0	22	-24 247	-24 225
Transactions with the shareholders					
Reduction of the quota value of the shares ²⁾	-31 743	-	-94	31 837	0
New share issue ³⁾	16 459	32 204	-	-	48 663
Directed new share issue ⁴⁾	6 160	74 906	-	-	81 066
Total transactions with the shareholders	-9 124	107 110	-94	31 837	129 729
Closing balance as at September 30, 2013	96 685	689 530	655	-633 171	153 699

¹⁾ Preferential rights issue totalling 53,984,320 shares at a rate of SEK 1 with deductions for issue costs SEK 5,409 thousand.

²⁾ The capital stock is reduced by SEK 31,743 thousand to cover loss. The reduction entails a reduction of the quota value of the shares with SEK 0.12, from SEK 0.40 to SEK 0.28.

³⁾ Preferential rights issue totalling 58,782,326 new shares at a rate of SEK 0.93 with deductions for issue costs SEK 6,005 thousand.

⁴⁾ Directed new share issue totalling 22,000,000 new shares at a rate of SEK 3.90 with deductions for issue costs SEK 4,734 thousand.

Turnover and profitability by segments Q3 2013

(Figures in thousands SEK)

	IAM		MOBILE		TOTAL SEGMENTS	
	2013	2012	2013	2012	2013	2012
Net sales	6 705	8 363	-615	118	6 090	8 481
Expenses ¹⁾	<u>-10 702</u>	<u>-9 579</u>	<u>-5 797</u>	<u>-9 051</u>	<u>-16 499</u>	<u>-18 630</u>
Result ²⁾	-3 997	-1 216	-6 412	-8 933	-10 409	-10 149

Turnover and profitability by segments Q1-Q3 2013

(Figures in thousands SEK)

	IAM		MOBILE		TOTAL SEGMENTS	
	2013	2012	2013	2012	2013	2012
Net sales	25 978	19 739	6 079	147	32 057	19 886
Expenses ¹⁾	<u>-33 507</u>	<u>-27 090</u>	<u>-25 612</u>	<u>-27 267</u>	<u>-59 119</u>	<u>-54 357</u>
Result ²⁾	-7 529	-7 351	-19 533	-27 120	-27 062	-34 471

1) The above expenses in the segments include Cost of goods sold as well as direct and share of indirect operation expenses.

2) Group Result (see Income statement) also includes capitalization and depreciation of development work, depreciation of tangible fixed assets and other operating income and changes in value. Costs have been taken into account in the period when they occurred. This amount totals for Q3 SEK -78 thousand (335) and for Q1-Q3 4,193 thousand (3,200).

Income statement, Parent company

(Figures in thousands SEK)

	Q1-Q3 2013	Q1-Q3 2012	Full year 2012
Net sales	24 381	16 937	24 512
Cost of goods sold ¹⁾	-14 473	-17 430	-23 421
Gross profit/loss	9 908	-493	1 091
Selling expenses	-9 886	-9 023	-12 628
Administrative expenses	-10 156	-10 478	-13 908
R&D costs	-12 738	-12 080	-18 239
Other operating income and changes in value	-914	-2 356	-2 432
	-33 694	-33 937	-47 207
Operating result	-23 786	-34 430	-46 116
Financial costs	-1 058	-2 351	-3 630
Result after financial items	-24 844	-36 781	-49 746
Tax	-	-	-
Result for the period	-24 844	-36 781	-49 746

¹⁾ include write-down of inventory totalling SEK -1.7 million for 2013.

Balance Sheet, Parent company

(Figures in thousands SEK)

	<u>9/30/2013</u>	<u>9/30/2012</u>	<u>12/31/2012</u>
Assets			
Intangible fixed assets	23 670	16 959	18 358
Tangible fixed assets	3 492	1 143	1 829
Participations in group companies	1 058	1 058	1 058
Inventories	7 770	12 279	9 810
Accounts receivable - trade ¹⁾	3 255	4 750	5 954
Other current receivables ²⁾	44 585	35 718	38 715
Cash and bank balances	107 630	2 243	35 197
Total assets	191 460	74 150	110 921
Equity and liabilities			
Equity	180 395	39 863	75 511
Other provisions	96	107	117
Current liabilities	10 969	34 180	35 293
Total equity and liabilities	191 460	74 150	110 921
Pledged assets	24 000	24 000	24 000
Contingent liabilities	NONE	NONE	NONE

¹⁾Include a receivable concerning contract manufacturer totalling SEK 1.6 million (2.2) for 2013.

²⁾Include inter-company receivables totalling SEK 36.0 million (30.1) for 2013.

TELEPHONE CONFERENCE

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

- The conference starts at 15:00 (CET)
- To participate, please call + 46 (0)8 519 993 54

An operator will note your name and connect you to the conference. She/he will also provide you with information about what to do if you have any questions.

The presentation will be held in English but afterwards there will be an opportunity to ask questions in Swedish.

Participating on behalf of Precise Biometrics

- Thomas Marschall, President and CEO
- Patrik Norberg, CFO

A recording from the conference will be available for three days after the telephone meeting. To listen to the conference afterwards dial +46 (0)8 505 564 73. When asked to state a reference number please dial 348860 and finish with (#).

Please visit www.precisebiometrics.com/financial-reports where a presentation can be downloaded.

FOR FURTHER INFORMATION

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Precise Biometrics is a market-leading provider of solutions for fingerprint recognition to prove people's identities. With top-of-the-line expertise in fingerprint verification, Precise Biometrics offers fast, accurate and secure authentication of a person.

The technology adds value to ID, enterprise and bank cards as well as access to mobile solutions, computers and networks.

Precise Biometrics serves business and government organizations throughout the world and its technology is licensed to close to 160 million users.

For more information, please visit www.precisebiometrics.com.