



FINGERPRINTS

Press release
September 18, 2017

Fingerprint Cards announces revenue range for the third quarter

Fingerprint Cards AB (Fingerprints™) today announces a revenue range for the third quarter. Revenues are expected to fall in the range of SEK 800-840 M, which is in line with the previous quarter. As previously announced Fingerprints does not provide forecasts but chooses to disclose this information since the company considers that this level of revenues significantly differs from the expectations currently in the market.

A cautious market

Fingerprints is currently experiencing a cautious market and one contributing factor is Apple's launch. Distributors and module houses delivering to the company's OEM-customers have therefore minimized their inventory levels. In spite of this, Fingerprints estimates that the number of shipped sensors from the company during the third quarter will increase with around 40 percent compared to the second quarter.

Changes in product mix which affects the average selling price

The product mix has changed as most of Fingerprints larger OEM-customers have chosen to switch to backside mounted sensors that have a lower price. This has resulted in a decrease of the average selling price, ASP, of sensors, which has a negative impact on revenues. Fingerprints has previously communicated an ASP-reduction exceeding 20% per annum, but the current rate is approximately 30%.

The weakening of the US dollar

Fingerprints' revenues have decreased because of the weakening of the US dollar.

The company has yet not finalized the financial statements for the third quarter and therefore does not provide any forecast for other items in the balance sheet, income statement or cash flow statement. However, regarding the company's costs and balance sheet items, no significant deviations from previously communicated assumptions are expected. The company will present the report for the third quarter as planned on October 26.

Despite changing market conditions in the mobile segment, Fingerprints is still the market leader, has world-leading products and innovation capabilities as well as a strong cash position. Prerequisites for both growth and profitability are therefore favorable. Fingerprints views the introduction of low cost sensors as positive since it enables increased attach rate of within the smartphone segment and continued volume growth.

Due to the above, a telephone conference and a webcast will be held today at 09.30 CEST. The conference is recorded and will be published on the website. Media, analysts and institutional investors are welcome to connect to the conference call. For participation in the conference call, please dial +46 (0) 8 5033 6434 (Sweden) or +44 (0) 1452 555566 (international participants). State conference ID 8716 0016 when dialing in. Please dial in 10 minutes prior to the conference call.

The webcast can be reached by all interested through <https://engage.vevent.com/index.jsp?eid=3483&seid=109>

For further information, please contact:

Christian Fredrikson, CEO
Hassan Tabrizi, CFO

Press Center Fingerprint Cards AB (publ)
+46(0)10-172 00 20, press@fingerprints.com

Investor Relations Fingerprint Cards AB (publ)
+46(0)10-172 00 10, investrel@fingerprints.com

This information is information that Fingerprint Cards AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the company, at 08:00 CET on September 18, 2017.



FINGERPRINTS

This press release is a translation of the Swedish original. In case of divergence, the Swedish version prevails.

About Fingerprint Cards AB (Fingerprints™)

Fingerprint Cards AB, Fingerprints, with its Swedish roots, is the leading global biometrics company, whose mission is to spearhead the development of biometric interaction that facilitates the convenience and integrity of the individual. Its value is proven daily by users in millions of devices, through billions of touches, who are their own key – quite simply, with a human touch. Fingerprints develops biometric systems comprising sensors, algorithms, software and packaging technologies. The success is based on product development at the cutting edge of technology, which results in world-leading products in terms of security, convenience and performance. The current product range consists largely of fingerprint sensors and customers are primarily manufacturers of smartphones and tablets, where the company is market leading. As the use of biometric solutions increases, Fingerprints is working to broaden its offering by using different biometric techniques, or modalities, and to identify other market segments where the solutions can be used, such as smart cards, PCs, automotive and online devices (IoT). The Fingerprints share is listed on Nasdaq Stockholm (FING B). The company has shown strong growth and sales totaled SEK 6,638 M in 2016, with an operating margin of 39 percent. Most of the more than 500 employees work in Sweden, but the company has offices worldwide, from Shanghai to Silicon Valley.

Important information

Issuance, publication or distribution of this press release in certain jurisdictions could be subject to restrictions. The recipient of this press release is responsible for using this press release and the constituent information in accordance with the rules and regulations prevailing in the particular jurisdiction. This press release does not constitute an offer, or invitation to acquire or subscribe for new securities in Fingerprint Cards in any jurisdiction.