



# PRICER news

January 2009

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Dear All,

We have now concluded an important year for Pricer completing a timely restructuring and implementing a product strategy and vision that will enable us to grow in very difficult times. Our company and business model are robust and Tier 1 retail development remains our one key objective.

Our teams worldwide have been focused on continuing to build the right value proposition and supporting Tier 1 grocery and non-grocery retail in price reactivity as the Value Shopping trend of the past years accelerated. In fact, we could see this trend picking up over three years ago, but today's shift goes well beyond that. At the January 2009 Retail Trade Show 'NRF', Wal-Mart CEO H. Lee Scott pointed to what he called a fundamental change in consumer behavior toward frugality, one that he said might endure even when times get better.

While it is no secret that retailers are being very careful with investments and expenditures, and that new ESL entrants have been struggling, our international divisions brought in a strong year, and several of them even outperformed. This makes sense as retail buyers want to know their suppliers are strong, building proven scalable solutions and able to service their hardware.

Pricer SAS, based in Paris, had a very good year growing sales 20% in Middle Europe and winning very important projects in all market segments. Pricer Southern Europe, based in Barcelona, continued to grow the Italian, Spanish and Portuguese markets under the tutelage of the Paris office, as well as supporting South American activities together with Pricer in the US. In the Nordic countries, Pricer had its best year ever winning very important contracts and giving a new life to ESL in one of our first markets. However, Pricer Eastern Europe did not meet targets as investment priorities continue to be on 'new store builds', and Pricer US sales continued to be difficult with the turmoil caused by new entrants and American retail priorities. On the other side of the globe, Pricer Asia Oceania won most if not all Tier 1 ESL pilot programs as ESL came back to the forefront for mature retailers in Australia, Singapore, New Zealand and South Africa. While we have 100% of the Japanese market, the technological shift is fragmenting the arena and forces us to accelerate our DotMatrix™ strategy beyond our plan.

**"2009 will be a year where Pricer will continue to take advantage of its unique position"**

Our DotMatrix™ launch has met with strong success and the economic crisis will not discourage us from staking our claim to this new market which will inevitably represent the most exciting potential for ESL since their inception. In this issue you will find a full overview of our successful and unique penetration in bistable wireless displays (see graph).

Furthermore I would like to take this opportunity to thank everyone, from supplier to customer, from employee to consultant, from reseller to investor, for the support you give Pricer in reaching our objectives.

Now, going forward, it will be critical for us to have a clear plan for a continued prosperous future, focused on increasing our value proposition, efficiencies, and scalabilities. In our 2009 annual report, I will present the key components of our strategy.

In the meantime, it is important for all to know, clients, investors and competitors alike: 2009 will be a year where Pricer will continue to take advantage of its unique position and invest in technology and markets worldwide.

Sincerely,  
D. Charles Jackson, CEO



**HAPPY NEW YEAR!**

View Pricer's 2009 animated greeting on [www.pricer.com](http://www.pricer.com)

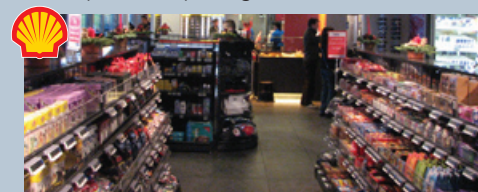
## Pricer participated in the 11th annual SEB Enskilda Nordic Seminar

**SEB ENSKILDA** Pricer's CEO Charles Jackson and CFO Harald Bauer were invited to participate in the 11th annual SEB Enskilda Nordic Seminar held in Copenhagen on January 7th 2009, along with 100 other companies and approximately 450 international investors from Europe and the US. Pricer covered Key Value drivers and main trends as well as commenting on the long term sector outlook.

## STORE OF THE DAY

### Shell station wins Retail Award with Pricer ESL

Shell flagship "De Lucht-West" convenience store has recently been awarded the Dutch 2008 ICT Retail Award for its innovative store concept of "flexpricing" with Pricer ESL.

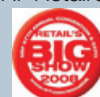


The Pricer system, installed by partner Toshiba Tec, will enable the store to have flexible pricing during its 24/7 operation and increase customer satisfaction with timely promotions. The Shell experience reinforces the major benefits that other petrol stations worldwide such as Cepsa or BP recognized in Pricer ESL with regards to pricing reactivity and store productivity.

## RENDEZ-VOUS

Pricer co-exhibited with Retalix at NRF Retail's Big Show 2009 in New York.

Other tradeshows to come:



### EuroCIS tradeshow

Feb. 10-12th 2009 in Düsseldorf, Germany. Visit Pricer on the Toshiba Tec booth.

### SMTS tradeshow

Feb. 11-13th 2009 in Tokyo, Japan. Visit Pricer on the Ishida and Teraoka booth.

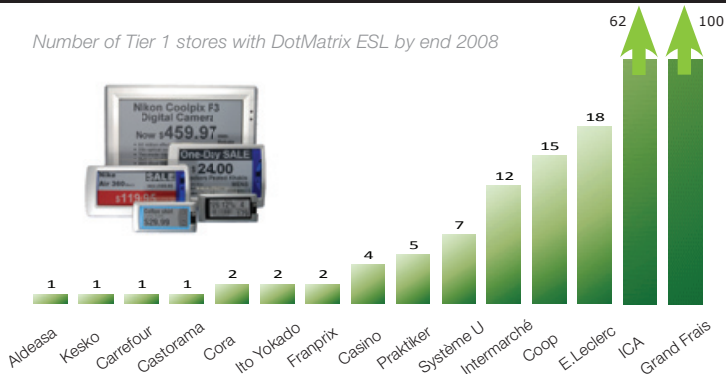


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Number of Tier 1 stores with DotMatrix ESL by end 2008



By end 2008, E.Leclerc chain had installed over 110 000 DotMatrix ESLs, including 3 full DM stores.

## Carrefour Belgium changes ESL vendor for Pricer

On the occasion of its brand new technological window in Bruges, Carrefour Belgium has chosen the most innovative ESL solution to improve store efficiency. The Bruges hypermarket, one of the largest in the country, has been equipped with Pricer's new generation DotMatrix™ pixel-based displays in the Fruit & Vegetables area, Continuum ESLs in the food area, and Pricer's latest infrastructure and software release R3.5. Carrefour Belgium selected Pricer for the scalability of its ESL solution and the opportunity to have two types of display under the same infrastructure. This reverses a three-year relationship with a competing ESL vendor.

## E.Leclerc and Pricer, the DotMatrix™ year!

After the successful installations of three full DotMatrix™ stores in France (Grézieu, Grasse and Saint Raphaël), the first stores in Europe, Pricer has been selected by E. Leclerc to provide another grouping of supermarkets in Corsica, France with its ESL solution.



The group preferred the Pricer solution for the technical advantages of the system. Especially communication speed is important to enable the stores to proceed to massive weekly price updates as E. Leclerc is conducting a competitive pricing policy with comparative advertising. Most stores have opted for a combination of Continuum segment-based ESLs and DotMatrix™ pixel-based ESLs in order to adapt to the needs of each store department.

## 180 European pharmacies chose Pricer ESL in 2008

In 2008, another large chain of pharmacies in Denmark, Ditapotek, signed an agreement to equip its member stores with Pricer ESL, with the support of Pricer's local partner NNIT. At this stage, the stores have chosen Pricer's segment-based ESLs, with the option to upgrade their ESL to DotMatrix™ displays.

Over the last year, Pricer has significantly developed its presence in the pharmacy sector with nearly 180 pharmacy installations, mainly in Denmark, France and Italy.

## Grand Frais stores further increase store-efficiency with Pricer DotMatrix™

Leading French retail chain in traditional fresh food segment, Grand Frais, has decided to extend the Pricer system to the Fish & Seafood area of its stores, as the current Pricer ESL installations in the Fruit & Vegetables area significantly contributed to improve store productivity. A hundred Grand Frais stores will thus combine Pricer's new generation bi-stable pixel-based displays with segment-based ESLs under the same infrastructure, for a Quiet Revolution.

## Casino pilots DotMatrix™

Several Casino supermarkets have implemented this year the new Casino design Continuum ESLs and, more recently, the new Casino design DotMatrix™ displays for the Fruit & Vegetables area in the pilot site of Chalamont, France. Casino is the second integrated retail chain to implement Pricer DotMatrix™, with the expectations to significantly improve store operations and productivity. Another positive outlook for Pricer and Casino in 2009 is about convenience stores, following to the recent deployment of Pricer segment-based ESLs in a first SPAR store in France.

## TRENDS

### Value Shopping

Grocery shoppers and retail shoppers in general are spending less and migrating to lower-priced items and stores. This shift began to accelerate as gasoline and food were taking more and more of the family monthly budget. As the financial crisis became understood, this shift accelerated even more. Retailers have clearly seen this trend for some years and are increasingly becoming price competitive. Store brands are seen as one means to answer this trend. So too are ESL in building an aggressive price image. The term Value Shopping is therefore used today to define this trend of trading down to save money.

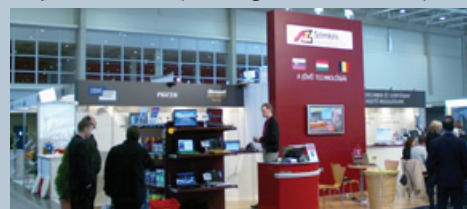
## PARTNERS IN THE WORLD

### Technowave launches Pricer ESL at Gitex Dubai

Pricer' new partner for the United Arab Emirates, Technowave, launched Pricer ESL in November. "Pricer product range will be a great attraction to our customers across the Gulf", says Technowave CEO, Ninan Kurian.

### Szintezis at Foodatech Retail Fair in Hungary

Last November, Pricer's partner Szintezis participated in the Foodatech Retail Fair in Budapest. Szintezis' booth was visited by major retailers expending in Eastern Europe.



### 'Pricer Support Network' launched in December

Pricer has created a web based tool, Pricer Support Network or PSN, to support our worldwide sales and technical network. The service will provide our partners as well as global team full access to technical and marketing resources and entitles partners to download new software releases.

### Welcome to new Pricer employees

Aira Johansson  
Loïc Legal  
Jimmy Nordh  
Lionel Oliver

### Next issue

Pricer News is Pricer's newsletter and is issued 3 times per year in English and in electronic format. It is available on the Pricer website. Further 2009 issues are planned for April and September. Visit pricer.com for continuous news. Pricer News editor: Nathalie Roques