

BOUVET PRESENTS

Quarterly  
report

Q1 2017

bouvet

# Key figures

NOK MILLION	JAN-MAR 2017	JAN-MAR 2016	CHANGE %	YEAR 2016
Revenue	419.1	322.9	29.8 %	1 330.8
Operating profit (EBIT)	41.2	20.3	102.5 %	106.3
Ordinary profit before tax	41.5	20.5	102.9 %	106.0
Profit for the period	31.5	14.5	117.1 %	79.9
Net cash flow operations	-13.3	-21.1	N/A	113.5
Cash and cash equivalents	134.4	148.3	-9.3 %	161.7
Number of employees (end of period)	1 131	1 036	9.2 %	1 090
Number of employees (average)	1 117	1 033	8.1 %	1 050
Earnings per share	3.07	1.40	119.0 %	7.76
Diluted earnings per share	3.04	1.38	119.4 %	7.66
EBIT-margin	9.8 %	6.3 %		8.0 %
Equity ratio	35.9 %	38.3 %		32.9 %



## Bouvet in brief

Bouvet is a consultancy delivering digital services. At 31 March, it had 1 131 employees at 14 offices in Norway and Sweden.

The company is a strategic partner for a number of enterprises, and helps them to design digital solutions which create new business opportunities. Clients value Bouvet's good understanding of their business and the fact that its broad range of services allows it to act as a turnkey provider. The company aims to maintain long-term client relationships.

Bouvet's regional model with local offices provides clear benefits for marketing and competitiveness. Many enterprises regard it as important that their provider of business-critical

systems has local entrenchment and expertise. In addition, this model makes it easier to establish long-term relationships and thereby become acquainted with the client's business and systems.

As a result of the clear attention it pays to principles for managing the business, Bouvet comes across as a solid, well-run and well-regarded company. The company's standards for delivering good solutions are supplemented by strict requirements on ethics, conflicts of interest, security, openness and accountability. Close relations with clients are achieved because the company and its employees implement their assignments with a high degree of integrity.

# Highlights of the first quarter

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*A number of machine learning and artificial intelligence projects launched*

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*Involved in platform choice for data science at Statoil, in collaboration with Microsoft*

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*Chosen as partner for Power and Telia*

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*Winner of Max Marketing Mix 2017 in the internal marketing category with a solution developed for Viasat*

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*Nominated as the first of five in the local authority website category among Sweden's top 100 websites, by Internetworld*

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*Operating revenues up by 29.8 per cent from the first quarter of 2016 to NOK 419.1 million*

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*Operating profit of NOK 41.2 million compared with NOK 20.3 million for the same period of 2016. EBIT margin of 9.8 per cent compared with 6.3 per cent*

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*Earnings in the quarter boosted by NOK 18.8 million from the first quarter of 2016 because of four extra working days*

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*Cash flow from operations was negative at NOK 13.3 million, compared with a negative NOK 21.1 million in the first quarter of 2016*

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*1 131 employees, up by 41 from 31 December and 95 over the past 12 months*



CEO's comments

# Positive progress

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Rapid technological progress continued to make its mark on society, and thereby on our clients, during the first quarter of 2017. Digitalisation is continuing at high speed in all industries and we in Bouvet are fortunate to be working on this every day. During the quarter, this development led to continued strong demand for our people and our digitalisation expertise. Projects which were initiated and delivered help to improve, renew and change our clients in the private and public sectors.

The quarter proved our best-ever. Both turnover and profits were record-high. We have continued our close collaboration with clients and been able to participate in exciting and socially beneficial projects. Our existing clients showed increased confidence in us, and sought more of the broad range of services we offer. More of them have used us as a turnkey partner in their digitalisation process.

Increased attention to sales and not least our reputation have allowed us to initiate collaboration with a number of new clients. These have either launched a digitalisation process or need support to get started with such work. Our focus on and commitment to robotic process automation (RPA), artificial intelligence (AI) and machine learning (ML) have borne fruit and created many new opportunities and projects in all our regions during the quarter. These represent areas of expertise where we expect demand to increase sharply in the time to come.

Our employees thrive with challenges, and the rapid pace of development increases the demand for new expertise at both corporate and individual level. We build this through courses, internal knowledge-sharing, collaboration with clients and

recruitment of new employees. A number of newcomers joined the team during the quarter and continue with the rest of us to develop our culture, expertise and relations with clients. The exciting assignments and sharing culture which characterises us mean turnover among our colleagues is fortunately low.

Clients are seeking more assistance, and we will continue to recruit while developing new services and solutions. With our fantastic people, their curiosity and their ability to contribute positively out at our clients, I am certain that we are better equipped than ever before to meet tomorrow's challenges.

Sverre Hurum  
President and CEO



“ The quarter  
proved our best-ever.  
Both turnover and profits  
were record-high. ”



# Financial results

## Operating revenues

Bouvet had operating revenues of NOK 419.1 million for the first quarter, compared with NOK 322.9 million in the same period of 2016. That represented a rise of 29.8 per cent. Fee income generated by the group's own consultants increased by NOK 69.2 million or 25.5 per cent from the first quarter of last year. Revenues generated by sub-contractors rose by NOK 23.4 million or 61.4 per cent over the same period. Other revenues were up by NOK 3.5 million from the first quarter of 2016 to NOK 16.5 million.

Operating revenues from own employees were boosted by an increase of 2.4 percentage points in the billing ratio for the group's consultants compared with the first quarter of 2016. They also benefited from four additional working days compared with the same period of last year. This had an overall positive effect of NOK 28.0 million on operating revenues.

At the same time, operating revenues benefited from an 8.1 per cent increase in the average number of employees and a 1.5 per rise in rates for the group's hourly based services compared with the first quarter of 2016. That had a positive effect of NOK 27.2 million on operating revenues.

Viewed overall, sales to existing clients made good progress during the quarter. Clients who also used the group in the

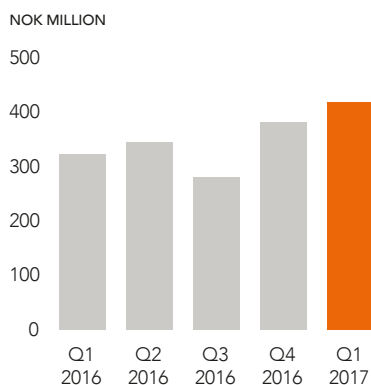
first quarter of 2016 accounted for 89.6 per cent of operating revenues. In addition, clients acquired since 31 March 2016 contributed a total of NOK 43.9 million to first-quarter operating revenues.

Bouvet's strategy is to use services from sub-contractors when it lacks the capacity to meet demand with its own personnel or when clients require leading-edge expertise outside the group's priority areas. The sub-contractor share of total revenues was 14.7 per cent in the first quarter, compared with 11.8 per cent in the same period of 2016.

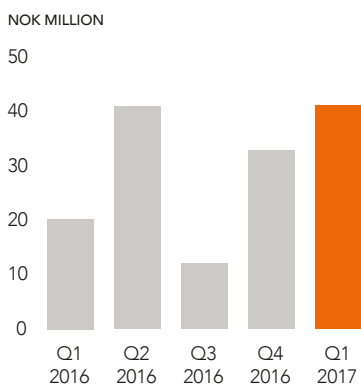
## Operating costs

Bouvet's operating costs, including depreciation and amortisation, were NOK 377.9 million for the first quarter, up from NOK 302.6 million in the same period of 2016. That represented an increase of 24.9 per cent. Payroll costs increased because the average number of employees rose, in addition to the general growth in pay rates. The group experienced a general rise in pay of 0.2 per cent over the past 12 months. The cost of sales was NOK 67 million, compared with NOK 40.5 million for the first quarter of 2016, and primarily comprised procurement of sub-contractor services and the hire of course instructors. Other operating expenses grew by 37.3 per cent from the same period of 2016 to NOK 37.9 million. The increase is primarily reflected in increased costs related to recruitment, premises and IT.

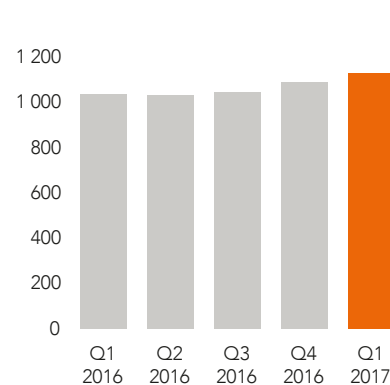
### Operating revenue



### Operating profit (EBIT)



### Number of employees (Year end)



## Profit

Operating profit (EBIT) for the first quarter came to NOK 41.2 million, up by 102.5 per cent from NOK 20.3 million in the same period of 2016. The EBIT margin rose from 6.3 per cent in the first quarter of last year to 9.8 per cent. Net profit came to NOK 31.5 million, compared with NOK 14.5 million in the same period of 2016. Diluted earnings per share were NOK 3.04, compared with NOK 1.38 in the first quarter of 2016.

## Cash flow, liquidity and capital adequacy

Consolidated cash flow from operations was negative at NOK 13.3 million for the first quarter, compared with a negative NOK 21.1 million in the same period of 2016. Cash flow for the quarter was affected negatively by an increase of NOK 61.3 million from the fourth quarter of 2016 in working capital related to client receivables, work in progress and other current receivables. A reduction of NOK 25.5 million in income tax payable and public duties payable also had a negative impact on cash flow, and an increase of NOK 36.7 million from the fourth quarter of last year in accounts payable and other short-term debt had a positive impact on cash flow. Cash flow from operations for the past 12 months came to NOK 117.2 million, while net profit over the same period was NOK 96.9 million.

The group's client portfolio consists mainly of large, solid listed companies and public enterprises. No bad debts were

suffered in the first quarter, and the group has good oversight and control of its receivables.

The group has no interest-bearing debt. Bank deposits at 31 March totalled NOK 134.4 million, compared with NOK 148.3 million a year earlier. The group had an undrawn overdraft facility of NOK 50 million at 31 March. Bouvet held 98 682 of its own shares at 31 March. Equity at 31 March totalled NOK 207.7 million, representing an equity ratio of 35.9 per cent. The corresponding figures for 31 March 2016 were an equity of NOK 190.8 million and an equity ratio of 38.3 per cent. Adjusted for the proposed dividend totalling NOK 71.8 million, to be paid in the second quarter of 2017, the equity ratio was 26.9 per cent at 31 March. Bouvet's long-term target is to maintain an equity ratio in excess of 30 per cent.

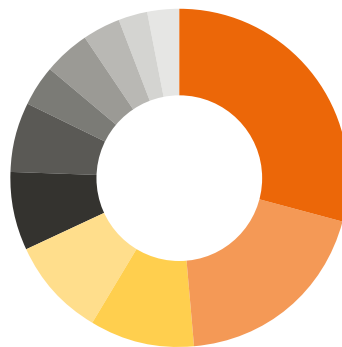
## Segment reporting

The Group is not reporting internally on separated business areas. The Group's business is uniform and within the Scandinavian market for IT-consultancy services. Risks and earnings are followed up by the business united with the same markets, on a project basis and per consultant. Based on this the Group has one reportable business segment.

Turnover public/private

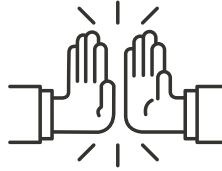


Turnover per business



Public admin	29.3 %
Oil & gas	19.4 %
Power supply	10.0 %
Transportation	9.5 %
Retail	7.3 %
Service industry	6.7 %
Info and communication	4.1 %
Industry	4.3 %
Bank & finance	3.5 %
Health	2.9 %
Other	2.9 %

- Turnover from customer  
100 % public owned: 52.7 %
- Turnover from customer wholly or  
partially private owned: 47.3 %



# Developments and market

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All Bouvet's regions made positive progress during the quarter in a good market with many opportunities. The rapid pace of digitalisation has generated great demand for the company's whole range of services. The need is greatest in system development, but consultancy and customer experience are also experiencing growth. This is in line with the attention being paid by clients to strategic entrenchment, realising value and putting users in the centre. Bouvet's work for Statoil includes a key role in this client's GO-Digital project, Agder Energi has extended Bouvet's consultancy assignment for the AMS programme, MHWirth is using the company's expertise in service design related to drilling control, and the Kongsberg region has selected the company to develop a national performance picture for childhood and youth services.

Digitalisation projects are affecting the core business, and demand for cross-disciplinary teams was growing during the quarter in order to take an integrated approach. Examples include Power, previously Expert, which chose Bouvet as a partner to develop digital services across channels, and the development of a digital experience platform in collaboration with Telia. The EU's general data protection regulation (GDPR) is arousing concern among clients and makes demands on Bouvet as a supplier. This service area is being developed in close collaboration with clients to ensure that they are prepared when the regulation comes into force next May. That includes close cooperation with the Føyen Torkildsen law firm and expertise-sharing. Both these projects are being developed in line with the forthcoming regulations.

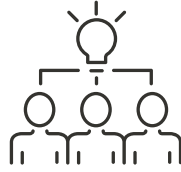
Technology trends such as the internet of things (IoT), robotic process automation (RPA), machine learning (ML) and artificial intelligence (AI) are now being adopted at Bouvet's clients.

The company serves as an adviser on and implements these trends to ensure that effects such as good and integrated customer experience, better decision support and automation of repetitive tasks are achieved. Bouvet was chosen to develop a pilot for Sør-Trøndelag county council on the use of robots in registering school transport. The company is involved in a data science project for Statoil in collaboration with Microsoft. Bouvet is applying ML for the Swedish Public Employment Service to make matching of job seekers with providers better and more intelligent. And media coverage of Digifrid, an RPA project for the City of Bergen, has aroused interest in this type of service among a broader range of clients. Bouvet continued developing its RPA service during the quarter with an eye to the application of AI.

Control of and insight into own data are important for adopting and achieving commercial value from several of the technology trends. Sesam, Bouvet's product for data integration, has observed growing interest during the quarter and has started work, for example, on proof of concept for increased control of data on customers and customer activities at a large Nordic retailing/web commerce company.

Unaware of the technology opportunities available means that Bouvet is experiencing growing demand for courses, and client expectations of the company's expertise have increased. To strengthen its regional model, encourage a fast-learning organisation and enhance its ability to innovate, Bouvet has established a closer professional collaboration between its regions.





# Employees

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To meet market demand and requirements for leading-edge expertise, Bouvet pays particularly strong attention to recruitment.

The company had 1 131 employees at 31 March, an increase of 41 from 31 December and 95 from the same date in 2016. A number of the new recruits have chosen Bouvet as their first employer after graduation. This reflects an increased presence at university colleges and universities, which was also a priority activity in the first quarter. Taking on young employees has reduced the average age of the workforce, which represents a change from earlier years. At the same time, this group is making a very positive contribution in terms of new and relevant expertise.

As a knowledge-based company, Bouvet pays continuous attention to expertise development and knowledge sharing among employees. Important arenas are the internal

professional conferences which take place at regular intervals. The biggest conference so far this year was staged during the quarter, with about 350 participants and 40 papers.

Bouvet's ambition is to be the consultancy with the most satisfied employees. That in turn will contribute to the quality of deliveries, satisfied clients and lower staff turnover. The company works continuously to create job satisfaction, professional development, social cohesion and team spirit among a workforce covering 45 different nationalities at 14 offices in Norway and Sweden. Rankings from the Great Place to Work Institute in March, which are assessed in connection with company's employee survey, placed Bouvet among the five best workplaces in its class.

A strong sharing culture, community spirit and a share programme in a Norwegian-owned company attracted back a number of former Bouvet employees during the quarter.

# Risk

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The group is exposed at any given time to various forms of operational, market and financial risk. The board and executive management work continuously on risk management and control. This is described in more detail under

corporate governance in the annual report for 2016 (section 10: risk management and internal control). In the board's view, no significant changes occurred over the past three months in the various risks to which the group is exposed.

# Prospects

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Advanced technology, developed infrastructure and rapid user adoption of digital services lay the basis for the fourth industrial revolution. Company business models and organisation are affected, and the technology is relevant in new organisational areas and sectors. The introduction of digital services and processes gives access to new data sets which, for many enterprises, mark the first step towards adopting such technology trends as AI and ML.

The effect of the digital revolution is exponential, and creates a polarising marketplace. Clients seek external resources and expertise in order to accelerate their digitalisation process at strategic and operational levels.

Bouvet's long experience, breadth of services, proactive professional development and attention to recruitment mean that it has the expertise and resources sought by the market. The company's good reputation among clients provides a high level of repeat orders, and Bouvet is more frequently chosen as the preferred partner in innovation and pilot projects at major players. The social benefit of the solutions the company delivers and Bouvet's reputation show that able candidates are keen to work for it.

Bouvet is well positioned and equipped for continued growth.

## Contacts

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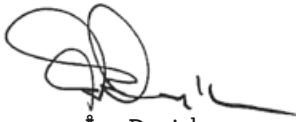
# Declaration by the board and CEO

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We hereby confirm to the best of our knowledge that the interim financial statements for the first quarter have been prepared in accordance with IAS 34, and that the information in the financial statements provides a true and fair picture of the overall assets, liabilities, financial position and financial results of the Bouvet ASA group. We also confirm to the best of our knowledge that the interim report provides a true and fair view of important events in the accounting period and their influence on the interim financial statements, the most important risk and uncertainty factors facing the business in the next accounting period, and significant transactions with close associates.

Oslo, 19 May 2017

The board of directors of Bouvet ASA



Åge Danielsen  
Chair of the board



Tove Raanes  
Deputy chair



Grethe Høiland  
Director



Ingebrigt Steen Jensen  
Director



Egil Christen Dahl  
Director



Sverre Hurum  
President and CEO

# Consolidated income statement

NOK 1 000	UNAUDITED JAN-MAR 2017	UNAUDITED JAN-MAR 2016	CHANGE	CHANGE %	YEAR 2016
Revenue	419 052	322 916	96 136	29.8 %	1 330 811
<b>Operating expenses</b>					
Cost of sales	67 035	40 469	26 566	65.6 %	183 002
Personell expenses	267 825	231 093	36 732	15.9 %	897 355
Depreciation fixed assets	2 958	2 471	487	19.7 %	10 001
Amortisation intangible assets	2 183	977	1 206	123.4 %	4 588
Other operating expenses	37 868	27 571	10 297	37.3 %	129 567
Total operating expenses	377 869	302 581	75 288	24.9 %	1 224 513
Operating profit	41 183	20 335	20 848	102.5 %	106 298
<b>Financial items</b>					
Interest income	296	423	-127	-30.0 %	1 315
Financial income	205	99	106	107.1 %	553
Interest expense	-25	-88	63	N/A	-265
Finance expense	-143	-305	162	N/A	-1 852
Net financial items	333	129	204	158.1 %	-249
Ordinary profit before tax	41 516	20 464	21 052	102.9 %	106 049
<b>Income tax expense</b>					
Tax expense on ordinary profit	10 019	5 955	4 064	68.2 %	26 164
Total tax expense	10 019	5 955	4 064	68.2 %	26 124
Profit for the period	31 497	14 509	16 988	117.1 %	79 885
Assigned to:					
Shareholders in parent company	31 186	14 332			78 887
Non-controlling interests	311	177			998
Diluted earnings per share	3.04	1.38	1.65	119.4 %	7.66
Earnings per share	3.07	1.40	1.67	119.0 %	7.76

# Consolidated statement of other income and costs

NOK 1 000	UNAUDITED JAN-MAR 2017	UNAUDITED JAN-MAR 2016	CHANGE	CHANGE %	YEAR 2016
Profit for the period	31 497	14 509	16 988	117.1 %	79 885
Items that may be reclassified through profit or loss in subsequent periods					
Currency translation differences	33	-160	193	N/A	-346
Sum other income and costs	33	-160	193	N/A	-346
Total comprehensive income	31 530	14 349	17 181	119.7 %	79 539
Assigned to:					
Shareholders in parent company	31 219	14 171			78 542
Non-controlling interests	311	177			998

# Consolidated balance sheet

NOK 1 000	UNAUDITED 31.03.2017	UNAUDITED 31.03.2016	CHANGE	CHANGE %	31/12/2016
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
<b>Intangible assets</b>					
Deferred tax asset	0	332	-332	-100.0 %	0
Goodwill	32 873	27 824	5 049	18.1 %	32 782
Other intangible assets	26 161	18 777	7 384	39.3 %	25 032
<b>Total intangible assets</b>	<b>59 034</b>	<b>46 933</b>	<b>12 101</b>	<b>25.8 %</b>	<b>57 814</b>
<b>Fixed assets</b>					
Office equipment	17 346	8 325	9 021	108.4 %	13 430
Office machines and vehicles	4 305	2 759	1 546	56.0 %	3 283
IT equipment	15 815	10 704	5 111	47.7 %	14 949
<b>Total fixed assets</b>	<b>37 466</b>	<b>21 788</b>	<b>15 678</b>	<b>72.0 %</b>	<b>31 662</b>
<b>Financial non-current assets</b>					
Other financial assets	11	11	0	0.0 %	11
Other long-term receivables	1 917	4 162	-2 245	-53.9 %	859
<b>Total financial non-current assets</b>	<b>1 928</b>	<b>4 173</b>	<b>-2 245</b>	<b>-53.8 %</b>	<b>870</b>
<b>Total non-current assets</b>	<b>98 428</b>	<b>72 894</b>	<b>25 534</b>	<b>35.0 %</b>	<b>90 346</b>
<b>CURRENT ASSETS</b>					
Work in progress	142 914	100 898	42 016	41.6 %	97 728
Trade accounts receivable	167 331	142 985	24 346	17.0 %	159 133
Other short-term receivables	34 919	32 840	2 079	6.3 %	26 990
Cash and cash equivalents	134 436	148 289	-13 853	-9.3 %	161 719
<b>Total current assets</b>	<b>479 600</b>	<b>425 012</b>	<b>54 588</b>	<b>12.8 %</b>	<b>445 570</b>
<b>TOTAL ASSETS</b>	<b>578 028</b>	<b>497 906</b>	<b>80 122</b>	<b>16.1 %</b>	<b>535 916</b>

# Consolidated balance sheet

NOK 1 000	UNAUDITED 31.03.2017	UNAUDITED 31.03.2016	CHANGE	CHANGE %	31/12/2016
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
<b>Paid-in capital</b>					
Share capital	10 250	10 250	0	0.0 %	10 250
Own shares - nominal value	-99	-31	-68	219.4 %	-99
Share premium fund	10 000	10 000	0	0.0 %	10 000
<b>Total paid-in capital</b>	<b>20 151</b>	<b>20 219</b>	<b>-68</b>	<b>-0.3 %</b>	<b>20 151</b>
<b>Earned equity</b>					
Other equity	185 648	167 036	18 612	11.1 %	152 378
<b>Total earned equity</b>	<b>185 648</b>	<b>167 036</b>	<b>18 612</b>	<b>11.1 %</b>	<b>152 378</b>
Non-controlling interests	1 940	3 578	-1 638	-45.8 %	3 629
<b>Total equity</b>	<b>207 739</b>	<b>190 833</b>	<b>16 906</b>	<b>8.9 %</b>	<b>176 158</b>
<b>DEBT</b>					
<b>Long-term debt</b>					
Deferred tax	938	0	938	N/A	1 521
Other provisions for obligations	0	228	-228	-100.0 %	57
<b>Total long-term debt</b>	<b>938</b>	<b>228</b>	<b>710</b>	<b>311.4 %</b>	<b>1 578</b>
<b>Short-term debt</b>					
Trade accounts payable	64 663	31 142	33 521	107.6 %	61 128
Income tax payable	6 042	20 493	-14 451	-70.5 %	21 944
Public duties payable	116 616	105 668	10 948	10.4 %	126 258
Other short-term debt	182 030	149 542	32 488	21.7 %	148 850
<b>Total short-term debt</b>	<b>369 351</b>	<b>306 845</b>	<b>62 506</b>	<b>20.4 %</b>	<b>358 180</b>
<b>Total liabilities</b>	<b>370 289</b>	<b>307 073</b>	<b>63 216</b>	<b>20.6 %</b>	<b>359 758</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>578 028</b>	<b>497 906</b>	<b>80 122</b>	<b>16.1 %</b>	<b>535 916</b>

# Consolidated statement of cash flows

NOK 1 000	UNAUDITED JAN-MAR 2017	UNAUDITED JAN-MAR 2016	YEAR 2016
<b>Cash flow from operating activities</b>			
Ordinary profit before tax	41 516	20 464	106 049
Paid tax	-26 077	-12 164	-27 016
(Gain)/loss on sale of fixed assets	8	-3	1 257
Ordinary depreciation	2 958	2 471	10 001
Amortisation intangible assets	2 183	977	4 588
Share based payments	1 596	1 452	5 826
Changes in work in progress, accounts receivable and accounts payable	-49 849	-22 728	-5 720
Changes in other accruals	14 405	-11 593	18 476
<b>Net cash flow from operating activities</b>	<b>-13 261</b>	<b>-21 124</b>	<b>113 462</b>
<b>Cash flows from investing activities</b>			
Sale of fixed assets	0	73	405
Purchase of fixed assets	-8 770	-2 701	-21 696
Purchase of intangible assets	-3 252	-2 259	-9 191
Purchase of business	0	0	-7 343
<b>Net cash flow from investing activities</b>	<b>-12 022</b>	<b>-4 887</b>	<b>-37 826</b>
<b>Cash flows from financing activities</b>			
Purchase of own shares	0	0	-25 095
Sales of own shares	0	0	8 436
Dividend payments	-2 000	0	-67 395
<b>Net cash flow from financing activities</b>	<b>-2 000</b>	<b>0</b>	<b>-84 054</b>
<b>Net changes in cash and cash equivalents</b>	<b>-27 283</b>	<b>-26 011</b>	<b>-8 419</b>
Cash and cash equivalents at the beginning of the period	161 719	174 300	170 138
Cash and cash equivalents at the end of the period	134 436	148 289	161 719



# Consolidated statement of changes in equity

NOK 1 000	SHARE CAPITAL	OWN SHARES	SHARE PREMIUM	TOTAL PAID-IN EQUITY	OTHER EQUITY	TRANSLATION DIFFERENCES	TOTAL OTHER EQUITY	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
Equity at 01.01.2016	10 250	-31	10 000	20 219	151 297	-297	151 000	3 401	174 618
Profit for the period				0	14 332		14 332	177	14 509
Other income and costs				0		-160	-160		-160
Employee share scheme				0	1 866		1 866		1 866
Equity at 31.03.2016 (Unaudited)	10 250	-31	10 000	20 219	167 495	-457	167 036	3 578	190 833
Equity at 01.01.2017	10 250	-99	10 000	20 151	153 021	-643	152 378	3 629	176 158
Profit for the period				0	31 186		31 186	311	31 497
Other income and costs				0		33	33		33
Employee share scheme				0	2 051		2 051		2 051
Dividend				0			0	-2 000	-2 000
Equity at 31.03.2017 (Unaudited)	10 250	-99	10 000	20 151	186 258	-610	185 648	1 940	207 739

# Notes

## Note 1: Accounting principles

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The group made no changes to the accounting principles applied in 2017. This interim report is presented in accordance with the International Financial Reporting Standards (IFRS) and interpretations determined by the European Union, and have been prepared in accordance with IAS 34. The interim financial statements have not been audited, do not include all the information required in annual financial statements and should be viewed in conjunction with the group's annual report for 2016.

## Note 2: Dividend

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6 April 2017 the board of directors decided to propose a dividend of NOK 71.75 million, equivalent to NOK 7.00 per share. The Annual General Meeting will be held 23 May 2017.

# Key figures Group

NOK 1 000	JAN-MAR 2017	JAN-MAR 2016	CHANGE %	YEAR 2016
<b>INCOME STATEMENT</b>				
Operating revenue	419 052	322 916	29.8 %	1 330 811
EBITDA	46 324	23 783	94.8 %	120 887
Operating profit (EBIT)	41 183	20 335	102.5 %	106 298
Ordinary profit before tax	41 516	20 464	102.9 %	106 049
Profit for the period	31 497	14 509	117.1 %	79 885
EBITDA-margin	11.1 %	7.4 %	50.1 %	9.1 %
EBIT-margin	9.8 %	6.3 %	56.1 %	8.0 %
<b>BALANCE SHEET</b>				
Non-current assets	98 428	72 894	35.0 %	90 346
Current assets	479 600	425 012	12.8 %	445 570
Total assets	578 028	497 906	16.1 %	535 916
Equity	207 739	190 833	8.9 %	176 158
Long-term debt	938	228	311.4 %	1 578
Short-term debt	369 351	306 845	20.4 %	358 180
Equity ratio	35.9 %	38.3 %	-6.2 %	32.9 %
Liquidity ratio	1.30	1.39	-6.3 %	1.24
<b>CASH FLOW</b>				
Net cash flow operations	-13 261	-21 124	N/A	113 465
Net free cash flow	-25 283	-26 011	N/A	75 638
Net cash flow	-27 283	-26 011	N/A	-8 416
Cash flow margin	-3.2 %	-6.5 %	N/A	8.5 %
<b>SHARE INFORMATION</b>				
Number of shares	10 250 000	10 250 000	0.0 %	10 250 000
Weighted average basic shares outstanding	10 151 318	10 218 683	-0.7 %	10 171 365
Weighted average diluted shares outstanding	10 268 544	10 353 807	-0.8 %	10 304 661
EBIT per share	4.02	1.97	104.2 %	10.32
Diluted EBIT per share	3.97	1.94	104.5 %	10.19
Earnings per share	3.07	1.40	119.0 %	7.76
Diluted earnings per share	3.04	1.38	119.4 %	7.66
Equity per share	20.27	18.62	8.9 %	17.19
Dividend per share	0.00	0.00	N/A	6.50
<b>EMPLOYEES</b>				
Number of employees (year end)	1 131	1 036	9.2 %	1 090
Average number of employees	1 117	1 033	8.1 %	1 050
Operating revenue per employee	375	313	20.0 %	1 267
Operating cost per employee	338	293	15.1 %	1 166
EBIT per employee	37	20	87.3 %	101

# Definitions



Cash flow margin	$\text{Net cash flow operations} / \text{Operating revenue}$
Diluted earnings per share	$\text{Profit for the period assigned to shareholders in parent company} / \text{weighted average diluted shares outstanding}$
Diluted EBIT per share	$\text{EBIT assigned to shareholders in parent company} / \text{weighted average diluted shares outstanding}$
Dividend per share	$\text{Paid dividend per share throughout the year}$
Earnings per share	$\text{Profit for the period assigned to shareholders in parent company} / \text{weighted average basic shares outstanding}$
EBIT	Operating profit
EBIT per employee	$\text{EBIT} / \text{average number of employees}$
EBIT per share	$\text{EBIT assigned to shareholders in parent company} / \text{weighted average basic shares outstanding}$
EBIT-margin	$\text{EBIT} / \text{operating revenue}$
EBITDA	$\text{Operating profit} + \text{depreciation fixed assets and intangible assets}$
EBITDA-margin	$\text{EBITDA} / \text{operating revenue}$
Equity per share	$\text{Equity} / \text{number of shares}$
Equity ratio	$\text{Equity} / \text{total assets}$
Liquidity ratio	$\text{Current assets} / \text{Short-term debt}$
Net free cash flow	$\text{Net cash flow operations} - \text{Net cash flow investments}$
Number of shares	Number of issued shares at the end of the year
Operating cost per employee	$\text{Operating cost} / \text{average number of employees}$
Operating revenue per employee	$\text{Operating revenue} / \text{average number of employees}$
Weighted average basic shares outstanding	Issued shares adjusted for own shares on average for the year
Weighted average diluted shares outstanding	Issued shares adjusted for own shares and share scheme on average for the year



# Our regions and offices

The Group has 14 offices in Norway and Sweden. Our philosophy is that competence should be utilized across the company, while projects are attached locally.

## OSLO

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