

# Den store selskapskvelden - SMB

6. Juni, 2018 | CEO Torgrim Takle

# Disclaimer



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# Unique Business Model

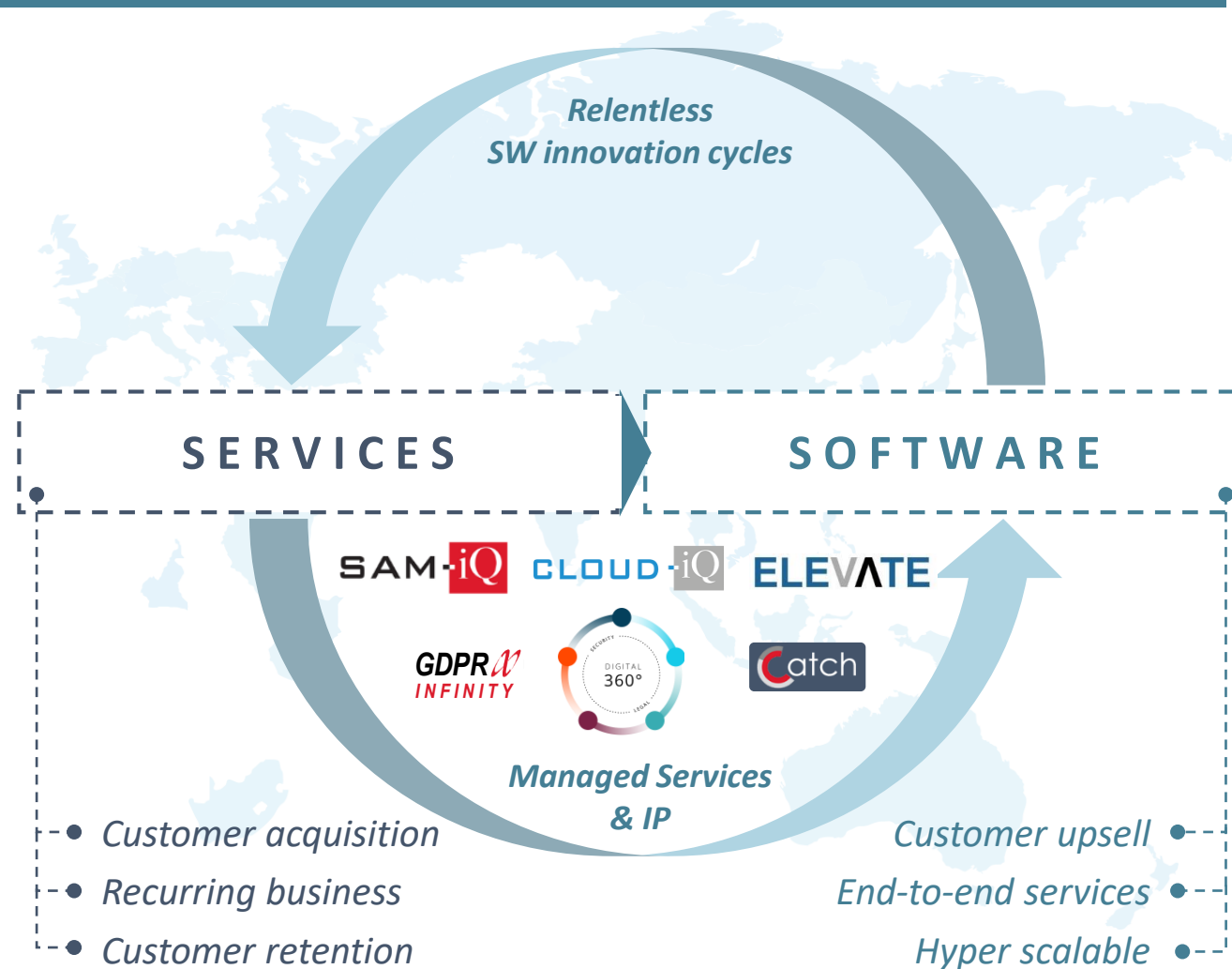
Customers' key challenges within IT

 Crayon | Business Model

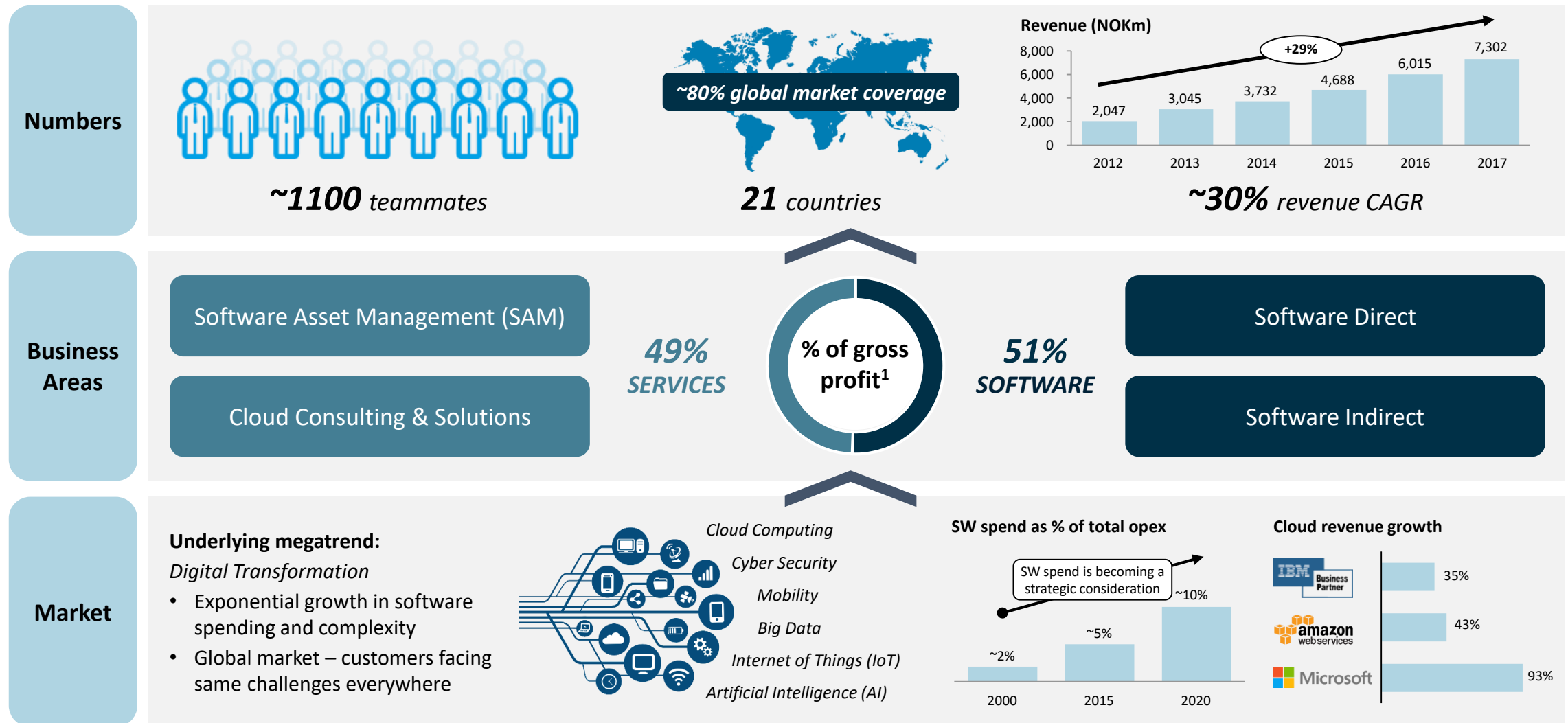


How to optimize SW spending?

Costs Business Value  
Procurement & Deployment



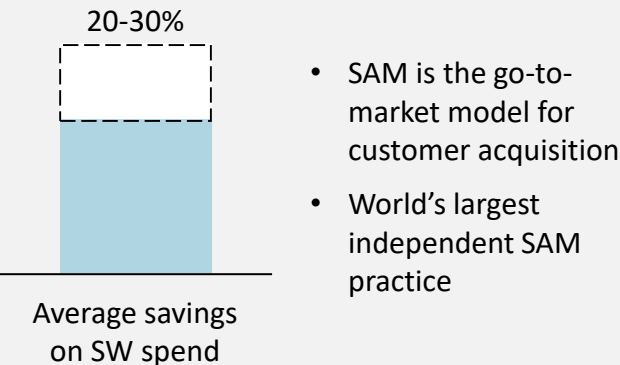
# Crayon at a glance



<sup>1</sup> Based on 2017 gross profit, excl. admin & eliminations

# Unique business model resulting in strong & loyal customer base

## Unique customer value proposition



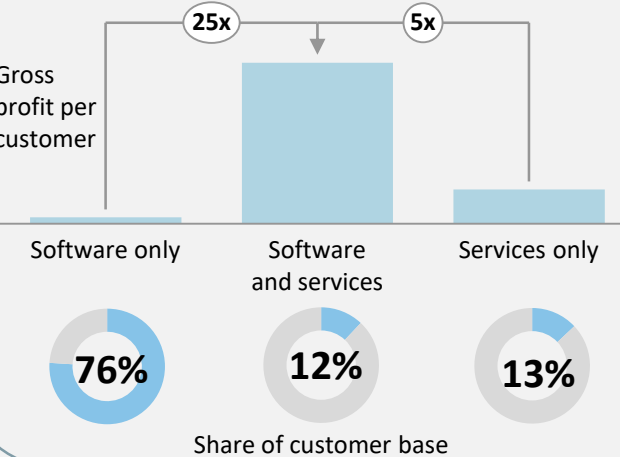
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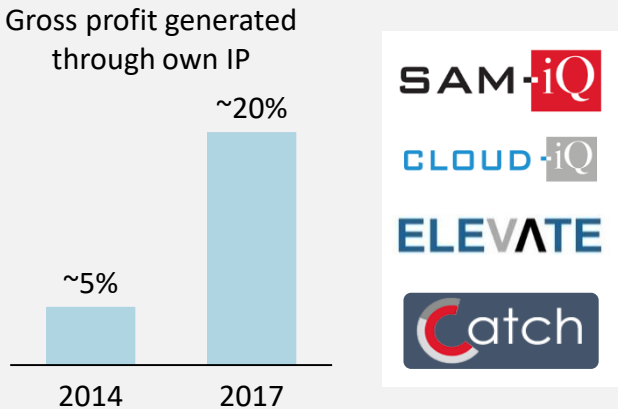
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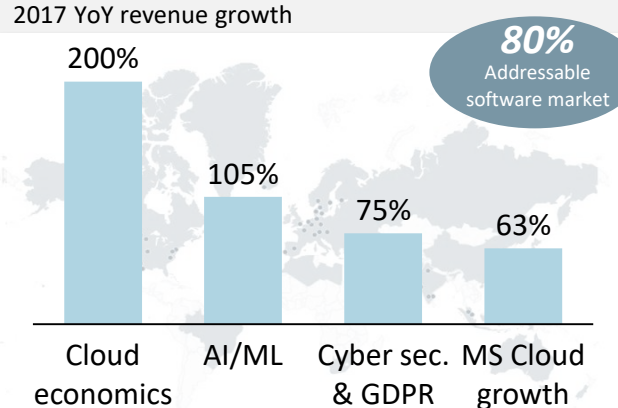
## End-to-end services with upsell potential



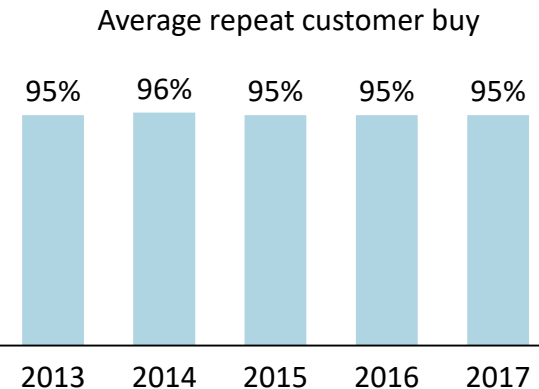
## Extensive portfolio of Intellectual Property (IP)



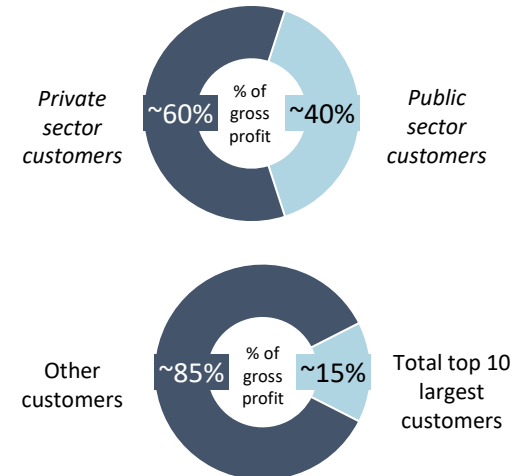
## Strategically positioned in attractive market



## Unparalleled customer loyalty



## Diversified customer portfolio



# Key Financials



## REVENUE GROWTH

LTM Q1 2018 YoY

**+27%**

(NOK 7.799m LTM Q1 2018)

## GROSS PROFIT GROWTH

LTM Q1 2018 YoY

**+9%**

(NOK 1.256m LTM Q1 2018)

## ADJ. EBITDA GROWTH

LTM Q1 2018 YoY

**+18%**

(NOK 139m LTM Q1 2018)

## OPERATING CASH CONV.

AVERAGE LAST 4 QUARTERS

**56%**

LTM operating cash flow as a percentage  
of adj. EBITDA

## CAPEX

LTM Q1 2018

**NOK 59m**

Largely due to investments in own IP

## NET INTEREST-BEARING DEBT

31 MARCH 2018

**NOK 389m**

(vs. NOK 609m 31 March 2017)

# Investment highlights



# Investor Relations

## Update

### Main communications channels

- Crayon IR webpages  
<https://www.crayon.com/en/about-us/investor-relations/>
  - Group fact & figures
  - Reports & Presentations
  - Share and bond information
- Newsweb

### Financial calendar 2018:

- 22.08.2018 - Half-yearly Report
- 13.11.2018 - Quarterly Report - Q3
- 12.02.2019 - Quarterly Report - Q4

“

*Communicating with current and future shareholders, both in Norway and abroad, is a high priority for Crayon Group Holding ASA*

### For IR-related requests:

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# Appendix

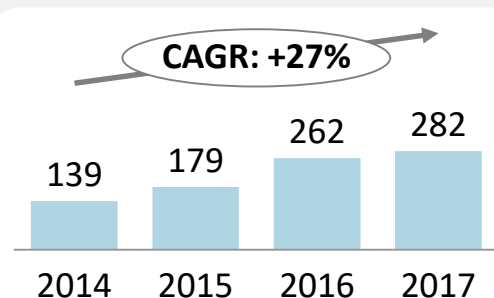
# Services – SAM and Consulting



## SAM – IT optimization; Crayon's customer acquisition tool

- Crayon's offering seeks to optimize the IT structure of customers by
  - improving software ROI
  - helping customers stay compliant
  - and helping customer to avoid fines
- SAM is the go-to-market model and has been deployed as a customer acquisition tool when Crayon have entered new geographical markets

### Gross profit<sup>2</sup> (NOKm)



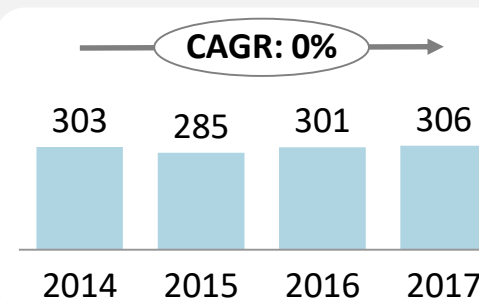
### KPIs

Repeat buy	<b>87%</b> (Annual repeat buy <sup>3</sup> )
Public vs. private mix	<b>20%</b> (Public customers <sup>4</sup> )
Customer concentration	<b>30%</b> (Gross profit of top 10 customers <sup>4</sup> )

## Consulting – cloud and solutions consulting services

- Crayon offers consulting services in principally two areas: Cloud and Solutions
  - **Cloud Consulting:** Generic support and services on universal technology platforms
  - **Solutions Consulting:** Bespoke application development tailored to customers' needs

### Gross profit<sup>2</sup> (NOKm)



### KPIs

Repeat buy	<b>93%</b> (Annual repeat buy <sup>3</sup> )
Public vs. private mix	<b>45%</b> (Public customers <sup>4</sup> )
Customer concentration	<b>50%</b> (Cloud) (Gross profit of top 10 customers <sup>4</sup> ) <b>52%</b> (Solutions)

1 Crayon Management estimates based on number of independent SAM consultants (independent SAM consultants meaning consultants working for the customer, not the software vendor)

2 2014-2017 Source: Crayon Group Holding AS financial accounts.

3 2017 gross profit repeat buy adjusted for FAST acquisition in the UK for SAM. Repeat buy is (1-churn). Source: Sales data

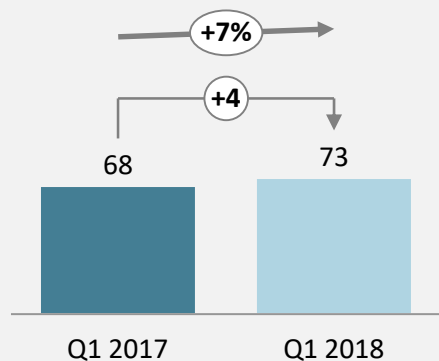
4 Based on 2017 figures. Source: Crayon sales report

5 Gross profit 2017 figures excluding Admin and eliminations

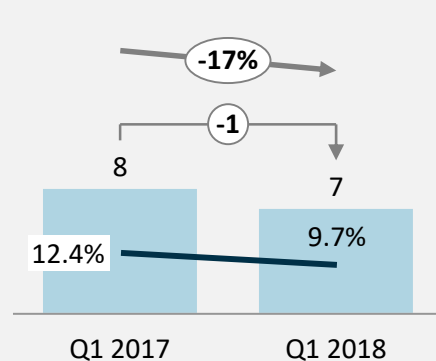
# Services

## SAM

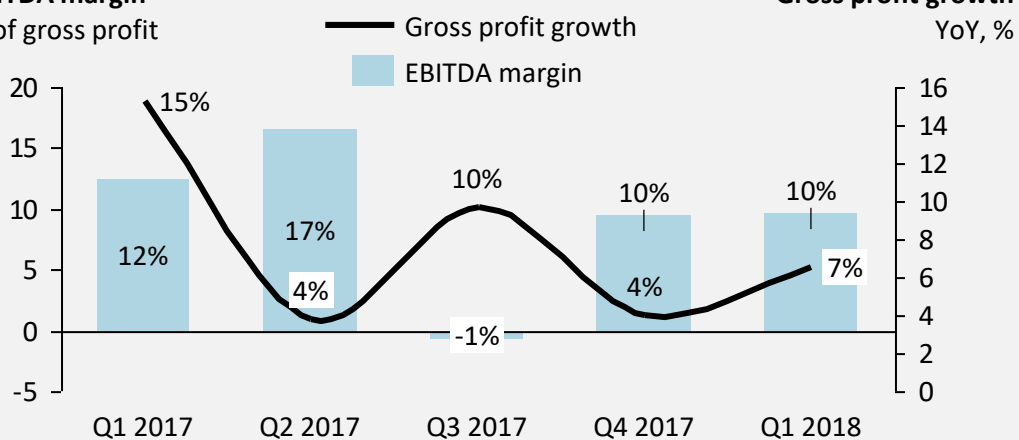
Gross profit development, NOKm



EBITDA development, NOKm

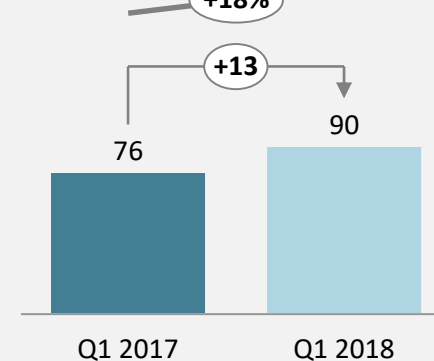


EBITDA margin<sup>1</sup>  
% of gross profit

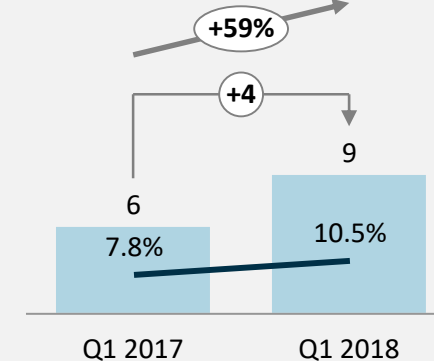


## Consulting

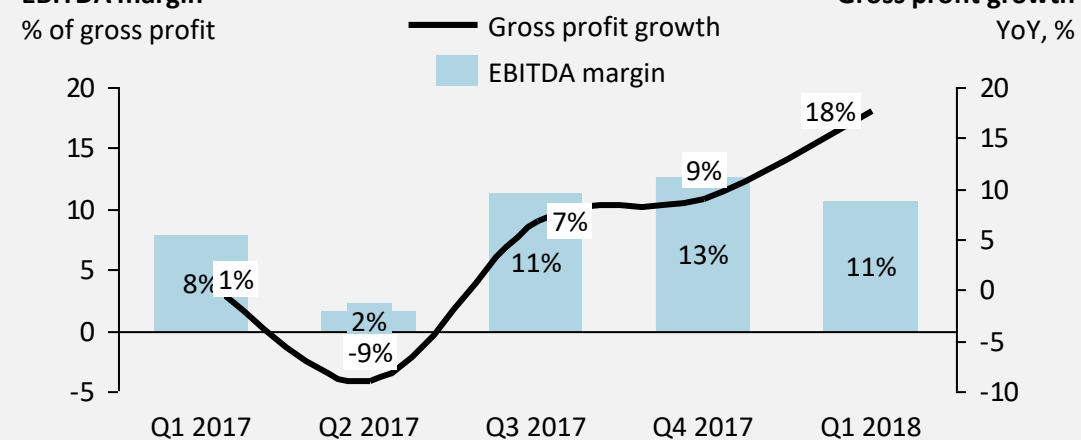
Gross profit development, NOKm



EBITDA development, NOKm



EBITDA margin<sup>1</sup>  
% of gross profit



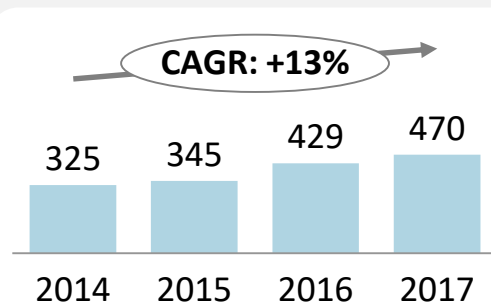
<sup>1</sup> EBITDA divided by reported gross profit

# Software – Direct and Indirect

## Direct – license offering directly from vendor to customers

- Focus on standard software that customers use consistently year after year, and which play a key role in their technological platforms and critical commercial processes
- Clients acquired through SAM approach
- Solid level of recurring revenues from 3-5 year agreements with customers
  - Base for recurring and sticky customer relationships further supported by proprietary IP applied

### Gross profit<sup>1</sup> (NOKm)



### KPIs

Repeat buy	96% (Annual repeat buy <sup>2</sup> )
Public vs. private mix	40% (Public customers <sup>3</sup> )
Customer concentration	14% (Gross profit of top 10 customers <sup>3</sup> )

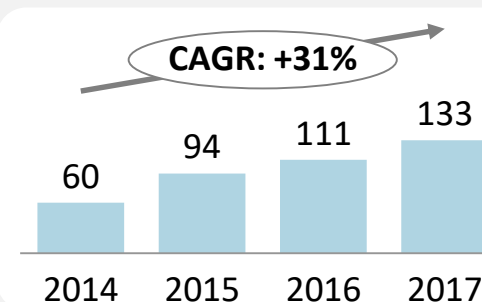
## Indirect – license offering towards channel partners

- Crayon's license offering towards channel partners:
  - License advisory / optimization, software license sale and access to Crayon's reporting portal
- Crayon sells software licenses through a diverse group of leading channel partners:



- ~100% recurring revenue driven by multi-year agreements with monthly invoicing

### Gross profit<sup>1</sup> (NOKm)



### KPIs

Repeat buy	99% (Annual repeat buy <sup>2</sup> )
Public vs. private mix	0% (Public customers <sup>3</sup> )
Customer concentration	7% (Gross profit of top 10 customers <sup>3</sup> )

<sup>1</sup> 2014-2017 Source: Crayon Group Holding AS financial accounts

<sup>2</sup> 2017 gross profit repeat buy. Repeat buy is (1-churn). Source: Sales data

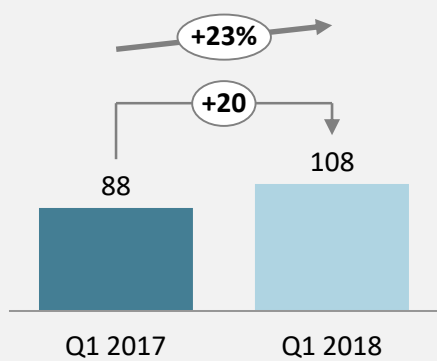
<sup>3</sup> Based on 2017 figures. Source: Crayon sales report

<sup>4</sup> Crayon direct billing of Microsoft's share of gross profit. Based on 2017 figures. Source: Crayon sales report

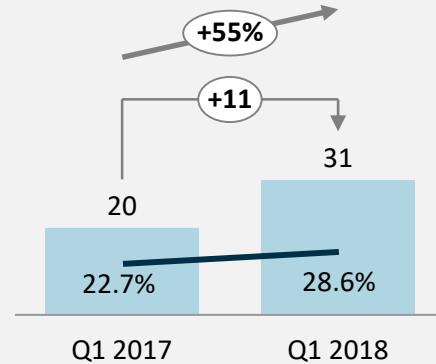
# Software

## Software Direct

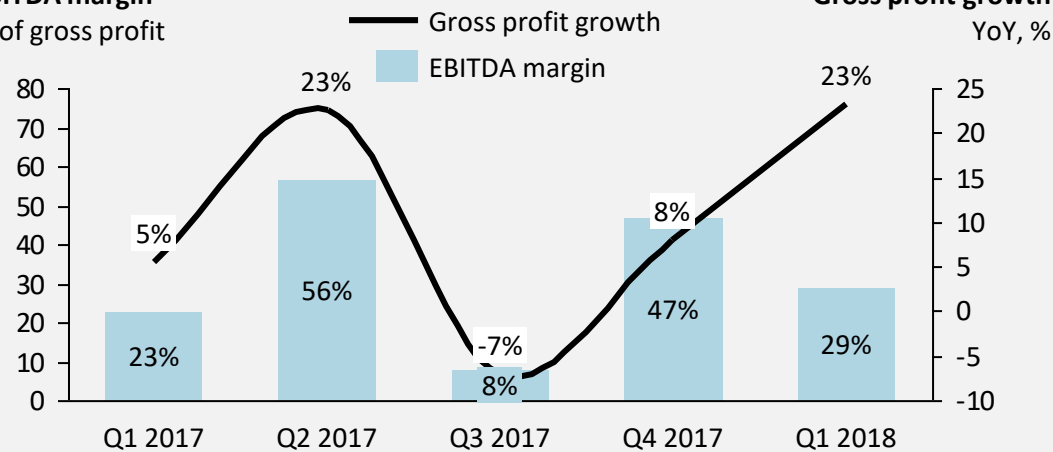
Gross profit development, NOKm



EBITDA development, NOKm

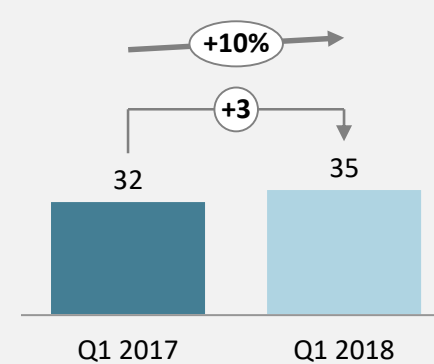


EBITDA margin<sup>1</sup>  
% of gross profit

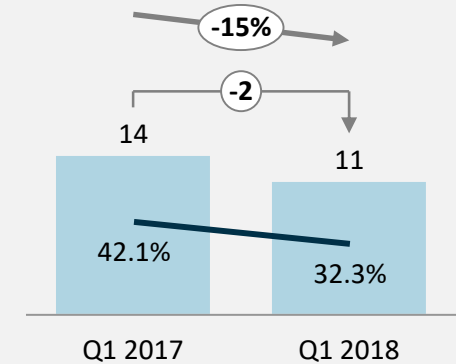


## Software Indirect

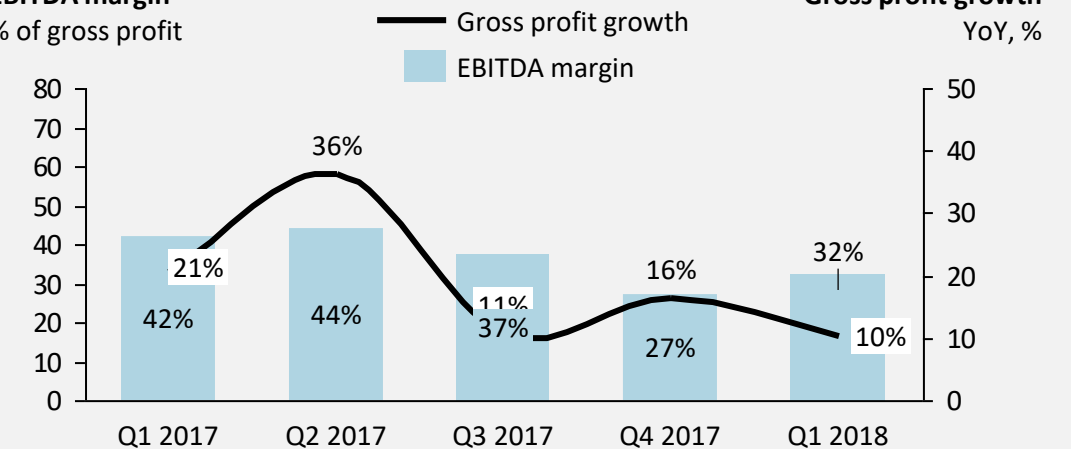
Gross profit development, NOKm



EBITDA development, NOKm



EBITDA margin<sup>1</sup>  
% of gross profit



<sup>1</sup> EBITDA divided by reported gross profit

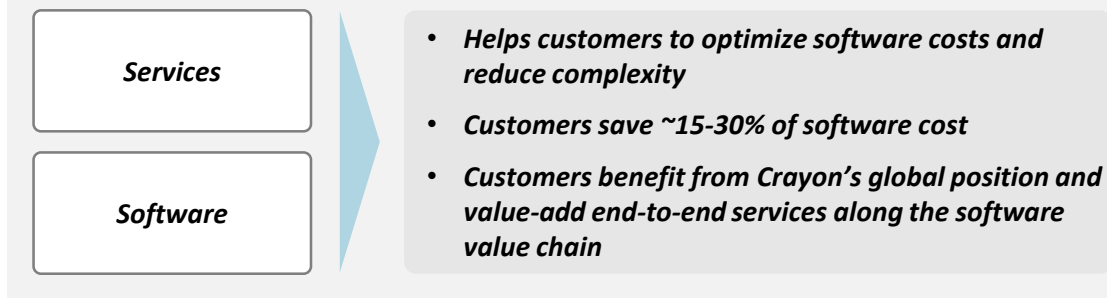
# Crayon – a fast growing global software and services expert



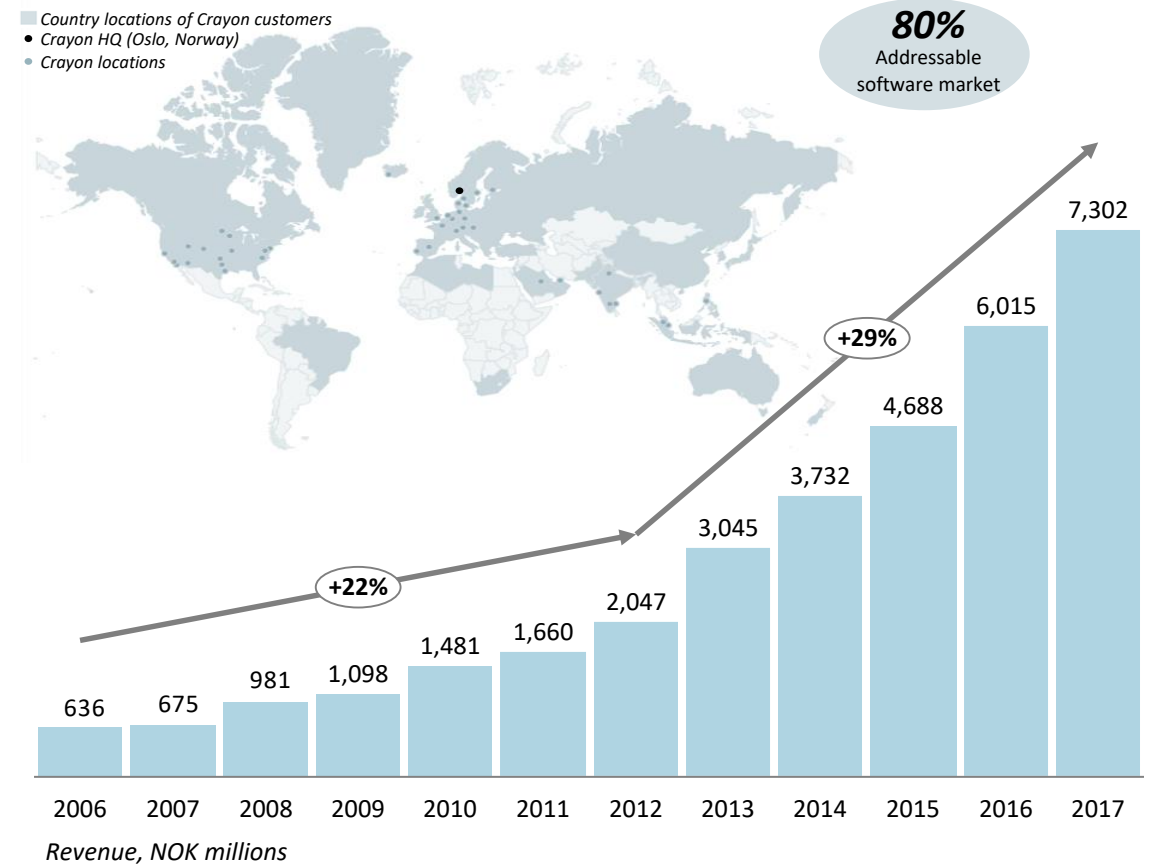
## Company at a glance

- Founded in 2002 with headquarters in Oslo, Norway
- Owned by management, PE firm Norvestor Equity and KLP since 2012
- ~1,000 employees and ~8,000 customers of which more than 40% public<sup>1</sup>
- Strategic partnerships with the largest software vendors globally
- Extensive IP portfolio yielding competitive advantages
- Presence in 21 countries covering 80% of addressable market
- Revenues of NOK 6.0bn with high growth and strong cash conversion

## Offering and value proposition



## An international growth story with strengthening momentum



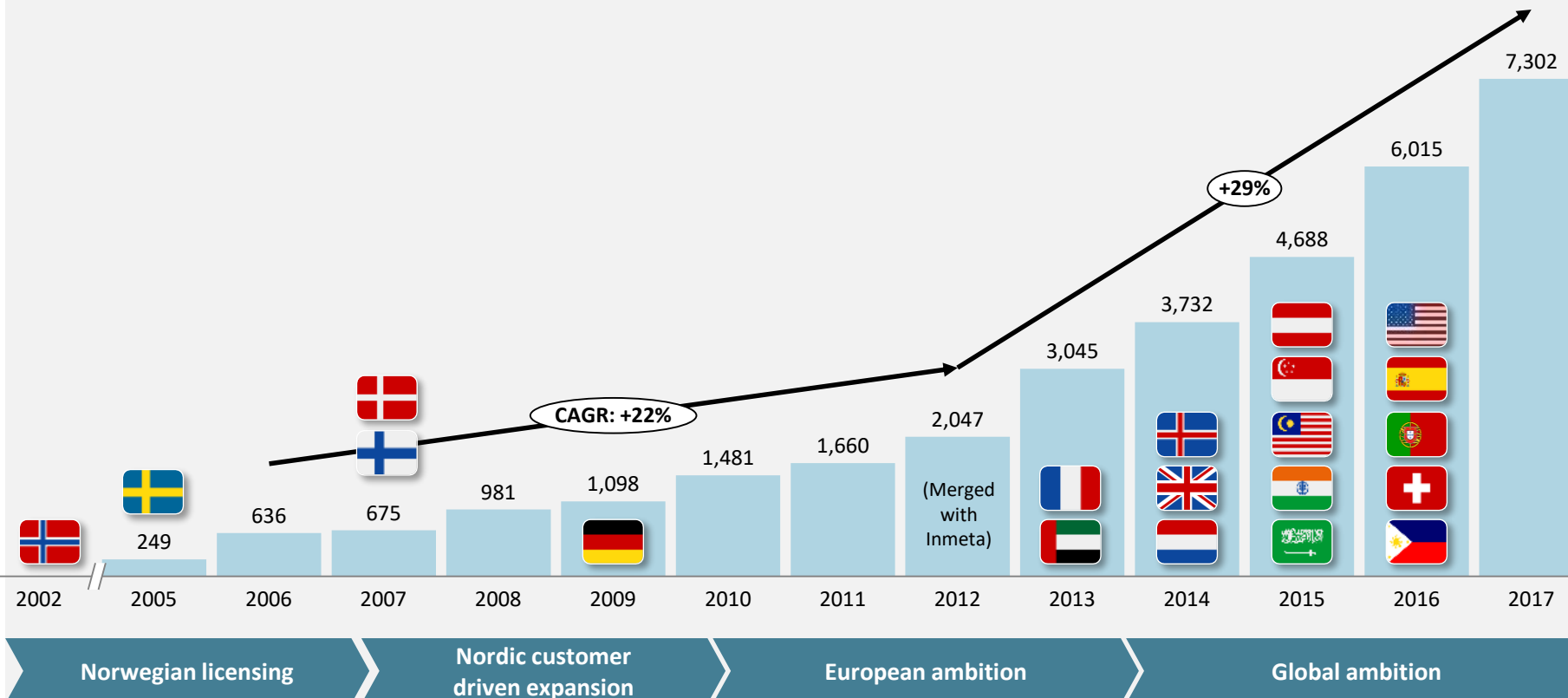
*Crayon is a trusted advisor for customers in their digital transformation journey*

<sup>1</sup> Based on share of gross profit 2017

# Proven execution of international expansion strategy

## Successful development from being a Norwegian licensing provider to global ambitions

Revenue, NOK millions



Business model applicable across geographies

Ability to win global customers

Positioned to be a true strategic partner

Opportunities for price arbitrage

# Financial targets and business outlook



	2017 actuals	LTM	2018 outlook	Medium term
Gross profit growth	+7.7%	+9.3%	+8-10%	8-10%
Adjusted EBITDA as share of gross profit	10.7%	11.0%	12-14%	Gradually increase to 15%
NWC <sup>1</sup>	-20.4%	-18.4%	Around -20%	Around -15%
Capex	NOK 51 mn	NOK 59 mn	NOK 45-50 mn	NOK 40-45 mn

Increased from 40-45 mn due to ongoing ERP project

# Datapack

# Introduction to key P&L drivers



NOK millions	2014	2015	2016	2017
<b>Operating revenue</b>	<b>3 731.8</b>	<b>4 687.9</b>	<b>6 015.2</b>	<b>7 301.7</b>
<i>Growth</i>		25.6%	28.3%	21.4%
Materials and supplies	-2 905.5	-3 773.0	-4 886.8	-6 086.9
<b>Gross profit</b>	<b>826.3</b>	<b>914.9</b>	<b>1,128.4</b>	<b>1,215.8</b>
<i>Gross margin</i>	22.1%	19.5%	18.8%	16.7%
Payroll and related costs	-586.3	-668.3	-877.9	-940.5
Other operating expenses	-102.1	-149.1	-158.8	-144.7
<b>Total operating expenses</b>	<b>-688.4</b>	<b>-817.4</b>	<b>-1,036.7</b>	<b>-1,085.2</b>
<b>EBITDA</b>	<b>137.8</b>	<b>97.5</b>	<b>91.7</b>	<b>103.8</b>
<i>EBITDA % of gross profit</i>	16.7%	10.7%	8.1%	8.5%
Exceptional items	4.0	16.3	13.5	26.8
<b>Adjusted EBITDA</b>	<b>141.8</b>	<b>113.7</b>	<b>105.2</b>	<b>130.6</b>
<i>Adj. EBITDA % of gross profit</i>	17.2%	12.4%	9.3%	10.7%

#FTEs

700

807

945

1,009

- Revenue will be subject to fluctuations that do not impact absolute gross profit level as customers shift between direct and indirect billing<sup>1</sup>

## Revenue model

### Services

- 3-5 years managed service agreements (SAM)
- Frame agreements
- Hours sold

### Software

- ~3 year subscription/ARPU model where a certain percentage is contractually recurring
- Frame agreements
- Traditional licensing deals (one-time fee)

### Services

- Number of FTEs
- Hourly rate / Fixed price agreements
- Utilization
- Recurring agreements

### Software

- Number of FTEs
- Gross profit per FTE
  - Vendor, product, new vs. existing customers etc.

- Payroll and related costs driven by number of FTEs – of which ~15-20% is variable salary
- Other opex driven by size and geographical width of organization
- Other opex primarily consisting of rented premises (~25%), professional services e.g. accounting and legal (~25%), travel (~20%) and IT and office equipment (~15%)

- Adjusted EBITDA as percentage of gross profit a suitable metric for comparison across Market Clusters and Business Areas due to gross margin variation

# Income statement



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<b>Operating revenue</b>	<b>6 015.2</b>	<b>1 358.5</b>	<b>2 401.7</b>	<b>1 249.7</b>	<b>2 291.7</b>	<b>7 301.7</b>	<b>1 855.7</b>
<i>Growth</i>	28.3%	9.4%	23.1%	25.5%	25.4%	21.4%	36.6%
Materials and supplies	-4 886.8	-1 088.7	-2 045.2	-1 022.0	-1 930.1	-6 085.9	-1 545.5
<b>Gross profit</b>	<b>1 128.4</b>	<b>269.8</b>	<b>356.6</b>	<b>227.8</b>	<b>361.7</b>	<b>1 215.8</b>	<b>310.2</b>
<i>Gross margin</i>	18.8%	19.9%	14.8%	18.2%	15.8%	16.7%	16.7%
Payroll and related costs	-877.9	-228.4	-244.0	-204.5	-273.6	-950.6	-258.9
Other operating expenses	-158.8	-36.7	-35.5	-43.3	-45.9	-161.4	-41.1
<b>Total operating expenses</b>	<b>-1 036.7</b>	<b>-265.2</b>	<b>-279.4</b>	<b>-247.8</b>	<b>-319.5</b>	<b>-1 111.9</b>	<b>-299.7</b>
<b>EBITDA</b>	<b>91.7</b>	<b>4.7</b>	<b>77.1</b>	<b>-20.1</b>	<b>42.1</b>	<b>103.8</b>	<b>10.5</b>
<i>EBITDA margin</i>	1.5%	0.3%	3.2%	-1.6%	1.8%	1.4%	0.6%
Depreciation	-9.2	-2.4	-2.4	-2.4	-2.5	-9.7	-2.5
Amortization	-80.9	-12.8	-13.4	-13.8	-20.7	-60.7	-15.2
Goodwill impairment	-8.9	0.0	-1.3	0.0	0.0	-1.3	0.0
<b>EBIT</b>	<b>-7.3</b>	<b>-10.6</b>	<b>60.0</b>	<b>-36.2</b>	<b>19.0</b>	<b>32.2</b>	<b>-7.2</b>
<i>EBIT margin</i>	-0.1%	-0.8%	2.5%	-2.9%	0.8%	0.4%	-0.4%
Financial income	35.8	35.0	17.5	27.7	34.0	114.3	25.3
Financial expense	-68.3	-51.2	-53.7	-54.9	-40.4	-200.1	-36.3
<b>Net financial expense</b>	<b>-32.5</b>	<b>-16.2</b>	<b>-36.2</b>	<b>-27.2</b>	<b>-6.3</b>	<b>-85.8</b>	<b>-11.0</b>
<b>Ordinary result before tax</b>	<b>-39.8</b>	<b>-26.8</b>	<b>23.8</b>	<b>-63.4</b>	<b>12.7</b>	<b>-53.7</b>	<b>-18.2</b>
Income tax expense on ordinary result	9.6	5.1	-6.4	11.2	10.7	0.8	-6.0
<b>Net income</b>	<b>-30.2</b>	<b>-21.7</b>	<b>17.4</b>	<b>-52.2</b>	<b>2.0</b>	<b>-54.5</b>	<b>-12.2</b>
<b>Adjusted EBITDA reconciliation</b>							
<b>Reported EBITDA</b>	<b>91.7</b>	<b>4.7</b>	<b>77.1</b>	<b>-20.1</b>	<b>42.1</b>	<b>103.8</b>	<b>10.5</b>
Exceptional items <sup>1</sup>	13.5	0.3	0.2	10.7	15.6	26.8	2.8
<b>Adjusted EBITDA</b>	<b>105.2</b>	<b>4.9</b>	<b>77.3</b>	<b>-9.3</b>	<b>57.7</b>	<b>130.6</b>	<b>13.3</b>
<i>Adj. EBITDA % of gross profit</i>	9.3%	1.8%	21.7%	-4.1%	16.0%	10.7%	4.3%

<sup>1</sup> Exceptional items are one-off costs mainly related to strategy projects, restructurings, and the acquisition of businesses

# Balance sheet



NOK millions	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
<b>Assets</b>						
Inventory	17.5	18.8	24.0	13.6	26.3	23.6
Accounts receivable	1 206.8	722.0	1 573.7	769.8	1 541.4	1 147.0
Income tax receivable	2.7	6.1	2.9	1.6	-	-
Other receivables	54.4	36.0	45.9	43.4	60.0	56.4
Net cash and cash equivalents <sup>1</sup>	227.9	66.5	204.7	-136.4	368.4	76.4
<b>Total current assets</b>	<b>1 509.4</b>	<b>849.4</b>	<b>1 851.2</b>	<b>692.0</b>	<b>1 996.2</b>	<b>1 303.5</b>
Technology, software and R&D	104.3	104.4	106.8	104.9	109.3	112.3
Contracts	101.0	96.1	92.2	85.9	83.3	77.9
Goodwill <sup>2</sup>	827.1	829.1	828.4	819.4	831.0	823.8
Software licenses (IP)	7.4	7.4	7.4	7.4	1.0	1.0
Deferred tax assets	29.6	33.8	28.7	29.4	33.8	54.1
Equipment	18.7	19.2	20.4	19.8	20.2	20.9
Other receivables	3.2	4.1	4.8	3.4	4.8	6.5
<b>Total non-current assets</b>	<b>1 091.3</b>	<b>1 094.1</b>	<b>1 088.8</b>	<b>1 070.0</b>	<b>1 083.5</b>	<b>1 096.5</b>
<b>Total assets</b>	<b>2 600.7</b>	<b>1 943.5</b>	<b>2 940.0</b>	<b>1 762.0</b>	<b>3 079.7</b>	<b>2 400.0</b>
<b>Equity and liabilities</b>						
Share capital	52.5	52.5	52.5	52.5	75.4	75.4
Own shares	-	-	-	-	-	-
Share premium reserve	262.3	262.3	262.3	262.3	588.1	588.1
Other equity	-53.6	-69.4	-50.0	-99.0	-105.6	-123.7
Minority interest	11.2	7.0	8.9	3.2	8.2	9.5
<b>Total equity</b>	<b>272.4</b>	<b>252.4</b>	<b>273.7</b>	<b>219.0</b>	<b>566.0</b>	<b>549.3</b>
Short-term debt	661.0	661.1	100.5	-	-	-
Trade creditors	1 224.1	660.5	1 453.6	628.2	1 600.6	1 019.4
Public duties payable	186.9	119.0	254.5	109.6	229.1	156.1
Other current liabilities	210.0	208.8	227.0	186.0	194.4	182.9
<b>Total current liabilities</b>	<b>2 282.0</b>	<b>1 649.4</b>	<b>2 035.6</b>	<b>923.8</b>	<b>2 029.0</b>	<b>1 364.6</b>
Long-term debt	0.0	0.0	591.7	590.3	445.7	444.2
Deferred tax liabilities	44.8	40.1	37.6	27.4	31.8	34.7
Other long-term liabilities	1.5	1.6	1.4	1.5	7.2	7.2
<b>Total long-term liabilities</b>	<b>46.3</b>	<b>41.7</b>	<b>630.7</b>	<b>619.2</b>	<b>484.7</b>	<b>486.1</b>
<b>Total liabilities</b>	<b>2 328.3</b>	<b>1 691.1</b>	<b>2 666.3</b>	<b>1 543.0</b>	<b>2 513.7</b>	<b>1 850.7</b>
<b>Total equity &amp; liabilities</b>	<b>2 600.7</b>	<b>1 943.5</b>	<b>2 940.0</b>	<b>1 762.0</b>	<b>3 079.7</b>	<b>2 400.0</b>

<sup>1</sup> The Company reports its cash balance net of drawdown on its revolving credit facility ("RCF")

<sup>2</sup> Approx. NOK 556m of goodwill as of year-end 2016 relates to the Oslo Stock Exchange delisting of Inmeta-Crayon in 2012

# Cash flow statement



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<i>Cash flow from operating activities</i>							
Net income before tax	-39.8	-26.8	23.8	-63.4	12.7	-53.7	-18.2
Taxes paid	-17.6	-9.5	-1.4	-3.3	2.3	-11.9	-6.6
Depreciation and amortization	99.0	15.3	17.1	16.2	23.1	71.7	17.7
Net interest to credit institutions	49.4	12.3	15.1	12.4	10.9	50.6	8.8
Changes in inventory, accounts receivable/payable	77.8	-80.1	-63.9	-11.1	188.1	33.1	-184.1
Changes in other current assets	-29.1	-50.4	161.6	-160.7	112.5	63.0	-68.9
<b>Net cash flow from operating activities</b>	<b>139.7</b>	<b>-139.1</b>	<b>152.3</b>	<b>-210.0</b>	<b>349.6</b>	<b>152.8</b>	<b>-251.2</b>
<i>Cash flow from investing activities</i>							
Acquisition of assets	-51.2	-10.1	-14.5	-11.4	-14.8	-50.8	-18.3
Acquisition of subsidiaries (cash paid net of cash in acquired entity)	-29.6	0.0	0.0	0.0	-22.7	-22.7	-3.2
Divestments	0.1	0.0	0.0	0.0	-	-	-
<b>Net cash flow from investing activities</b>	<b>-80.7</b>	<b>-10.1</b>	<b>-14.5</b>	<b>-11.4</b>	<b>-37.5</b>	<b>-73.5</b>	<b>-21.4</b>
<i>Cash flow from financing activities</i>							
Net interest paid to credit institutions	-51.1	-12.7	-14.9	-13.6	-15.7	-57.0	-9.8
New equity					348.6	348.6	-
Change in subsidiaries	0.0	0.0	0.0	0.0	-	-	-
Proceeds from issuance of interest bearing debt	0.0	0.0	591.6	-1.9	-	589.7	-
Repayment of interest-bearing debt	-0.1	0.0	-571.8	-100.5	-155.3	-827.7	-
Change in other long-term debt	-3.6	0.1	-9.7	0.6	5.6	-3.4	-
Purchase of own shares	0.0	0.0	0.0	0.0	-	-	-
<b>Net cash (used in) provided by financing activities</b>	<b>-54.8</b>	<b>-12.6</b>	<b>-4.8</b>	<b>-115.4</b>	<b>183.2</b>	<b>50.3</b>	<b>-9.8</b>
Net increase (decrease) in cash and cash equivalents	4.2	-161.8	133.0	-336.8	495.3	129.7	-282.4
Cash and cash equivalents at beginning of period	236.3	227.9	66.5	204.7	-136.4	227.9	368.4
Currency translation on cash and cash equivalents	-12.6	0.5	5.2	-4.3	9.6	10.9	-9.6
<b>Cash and cash equivalents at end of period</b>	<b>227.9</b>	<b>66.5</b>	<b>204.7</b>	<b>-136.4</b>	<b>368.4</b>	<b>368.4</b>	<b>76.4</b>

# Income statement by market cluster



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<b>Revenue</b>							
Nordic Markets	3 767.9	869.8	1 106.7	600.2	1 323.8	3 900.5	1 127.9
Growth Markets	1 243.5	230.7	697.8	428.4	545.6	1 902.5	357.9
Start-Ups	890.9	202.8	483.3	171.6	334.8	1 192.6	273.1
USA	178.8	72.3	139.6	66.3	93.6	371.8	127.1
HQ	67.9	5.8	27.7	19.3	35.0	87.8	18.7
Eliminations	-133.8	-22.9	-53.4	-36.1	-41.0	-153.4	-49.0
<b>Total revenue</b>	<b>6 015.2</b>	<b>1 358.5</b>	<b>2 401.7</b>	<b>1 249.7</b>	<b>2 291.7</b>	<b>7 301.7</b>	<b>1 855.7</b>
<b>Gross profit</b>							
Nordic Markets	757.7	175.1	212.2	138.1	235.3	760.6	197.0
Growth Markets	182.8	42.3	68.5	34.0	59.2	204.0	51.8
Start-Ups	70.6	18.9	34.7	23.2	28.1	105.0	26.2
USA	100.7	32.1	40.5	29.9	30.5	133.0	33.8
HQ	53.9	13.3	13.6	15.0	21.7	63.5	14.8
Eliminations	-37.2	-11.9	-12.9	-12.4	-13.0	-50.2	-13.3
<b>Total gross profit</b>	<b>1 128.4</b>	<b>269.8</b>	<b>356.6</b>	<b>227.8</b>	<b>361.7</b>	<b>1 215.8</b>	<b>310.2</b>
<b>EBITDA</b>							
Nordic Markets	204.4	29.3	60.9	18.6	72.2	181.0	41.5
Growth Markets	1.3	-4.2	16.3	-11.9	4.3	4.6	-5.5
Start-Ups	-33.0	-8.1	4.9	-5.4	-5.3	-13.9	-5.5
USA	-50.1	-4.1	3.5	-9.0	-3.6	-13.2	-4.5
HQ	-17.4	-8.0	-8.2	-1.7	-9.9	-27.9	-12.7
Eliminations	0.0	0.0	0.0	0.0	-	-	-
<b>Adjusted EBITDA<sup>1</sup></b>	<b>105.2</b>	<b>4.9</b>	<b>77.3</b>	<b>-9.3</b>	<b>57.7</b>	<b>130.6</b>	<b>13.3</b>

<sup>1</sup> Other income and expense items netted under "HQ"

# Income statement by business area



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<b>Revenue</b>							
SAM	291.2	75.2	85.4	67.6	82.4	310.7	78.8
Consulting	403.4	101.0	101.4	87.5	123.9	413.9	121.9
Software (Direct)	3 935.7	790.0	1 774.5	694.9	1 597.0	4 856.5	1 156.0
Software (Indirect)	1 441.2	394.2	473.3	414.7	492.5	1 774.7	526.2
Admin	77.5	21.0	20.4	21.0	36.9	99.4	21.8
Eliminations	-133.8	-22.9	-53.4	-36.1	-41.0	-153.4	-49.0
<b>Total revenue</b>	<b>6 015.2</b>	<b>1 358.5</b>	<b>2 401.7</b>	<b>1 249.7</b>	<b>2 291.7</b>	<b>7 301.7</b>	<b>1 855.7</b>
<b>Gross profit</b>							
SAM	262.0	68.4	76.3	62.6	75.0	282.2	72.9
Consulting	301.2	76.3	74.9	65.4	89.5	306.1	89.8
Software (Direct)	429.1	87.5	166.4	65.1	151.4	470.4	107.8
Software (Indirect)	110.5	32.1	35.6	30.6	35.1	133.4	35.4
Admin	62.8	17.3	16.4	16.5	23.7	73.9	17.6
Eliminations	-37.2	-11.9	-12.9	-12.4	-13.0	-50.2	-13.3
<b>Total gross profit</b>	<b>1 128.4</b>	<b>269.8</b>	<b>356.6</b>	<b>227.8</b>	<b>361.7</b>	<b>1 215.8</b>	<b>310.2</b>
<b>EBITDA</b>							
SAM	13.4	8.5	12.7	-0.4	7.1	27.9	7.1
Consulting	33.6	5.9	1.2	7.4	11.2	25.8	9.5
Software (Direct)	139.1	19.9	93.5	5.0	70.7	189.0	30.8
Software (Indirect)	50.3	13.5	15.6	11.4	9.5	50.1	11.5
Admin	-131.2	-42.9	-45.6	-32.6	-40.9	-162.1	-45.5
Eliminations	0.0	0.0	0.0	0.0	0.0	0.0	-
<b>Adjusted EBITDA<sup>1</sup></b>	<b>105.2</b>	<b>4.9</b>	<b>77.3</b>	<b>-9.3</b>	<b>57.7</b>	<b>130.6</b>	<b>13.3</b>

<sup>1</sup> Other income and expense items netted under "Admin"

# Revenue – Market cluster by business area



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<b>Nordic Markets</b>							
Services	498.0	121.4	126.7	105.9	144.1	503.4	143.7
Software	3 261.0	745.2	978.8	493.8	939.9	3 391.3	982.6
Admin	8.9	3.2	1.2	0.5	2.9	5.8	1.6
<b>Nordic Markets revenue</b>	<b>3 767.9</b>	<b>869.8</b>	<b>1 106.7</b>	<b>600.2</b>	<b>1 086.9</b>	<b>3 900.5</b>	<b>1 127.9</b>
<b>Growth Markets</b>							
Services	82.3	19.1	18.1	15.7	22.6	74.5	20.7
Software	1 152.8	209.7	678.6	411.6	54.7	1 823.5	336.4
Admin	8.4		1.1	1.0	1.3	4.5	0.9
<b>Growth Markets revenue</b>	<b>1 243.5</b>	<b>230.7</b>	<b>697.8</b>	<b>428.4</b>	<b>78.5</b>	<b>1 902.5</b>	<b>357.9</b>
<b>Start-Ups</b>							
Services	24.5	5.8	8.5	6.7	6.1	29.8	7.0
Software	865.8	196.9	474.6	164.9	48.1	1,162.2	265.6
Admin	0.6	1.9	0.3	0.0	-0.1	0.5	0.5
<b>Start-Ups revenue</b>	<b>890.9</b>	<b>202.8</b>	<b>483.3</b>	<b>171.6</b>	<b>54.4</b>	<b>1 192.6</b>	<b>273.1</b>
<b>USA</b>							
Services	89.8	29.9	33.6	26.8	22.8	116.8	29.4
Software	87.0	42.2	105.9	39.3	3	254.1	97.7
Admin	2.0	0.2	0.1	0.1	0.6	0.9	0.1
<b>USA revenue</b>	<b>178.8</b>	<b>72.3</b>	<b>139.6</b>	<b>66.3</b>	<b>26.3</b>	<b>371.8</b>	<b>127.1</b>
<b>HQ</b>							
Services	-0.0	0.0	0.0	0.0	0.0	0.0	0.0
Software	10.2	-9.9	9.9	-0.0	-19.7	0.1	0.0
Admin	57.7	15.6	17.8	19.3	32.8	87.7	18.7
<b>HQ revenue</b>	<b>67.9</b>	<b>5.8</b>	<b>27.7</b>	<b>19.3</b>	<b>13.1</b>	<b>87.8</b>	<b>18.7</b>
<b>Group</b>							
Services	694.6	176.2	186.9	155.2	195.5	724.5	200.7
Software	5 376.9	1 184.2	2 247.8	1 109.6	1 025.9	6 631.1	1 682.2
Admin	77.5	21.0	20.4	21.0	37.6	99.4	21.8
Eliminations	-133.8	-22.9	-53.4	-36.1	-10.5	-153.4	-49.0
<b>Group revenue</b>	<b>6 015.2</b>	<b>1 358.5</b>	<b>2 401.7</b>	<b>1 249.7</b>	<b>1 248.6</b>	<b>7 301.7</b>	<b>1 855.7</b>

# Gross profit – Market cluster by business area



NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
<b>Nordic Markets</b>							
Services	386.3	93.8	95.2	82.1	112	383.1	109.8
Software	364.4	78.6	116.4	55.6	122.5	373.1	86.0
Admin	6.9	2.7	0.6	0.4	0.8	4.5	1.2
<b>Nordic Markets gross profit</b>	<b>757.7</b>	<b>175.1</b>	<b>212.2</b>	<b>138.1</b>	<b>235.2</b>	<b>760.6</b>	<b>197.0</b>
<b>Growth Markets</b>							
Services	75.8	18.2	17.5	14.7	20.1	70.5	19.0
Software	99.2	22.2	49.9	18.3	38.7	129.1	31.9
Admin	7.7	1.9	1.1	1.0	0.3	4.3	0.9
<b>Growth Markets gross profit</b>	<b>182.8</b>	<b>42.3</b>	<b>68.5</b>	<b>34.0</b>	<b>59.2</b>	<b>204.0</b>	<b>51.8</b>
<b>Start-Ups</b>							
Services	20.2	5.5	7.2	5.9	7.3	25.9	6.3
Software	50.3	13.3	27.3	17.3	20.7	78.6	19.6
Admin	0.1	0.2	0.3	0.0	0	0.5	0.3
<b>Start-Ups gross profit</b>	<b>70.6</b>	<b>18.9</b>	<b>34.7</b>	<b>23.2</b>	<b>28.2</b>	<b>105.0</b>	<b>26.2</b>
<b>USA</b>							
Services	80.8	27.3	31.2	25.3	25.1	108.9	27.6
Software	20.9	4.7	9.2	4.6	4.7	23.2	6.1
Admin	-1.0	0.2	0.1	0.1	0.5	0.9	0.1
<b>USA gross profit</b>	<b>100.7</b>	<b>32.1</b>	<b>40.5</b>	<b>29.9</b>	<b>30.5</b>	<b>133.0</b>	<b>33.8</b>
<b>HQ</b>							
Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Software	4.8	0.9	-0.8	-0.0	-0.3	-0.2	-0.4
Admin	49.0	12.4	14.4	15.0	21.9	63.7	15.2
<b>HQ gross profit</b>	<b>53.9</b>	<b>13.3</b>	<b>13.6</b>	<b>15.0</b>	<b>21.6</b>	<b>63.5</b>	<b>14.8</b>
<b>Group</b>							
Services	563.2	144.8	151.1	128.0	164.4	588.3	162.7
Software	539.6	119.6	201.9	95.7	186.6	603.8	143.2
Admin	62.8	17.3	16.4	16.5	13.5	63.7	17.6
Eliminations	-37.2	-11.9	-12.9	-12.4	-13	-50.2	-13.3
<b>Group gross profit</b>	<b>1 128.4</b>	<b>269.8</b>	<b>356.6</b>	<b>227.8</b>	<b>361.6</b>	<b>1 215.8</b>	<b>310.2</b>