



Interim presentation Third quarter 2019

Sverre Hurum, CEO

Erik Stubø, CFO

7 November 2019



Bouvet's ambition

We will be the most credible consultancy with the most satisfied employees and clients

Long-term goals



Best workplace



Client-oriented and long-term
relations



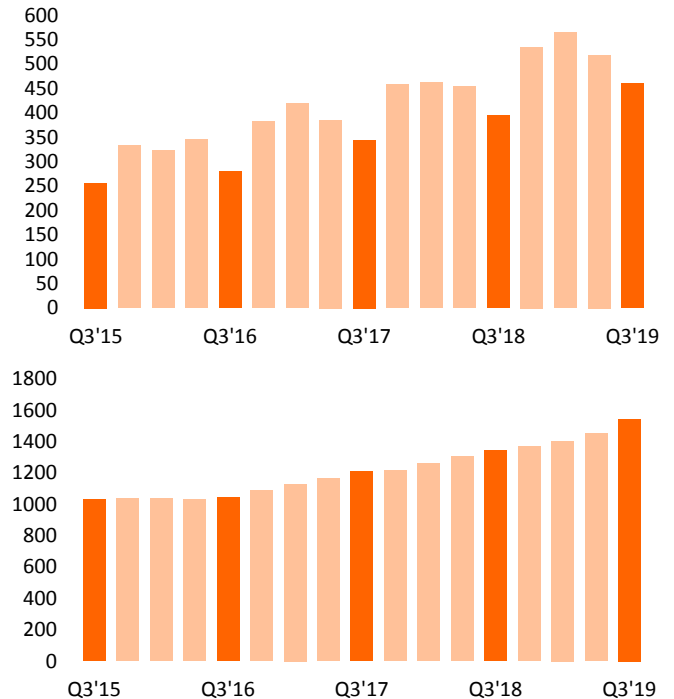
Successful business

Highlights in the quarter

- Revenue and EBIT
 - Operating revenues increased by 16.6 percent to NOK 460.9 million (y-o-y)
 - EBIT increased by 61.9 percent to NOK 32.6 million (y-o-y)

- 1 545 employees
 - Up 90 from Q2'19
 - An increase of 203 in the past 12 months

Revenue and number of employees
MNOK and number

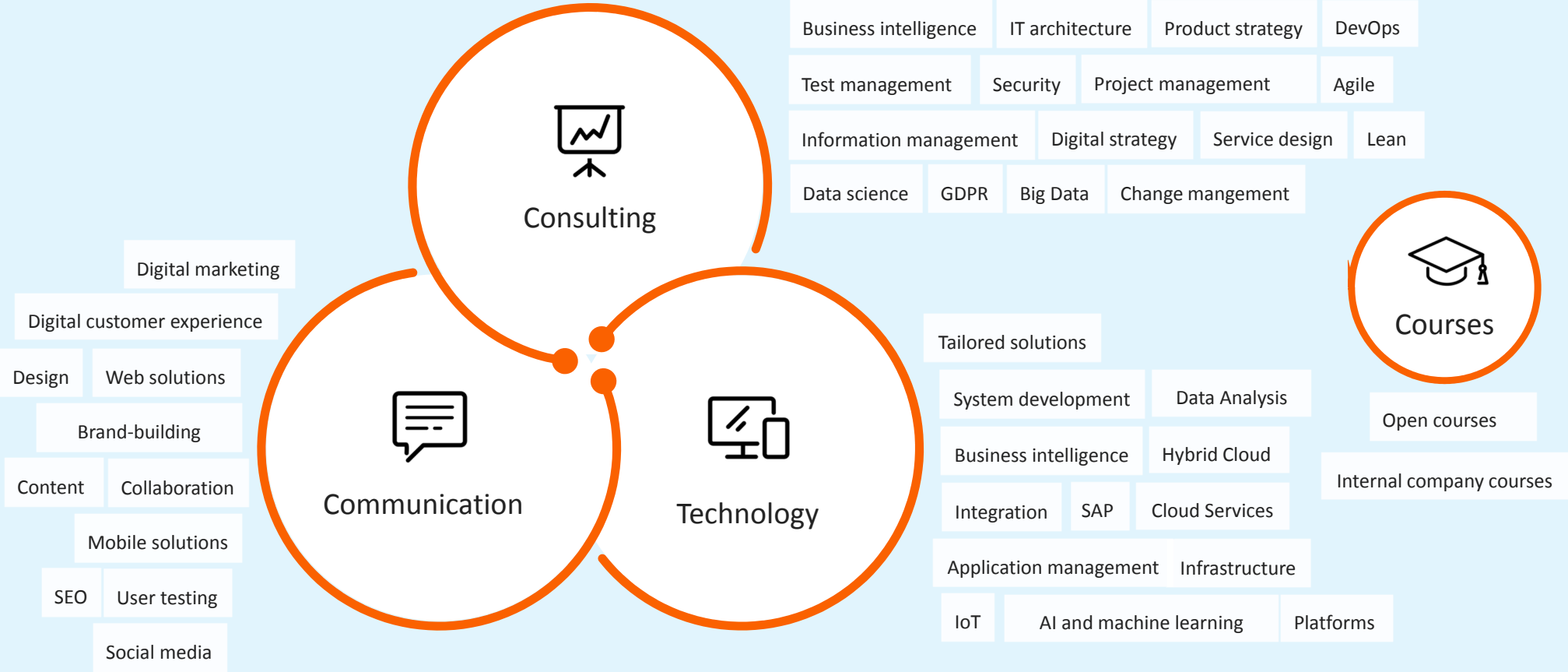




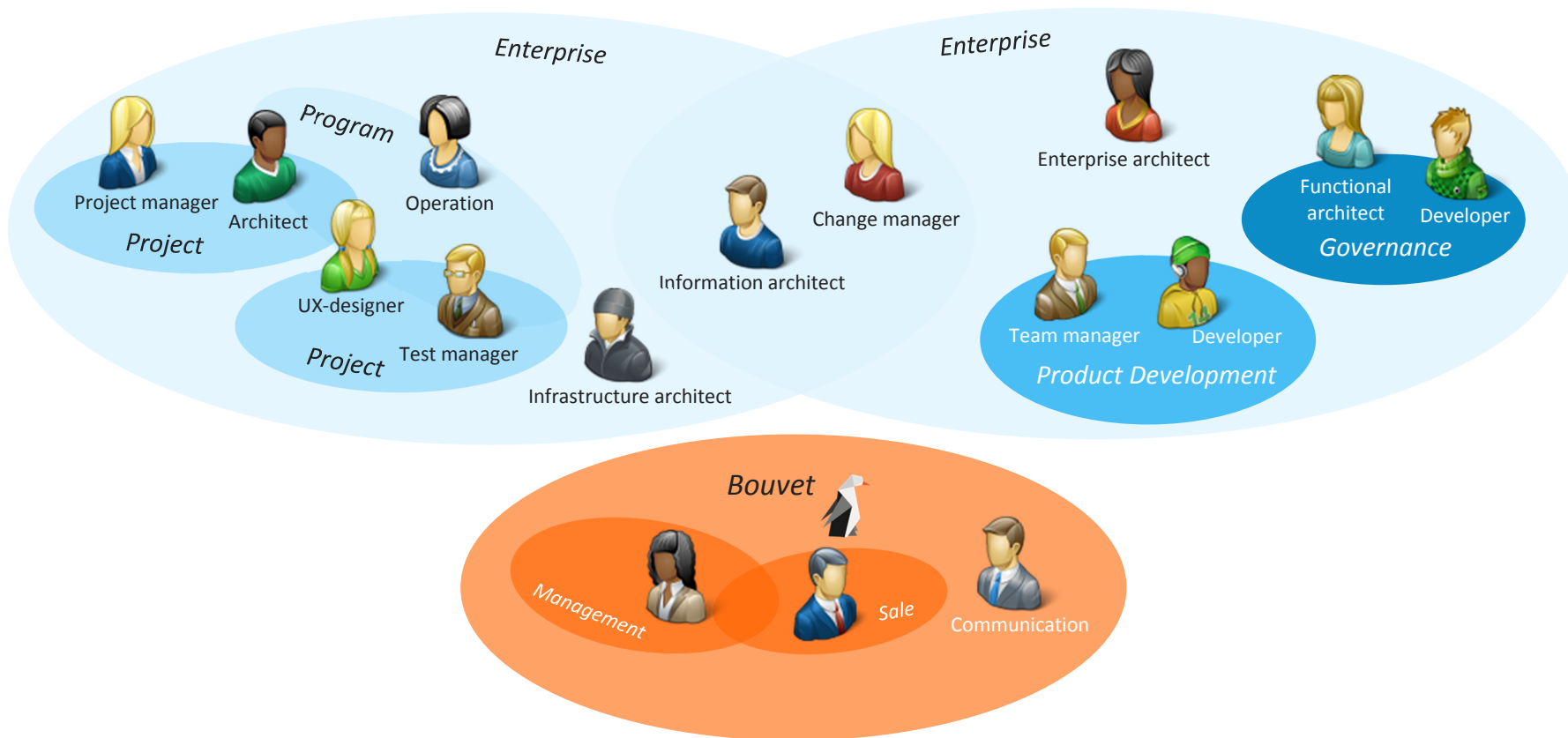
Operational Review



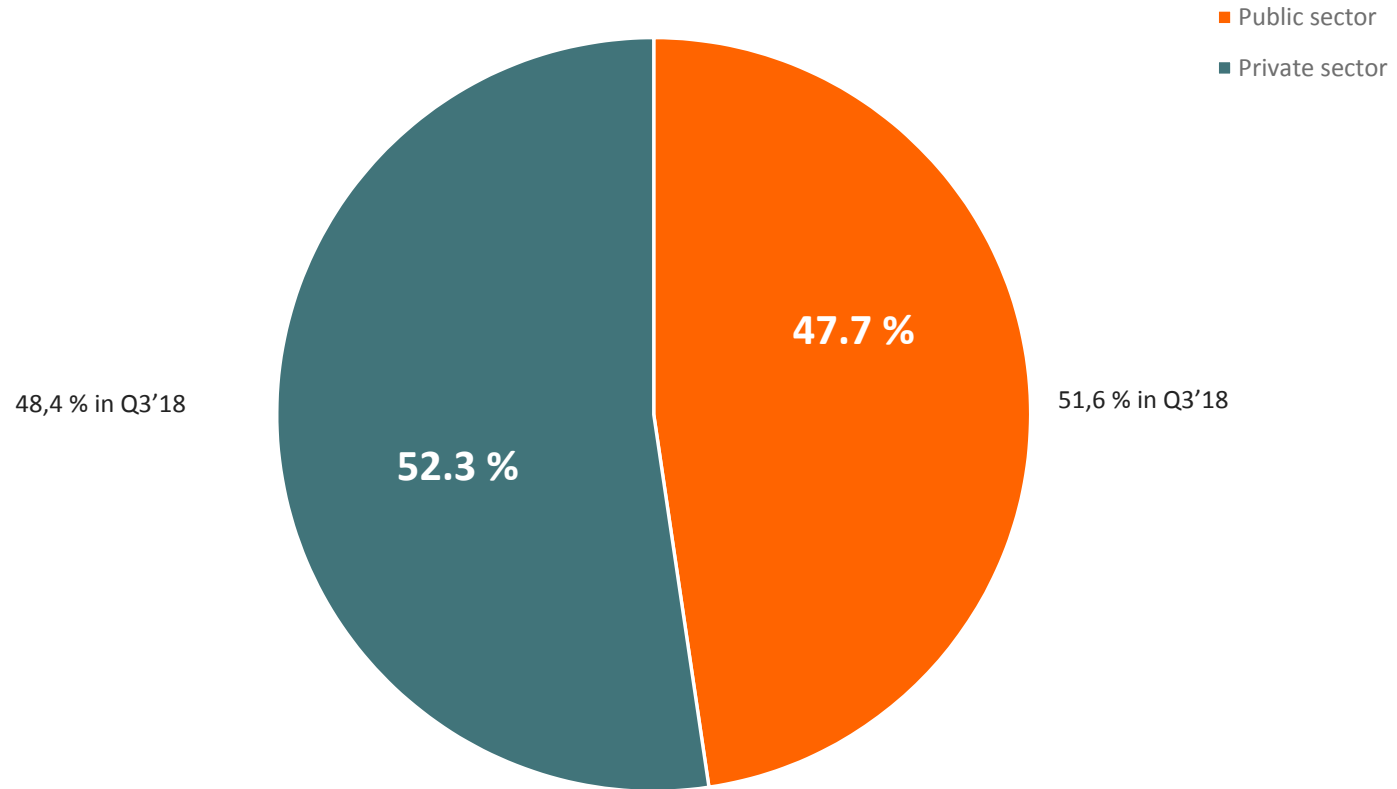
Our services



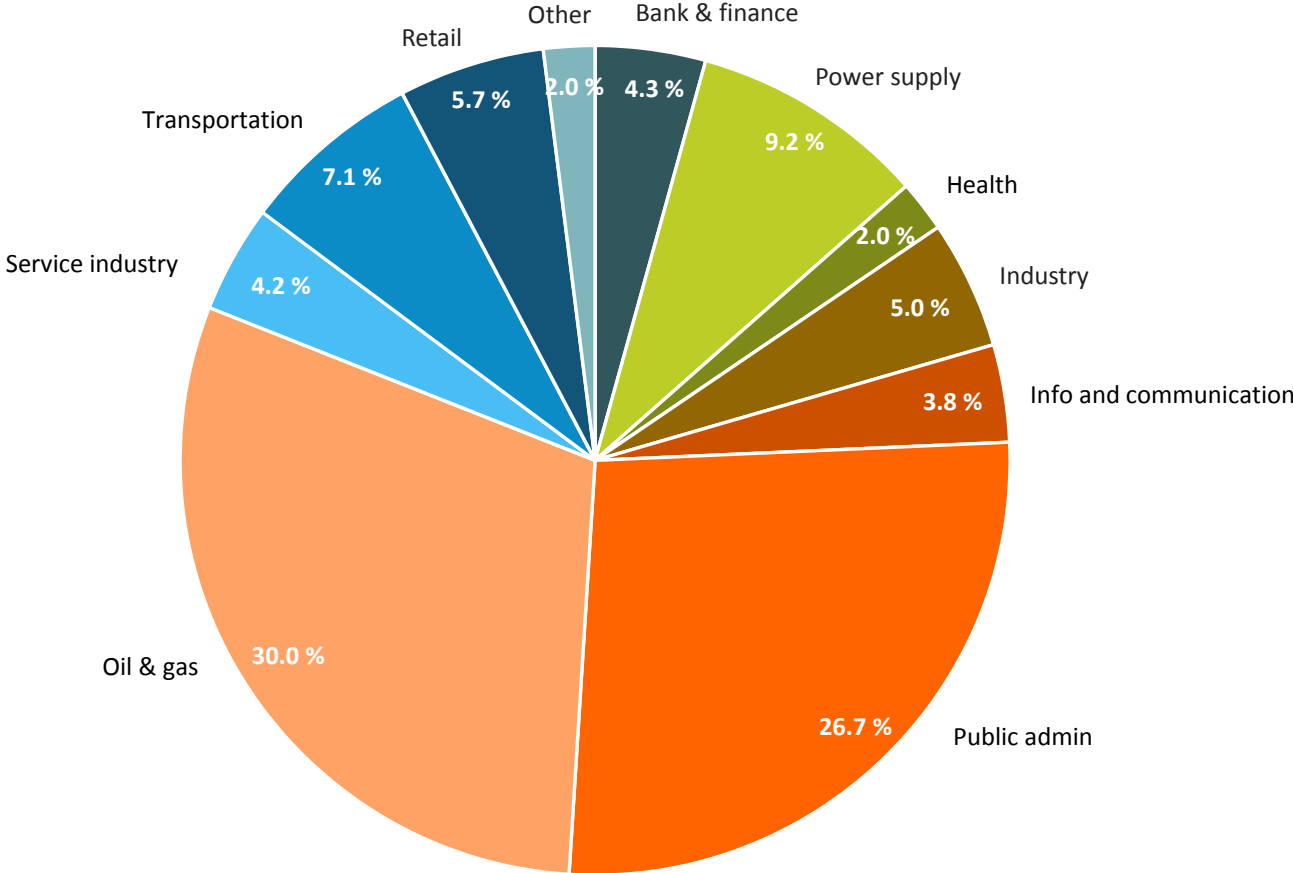
Security has an implication on all our services



Public and private sector



Business sectors Q3 2019



Sectors with high increase in revenue

Oil & gas

- Increased by 34.4 percent (y-o-y)
- Represents 30 percent of total revenues in Q3'19

Public admin

- Increased by 14.5 percent (y-o-y)
- Represents 26.7 percent of total revenues in Q3'19

Industry

- Increased by 28 percent (y-o-y)
- Represents 5 percent of total revenues in Q3'19

Bank & finance

- Increased by 19.4 percent (y-o-y)
- Represents 4.3 percent of total revenues in Q3'19



Innovation at Statsbygg

- Using service design to conduct an innovation competition
- Delivering and implementing an innovation framework



The City of Bergen is going forward to become a Smart City

- The City of Bergen uses data from sensors and cross disciplinary systems to make Bergen a Smart City
- Use of data will be more important to realise the municipality's strategy in the future
- Bouvet's deliveries:
 - Consulting
 - Developing data lake
- Ongoing project



BERGEN
KOMMUNE



Enabling the Digital Field Worker for New Energy Solutions

- Equinor is transforming their field workers to be digital
- Bouvet contribute to:
 - Applying the Digital Field worker apps to New Energy Solutions
 - Enabling Work Orders and Notifications apps for Dudgeon, Hywind and Sheringham Shoal



Full-service agency

- Bouvet has a strong presence in:
 - E-commerce shops
 - Omnichannel solutions
- Customers:
 - Vinmonopolet, Servicegrossistene, Avinor Tax-free and Cappelen Damm
- Bouvet's deliveries as a full-service agency are:
 - Business consulting
 - Setup
 - Programming
 - UX

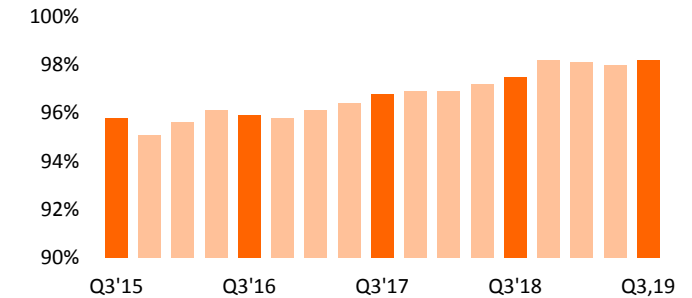


Customer and project mix

- Project mix
 - Variable contracts account for 98.2 percent of total revenues
- Customer portfolio
 - The 10 largest customers represent 41.6 percent of total revenues – up from 38.8 percent in Q3'18
 - The 20 largest customers represent 52.4 percent of total revenues – up from 51.6 percent in Q3'18

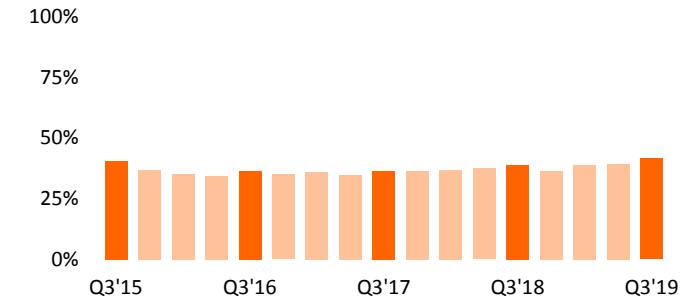
Variably priced contracts share of revenues

Percentage



10 largest customers share of revenues

Percentage



Customer development

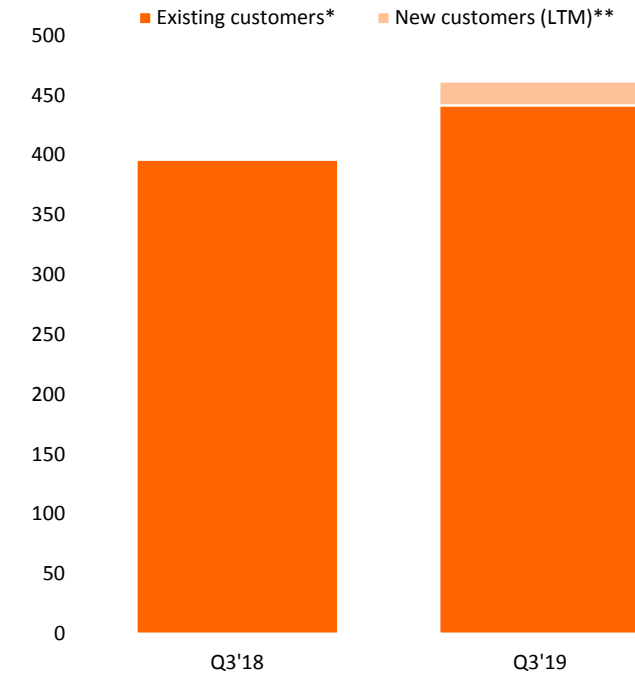
- Existing customers*
 - Accounted for 95.7 percent of revenues in Q3'19
- New customers**
 - Customers won over the past year generated revenues of NOK 19.8 million in Q3'19

* Existing customers defined as customers that were invoiced in the corresponding quarter last year

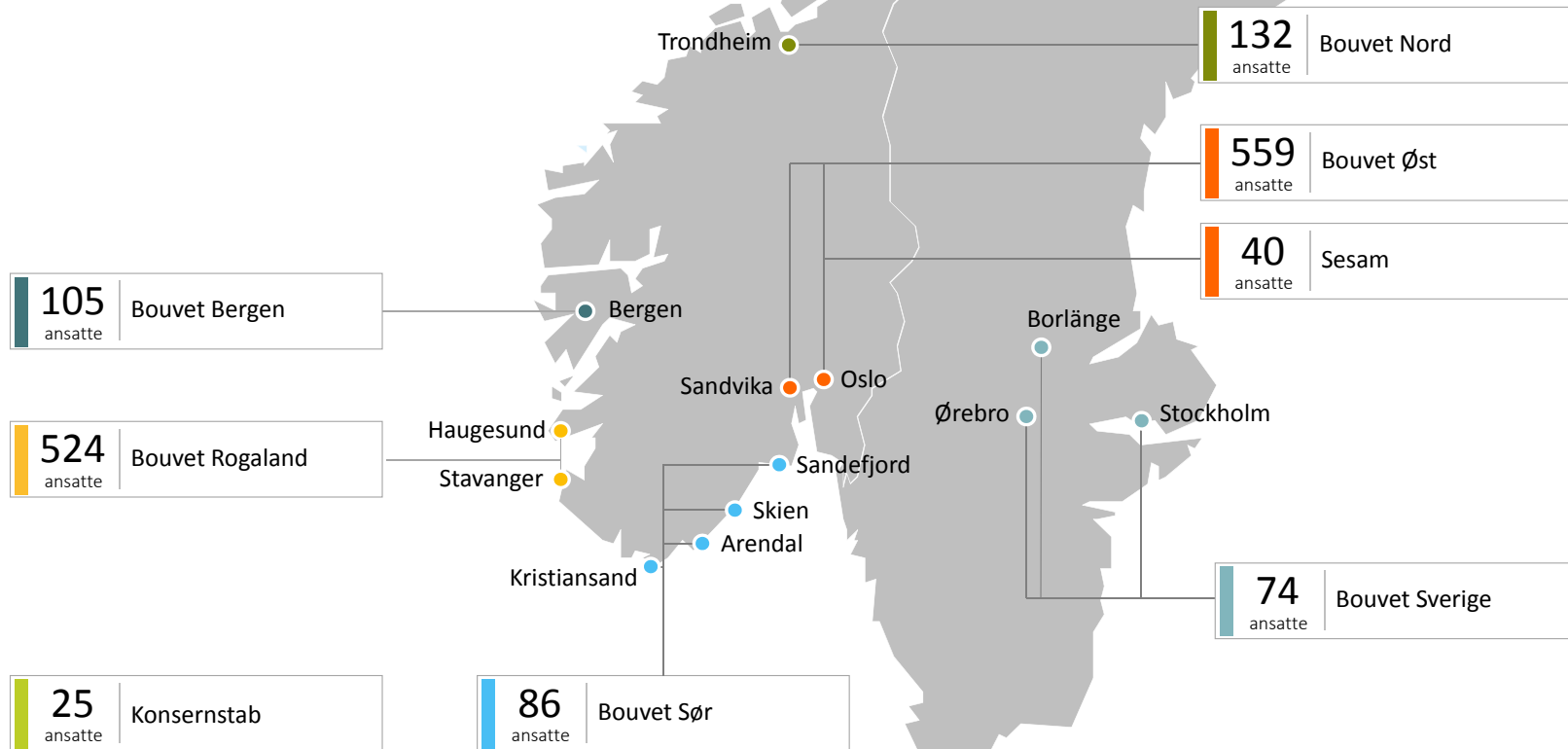
** New customers defined as customers won since end of corresponding quarter last year

Revenue customer split

MNOK



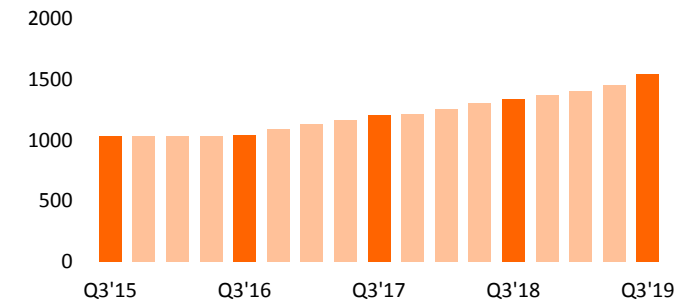
Regional organisation



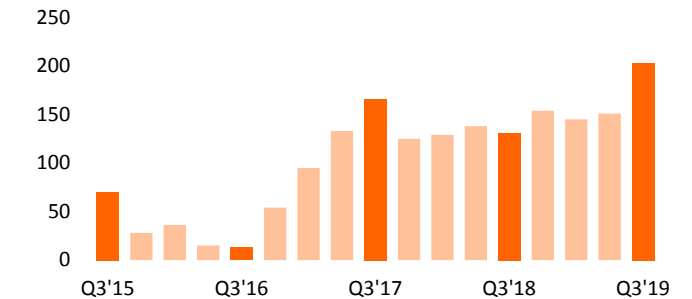
Enthusiastic and competent employees

- 1 545 employees at the end of the quarter
 - Up 90 from Q2'19
 - 203 more employees in the past 12 months
 - Average number of employees in the quarter up 14 percent from Q3'18

Number of employees end of quarter



Annual growth in number of employees





bouvet



Rated as 10th most attractive employer in Norway

Selskap	YPAI	Rykte	Fremgang	Vil jobbe der
1. Google	65,1	63,6	67,4	64,4
2. Tesla	61,4	50,8	70,8	62,5
3. Microsoft	60,8	57,3	59,3	65,7
4. Finn.no	60,4	53,8	67,1	60,4
5. Yara	59,4	55,7	57	65,6
6. SINTEF	58,3	58,9	54,4	61,7
7. Apple	57,8	53,3	60,2	59,8
8. DNB	57,5	55,4	58,8	58,3
9. PwC	57,5	55,4	55,8	61,3
10. Bouvet	57,2	58,8	54,6	58,3



IT-konsulenter

1. Bouvet
2. CISCO
3. Sopra Steria



“Furthermore, I must boast a bit about our onboarding program, both professionally and socially. You receive everything you need in professional terms, at the same time as you get to know both our other new recruits and the rest of the company really well through a number of different events,” says Sharukh Khan.

Source: Young Professional Attraction Index, Academic work



Financial Review



Key figures

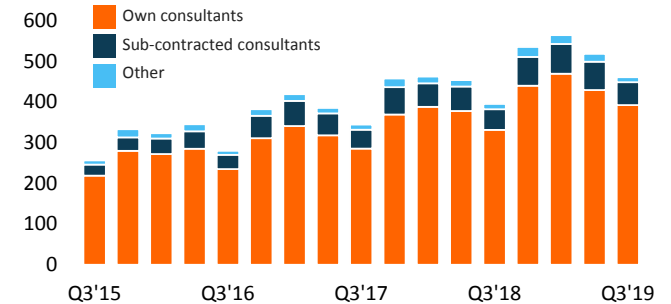
MNOK	Three months ending			Nine months ending			Twelve months ending		
	30.09.2019	30.09.2018	Change	30.09.2019	30.09.2018	Change	30.09.2019	30.09.2018	Change
Operating revenue	460.9	395.4	16.6 %	1 543.5	1 311.3	17.7 %	2 078.9	1 769.7	17.5 %
Operating profit (EBIT)	32.6	20.1	61.9 %	160.7	126.4	27.1 %	225.8	175.5	28.7 %
EBIT margin	7.1 %	5.1 %		10.4 %	9.6 %		10.9 %	9.9 %	
Ordinary profit before tax	33.0	20.2	63.4 %	160.9	125.3	28.4 %	227.2	175.1	29.7 %
Profit for the period	25.7	15.4	66.9 %	125.5	97.0	29.5 %	179.1	136.6	31.1 %
EPS (fully diluted)	2.49	1.51	64.7 %	12.15	9.45	28.5 %	17.35	13.32	30.2 %
Net cash flow operations	10.8	-14.1	N/A	47.3	3.0	N/A	263.2	161.6	62.9 %
Equity ratio	27.5 %	35.0 %		27.5 %	35.0 %		27.5 %	35.0 %	
Cash and cash equivalents	133.2	63.4	109.9 %	133.2	63.4	109.9 %	133.2	63.4	109.9 %
Number of employees (end of period)	1 545	1 342	15.1 %	1 545	1 342	15.1 %	1 545	1 342	15.1 %
Number of employees (average)	1 513	1 328	14.0 %	1 449	1 286	12.6 %	1 427	1 271	12.3 %

Revenue

- Revenues increased by 16.6 percent y-o-y
 - Revenues from own consultants increased by 18.5 percent to NOK 392.6 million
 - Revenues from sub-contracted consultants increased by 10.1 percent to NOK 55.9 million
 - Other revenues decreased by 7.1 percent to NOK 12.3 million

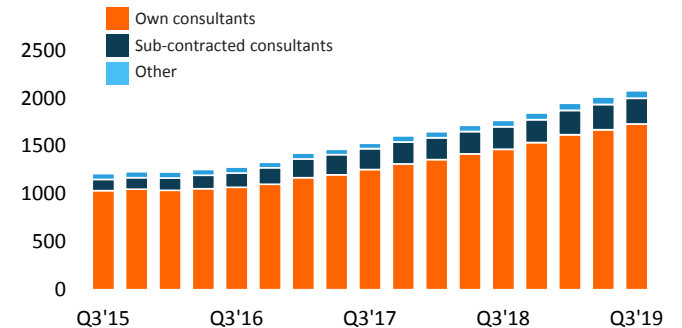
Revenue split (quarterly figures)

MNOK



Revenue split (12 months rolling average)

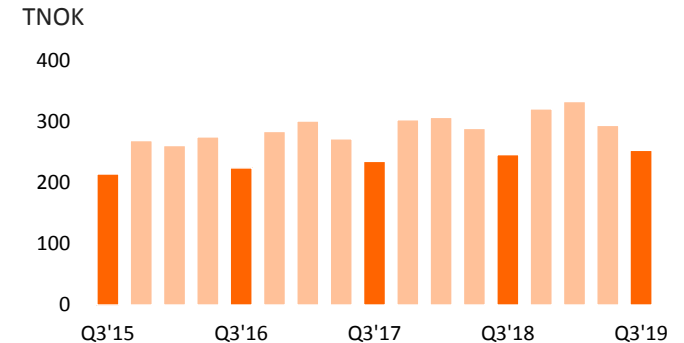
MNOK



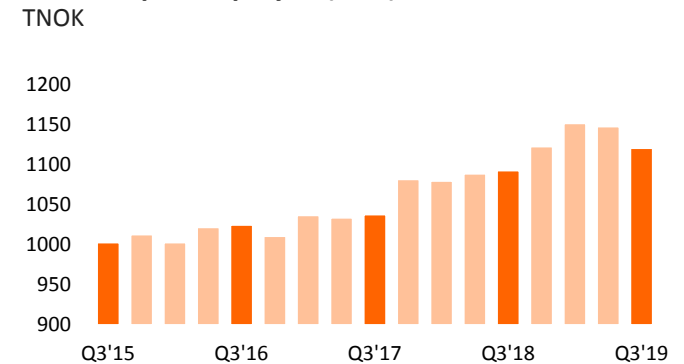
Revenues from own consultants

- Increased 18.5 percent y-o-y
 - Positive impact from 14 percent increase in average number of employees
 - Positive impact from 4.6 percent increase in prices for group hourly services
 - Negative impact from decrease in billing ratio by 2.3 percentage points
 - 66 workdays in Q3'19 – one more than Q3'18

Revenue per employee (quarterly figures)

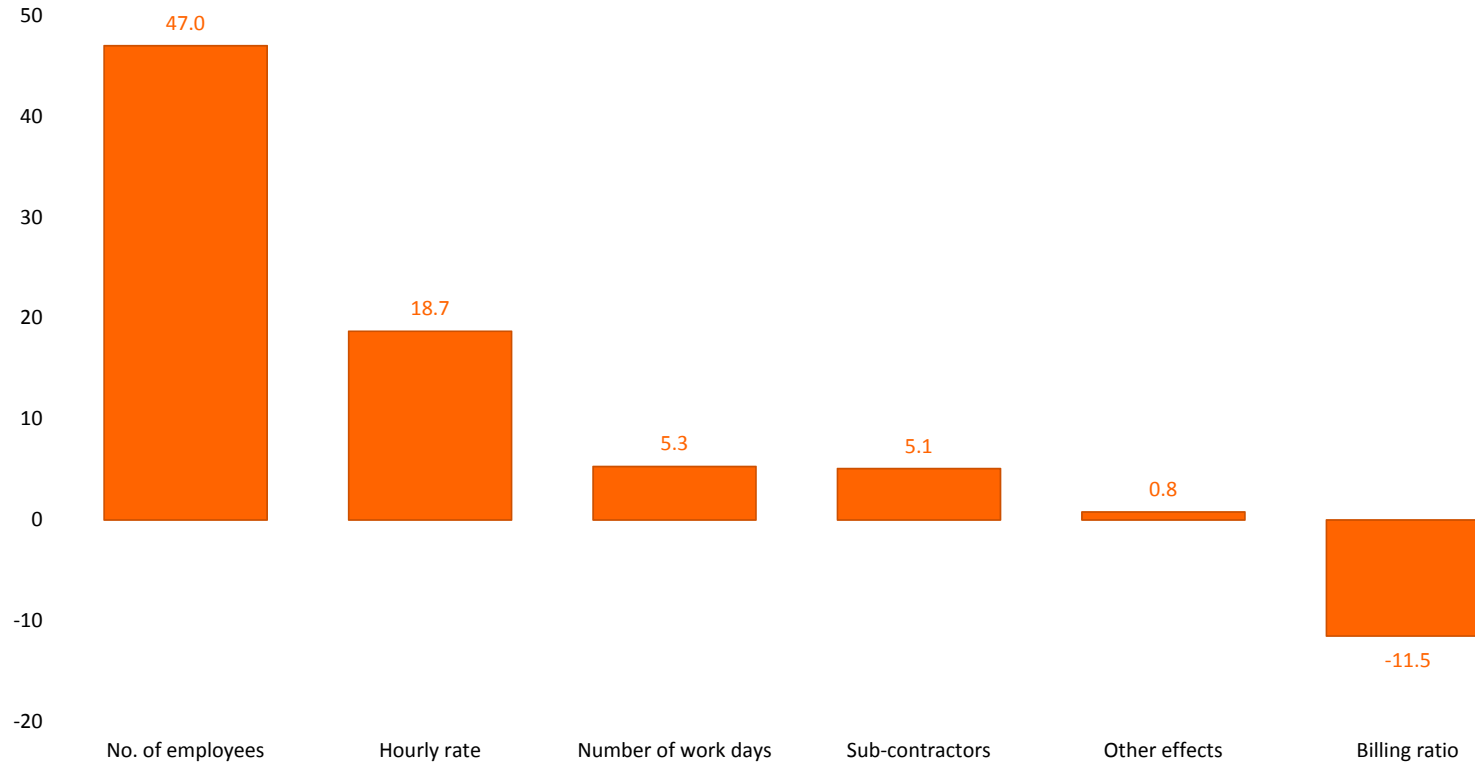


Revenue per employee (LTM)



Analysis of change in revenues y-o-y

Revenue
MNOK

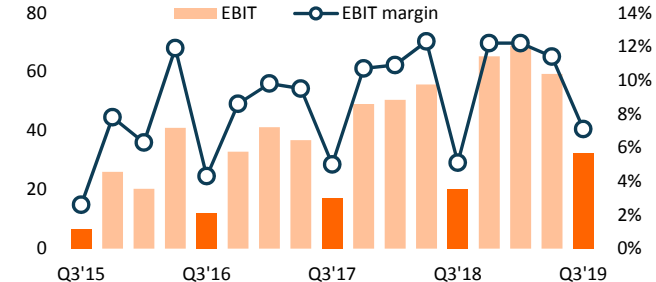


Earnings

- Operating profit (EBIT) increased by 61.9 percent to NOK 32.6 million
- EBIT margin of 7.1 percent compared to 5.1 percent in Q3'18
- Operating expenses increased by 14.1 percent y-o-y
- General growth in pay rate 2.5 percent y-o-y

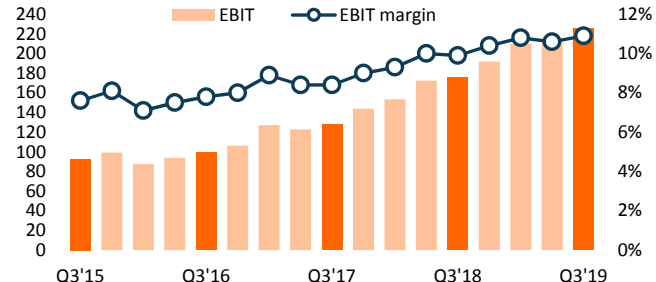
EBIT and EBIT margin

MNOK and Percent



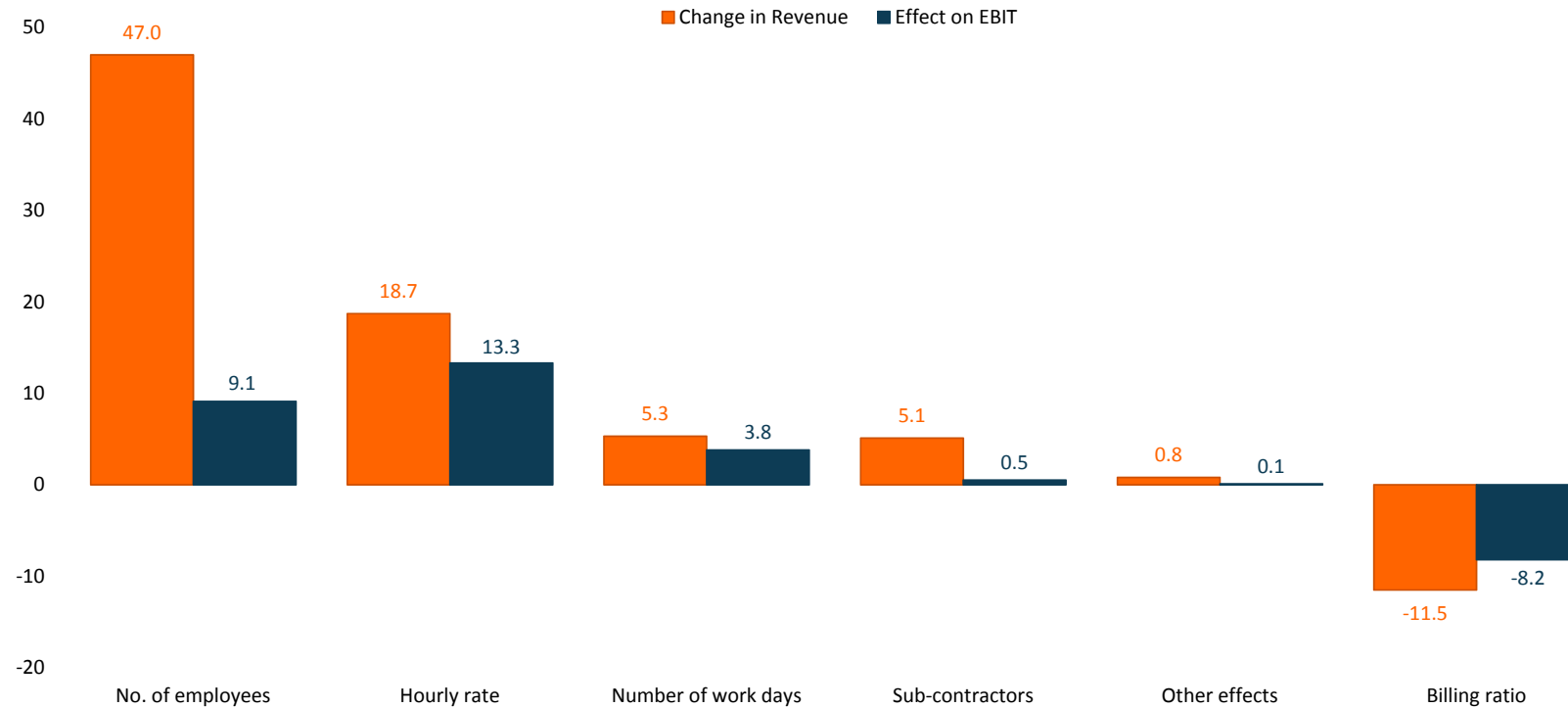
EBIT and EBIT margin (LTM)

MNOK and Percent



Change in revenues – effect on EBIT

Revenue
MNOK

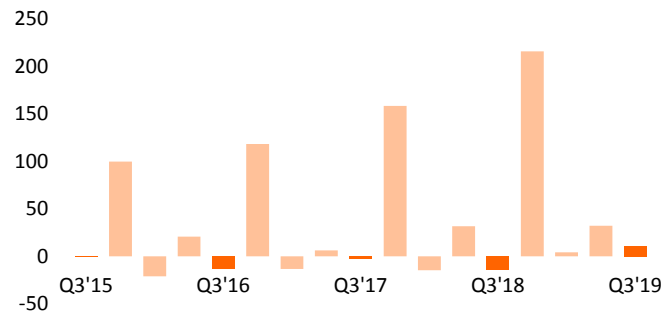


Cash flow

- Cash flow from operations
 - NOK 10.8 million in Q3'19 compared to NOK -14.1 million in Q3'18
- Last 12 months
 - Operational cash flow over the last 12 months was NOK 263.2 million
- Cash flow from investing activities
 - Negative NOK 6.6 million compared to negative NOK 10.1 million in Q3'18

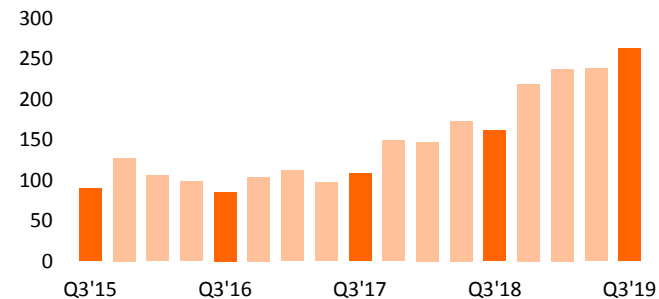
Cash flow from operations (per quarter)

MNOK



Cash flow from operations (LTM)

MNOK





Outlook



Outlook

- Still good market
- Global uncertainty
- Increased demand for cross-functional teams
- Increased demand for service design, platform, security and cloud competence
- Many new graduates onboarded in Q3



Shareholders as of 07.11.2019

Shareholders	Number of shares	% of total
VARNER KAPITAL AS	1 070 000	10,44 %
Virtus KAR International Small-Cap	1 035 170	10,10 %
STENSHAGEN INVEST AS	736 699	7,19 %
VERDIPAPIRFONDET NORDEA AVKASTNING	526 883	5,14 %
SVERRE HURUM	491 779	4,80 %
VEVLEN GÅRD AS	453 502	4,42 %
MP PENSJON PK	440 082	4,29 %
ERIK STUBØ	238 279	2,32 %
UBS Switzerland AG	203 500	1,99 %
VERDIPAPIRFONDET NORDEA KAPITAL	176 340	1,72 %
STOREBRAND NORGE I VERDIPAPIRFOND	163 826	1,60 %
TELENOR PENSJONSKASSE	140 000	1,37 %
State Street Bank and Trust Comp	136 006	1,33 %
ANDERS VOLLE	116 151	1,13 %
DYVI INVEST AS	99 787	0,97 %
VERDIPAPIRFONDET NORDEA NORGE PLUS	83 243	0,81 %
EMPLOYEES RETIR SYSTEM OF TEXAS	82 400	0,80 %
NILS-HÅKAN RADIG	75 172	0,73 %
PAUL HALLAN SVENDSEN	69 620	0,68 %
SIX SIS AG	68 265	0,67 %
Number of shares held by the 20 largest shareholders	6 406 704	62,50 %