

# Interim presentation

# Third quarter 2015

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*Sverre Hurum. CEO*

*Erik Stubø. CFO*

*5 November 2015*

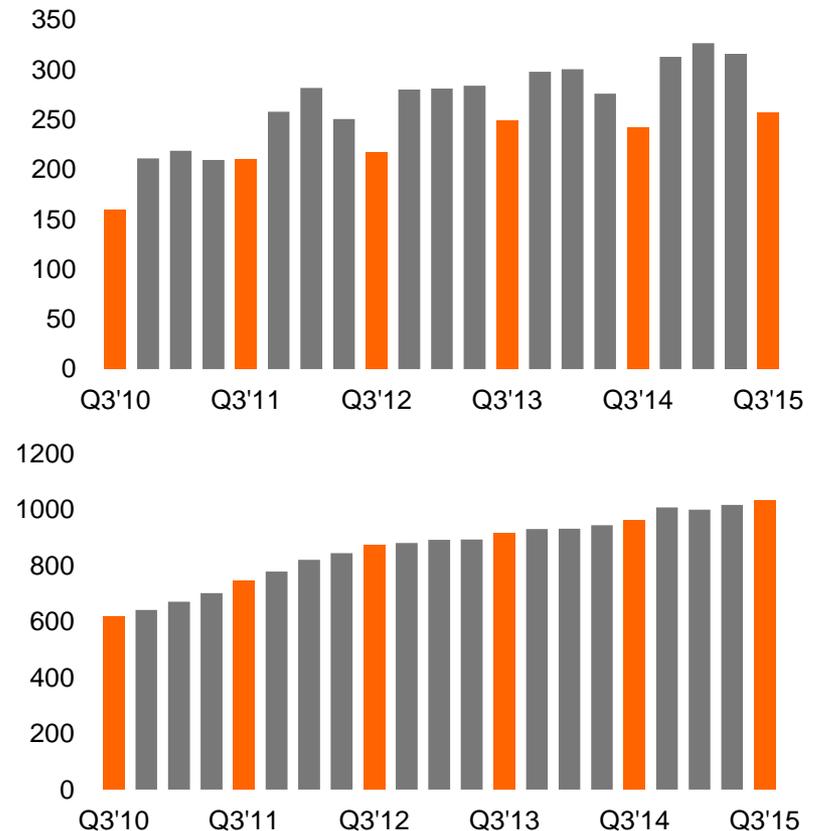


# Highlights in the quarter

- Revenues and EBIT
  - Operating revenues increased by 6.0 percent to NOK 256.8 million (y-o-y)
  - EBIT decreased by 27.8 percent to NOK 6.6 million (y-o-y)
- 1032 employees
  - An increase of 14 in the quarter
  - An increase of 70 in the past 12 months
- Digitalisation led to more clients choosing Bouvet as a turnkey provider

## Revenues and number of employees

MNOK and number



# Operational Review

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# Efficient app saves millions of NOK

- Efficient time registration app for public employees
- 40 000 employees will save one minute per day
- Saves NOK 50–100 million by reduction in FTEs
- Developed by Bouvet



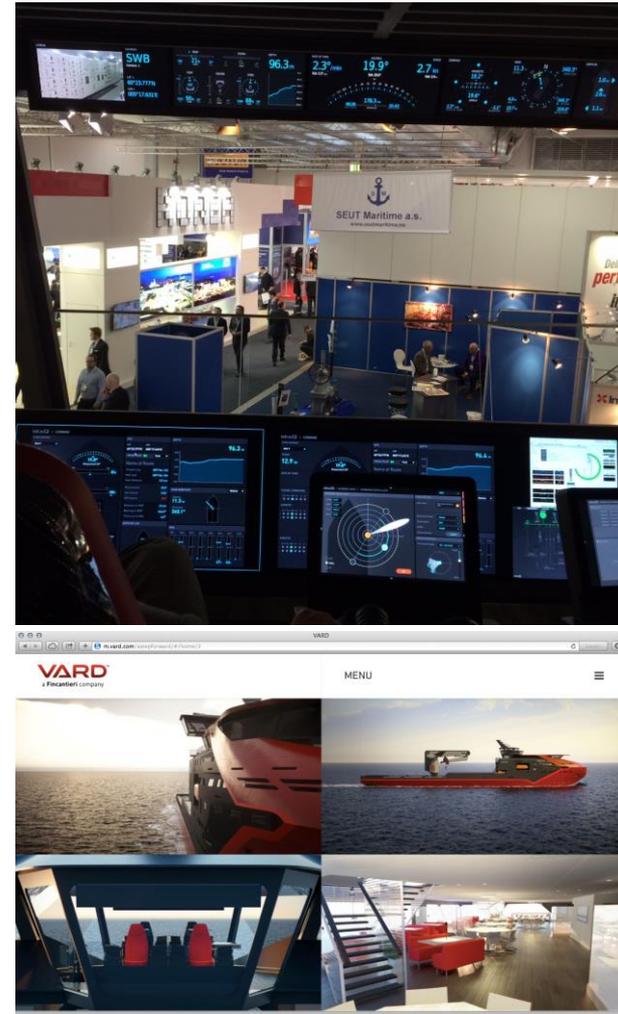
Stavanger Aftenblad 24.9.2015



Dagens Næringsliv 24.9.2015

# New user interface improves usability

- An interactive and innovative bridge system for VARD's concept ship
- The user interface is designed to improve usability
- Developed by Montaag, an international design agency, in collaboration with Bouvet's expertise on web technology



# Long-term relationship gives results

- Efficient relationship since 2010
- Bouvet has signed frame agreement for four new years
- Bouvet is a turnkey provider and is delivering services from all areas of expertise

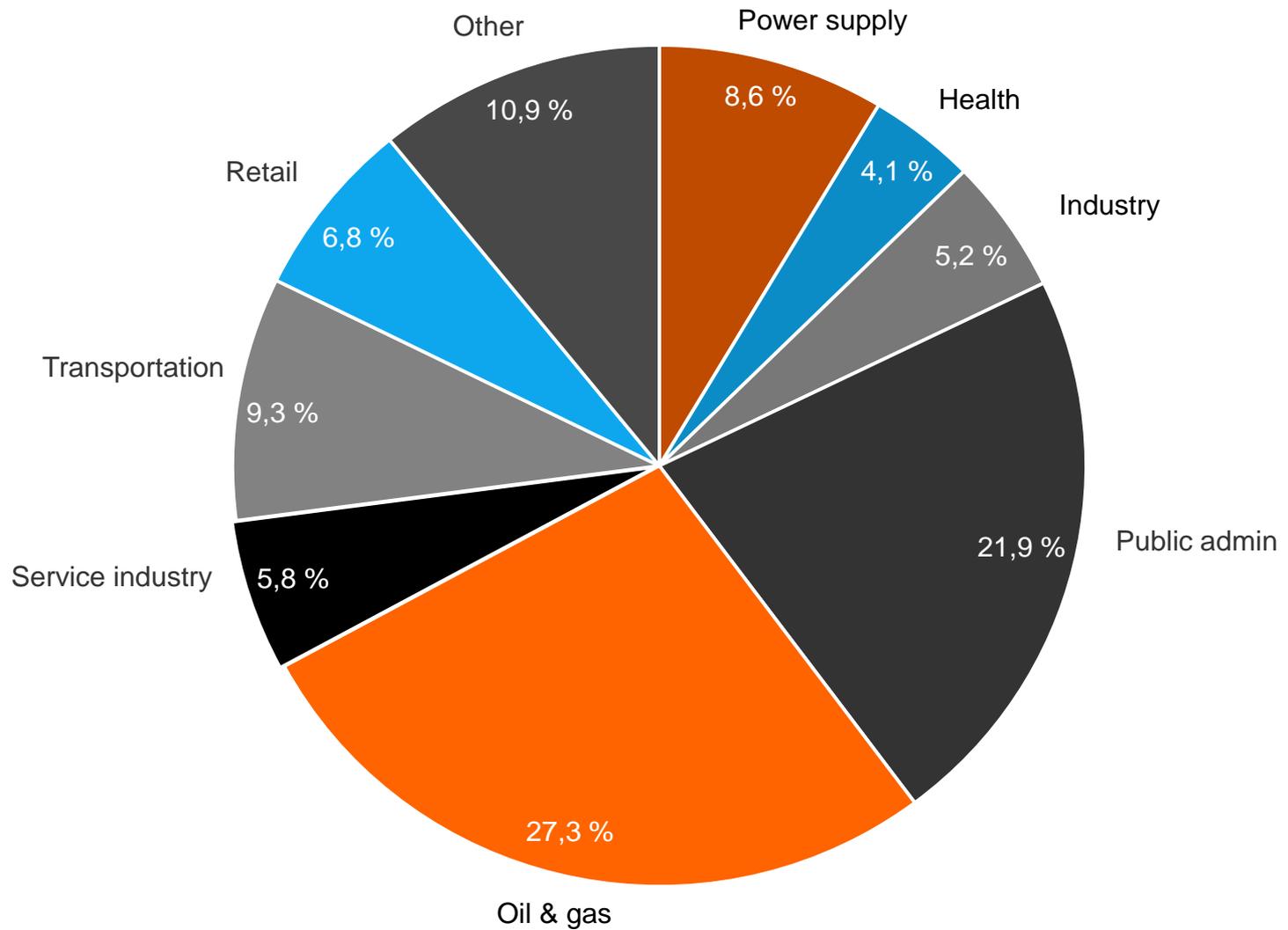


# Increased dissemination of information

- Bouvet is supporting the municipality of Upplands Väsby in developing Digital Annual Report.
  - Aim to increase transparency and participation between the municipality and the citizens
  - Available on all devices including mobile



# Business sectors Q3 2015



# Sectors with high increase in revenue

- Health
  - Increased by 41.5 percent (y-o-y)
  - Represents 4.1 percent of total revenue in Q3'15
- Transportation
  - Increased by 13.5 percent (y-o-y)
  - Represents 9.3 percent of total revenue in Q3'15



# Customer and project mix

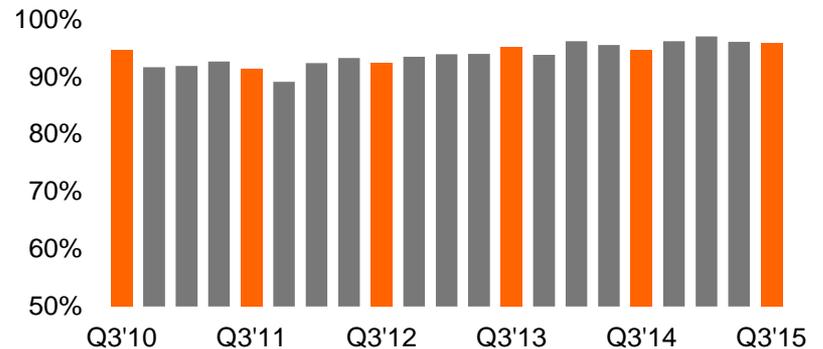
- Project mix

- Variable contracts account for 95.8 percent of total revenues

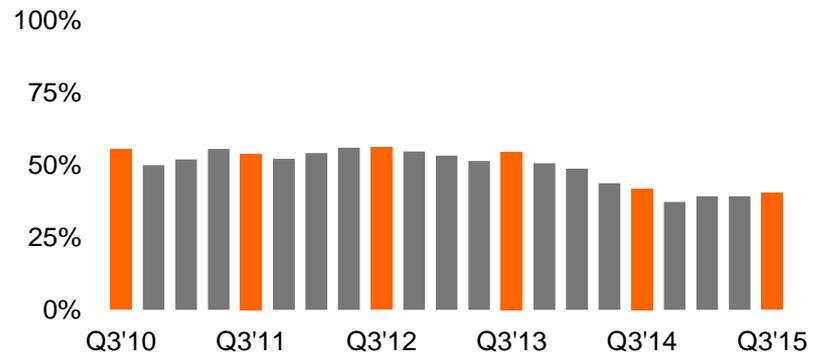
- Client portfolio

- The 10 largest customers represent 40.4 percent of total revenues – down from 42.0 percent in Q3'14
- The 20 largest customers represent 52.6 percent of total revenues – down from 55.9 percent in Q3'14

**Variably priced contracts share of revenues**  
Percentage



**10 largest customers share of revenues**  
Percentage



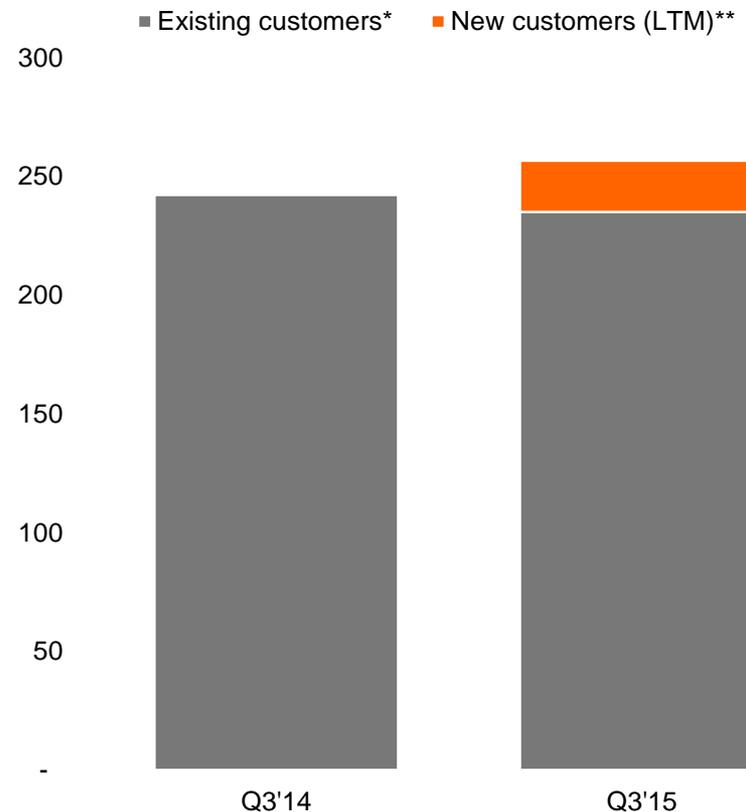
# Client development

- Existing clients\*
  - Accounted for 91.5 percent of revenues in Q3'15
- New customers\*\*
  - Customer won over the past year generated revenues of NOK 21.7 million in Q3'15

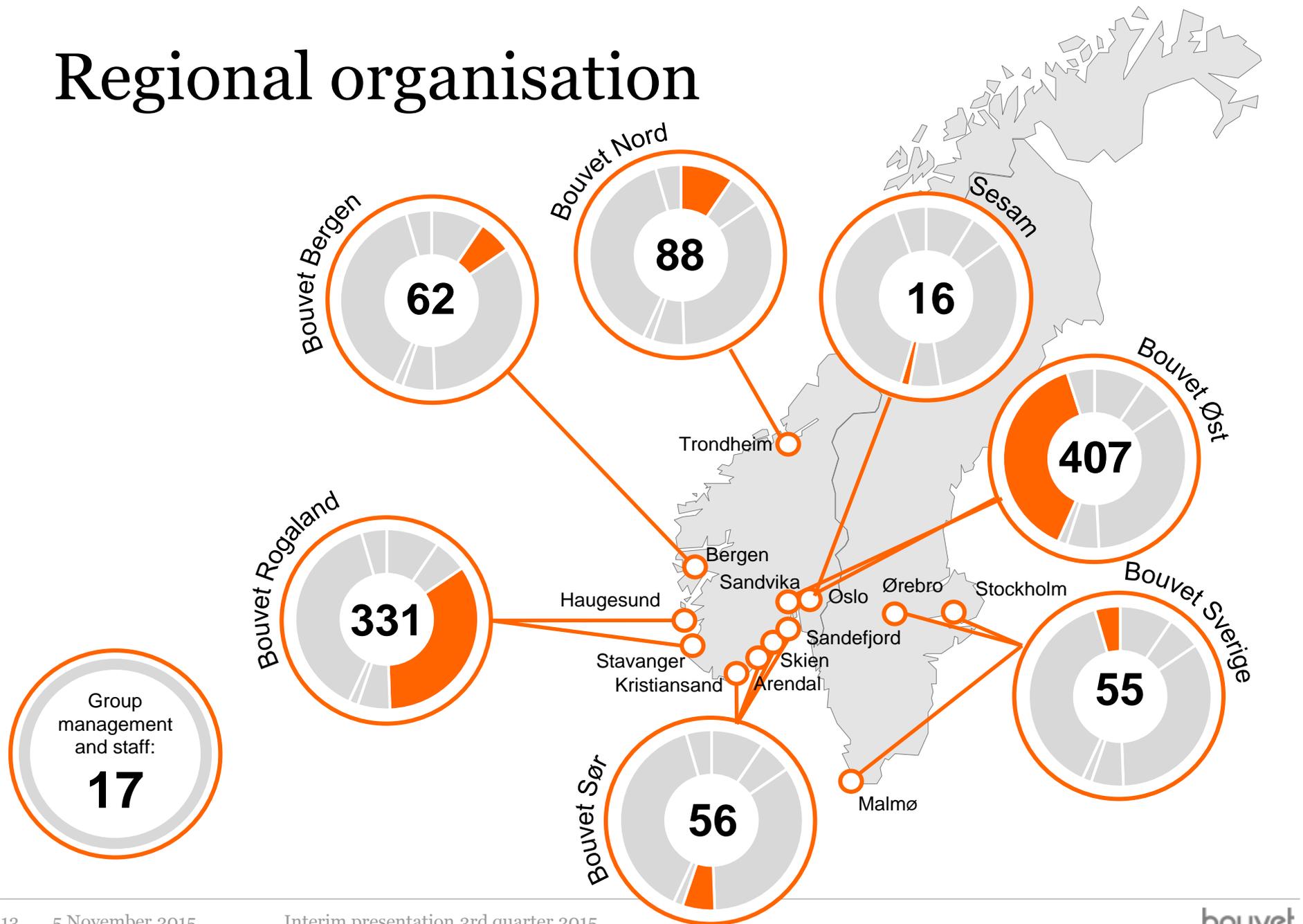
\* Existing customers defined as customers that were invoiced in the corresponding quarter last year

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

Revenues customer split  
MNOK



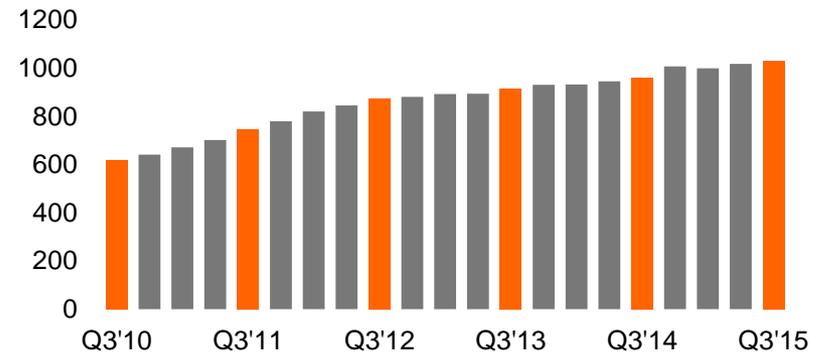
# Regional organisation



# Enthusiastic and competent employees

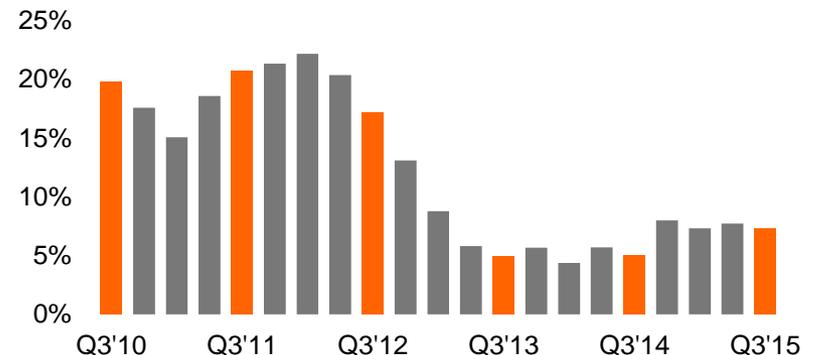
- 1 032 employees at the end of the third quarter
  - 14 new employees in Q3'15
  - 70 more employees in the past 12 months
  - Average number of employees in the quarter up 7.0 percent from Q3'14

Number of employees end of quarter



Annual growth in number of employees

Percentage



# Financial Review

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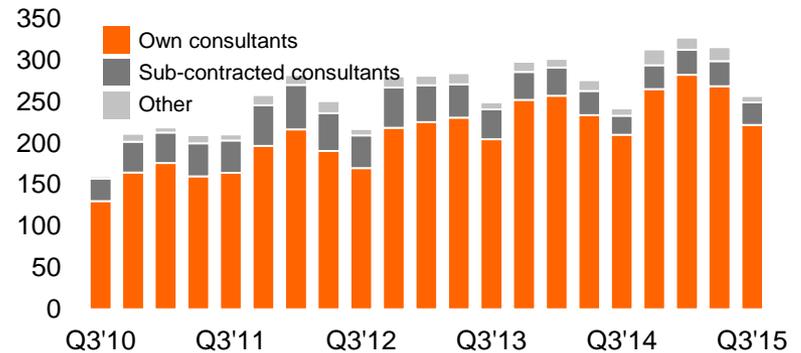
# Key figures

MNOK	Three months ending			Twelve months ending		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
<b>Operating revenue</b>	256.8	242.3	6.0 %	1 212.7	1 117.7	8.5 %
Operating profit (EBIT)	6.6	9.2	-27.8 %	92.6	87.1	6.3 %
EBIT margin	2.6 %	3.8 %		7.6 %	7.8 %	
Ordinary profit before tax	7.0	9.4	-25.3 %	95.2	89.1	6.9 %
<b>Profit for the period</b>	4.3	6.6	-34.7 %	67.8	63.3	7.0 %
EPS (fully diluted)	0.40	0.61	-34.4 %	6.55	6.13	6.9 %
Net cash flow operations	-0.8	-14.0	N/A	89.7	83.5	7.4 %
Equity ratio	36.8 %	38.0 %		36.8 %	38.0 %	
Cash and cash equivalents	70.2	79.1	-11.3 %	70.2	79.1	-11.3 %
Number of employees (end of period)	1 032	962	7.3 %	1 032	962	7.3 %
Number of employees (average)	1 020	954	7.0 %	1 007	940	7.2 %

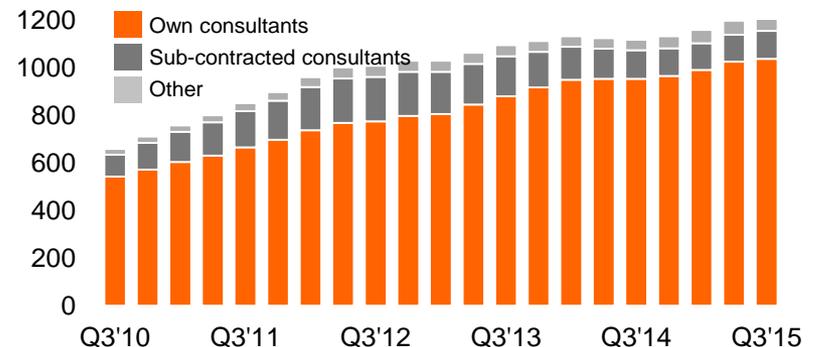
# Top line growth

- Revenues increased by 6.0 percent y-o-y
  - Revenues from own consultants increased by 5.5 percent to NOK 222.0 million
  - Revenues from sub-contracted consultants increased by 18.9 percent to NOK 27.2 million
  - Other revenues decreased by 15.6 percent to NOK 7.5 million

**Revenue split (quarterly figures)**  
MNOK



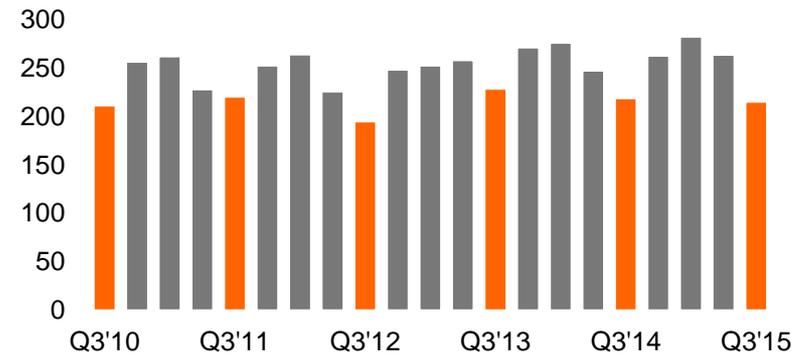
**Revenue split (12 months rolling average)**  
MNOK



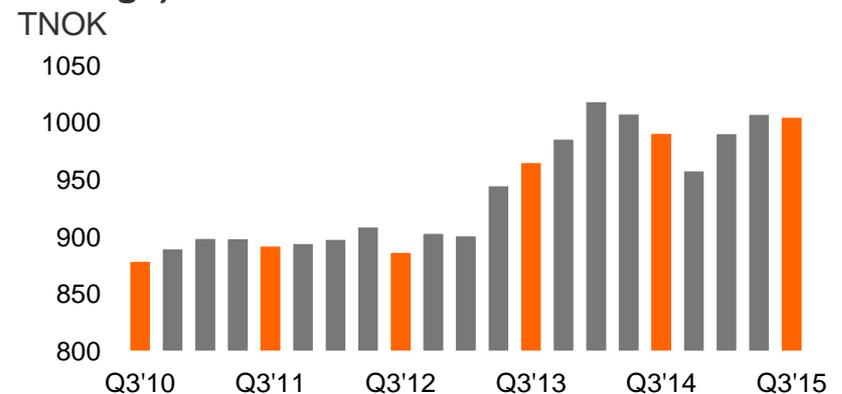
# Revenue from own consultants

- Increased by 5.5 percent y-o-y
- Positive impact from 7.0 percent increase in employees.
- Positive impact from 0.9 percent increase in prices for group hourly services
- Negative impact from decline in billing ratio by 0.8 percentage points
- Negative impact from 2.2 percent increase in vacation time
- Positive effect from higher efficiency in customer projects

Revenue per employee (quarterly figures)  
TNOK



Revenue per employee (12 months rolling average)  
TNOK

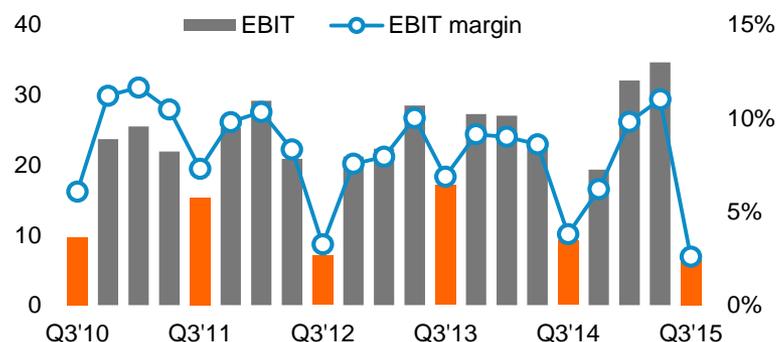


# Earnings

- Operating profit decreased y-o-y in Q3'15
  - EBIT margin of 2.6 percent compared to 3.8 percent in Q3'14
- Operating expenses increased by 7.3 percent compared to Q3'14
- General growth in pay rate 1.8 percent y-o-y
- Other operating expenses increased 2.1 percent
- 66 workdays in Q3'15 – equivalent to Q3'14

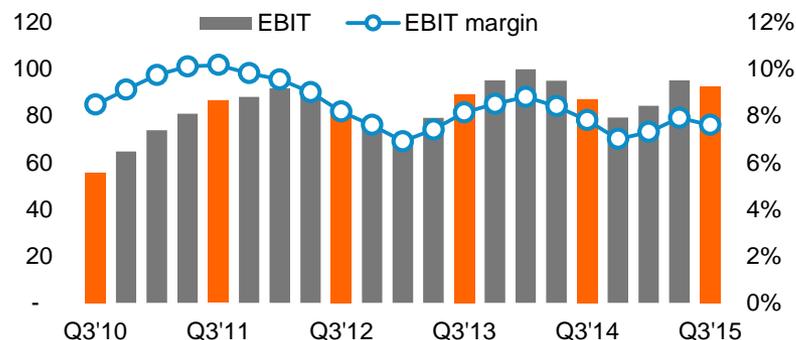
## EBIT and EBIT margin

MNOK and Percent



## EBIT and EBIT margin (12 months rolling)

MNOK and Percent

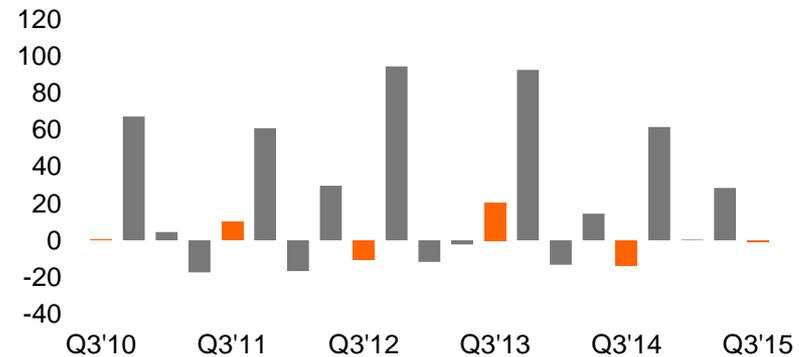


# Cash flow

- Cash flow from operations
  - Negative NOK 0.8 million in Q3'15, up from NOK negative 14.0 million in Q3'14
- Rolling 12 months
  - Operational cash flow over the last 12 months was NOK 89.7 million
- Cash flow from investing activities
  - Negative NOK 3.0 million compared to negative NOK 4.1 million in Q3'14

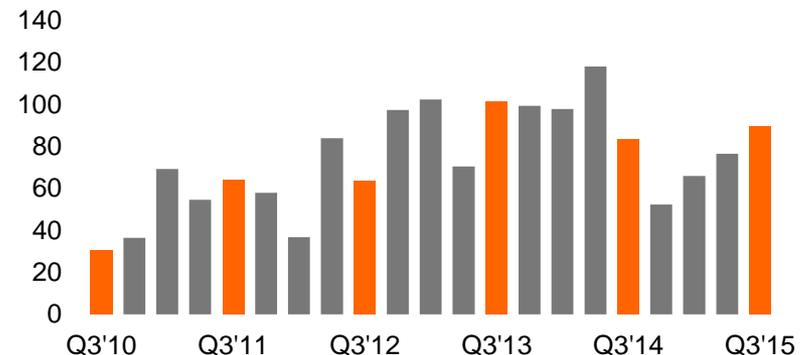
Cash flow from operations (per quarter)

MNOK



Cash flow from operations (LTM)

MNOK



# Outlook

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# Outlook

- Tough competition continues
- Potential for further growth in many industries
- Digitalisation continues in a high pace



# Shareholders as of 04.11.2015

Investor	Number of shares	% of total
STENSHAGEN INVEST AS	1 108 402	10,81
VARNER KAPITAL AS	1 070 000	10,44
MP PENSJON PK	669 904	6,54
HURUM SVERRE FINN	506 584	4,94
SIX SIS AG	400 000	3,90
PROTECTOR FORSIKRING ASA	400 000	3,90
VEVLEN GÅRD AS	400 000	3,90
VERDIPAPIRFONDET KLP	315 313	3,08
J.P. MORGAN CHASE BANK N.A. LONDON	256 945	2,51
STUBØ ERIK	236 084	2,30
KOMMUNAL LANDSPENSJOSONSKASSE	222 569	2,17
VERDIPAPIRFONDET EIKA NORGE	213 952	2,09
STOREBRAND NORGE I	209 506	2,04
DYVI INVEST AS	200 000	1,95
TELENOR PENSJONSKASSE	186 800	1,82
BOUVET ASA	179 576	1,75
STOREBRAND VEKST	163 200	1,59
VERDIPAPIRFONDET STOREBRAND OPTIMA	135 278	1,32
VOLLE ANDERS	125 908	1,23
AAT INVEST AS	121 000	1,18
Number of shares held by the 20 largest shareholders	7 121 021	69,46