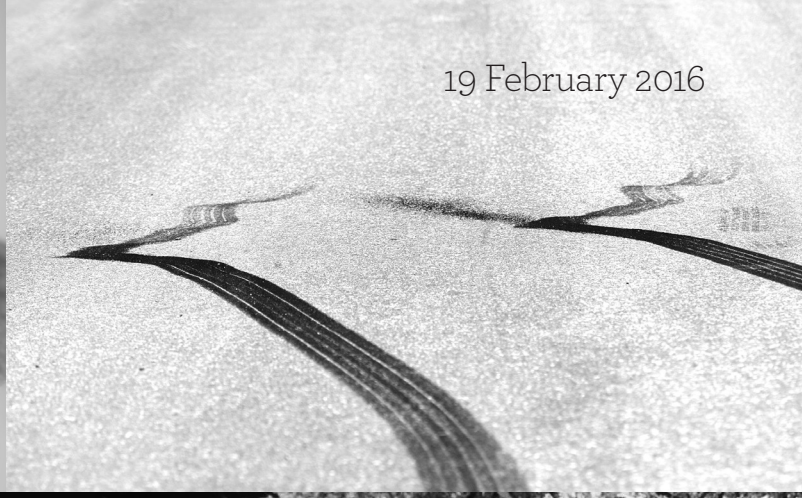
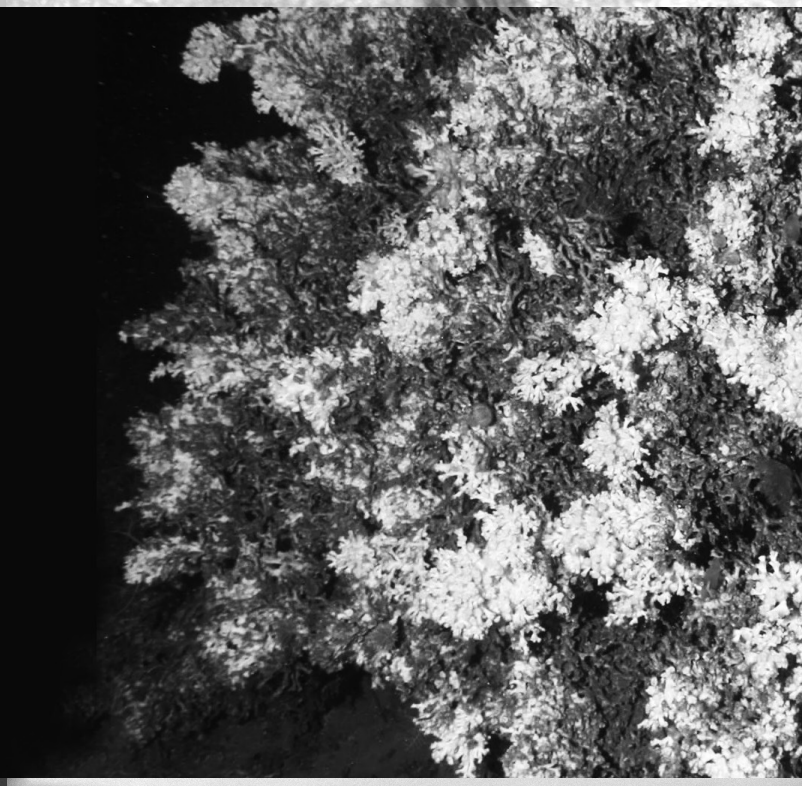


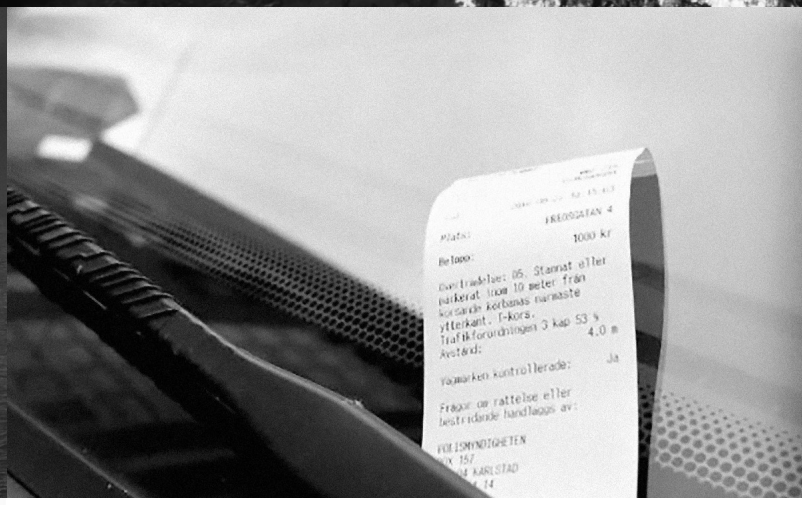
19 February 2016

QUARTERLY REPORT

Q415

bouvet





About Bouvet

Bouvet delivers services related to information technology, digital communication and enterprise management. At 31 December, it had 1 036 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 learn 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

- The need for technology in the encounter with social changes yielded results for Bouvet in the quarter
- The Norwegian armed forces are now Bouvet's second biggest client
- Operating revenues in the fourth quarter rose by 6.3 per cent from the same period of 2014 to reach NOK 333.0 million. For the full year revenues rose 8.8 per cent from the previous year to reach NOK 1232.5 million
- Operating profit in the fourth quarter rose by 35.1 per cent from the same period of 2014 to reach NOK 26.1 million. For the full year operating profit rose by 25.5 per cent to reach NOK 99.4 million
- Cash flow from operations in the fourth quarter was NOK 99.8 million, compared with NOK 61.6 million in the same period of 2014. Cash flow from operations for the full year was NOK 127.9 million, compared with NOK 48.8 million in 2014
- The board proposes a dividend of NOK 6.50 per share for 2015
- The workforce grew by four people in the quarter and by 28 over the past 12 months

Key figures

MILLIONS NOK	OCT-DEC 2015	OCT-DEC 2014	CHANGE %	JAN-DEC 2015	JAN-DEC 2014	CHANGE %
Revenue	**333,0**	313,2	6,3 %	1 232,5	1 132,6	8,8 %
Operating profit (EBIT)	**26,1**	19,3	35,1 %	99,4	79,2	25,5 %
Ordinary profit before tax	**27,1**	20,4	32,3 %	101,8	81,6	24,8 %
Profit for the period	**20,7**	13,7	50,9 %	74,7	57,0	31,2 %
Net cash flow operations	**99,8**	61,6	61,9 %	127,9	48,8	162,2 %
Cash and cash equivalents	**174,3**	118,6	47,0 %	174,3	118,6	47,0 %
Number of employees (end of period)	**1 036**	1 008	2,8 %	1 036	1 008	2,8 %
Number of employees (average)	**1 033**	995	3,8 %	1 016	958	6,1 %
Earnings per share	**2,01**	1,31	54,0 %	7,21	5,45	32,3 %
Diluted earnings per share	**1,98**	1,29	53,9 %	7,12	5,39	32,2 %
EBIT margin	**7,8 %**	6,2 %		8,1 %	7,0 %	
Equity ratio	**35,9 %**	34,3 %		35,9 %	34,3 %	

Financial results

Operating revenues
Bouvet had operating revenues of NOK 330 million in the fourth quarter, compared with NOK 313.2 million in the same period of 2014. That represented an increase of 6.3 per cent. Fee income generated by the group's own consultants increased by NOK 16.1 million or 6.1 per cent from the fourth quarter of last year. Revenues generated by sub-contractors rose by NOK 4 million or 13.7 per cent over the same period. Operating revenues were positively affected by an increase of 0.6 percentage points in the billing ratio for the group's consultants compared with the fourth quarter of 2014. At the same time, a 3.8 per cent increase in the average number of employees and a rise of 0.7 per cent in rates for the group's hourly based services from the fourth quarter of 2014 had a positive impact on operating revenues. The quarter also had one working day more than the same period of 2014, which influenced revenues positively by 1.6 per cent.

Sales to existing clients made good progress during the quarter. Clients who also used the group in the fourth quarter of 2014 accounted for 89.5 per cent of operating revenues. In addition, clients acquired since 31 December 2014 contributed a total of NOK 35 million to fourth-quarter operating revenues.

Operating revenues for 2015 as a whole were NOK 1 232.5, up by 8.8 per cent from the year before. Rates for the group's hourly based services increased by 1.6 per cent compared with 2014. The billing ratio for the group's consultants in 2015 was unchanged from the year before. Operating revenues from the sale of services from sub-contractors totalled NOK 120.9 million for the full year, up by NOK 6 million or 5.2 per cent from 2014. A 6.1 per cent increase in the average number of employees from the year before contributed to an 8.8 per cent rise in overall 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 10 per cent in the fourth quarter, compared with 9.3 per cent in the same period of 2014. For 2015 as a whole, sub-contractors accounted for 9.8 per cent of total turnover compared with 10.1 per cent in 2014.

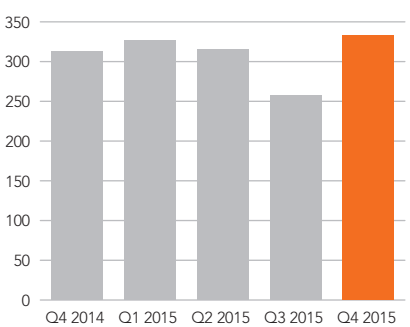
Operating costs
Bouvet's operating costs, including depreciation and amortisation, were NOK 306.9 million for the fourth quarter, up from NOK 293.9 million in the same period of 2014. That represents an increase of 4.4 per cent. Payroll costs increased because the average number of employees rose, in addition to the general growth in pay rates. The group experienced a general rise in pay of 1.8 per cent over the past 12 months. The cost of sales increased to NOK 42.7 million, compared with NOK 38.8 million for the fourth quarter of 2014, and primarily comprised procurement of sub-contractor services and the hire of course instructors. Other operating expenses grew by seven per cent from the same period of the year before to NOK 35.7 million. This rise primarily reflects increased costs related to ICT and office premises.

Operating costs rose by 7.6 per cent and revenues increased by 8.8 per cent for the full year compared with 2014.

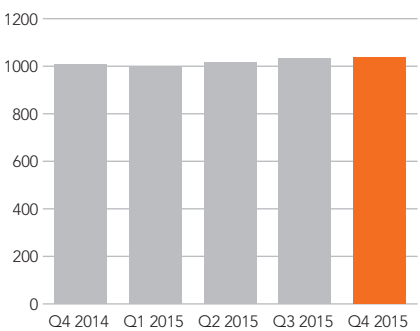
Payroll costs for 2015 as a whole also increased, primarily because of workforce expansion. They grew by NOK 64.4 million or 8.2 per cent from the year before, while the average number of employees was up by 6.1 per cent. The cost of sales increased by NOK 11.6 million or 8.5 per cent. Other operating costs for the year were up by NOK 3.5 million or 2.9 per cent to NOK 123.2 million. This increase primarily reflected higher costs related to ICT and office premises.

Profit
Operating profit (EBIT) for the fourth quarter came to NOK 26.1 million, compared with NOK 19.3 million in the same period of 2014. This represents a rise of 35.1 per cent. The EBIT margin thereby increased to 7.8 per cent, compared with 6.2 per cent in the fourth quarter of the year before. Net profit came to NOK 20.7 million, compared with NOK 13.7 million in the same period of 2014. Diluted earnings per share were NOK 1.98, compared with NOK 1.29 in the fourth quarter of 2014.

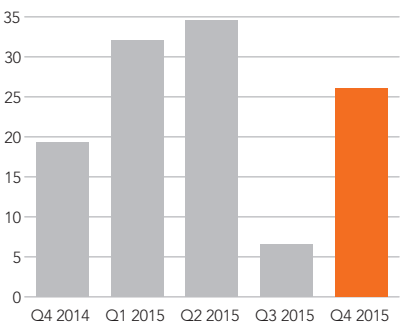
REVENUES
NOK MILLION



EMPLOYEES (END OF PERIOD)



OPERATING PROFIT (EBIT)
NOK MILLION



For the full year, operating profit came to NOK 99.4 million, compared with NOK 79.2 million in 2014. That represented an increase of 25.5 per cent. The EBIT margin thereby rose from seven per cent in 2014 to 8.1 per cent. Net profit for 2015 came to NOK 74.7 million, giving diluted earnings per share of NOK 7.12. This represents an increase from the year before, when net profit was NOK 57 million and diluted earnings per share came to NOK 5.39.

Cash flow, liquidity and capital adequacy
Consolidated cash flow from operations was NOK 99.8 million for the fourth quarter, compared with NOK 61.6 million in the same period of 2014. Cash flow for the quarter was affected positively by a reduction of NOK 10.1 million in current receivables from the third quarter of 2015. Current liabilities rose by NOK 60.7 million from the third to the fourth quarters, which also had a positive effect on cash flow.

Consolidated cash flow from operations for the full year was NOK 127.9 million, compared with NOK 48.8 million in 2014. Cash flow was positively affected by an increase of NOK 18.5 million in current liabilities from 2014 and a decline of NOK 13.1 million in working capital related to client receivables and work in progress from the year before.

The group's client portfolio consists mainly of large, solid listed companies and public enterprises. No bad debts were suffered over the year, and the group has good oversight and control of its receivables.

Bouvet has no interest-bearing debt. Bank deposits at 31 December totalled NOK 174.3 million, compared with NOK 118.6 million a year earlier. The group had an undrawn overdraft facility of NOK 50 million at 31 December. Bouvet held 31 317 of its own shares at 31 December. Equity at 31 December totalled NOK 174.6 million, representing an equity ratio of 35.9 per cent. The corresponding figures for 31 December 2014 were an equity of NOK 153.5 million and an equity ratio of 34.3 per cent. Bouvet's long-term target is to maintain an equity ratio in excess of 30 per cent.

The board proposes that a dividend of NOK 66.6 million, representing NOK 6.50 per share, be paid for 2015.

Segment reporting
The group does not report internally by business areas or segments in an accounting sense. Its business is homogenous and pursued within the Nordic market for IT consultancy services. Risk and return are followed up at departmental level within homogenous consultancy departments with shared markets, on a project basis and per consultant. This does not provide a basis for segment reporting, which is accordingly not presented. Should changes be made to the group's business, the possibility that these changes might provide a basis for segment reporting will be assessed.

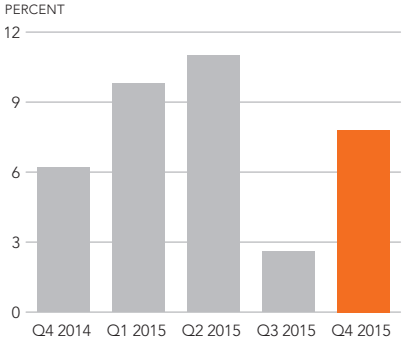
Developments and market

Demand for Bouvet's services during the quarter was concentrated primarily on digitalisation in the public and private sectors. The group's range of services and its culture of sharing across disciplines and sectors creates a feeling of trust among clients in their efforts to change.

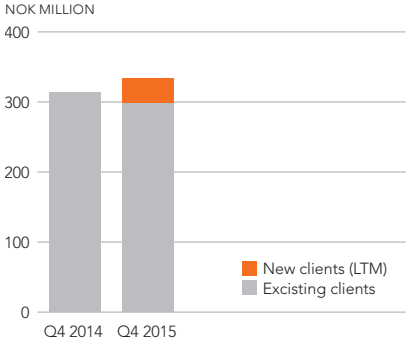
Bouvet helps clients to see the opportunities provided by technology from different perspectives through being involved in a number of areas of expertise. The client's issues are resolved and the consequences assessed jointly, so that the client secures value from its investment in technology.

The level of activity was high during the quarter. As a result of the downturn in the oil and gas sector, price trends in the market have had effects on profitability and regional differences. Bouvet's regional model allows it to adapt to local needs and implement change. Mobility between the regions accordingly increased during the quarter compared with the year before.

EBIT-MARGIN



REVENUES – CLIENT SPLIT



Regional developments

Eastern region
This region is experiencing a very good market. A particularly strong expansion has been seen in the provision of key services for digitalisation of client businesses. Bouvet's consultants work close to core systems at both strategic and operational levels. Examples include planning tools for submarine cables for Statnett and solutions for efficient management of Vaktmesterkompaniet's snowploughs. Technology is the driver for innovation efforts in both deliveries.

The commitment to consultancy and project-related services increased during the quarter. This reflected growing demand for expertise in digital business development from both technical and market perspectives. At the same time, the need for local support is growing among clients who use offshoring.

The region renewed its frame agreement with Sporveien during the quarter and entered into new contracts with the Norwegian Public Service Pension Fund, the Financial Supervisory Authority of Norway and Yara. A number of long-term clients have extended their collaboration with Bouvet, including Sykehuspartner, the Norwegian Public Roads Administration, Coop, the Norwegian National Rail Administration and the State Agency for the Recovery of Fines, Damages and Costs.

Demand is growing in the banking and finance sector, and expansion continues in energy and transport. Bouvet delivers in a number of service and expertise areas, and is acting more frequently as a preferrd supplier.

The course business experienced a very good quarter, with strong demand for open courses. Certification courses are attractive as a result of an unsettled labour market and formal requirements for consultants. Bouvet's commitment to providing specially tailored courses when new solutions are introduced also increased during the quarter.

Rogaland region
A high level of client satisfaction is one reason why the region is expanding its market share and delivering good results in a tough market. Many of its biggest clients, including the oil sector, have initiated projects and increased the call-off of individual services. This has reduced the impact of the general decline in the oil and gas sector.

To meet demand for digital business development, the region has developed services which provide clients with value-enhancing deliveries in the form of reduced costs and increased earnings.

The region signed contracts with new clients from various sectors in Norway and Sweden, including Ikea, the Swedish public roads administration, the Swedish police, the Northern and Central Norway Regional Health Authorities, the City of Kristiansand, Sør-Trøndelag county council, DNB, Posc Caesar, VNG and HMS Data. A number of these assignments involve services where the Rogaland region has leading-edge expertise.

The Olavstoppen subsidiary secured a number of high-profile assignments, both nationally and internationally, and has the region's leading expertise in its fields.

Northern region
The region experienced a good market with much activity during the quarter. System development is its largest service area, and it is well-established in this market. Demand for advertising services and the development of mobile applications is growing in the region.

Health care has become a big sector which draws on the full range of the region's services. Particular mention can be made of expansions and extensions during the quarter by the Norwegian Patient Register (Directorate of Health), the Central Norway Regional Health Authority and the Norwegian Health Network as well as a new frame agreement from the Northern Norway Regional Health Authority ICT.

The region is working on long-term assignments for digitalisation and adaptation from the Sør and Nord Trøndelag county councils. Other clients who have extended and initiated new assignments include Statoil, the Directorate of Mining and the Norwegian Environment Agency.

A number of call-offs have already been secured by the region under the frame agreement signed with the NTNU in the third quarter.

Bergen region
The high level of activity in the region persisted during the fourth quarter. Important sectors such as banking and finance, the public sector, health care and the media awarded long-term assignments across Bouvet's full range of services during the period. These clients include the City of Bergen, KS, Skandiabanken, Sparebanken Vest, DNB, the Norwegian Institute of Public Health, the Western Norway Regional Health Authority ICT, Statoil, Vimond and Frende Forsikring.

TV2 has become a substantial client, with continuous and long-term call-off of services such as project management, system development and consultancy. Other long-term

relationships include the Association of NGOs in Norway (NGO Portal) and the National Library.

Bouvet has leading-edge expertise with the Episerver content management system. That resulted during the quarter in cloud solutions for Hansaborg and new development assignments for the Norwegian Industrial Property Office and Bybanen Utbygging.

A new service area with growth potential is consultancy on and implementation of software robots being developed by the region for the City of Bergen.

Southern region

Bouvet secured a growing volume of assignments towards the end of the quarter in an unsettled and cautious market affected by substantial downsizing in the oil service sector. The client portfolio is stable and dispersed across the energy and power generation sectors as well as traditional manufacturing. But the oil industry continues to account for a substantial proportion of the region's turnover.

Bouvet supports Agder Energi Nett with enterprise architecture in the AMS programme, an assignment which was extended during the period.

The region has signed new frame agreements with Pasientreiser and the Brønnøysund Register Centre. Bouvet won the first mini competitive tender for security testing of the Altinn portal.

A national register of seafarers who sailed during wartime was delivered during the period to Stiftelsen Arkivet. This solution has been developed in cooperation with Samlerhuset Norge AS and the Lillesand Seamen's Association/ sjohistorie.no.

Sweden region

The level of activity in the region is high. Demand is good from new and existing clients in all disciplines – development, consultancy and user experience. The client base is solid and covers the public sector, local authorities, retailing, banking and finance, and education.

Substantial demand is being generated through the frame agreement with the Kammarkollegiet. New clients include the Swedish police, the Swedish Public Employment Service, the Swedish Museum of Natural History, the Swedish Transport Administration and the Swedish Transport Agency as well as the extension of an assignment for the Swedish National Agency for Education.

Bouvet's expertise is in demand for digitalisation and change processes. The region has a strategic presence in Kunskapsskolan's international web commitment. The cities of Malmö and Västerås have signed new frame agreements which include deliveries within strategic development and the design of web and digital channels. Leading-edge expertise with the SiteVision product is relevant for a number of assignments of this kind.

Among other new clients, mention can be made of the development of airport weather forecasting services for the Swedish Meteorological and Hydrological Institute, deliveries in enterprise architecture and modelling to Apoteket, the role as web editor for the Swedish Economic Crime Authority and a management agreement with Aberdeen Asset Management. Existing and long-term clients such as ICA, SAS and Braathens Aviation extended assignments during the quarter.

The growing demand makes it important for the Swedish region to continuing recruitment.

Sesam

Sesam is a business unit in Bouvet which develops and sells an integration platform of the same name. This permits data to be acquired easily from different sources, integrated and shared with other systems. Sesam also supports data analysis and enterprise searching.

All Norwegian electricity consumers will be equipped with smart meters from 1 January 2019. Hafslund Nett adopted Sesam in November in order to implement its advanced metering and management systems (AMS) project without replacing existing IT systems. Sesam integrates all necessary data so that the roll-out project can be implemented in parallel with existing infrastructure.

Among other activities, the Norwegian National Rail Administration has initiated the first of several integration projects based on Sesam. This involves integrating records and financial data, with production set to start in the first quarter of 2016.

Employees

Bouvet had 1 036 employees at 31 December, up by four from 30 September and 28 from the same date in 2014. Its ambition is to be the consultancy with the most satisfied employees. Satisfied personnel contribute to delivery quality, satisfied clients and lower staff turnover.

The company works continuously to create job satisfaction, professional development, social cohesion and team spirit among its personnel. Results from its annual employee survey were very positive, even in the Rogaland region where restructuring efforts have been pursued to adapt to the market. Ninety per cent of respondents said that, all things considered, Bouvet was a great place to work.

Risk

The group is exposed at any 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 2014 (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

Technology will be crucial for the future progress of society, both for developing products and services and as a facilitator of new business models in technology-intensive industries. Bouvet expects ICT to grow as a sector in order to contribute to the changes affecting Norway's industrial and public sectors.

These changes call for insight into user behaviour, new technology and the opportunity spaces provided by technology, as well as commercial understanding. Bouvet's ambitions and its values harmonise well with the resources required in the future. The company collaborates with its clients through sharing and involvement in innovative thinking and innovation, so that their success becomes Bouvet's.

Bouvet expects demand for its services to remain good.

Contacts

Sverre Hurum
President and CEO
Tel: +47 23 40 60 00 | +47 913 50 047

Erik Stubø
CFO
Tel: +47 23 40 60 00 | +47 950 36 011

Declaration by the board and CEO

We hereby confirm to the best of our knowledge that the interim financial statements for the fourth quarter of 2015 and the preliminary financial statements for 1 January-31 December 2015 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 February 2016
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 OCT-DEC 2015	UNAUDITED OCT-DEC 2014	CHANGE	CHANGE %	UNAUDITED JAN-DEC 2015	JAN-DEC 2014	CHANGE	CHANGE %
REVENUE	333 020	313 196	19 824	6,3 %	1 232 486	1 132 598	99 888	8,8 %
OPERATING EXPENSES								
Cost of sales	42 650	38 811	3 839	9,9 %	148 200	136 645	11 555	8,5 %
Personell expenses	225 152	217 375	7 777	3,6 %	848 200	783 760	64 440	8,2 %
Depreciation fixed assets	2 429	2 700	-271	-10,0 %	10 032	10 201	-169	-1,7 %
Amortisation intangible assets	958	1 611	-653	-40,5 %	3 505	3 138	367	11,7 %
Other operating expenses	35 703	33 364	2 339	7,0 %	123 195	119 692	3 503	2,9 %
Total operating expenses	306 892	293 861	13 031	4,4 %	1 133 132	1 053 436	79 696	7,6 %
Operating profit	26 128	19 335	6 793	35,1 %	99 354	79 162	20 192	25,5 %
FINANCIAL ITEMS								
Other interest income	571	629	-58	-9,2 %	2 074	2 616	-542	-20,7 %
Other financial income	561	729	-168	-23,0 %	1 166	860	306	35,6 %
Other interest expense	-4	-85	81	-95,3 %	-272	-358	86	-24,0 %
Other finance expense	-203	-164	-39	23,8 %	-552	-703	151	-21,5 %
Net financial items	925	1 109	-184	-16,6 %	2 416	2 415	1	0,0 %
Ordinary profit before tax	27 053	20 444	6 609	32,3 %	101 770	81 577	20 193	24,8 %
Income tax expense								
Tax expense on ordinary profit	6 388	6 745	-357	-5,3 %	27 032	24 596	2 436	9,9 %
Total tax expense	6 388	6 745	-357	-5,3 %	27 032	24 596	2 436	9,9 %
Profit for the period	20 665	13 699	6 966	50,9 %	74 738	56 981	17 757	31,2 %
Assigned to:								
Shareholders in parent company	20 403	13 301			73 639	55 737		
Non-controlling interests	262	398			1 099	1 244		

Statement of other income and costs

NOK 1 000	UNAUDITED OCT-DEC 2015	UNAUDITED OCT-DEC 2014	CHANGE	CHANGE %	UNAUDITED JAN-DEC 2015	JAN-DEC 2014	CHANGE	CHANGE %
Items that may be reclassified through profit or loss in subsequent periods								
Currency translation differences	57	-201	258	I/A	41	-339	379	I/A
Sum other income and costs	57	-201	258	I/A	41	-339	379	I/A
Profit for the period	20 665	13 699	6 966	50,9 %	74 738	56 981	17 757	31,2 %
Total profit	20 722	13 498	7 224	53,5 %	74 779	56 642	18 136	32,0 %
Assigned to:								
Shareholders in parent company	20 460	13 100			73 679	55 398		
Non-controlling interests	262	398			1 099	1 244		
Diluted earnings per share	1,98	1,29	0,69	53,7 %	7,12	5,39	1,73	32,2 %
Earnings per share	2,01	1,31	0,70	53,8 %	7,21	5,45	1,76	32,3 %

Consolidated balance sheet

(NOK 1000)	UNAUDITED 31/12/2015	31/12/2014	CHANGE	CHANGE %
ASSETS				
NON-CURRENT ASSETS				
INTANGIBLE ASSETS				
Deferred tax asset	368	0	368	I/A
Goodwill	27 909	31 230	-3 321	-10,6 %
Other intangible assets	17 414	15 125	2 289	15,1 %
Total intangible assets	45 691	46 355	-664	-1,4 %
FIXED ASSETS				
Office equipment	8 685	10 088	-1 403	-13,9 %
Office machines and vehicles	2 417	2 682	-265	-9,9 %
IT equipment	10 526	11 576	-1 050	-9,1 %
Total fixed assets	21 628	24 346	-2 718	-11,2 %
FINANCIAL NON-CURRENT ASSETS				
Other long-term receivables	11	11	0	0,0 %
Total financial non-current assets	11	11	0	0,0 %
Total non-current assets	67 330	70 712	-3 382	-4,8 %
CURRENT ASSETS				
Work in progress	80 193	106 625	-26 432	-24,8 %
Trade accounts receivable	144 463	131 129	13 334	10,2 %
Other short-term receivables	19 928	20 027	-99	-0,5 %
Cash and cash equivalents	174 300	118 568	55 732	47,0 %
Total current assets	418 884	376 349	42 535	11,3 %
TOTAL ASSETS	486 214	447 061	39 153	8,8 %

Consolidated balance sheet

NOK 1 000	UREVIDERT 31.12.2015	31.12.2014	CHANGE	CHANGE %
EQUITY AND LIABILITIES				
EQUITY				
PAID-IN CAPITAL				
Share capital	**10 250**	10 250	0	0,0 %
Own shares - nominal value	**-31**	-20	-11	55,0 %
Share premium fund	**10 000**	10 000	0	0,0 %
Total paid-in capital	**20 219**	20 230	-11	-0,1 %
EARNED EQUITY				
Other equity	**150 998**	130 128	20 870	16,0 %
Total earned equity	**150 998**	130 128	20 870	16,0 %
Non-controlling interests	**3 401**	3 174	227	7,2 %
Total equity	**174 618**	153 532	21 086	13,7 %
DEBT				
LONG-TERM DEBT				
Deferred tax	**0**	156	-156	-100,0 %
Other provisions for obligations	**285**	513	-228	-44,4 %
Total long-term debt	**285**	669	-384	-57,4 %
SHORT-TERM DEBT				
Trade accounts payable	**34 643**	36 733	-2 090	-5,7 %
Income tax payable	**27 109**	24 176	2 933	12,1 %
Public duties payable	**118 539**	109 388	9 151	8,4 %
Other short-term debt	**131 020**	122 563	8 457	6,9 %
Total short-term debt	**311 311**	292 860	18 451	6,3 %
Total liabilities	**311 596**	293 529	18 067	6,2 %
TOTAL EQUITY AND LIABILITIES	**486 214**	447 061	39 153	8,8 %

Consolidated statement of cash flows

NOK 1 000	UNAUDITED OCT-DEC 2015	UNAUDITED OCT-DEC 2014	UNAUDITED JAN-DEC 2015	JAN-DEC 2014
CASH FLOW FROM OPERATING ACTIVITIES				
Ordinary profit before tax	**27 053**	20 444	101 770	81 577
Paid tax	**4 639**	-8 326	-23 247	-28 284
(Gain)/loss on sale of fixed assets	**1**	-13	-106	-215
Ordinary depreciation	**2 429**	2 700	10 032	10 201
Amortisation intangible assets	**958**	1 611	3 505	3 138
Share based payments	**1 415**	1 286	5 430	4 828
Changes in work in progress, accounts receivable and accounts payable	**19 551**	4 004	11 008	-22 957
Changes in other accruals	**43 731**	39 930	19 483	475
Net cash flow from operating activities	**99 776**	61 636	127 874	48 762
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale of fixed assets	**30**	152	175	452
Purchase of fixed assets	**-1 796**	-3 172	-7 383	-12 065
Purchase of intangible assets	**-1 575**	-1 554	-5 635	-4 021
Purchase of business	**0**	-12 250	0	-12 250
Investment in subsidiaries - net cash	**0**	392	0	-1 957
Net cash flow from investing activities	**-3 342**	-16 431	-12 842	-29 842
CASH FLOWS FROM FINANCING ACTIVITIES				
Purchase of own shares	**0**	-12 800	-14 880	-12 800
Sales of own shares	**7 702**	7 069	7 702	7 069
Dividend payments	**0**	0	-52 122	-62 300
Net cash flow from financing activities	**7 702**	-5 731	-59 300	-68 031
Net changes in cash and cash equivalents	**104 137**	39 474	55 732	-49 111
Cash and cash equivalents at the beginning of the period	**70 163**	79 094	118 568	167 679
Cash and cash equivalents at the end of the period	**174 300**	118 568	174 300	118 568

Consolidated statement of changes in equity

NOK 1 000	SHARE CAPITAL	OWN SHARES	SHARE PRE-MIUM	TOTAL PAID-IN EQUITY	OTHER EQUITY	NON-CON-TROLLING INTERESTS	TOTAL EQUITY
Equity at 01.01.2014	**10 250**	**-19**	**10 000**	**20 231**	**136 869**	**2 729**	**159 829**
Total comprehensive income				0	55 398	1 244	56 642
Purchase/sale of own shares (net)		-1		-1	-5 661		-5 662
Employee share scheme				0	5 021		5 021
Dividend				0	-61 500	-800	-62 300
Equity at 31.12.2014	**10 250**	**-20**	**10 000**	**20 230**	**130 128**	**3 174**	**153 532**
Equity at 01.01.2015	**10 250**	**-20**	**10 000**	**20 230**	**130 128**	**3 174**	**153 532**
Total comprehensive income					73 679	1 099	74 779
Purchase/sale of own shares (net)		-11		-11	-7 099		-7 111
Employee share scheme					5 541		5 541
Dividend					-51 250	-872	-52 122
Equity at 31.12.2015 (Unaudited)	**10 250**	**-31**	**10 000**	**20 219**	**150 998**	**3 401**	**174 618**

Notes

Note 1: Accounting principles

The group made no changes to the accounting principles applied in 2015. 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 2014.

Key figures Group

NOK 1 000	OCT-DEC 2015	OCT-DEC 2014	CHANGE %	JAN-DEC 2015	JAN-DEC 2014	CHANGE %
INCOME STATEMENT						
Operating revenue	333 020	313 196	6,3 %	1 232 486	1 132 598	8,8 %
EBITDA	29 515	23 646	24,8 %	112 891	92 501	22,0 %
Operating profit (EBIT)	26 128	19 335	35,1 %	99 354	79 162	25,5 %
Ordinary profit before tax	27 053	20 444	32,3 %	101 770	81 577	24,8 %
Profit for the period	20 665	13 699	50,9 %	74 738	56 981	31,2 %
EBITDA-margin	8,9 %	7,5 %	17,4 %	9,2 %	8,2 %	12,2 %
EBIT-margin	7,8 %	6,2 %	27,1 %	8,1 %	7,0 %	15,3 %
BALANCE SHEET						
Non-current assets	67 330	70 712	-4,8 %	67 330	70 712	-4,8 %
Current assets	418 884	376 349	11,3 %	418 884	376 349	11,3 %
Total assets	486 214	447 061	8,8 %	486 214	447 061	8,8 %
Equity	174 618	153 532	13,7 %	174 618	153 532	13,7 %
Long-term debt	285	669	-57,4 %	285	669	-57,4 %
Short-term debt	311 311	292 860	6,3 %	311 311	292 860	6,3 %
Equity ratio	35,9 %	34,3 %	4,6 %	35,9 %	34,3 %	4,6 %
Liquidity ratio	1,35	1,29	4,7 %	1,35	1,29	4,7 %
CASH FLOW						
Net cash flow operations	99 776	61 636	61,9 %	127 874	48 763	162,2 %
Net free cash flow	96 435	45 206	113,3 %	115 032	18 921	508,0 %
Net cash flow	104 137	39 474	163,8 %	55 732	-49 111	I/A
Cash flow margin	30,0 %	19,7 %	52,2 %	10,4 %	4,3 %	141,0 %
SHARE INFORMATION						
Number of shares	10 250 000	10 250 000	0,0 %	10 250 000	10 250 000	0,0 %
Weighted average basic shares outstanding	10 151 778	10 189 450	-0,4 %	10 208 354	10 220 261	-0,1 %
Weighted average diluted shares outstanding	10 285 568	10 317 878	-0,3 %	10 340 661	10 346 049	-0,1 %
EBIT per share	2,54	1,85	37,3 %	9,59	7,59	26,4 %
Diluted EBIT per share	2,51	1,83	37,2 %	9,47	7,49	26,3 %
Earnings per share	2,01	1,31	54,0 %	7,21	5,45	32,3 %
Diluted earnings per share	1,98	1,29	53,9 %	7,12	5,39	32,2 %
Equity per share	17,04	14,98	13,7 %	17,04	14,98	13,7 %
Dividend per share	0,00	0,00	I/A	5,00	6,00	-16,7 %
EMPLOYEES						
Number of employees (year end)	1 036	1 008	2,8 %	1 036	1 008	2,8 %
Average number of employees	1 033	995	3,8 %	1 016	958	6,1 %
Operating revenue per employee	322	315	2,5 %	1 213	1 182	2,6 %
Operating cost per employee	297	295	0,6 %	1 115	1 100	1,4 %
EBIT per employee	25	19	30,2 %	98	83	18,3 %

Definitions

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

Local presence gives closeness to our customers

The Group has offices in Oslo, Trondheim, Bergen, Haugesund, Stavanger, Kristiansand, Arendal, Skien, Sandvika, Sandefjord, Malmö, Örebro and Stockholm. Our philosophy is that competence should be utilized across the company, while projects are attached locally. This means that our customers will have a local account manager and project manager, but access to competence independent of its location.

OSLO
Sandakerveien 24c, bygg D11
Box 4430 Nydalen
0403 Oslo
Tel: (+47) 23 40 60 00

ARENDAL
Vikaveien 29
4817 His
Tel: (+47) 23 40 60 00

BERGEN
Solheimsgaten 15
5058 Bergen
Tel: (+47) 55 20 09 17

GRENLAND
Klostergata 33
Klosterøya
3732 Skien
Tel: (+47) 23 40 60 00

KRISTIANSAND
Kjøita 25
4630 Kristiansand
Tel: (+47) 23 40 60 00

STAVANGER
Fabrikkveien 10
4033 Stavanger
Tel: (+47) 51 20 00 20

Strandkaien 36
4005 Stavanger
Tel: (+47) 52 82 10 17

HAUGESUND
Diktervegen 8
5538 Haugesund
Tel: (+47) 52 82 10 17

TRONDHEIM
Kjøpmannsgata 35
7011 Trondheim
Tel: (+47) 23 40 60 00

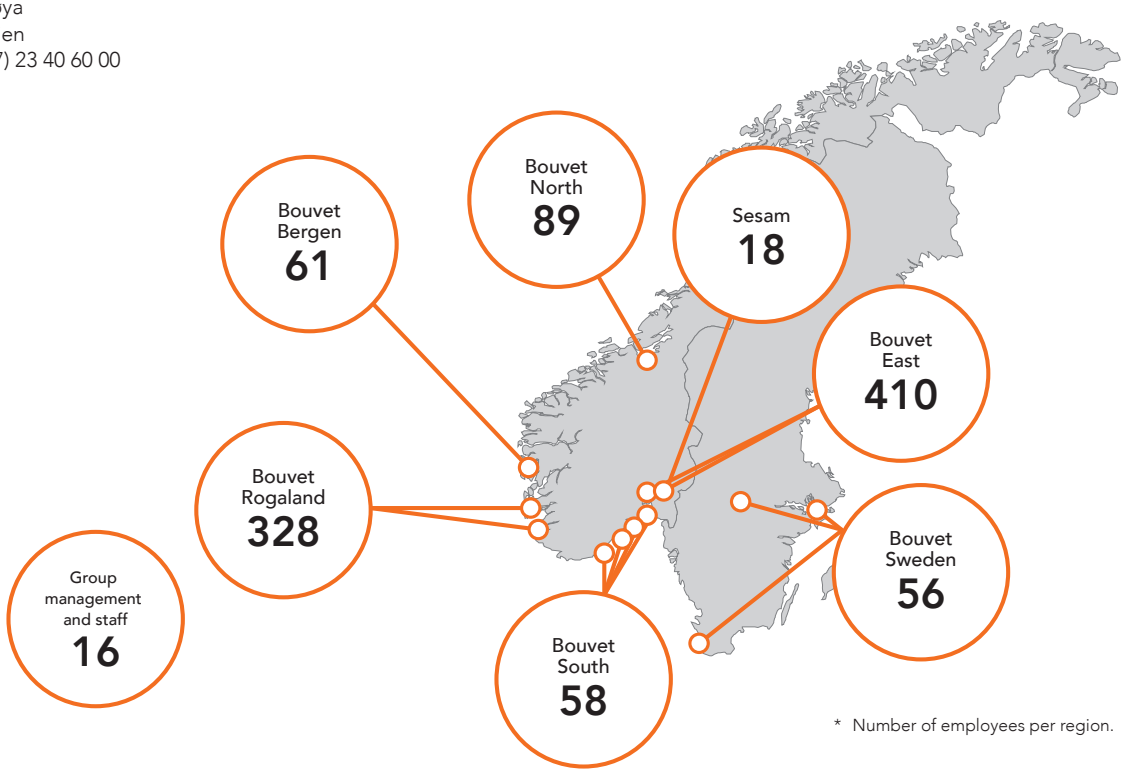
SANDVIKA
Leif Tronstadsplass 6
1337 Sandvika
Tel: (+47) 23 40 60 00

SANDEFJORD
Klinestadmoen 9
3241 Sandefjord
Tel: (+47) 23 40 60 00

STOCKHOLM
Arenavägen 45, 16 tr
121 77 Johanneshov
Tel: (+46) 8 578 771 00

MALMÖ
Södergatan 3
211 34 Malmö
Tel: (+46) 40 636 60 00

ÖREBRO
Storgatan 3
70361 Örebro
Tel: (+46) 0 709 431 411



* Number of employees per region.

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