

INTERIM REPORT

FOURTH QUARTER 2013

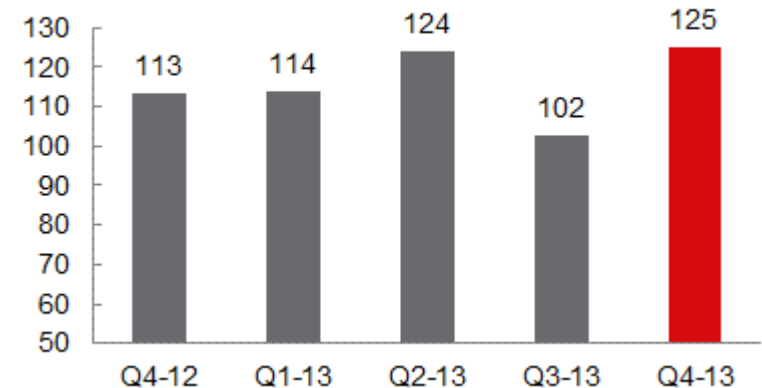
CEO ARNE MJØS
CFO TORUNN HAVRE

OSLO, 26 FEBRUARY 2014

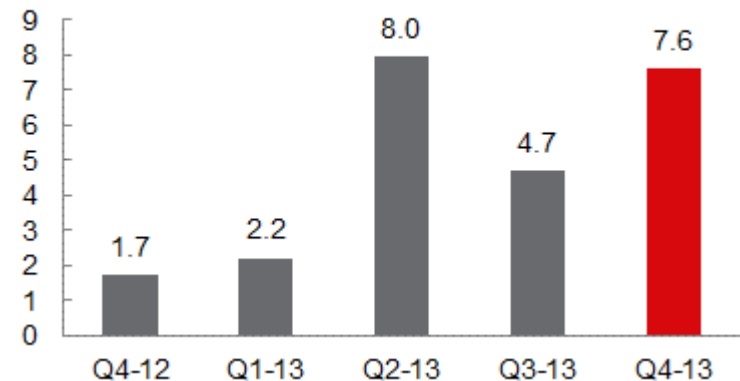
Highlights in the fourth quarter

- Revenue increased by 10 %
 - MNOK 125
- EBITDA
 - MNOK 13.2; 10.6 % margin
- EBIT
 - MNOK 7.6; 6.1 % margin
- Operating cash flow
 - MNOK 36 in Q4
- Top 30 customers growth 42 %
 - Larger projects and broader delivery
- Employees increased by 7 %
 - 460 employees
 - Nearshore ratio 32 %

Revenues
NOK million



EBIT
NOK million



FINANCIAL REVIEW

Key figures

		2013	2012	Change	2013	2012	Change
		Q4	Q4		YTD	YTD	
Operating revenue	MNOK	125.1	113.3	10 %	465.2	438.2	6 %
Gross profit	MNOK	102.1	90.4	13 %	374.6	358.0	5 %
EBITDA	MNOK	13.2	6.8	93 %	43.9	25.9	70 %
EBITDA margin		10.6 %	6.0 %		9.4 %	5.9 %	
Operating profit (EBIT)	MNOK	7.6	1.7	338 %	22.5	7.3	210 %
EBIT margin		6.1 %	1.5 %		4.8 %	1.7 %	
Profit before taxes	MNOK	7.0	1.9	272 %	20.4	6.8	199 %
Profit for the period	MNOK	5.0	1.4	272 %	14.7	4.6	219 %
Net cash flow from operations	MNOK	35.8	17.3	108 %	57.7	22.5	157 %
Cash and cash equivalents	MNOK	68	29	136 %	68	29	136 %
Equity ratio		40 %	41 %		40 %	41 %	
Employees at end of period		460	428	7 %	460	428	7 %

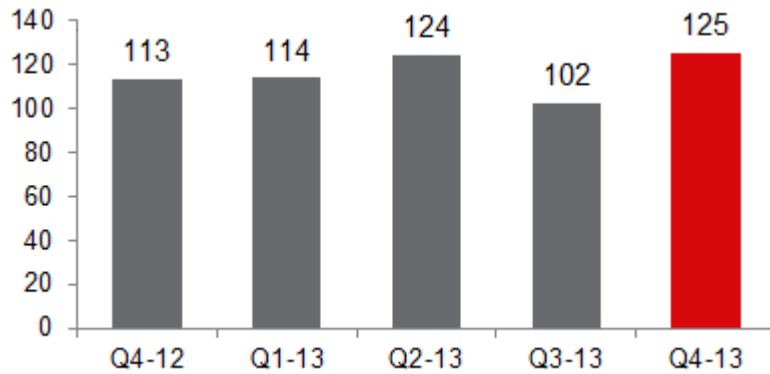


The company performance continues to improve, both in terms of revenue growth, profitability and cash flow

Quarterly development

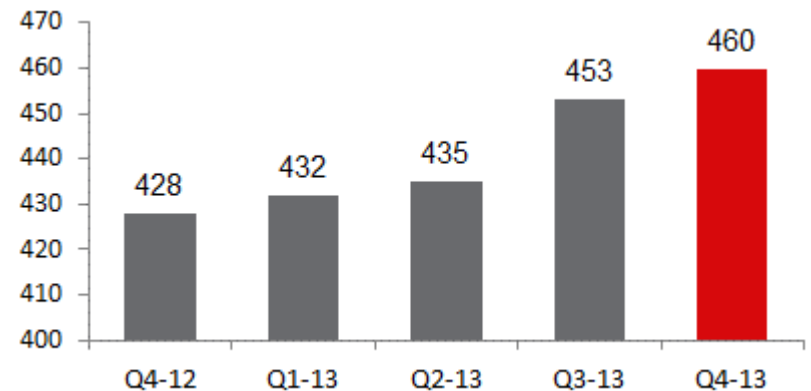
Operating revenue

NOK million



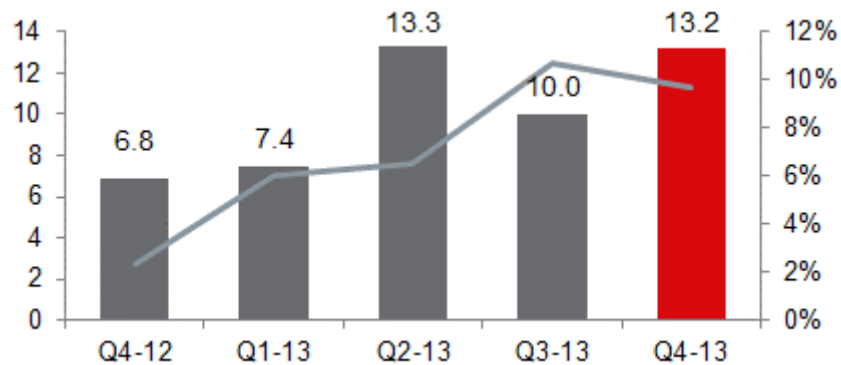
Employees

End of period



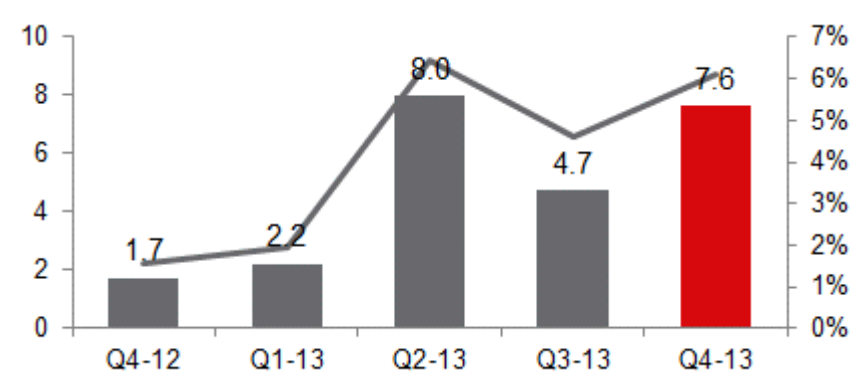
EBITDA

NOK million



EBIT

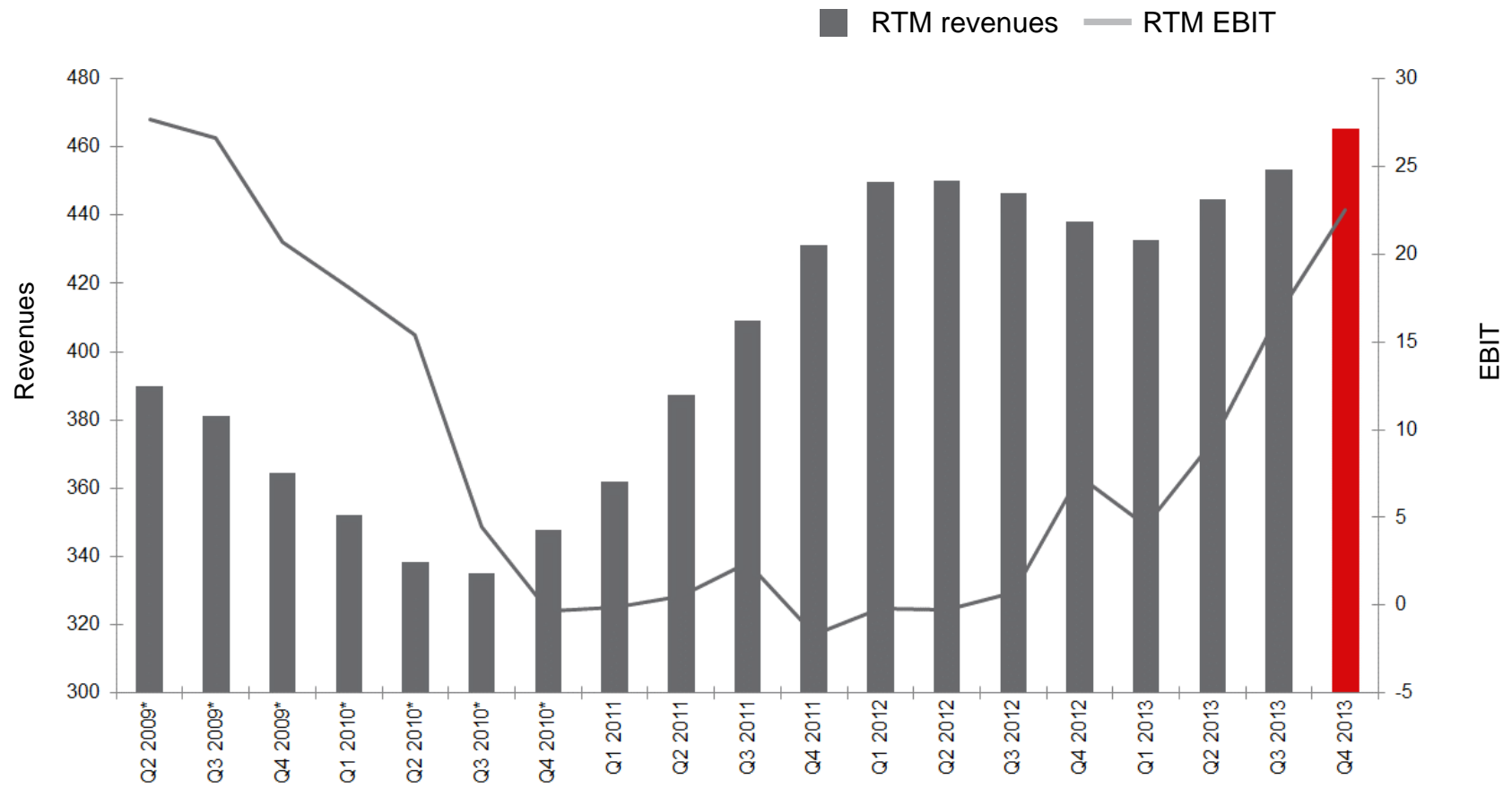
NOK million



Rolling 12-month (RTM)

Rolling 12-month (RTM)

NOK million



Statement of income

NOK Million	2013 Q4	2012 Q4	Change %	2013 YTD	2012 YTD	Change %
Operating revenue	125.1	113.3	10 %	465.2	438.2	6 %
Cost of sales	22.9	22.9	0 %	90.6	80.2	13 %
Personnel expenses	74.8	71.5	5 %	279.4	281.9	-1 %
Depreciation	5.6	5.1	10 %	21.4	18.6	15 %
Other operating expenses	14.0	12.0	17 %	51.3	50.2	2 %
Total operating expenses	117.4	111.6	5 %	442.7	431.0	3 %
Operating profit (EBIT)	7.6	1.7	338 %	22.5	7.3	210 %
Net financial income	-0.6	0.1		-2.1	-0.4	
Profit before taxes	7.0	1.9	272 %	20.4	6.8	199 %
Income taxes	2.0	0.5	272 %	5.7	2.2	157 %
Net profit for the period	5.0	1.4	272 %	14.7	4.6	219 %

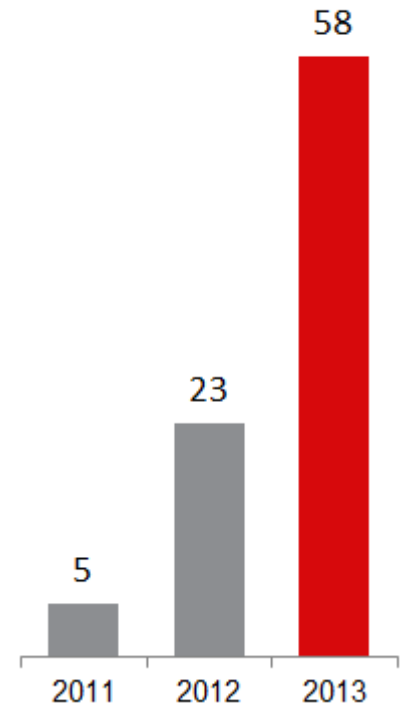


Fourth quarter amounted to revenue growth of 10 %, gross profit growth of 13 %, EBITDA margin of 10.6 % and EBIT margin of 6.1 %.

Statement of cash flow

NOK Million	2013 Q4	2012 Q4	2013 FY	2012 FY
Cash flow from operations (EBITDA)	13.2	6.8	43.9	25.9
Change in balance sheet items	22.6	10.4	13.8	-3.4
Net cash flow from operating activities	35.8	17.3	57.7	22.5
Net cash flow from investment activities	-4.8	1.8	-8.8	-11.6
Purchase of own shares	0.0	0.0	0.0	0.0
Borrowings repaid	-2.1	-0.3	-6.1	-3.1
External dividend paid	0.0	0.0	-4.9	0.0
Net cash flow from financing activities	-2.1	-5.1	-11.1	-3.1
Currency effect on cash	0.9	0.0	1.3	0.0
Net change in bank deposits and cash	29.8	14.0	39.1	7.8
Bank deposits at the end of the period	68.0	28.8	68.0	28.8

Net operating cash flow full year



Cash flow from operating activities amounted to MNOK 36 in Q4 and MNOK 58 for the full year.

Statement of financial position

NOK Million	2013 31 Dec	2012 31 Dec	Change %	2012 30 Sep
Deferred tax assets	9	13	-34 %	10
Other intangible assets	17	20	-16 %	17
Fixed assets	28	27	5 %	27
Total non-current assets	54	60	-11 %	54
Work in progress	13	6	113 %	13
Accounts receivable	70	74	-6 %	66
Other receivables	13	9	48 %	12
Bank deposits	68	29	136 %	38
Total current assets	163	117	39 %	129
Total assets	216	177	22 %	184
 Total equity	 86	 72	 19 %	 79
Non-current liabilities	16	12	33 %	16
Accounts payable	27	18	53 %	18
Public duties and tax payables	25	26	-4 %	20
Other short-term liabilities	62	49	26 %	51
Total current liabilities	114	93	23 %	89
Total equity and liabilities	216	177	22 %	184
 Equity ratio	 40 %	 41 %		 43 %

Dividend Proposal

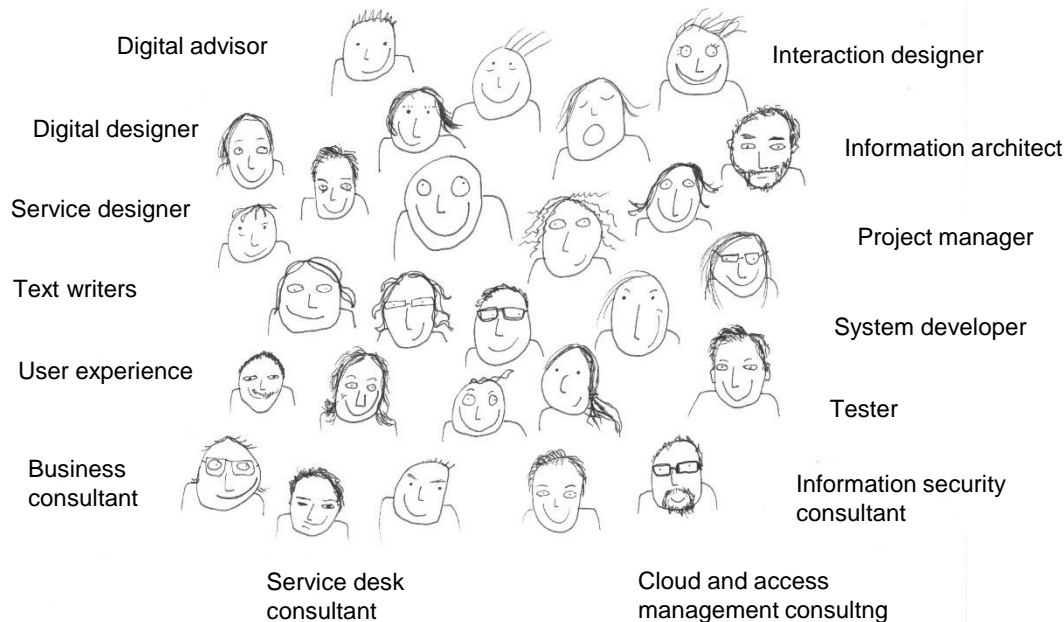
- The Board of Directors will propose a dividend of NOK 0.35 per share for 2013.
- The Annual General Meeting will take place on Thursday 22 May 2014.
- Following the resolution by the Annual General Meeting, the share will be traded ex dividend on Friday 23 May 2014.

Year	Dividend/share capital payback per share
2013	NOK 0.35 proposal
2012	NOK 0.06
2010	NOK 0.10
2009	NOK 0.20
2008	NOK 0.20
2007	NOK 0.50
2006	NOK 0.20
2006	NOK 0.30
2005	NOK 0.50
2004	NOK 0.20

BUSINESS REVIEW

Itera is a company specializing in communication and technology

We combine our multidisciplinary strengths to gain deeper insight and explore new possibilities.



COMPUTERWORLD – it-nyheter døgnet rundt
IDG – verdens største mediehus innen IT

SEMINAR & CIO | IT-KARRIERE | IT-HELSE | IT-KURS | IT-STIL

Du er her: Computerworld >

- Vi er ikke lenger et rent it-selskap

Ahlert Hysling
30.10.2013 kl 07:01

Epost

Mens andre sliter synes det meste å gå på skinner for Itera. Årsaken er, ifølge Arne Mjøs, ny profil.

TESTMARKED: Norden er tidlig ute med å ta i bruk nye hjelpemidler, de seneste årene mobile hjelpemidler. Arne Mjøs tror at amerikanere vil prøve ut nye forretningsmodeller i Norge. Internet of Things er et stikkord. Derfor har Itera innrettet organisasjonen for kommunikasjon og teknologi. Foto: Ahlert Hysling

Itera har bestått av et konsern med en rekke datterselskaper. Fra 13. september ble

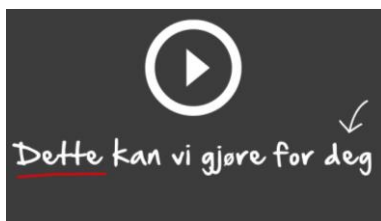
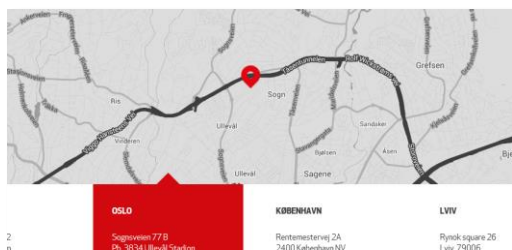
Tweet 0

Anbefal 7

Itera er et kommunikasjons- og teknologiselskap

Vi leverer rådgivning og strategi, design og utvikling, drift og forvaltning.

Dette kan vi gjøre for deg



SHAREHOLDER AND ANALYST INFORMATION

Itera ASA was listed on the Oslo Stock Exchange 27 January 1999. The ticker code is ITE.



The shares ISIN NO is 0010001118 and the company's registration number in the Norwegian register, Brønnøysund, is NO 980 250 547. The shares are listed on the Oslo Stock Exchange (OSE) and are freely negotiable. The Articles of Association include no form of restriction on negotiability.

KEY FIGURES



INFRASTRUKTURTJENESTER

Sømløs hverdag hos Skuld

Skuld trengte for en driftssikker og serviceorientert IT-partner som kunne hjelpe dem å løse sine utfordringer på global basis.



SAMVÅRINGSLEVERING

Optimalisert integrering av nye medarbeidere hos SE

SE ønsket seg et verktøy til å understøtte og strukturere prosessene rundt ansettelse og integrering av nye medarbeidere.



PORTAL OG SELVBETJENING

IT Manager Dashboard hos Skuld

En ny portal gir Skulds IT-sjef et totalt overblikk over IT-systemenes status.



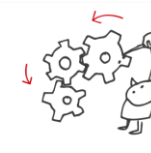
Rådgivning og strategi

Strategi handler om å ta valg. For å ta kloke valg og lage gode løsninger, sørger vi for at vi forstår din virkelighet, din bransje og hva som påvirker deg og virksomheten din.



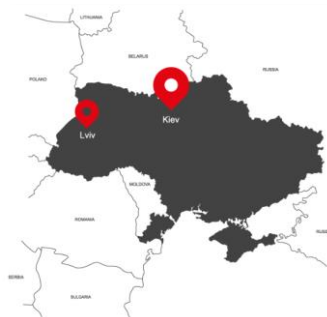
Design og utvikling

Vi benytter et bredt spekter av ekspertise innen kommunikasjon og teknologi for å utvikle løsninger som vil løse utfordringen din. Tverrfagligheten bidrar til innovasjon – det er vår erfaring.



Drift og forvaltning

Løsninger brukes, forbedringsmuligheter oppdages, endringer skjer blant kundene dine eller i bransjen din. Vi passer på løsningen sammen med deg, sørger for at den fungerer slik den skal, og at den leverer lengst.



Our multi site strategy provides flexibility and scalability for Nordic customers



- **A Nordic company with seamless nearshoring**
 - Serving leading customers with integrated communication and technology capabilities
- **Enhancing value with blended rates**
 - Tailored mix of onshore and nearshore resources based on relevance and value for each customer
- **A multi-site strategy**
 - Highest standard of data protection across borders
 - New nearshore development centers to be created within EU.

Our service offerings and key focus areas

Key drivers



Social Media



Mobility



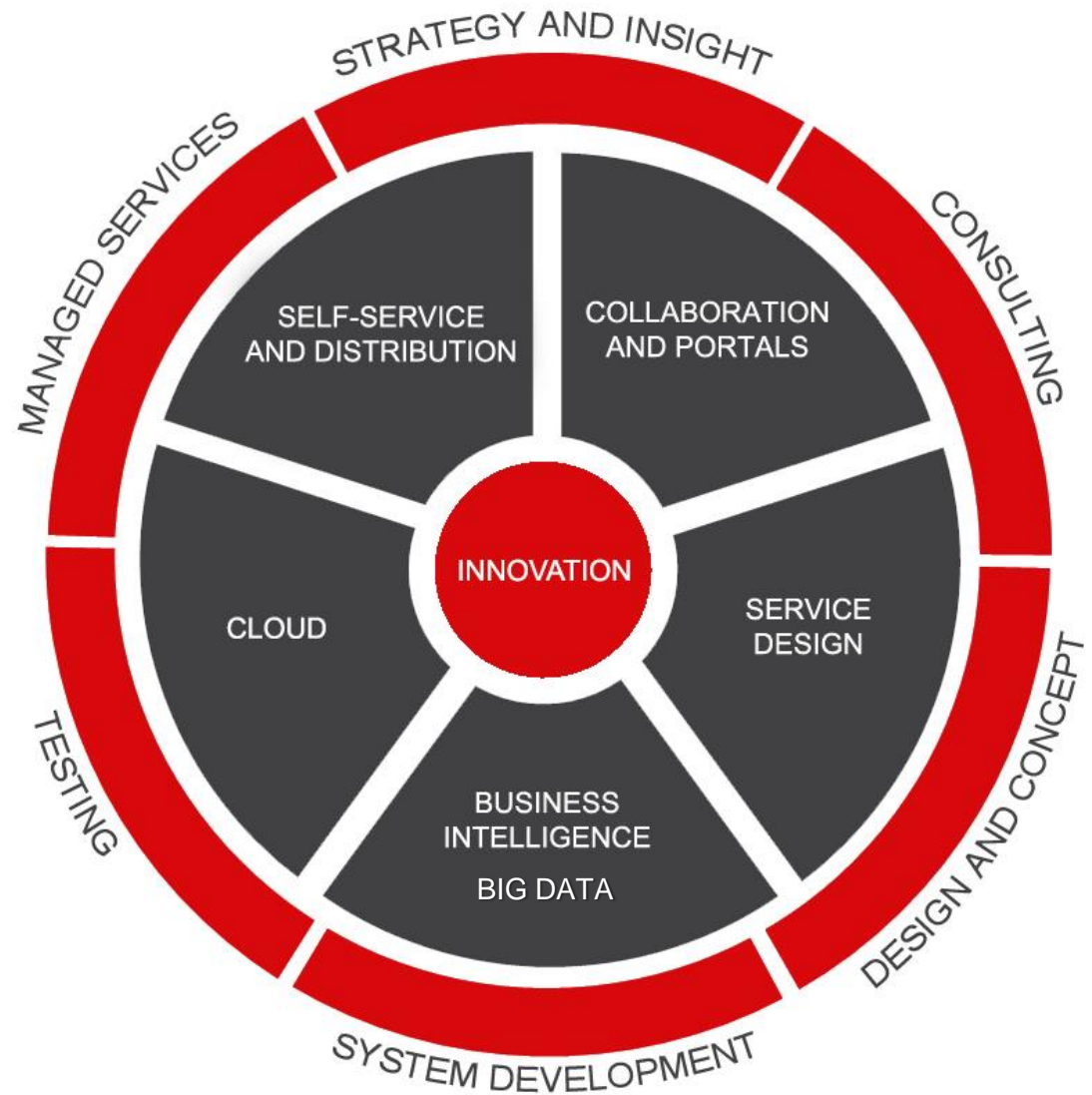
Cloud



Big data

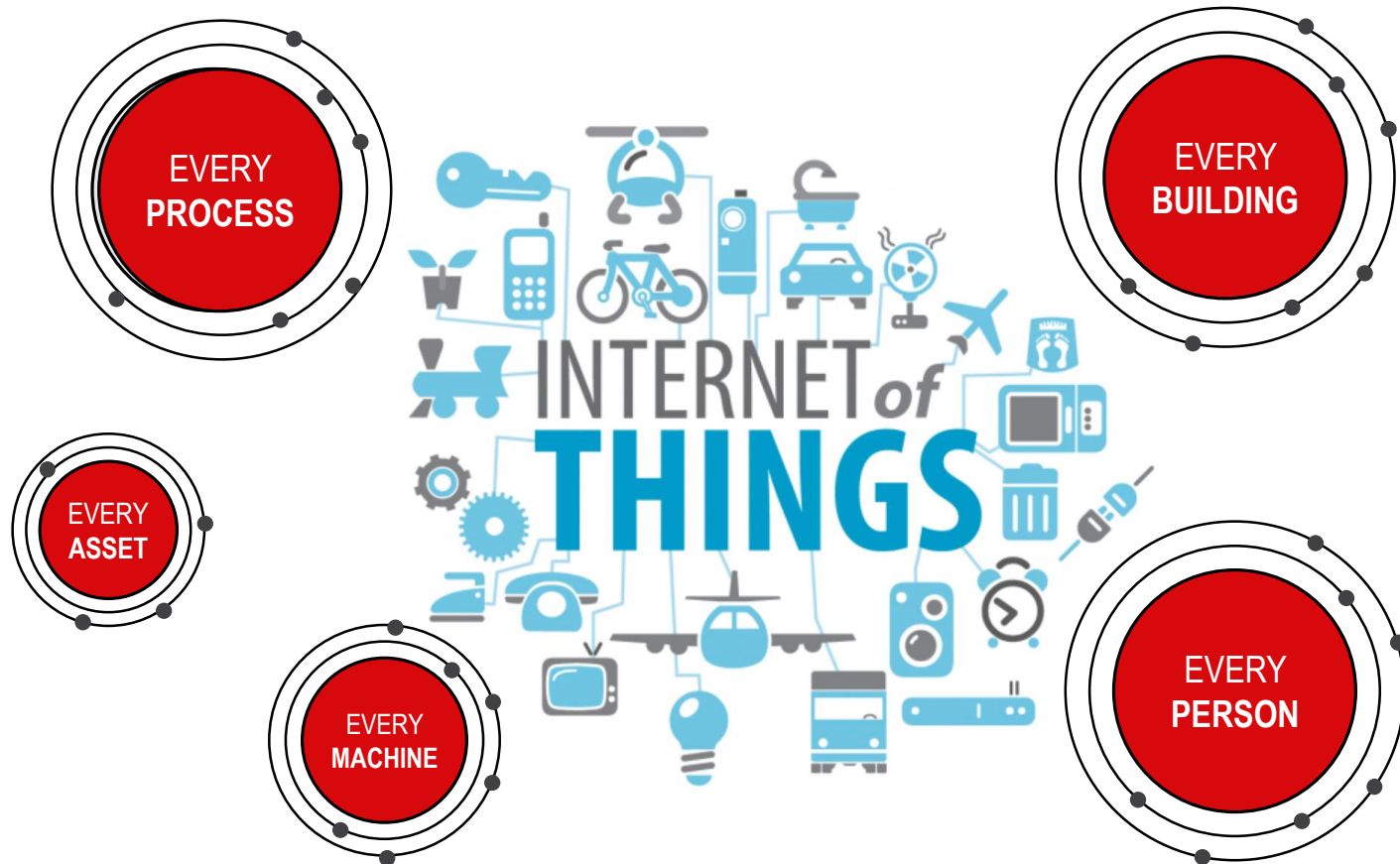


Internet of Things



Get ready for 2020's Digital Industrial Economy

- In the next 5 years, the average enterprise will see data capacities grow more than 800 %, according to the research company Gartner.

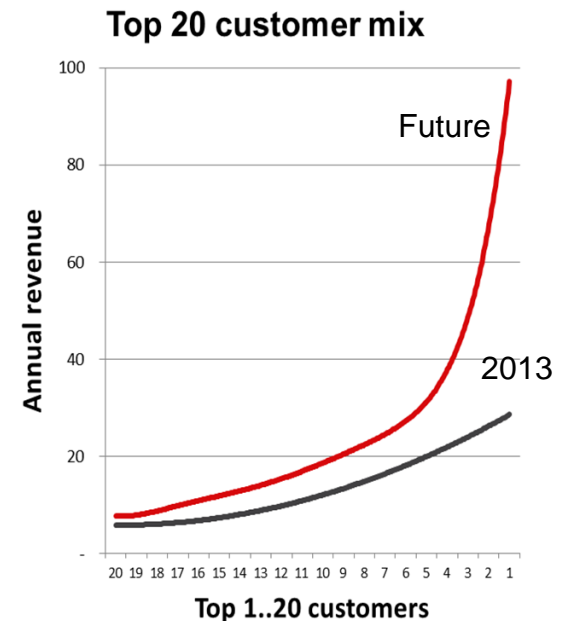
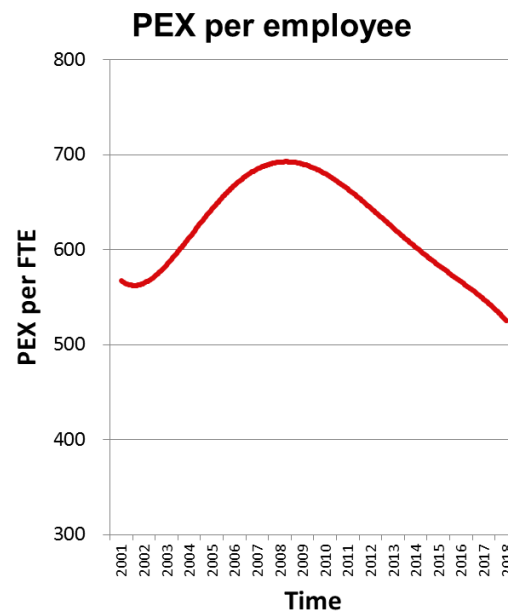


Long term profitable growth: Key enablers

Communication
AND
Technology

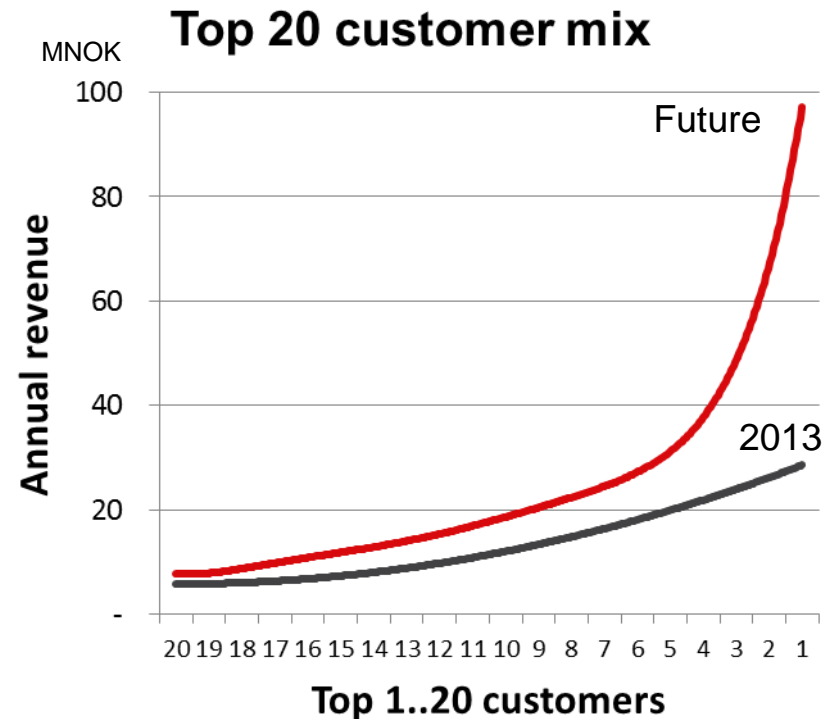
50 %+ of staff
nearshore

Larger projects
and revenue
visibility



Strong development of larger projects and larger revenue per customer

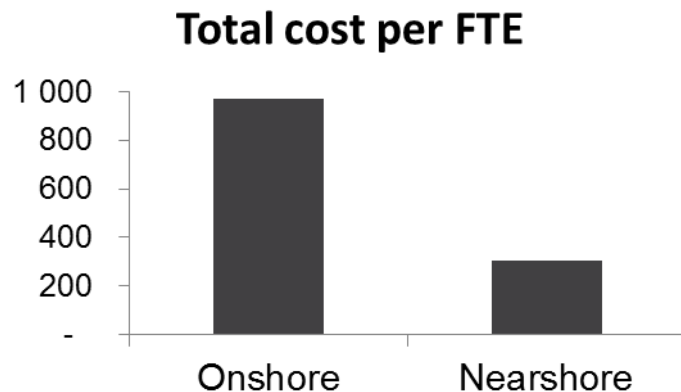
- Top 10 customers up by 40 % in Q4
- Top 30 customers up by 42 % in Q4
- Top 10 customers represent 42 % of total revenue in Q4, up from 37 % in Q4 2012
- Benefits:
 - Increasing revenue visibility
 - Improving operational efficiency
 - Declining sales and overhead cost



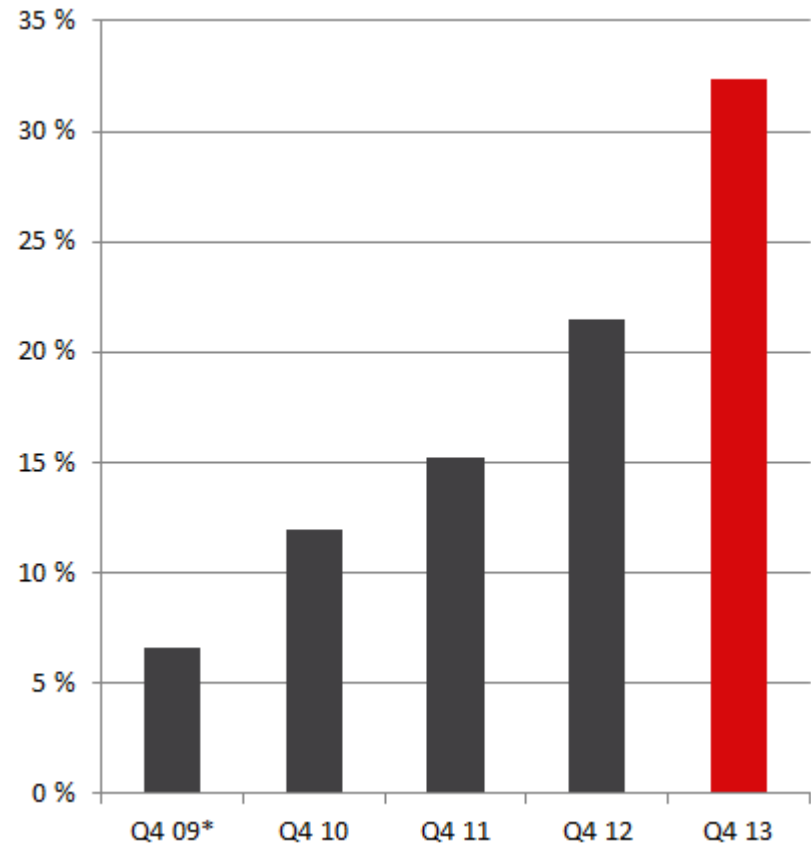
In a long term perspective, several customers should buy services from Itera for more than MNOK 50 per year.

Increasing nearshore leverage

- Nearshore ratio 32 % in Q4, moving fast towards target of 50+ %
- Customers are buying nearshoring services at a higher growth rate than local services
- Mixed teams are increasing our price flexibility in addition to unlimited access to resources



Nearshore ratio



Digitalization changes the business dynamics

- Digitalization is now; new opportunities occur
- Mobile solutions become more important than web
- Social media change business rules
- Innovation changes the battle ground
- Consumer power increases



The Communication Unit in Itera reached all time high profit in 2013.

OUTLOOK

Outlook

- Customer demand remains strong in all Nordic markets
 - Profitable growth and cash flow are key focus areas
 - Scaling up our nearshoring capability will continue to ensure future competitiveness
 - Larger projects and customers should gradually increase revenue visibility, efficiency and scalability
-
- Itera makes no forecasts

Top 20 shareholders

ISIN: NO0010001118
Name: ITERA ASA
Security type: AK
Date: 25.02.2014

Holding ▼	Percentage ▲	Name ▲	Account type ▲	Citizenship ▲
15,718,298	19.13	ARNE MJØS INVEST AS		NOR
5,665,150	6.89	STOREBRAND VEKST JPMORGAN EUROPE LTD,		NOR
5,479,401	6.67	ASSURANCEFORENINGEN (GJENSIDIG) - SKULD		NOR
3,465,000	4.22	OP CAPITAL AS		NOR
3,250,000	3.95	VERDIPAPIRFONDET DNB		NOR
2,925,000	3.56	EIKESTAD A/S C/O PARTNER REVISJON		NOR
2,200,000	2.68	JØSYRA INVEST AS		NOR
2,031,588	2.47	MARXPIST INVEST AS		NOR
1,839,600	2.24	SEPTIM CONSTULTING A		NOR
1,805,828	2.20	BOINVESTING AS		NOR
1,464,108	1.78	STOREBRAND NORGE I JPMORGAN EUROPE LTD,		NOR
1,306,982	1.59	GAMST INVEST AS		NOR
1,073,638	1.31	JOHS. HAUGERUDSVEI A		NOR
1,025,100	1.25	GIP AS		NOR
900,000	1.10	AANESTAD PANAGRI AS		NOR
650,000	0.79	FREDRIKSEN OLE JØRGEN		NOR
617,401	0.75	DnB NOR Bank ASA EGENHANDELSKONTO DnB NOR Markets		NOR
600,000	0.73	MORTEN JOHNSEN HOLDI MORTEN JOHNSEN		NOR
597,398	0.73	VERDIPAPIRFONDET STO S/A JPMORGAN EUROPE		NOR
569,212	0.69	MÅØY JAN MORTEN		NOR
53,183,704	64.73			