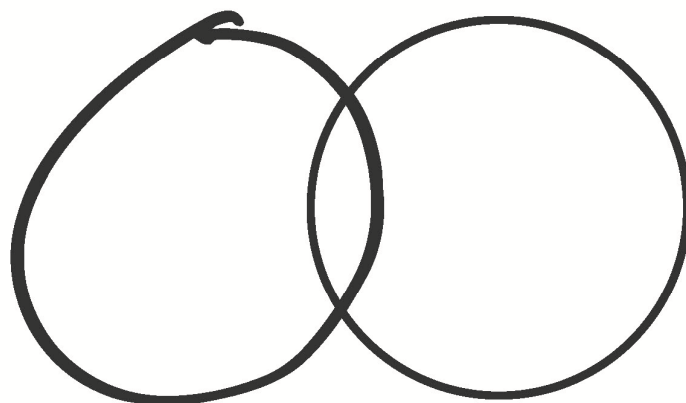




**Q2** 2014

# humanizing technology



# HIGHLIGHTS Q2/2014

## APRIL – JUNE 2014

- Revenue NOK 114.8 million (124.0), representing a decrease of -7 %.
- EBITDA NOK 6.6 million (13.3) and EBITDA margin 5.7 % (10.7 %).
- EBIT NOK 1.2 million (8.0) and EBIT margin 1.0 % (6.4 %).
- Cash flow from operations NOK 13.0 million (13.5).
- Dividend payment NOK 0.35 (0.06) per share, NOK 28.8 million (4.9) in total.
- Equity ratio 33 % (37 %).
- Bank deposits NOK 32.3 million (37.1).
- Stable organization with low attrition rate.

## JANUARY – JUNE 2014

- Revenue NOK 227.2 million (237.7), representing a decrease of -4 %.
- EBITDA NOK 14.4 million (20.7) and EBITDA margin 6.4 % (8.7 %).
- EBIT NOK 3.6 million (10.2) and EBIT margin 1.6 % (4.3 %).
- Cash flow from operations NOK 2.2 million (18.4).

## ACTIVITIES AND SIGNIFICANT EVENTS DURING THE PERIOD

- The market responded positively to the establishment of the new development center in Bratislava in the second quarter. This means that tasks can be distributed to several countries, independent of the situation in Ukraine. Revenue and profit in the first half year are affected by reduced activity due to the geopolitical situation in Ukraine.
- The order intake at the end of the second quarter was good. Several digital strategy projects were conducted for customers' senior management and board. These projects are often followed by larger realization projects.
- Public sector was defined as key focus area early in the second quarter. This has already resulted in signed frame agreements with the City of Oslo and Norway Customs.
- Signed agreements of projects and services to existing and new customers such as the City of Oslo, Skuld and Santander.

# KEY FIGURES

All figures in NOK million	2014 1-3	2013 1-3	change %	2014 1-12	2013 1-12	change %	2013 1-12
Sales revenue	114.8	124.0	-7 %	227.2	237.7	-4 %	465.2
Gross profit	92.9	96.0	-3 %	187.5	187.3	0 %	374.6
EBITDA	6.6	13.3	-50 %	14.4	20.7	-30 %	43.9
EBITDA margin	5.7 %	10.7 %		6.4 %	8.7 %		9.4 %
EBIT	1.2	8.0	-85 %	3.6	10.2	-65 %	22.5
EBIT margin	1.0 %	6.4 %		1.6 %	4.3 %		4.8 %
Profit before tax	1.0	7.7	-87 %	3.3	9.8	-66 %	20.4
Profit for the period	0.7	5.6	-87 %	2.4	7.0	-66 %	15.8
Profit margin	0.6 %	4.5 %		1.1 %	3.0 %		3.4 %
Earnings per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
Fully diluted earnings per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
Net cash flow from operating activities	13.0	13.5	-4 %	2.2	18.4	-88 %	22.5
Bank deposits	32.3	37.1		32.3	68.0		68.0
Number of employees at the end of the period	465	435	7 %	465	435	7 %	460

# SECOND QUARTER REPORT

## FINANCIAL PERFORMANCE

Revenue and profit are affected by the slow start of new projects due to the geopolitical tension in Ukraine.

Establishment of the new nearshore development center inside EU proceeds according to plan, enabling distribution of tasks to several countries. Several customers show renewed interests in using nearshore resources.

The second quarter is seasonally affected by Easter, with fewer working days than the corresponding quarter last year. For the first half as a whole, the Easter seasonality is leveled out.

### Accounting principles

The consolidated interim report includes Itera ASA and its subsidiaries. The interim financial statements were prepared in accordance with IAS 34, which covers interim financial reporting and the Securities Trading Act. The Interim report has not been audited and does not include all information required for a complete annual report. For further information about the accounting principles, please see Itera's annual report 2013.

Figures in brackets apply to the second quarter of 2013 respectively the first half year of 2013.

### Operating revenue

Operating revenue amounted to NOK 114.8 million (124.0) in the second quarter and NOK 227.2 million (237.7) in the first half year, corresponding to a decrease of -7 respectively -4 percent.

Gross profit 1 amounted to NOK 92.9 million (96.0) in the second quarter and NOK 187.5 million (187.3) in the first half year, corresponding to a decrease of -3 percent in the second quarter, and at the same level for the first half year compared to the same period in 2013.

### Operating expenses

The operating expenses in the second quarter amounted to NOK 113.6 million (116.1) and NOK 223.6 million (227.5) in the first half year. This represents a decrease of -2 percent both in the second quarter and year to date.

Cost of sold goods amounted to NOK 21.9 million (28.1) in the second quarter and NOK 39.7 million (50.3) in the first half year. Cost of sold goods consists mainly of purchase of services from sub consultants and expenses related to the Group's hosting operation in addition to third party SW-licences as part of larger deliveries. Cost of sold goods could fluctuate substantially from quarter to quarter, showing a reduction of -22 percent in the second quarter and -21 percent in first half year. This reduction is mainly due to termination of large subcontractor with less than 1 % margin to Itera.

The personnel expenses for the second quarter amounted to NOK 74.0 million (71.3) and NOK 149.0 (142.7) in the first

half year. This represents an increase of 4 percent both in the second quarter and in the first half year. The increase in number of employees in the first half year was 7 percent compared to the same period last year.

Other operating expenses increased by 8 percent to NOK 12.3 million (11.4) in the second quarter and by 1 percent to NOK 24.1 (23.9) in the first half year.

### Profit

Operating profit before depreciation (EBITDA) amounted to NOK 6.6 million (13.3) in the second quarter, corresponding to a margin of 5.7 (10.7) percent. Operating profit (EBITDA) in the first half year amounted to NOK 14.4 (20.7), corresponding to a margin of 6.4 (8.7) percent.

Depreciation amounted to NOK 5.4 million (5.3) in the second quarter and NOK 10.8 million (10.5) in the first half year. The depreciation is mainly related to the Group's hosting operation.

Operating profit (EBIT) amounted to NOK 1.2 million (8.0) in the second quarter, which corresponds to a margin of 1.0 (6.4) percent. EBIT in the first half year amounted to NOK 3.6 million (10.2), corresponding to a margin of 1.6 (4.3) percent.

Net financial items amounted to NOK -0.2 million (-0.2) in the second quarter and NOK -0.3 million (-0.4) in the first half year.

Profit after tax amounted to NOK 0.7 million (5.6) in the second quarter and NOK 2.4 (7.0) in the first half year. Estimated cost of tax amounted to NOK 0.3 million (2.2) in the second quarter and MNOK 0.9 (2.7) in first half year, of which NOK 0.0 million (0.0) is payable in the first half year.

At the end of the second quarter deferred tax assets amounted to NOK 8.7 million (10.7) where all are recognized in the statement of financial position. The deferred tax assets will ensure that the Group will not pay tax in the near future.

### Cash flow and equity

The cash flow from operations amounted to NOK 13.0 million (13.5) in the second quarter and NOK 2.2 million (18.4) in the first half year.

The change in customer receivables of NOK 14.3 million is due to lower revenue and increased focus on customer receivables. The change in other accruals amounted to NOK 6.3 million, due to a reduction in short term debt and an increase in other short term receivables.

At the end of second quarter, bank deposits amounted to NOK 32.3 million (37.1). A dividend of NOK 28.8 million (4.9) was paid in the second quarter. The Group has a credit facility of NOK 25 million.

The Group has interest-bearing debts of NOK 18.7 million (17.1) related to lease agreements, implemented to finance

investments related to new customer contracts for the hosting operation.

Itera has re-purchased 108.000 own shares during the second quarter. The re-purchase is due to obligations related to the stock option program. Itera owned 108.000 shares by the end of the first half year.

The equity by the end of the second quarter was NOK 59.5 million (75.7). This corresponds to an equity ratio of 33 (37) percent.

### Investments

The total investments in the second quarter amounted to NOK 3.9 million (6.7) and NOK 10.7 million (10.3) in the first half year.

Investments in the hosting operation amounted to NOK 2.3 million (5.7) in second quarter, of which NOK 1.2 million (5.4) in leasing. For the first half year investments in the hosting operation amounted to NOK 6.8 (7.8) million, of which NOK 5.7 million (7.5) in leasing.

Investments in intangible assets, such as own developed software with annual running agreements, amounted to NOK 0.3 million (0.8) in second quarter and NOK 1.0 million (1.3) in the first half year.

### Dividend

The Annual General Meeting decided to pay a dividend of NOK 0.35 (0.06) per share for 2013. The share was listed exclusive dividend 23<sup>rd</sup> of May 2014.

Totally, a dividend of NOK 28.8 million (4.9) was paid in the second quarter.

## BUSINESS REVIEW

The activity level in the second quarter was still affected by the situation in Ukraine, although the slowdown in the first quarter was stabilized in the second quarter.

Although the Group's development centers are not at all affected by the situation, customers show a somewhat cautious approach to starting new projects.

The activity level in the Nordic region is good, but since many projects are conducted by teams with both Scandinavian and Ukrainian resources, the Group's total utilization rate is affected. Itera in Denmark is particularly affected, since more than 50 percent of its capacity is delivered through nearshore resources.

The market responded positively to the establishment of the new development center in Bratislava in the second quarter. The order intake was positively affected, which is expected to yield results in the second half year.

### A new development center inside EU

As announced in the first quarter, the planned next step in the nearshore strategy was accelerated in the second quarter. A new development center is now established in Bratislava in Slovakia. The travel time from the Nordic countries is short, and Slovakia is a member of both the EU

and NATO. This enables our customers to balance their country risks between EU and Ukraine. During the second quarter, several customers visited our development center in Bratislava to discuss project opportunities.

The nearshore development center in Bratislava is built and operated in the same way as the development centers in Ukraine. This will ensure equality in working methods and organizational culture throughout the Group, regardless of location. Key personnel and management from Kiev have active roles, and will for a shorter or longer period move to Bratislava to ensure continuity and rapid establishment.

### Organization

By the end of the quarter, the number of employees was 465 compared to 435 in the corresponding quarter last year. This represents an increase of 7 percent.

The nearshore ratio was 33 (26) percent by the end of the second quarter. The development shows a flat trend from the fourth quarter last year due to the situation in Ukraine.

Itera's competence and professional environment within communication and technology are highly recognized both locally and internationally. During the quarter, our employees have contributed to strengthen this reputation by providing lectures at the Software Quality Assurance Days conference in Moscow, at the HTML5 Developer Conference in San Francisco, the world's largest conference for JavaScript and HTML5 developers, at the developer conference DevConFu in Latvia and at the Sitecore Customer Experience Conference 2014 in Oslo, where we shared our expertise on customer experience and trends in consumer behavior, communication and technology.

Our consultants have also given lectures in usability testing for the members of the Norwegian Communication Association, we have been part of the jury of the IT talent competition 'Golden Byte' in Kiev and we were invited to participate in the panel at the CA EMEA Conference in Germany, where we shared insights about the challenges and opportunities of our industry with thousands of participants from all across the EMEA region.

As knowledge-based organization, our employees' professional development and knowledge sharing is very important. A reputation as a highly qualified organization is a competitive factor in recruitment as well as in sales and delivery. Enhancing the professional development of our employee, the internal concept "Itera Academy" was launched in the second quarter. Itera Academy is a collection of hundreds of courses that our employees can attend as needed. Many of them are based on e-learning, while others imply physical participation. Some courses and certifications are external, while others are conducted by employees for employees. The courses are presented in a course calendar with registration on the intranet. "Itera Academy" is a key differentiator to attract and retain employees.

### Market and customer development

The Group experienced a strong order intake at the end of the quarter. The convergence between communication and technology affects all industries. Digitalization changes customer behavior, creates new business models and reshapes the structures of competition. The rules change, consumers are empowered and mobile devices are already - or will be in the near future - the main communication and

transaction channel for many businesses.

Communication and technology services converge because customers aim to communicate consistently in all channels. Itera experiences that its position as a communication and technology company is attractive, and see an increased demand for digitalization strategies. As an example, a digitalization strategy for a major Norwegian banking and financial institution was delivered during the quarter. Such strategies involve close contact between our consultants and the customer's senior management and board, and the results are often of significant importance for the customer's decisions of direction for the future.

Digitalization of the public sector was defined as a strategic focus area in the second quarter. The efforts have already provided new contracts with customers like the City of Oslo, Norway Customs, the Norwegian Directorate of Health, the Airport Express Train, the Norwegian Public Service Pension Fund and the Norwegian Agriculture Agency. The latter agreement implies the development of a new visual identity for the new agency, which is the result of the merge of the Norwegian Agricultural Authority and the Norwegian Reindeer Husbandry Administration. Itera won the assignment in competition with 21 other agencies.

#### Deliveries

During the quarter santander.no and statsbygg.no were launched. Both solutions are turnkey deliveries, where Itera has delivered concept development, consulting, graphic design, interaction design, system development, testing and project management.

#### Larger, long-term customer relations

Itera has a strong Nordic customer portfolio, where many of the customers already are or have the potential to become buyers of Itera's whole range of services. It is a key part of the strategy to maintain and develop the largest and most strategic customer relationships across geographical borders and professional disciplines.

The 10 largest customers accounted for 48 percent of the total revenues in the second quarter, unchanged from the corresponding quarter last year. The growth of the five largest customers accounted for 9 percent in the second quarter and 26 percent year to date compared to the same periods last year, while the growth for the 10 largest customers accounted for 3 percent in the second quarter and 11 percent year to date compared to the same periods last year.

During the quarter, Itera has entered into delivery agreements for new and existing customers, including the City of Oslo, Skuld and Santander.

#### Significant risks and uncertainties

Itera's business is affected by a number of different factors, some of which are within the company's control while others are beyond our control. As a consulting firm, the business is affected by business-related risks such as competition and price pressure, project overruns, recruitment, loss of key personnel and our customer's development and bad debts. Market risks include risks related to the business cycle.

Financial risks include exchange risks, mainly related to Swedish (SEK) and Danish kroner (DKK), and US dollar (USD) against Norwegian kroner (NOK). Further, the Group is exposed to interest risks related to return on the bank deposits and financial expenses related to the external financing by changes in the interest rate.

Itera's nearshore operations in Ukraine expose the Group to new risks, included country risk, data security and corruption. Itera has zero tolerance for corruption and does not conduct domestic activities where the problem of corruption is greatest.

For more information about risk and uncertainties, please see the 2013 annual report.

#### Outlook

The Group keeps its focus on the main strategy, creating large, long term customer relationships, increasing share of project deliveries involving the full range of services, increasing use of nearshore resources and improving efficiency within the organization.

The range of services is developed in line with customer needs, and has its base in the combination of communication and technology.

The Group monitors the development in Ukraine very closely, and expect that the establishment of a new development center inside EU will lead to increased activity through new projects for both new and existing customers.

The Group is properly positioned for profitable growth.

#### Interim Report Q3

The third quarter 2014 interim report will be presented on the 29<sup>th</sup> of October 2014.

# DIRECTORS' RESPONSIBILITY STATEMENT

We declare that, to the best of our knowledge and belief, the interim accounts for the period 1 January to 30 June 2014 have been prepared in accordance with IAS 34 and that the information in the accounts provides a true and fair view of the Itera ASA group's assets, liabilities, financial position and overall results.

We also declare that, to the best of our knowledge and belief, the interim report provides a true and fair overview of information according to the Norwegian Securities Trading Act (verdipapirloven) § 5-6 (4).

Oslo, 21st of August 2014  
The Board of Directors of Itera ASA

Morten Thorkildsen  
Chairman

Mimi K. Berdal  
Board member

Jan-Erik Karlsson  
Board member

Wenche Holen  
Board member

Karl-August Brunstad  
Board member /  
employee representative

Jorunn Aarskog  
Board member /  
employee representative

Arne Mjøs  
CEO

# STATEMENT OF COMPREHENSIVE INCOME

All figures in NOK 1000	2014 4-6	2013 4-6	change %	2014 1-6	2013 1-6	change %	2013 1-12
<b>Sales revenue</b>	114 811	124 022	-7 %	227 216	237 656	-4 %	465 194
<b>Operating expenses</b>							
Cost of sales	21 879	28 053	-22 %	39 706	50 338	-21 %	90 630
Personell expenses	74 021	71 339	4 %	149 001	142 694	4 %	279 400
Depreciation	5 418	5 299	2 %	10 816	10 522	3 %	21 376
Other operating expenses	12 325	11 361	8 %	24 080	23 918	1 %	51 266
<b>Total operating expenses</b>	<b>113 643</b>	<b>116 051</b>	<b>-2 %</b>	<b>223 603</b>	<b>227 472</b>	<b>-2 %</b>	<b>442 671</b>
<b>Operating profit</b>	<b>1 168</b>	<b>7 971</b>	<b>-85 %</b>	<b>3 613</b>	<b>10 184</b>	<b>-65 %</b>	<b>22 523</b>
<b>Financial items</b>							
Other financial income	84	266	-69 %	267	471	-43 %	383
Other financial expenses	264	496	-47 %	566	886	-36 %	2 467
<b>Net financial items</b>	<b>-180</b>	<b>-230</b>	<b>22 %</b>	<b>-299</b>	<b>-416</b>	<b>28 %</b>	<b>-2 084</b>
<b>Profit before taxes</b>	<b>988</b>	<b>7 740</b>	<b>-87 %</b>	<b>3 314</b>	<b>9 768</b>	<b>-66 %</b>	<b>20 439</b>
Income tax	267	2 167	-88 %	895	2 735	-67 %	4 639
<b>Profit for the period</b>	<b>721</b>	<b>5 573</b>	<b>-87 %</b>	<b>2 419</b>	<b>7 033</b>	<b>-66 %</b>	<b>15 800</b>
Earnings per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
Fully diluted earnings per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
<b>Statement of other income and costs</b>							
Currency translation differences	296	851	-65 %	-455	1 077	-142 %	2 323
Unrealized net effect on investments in foreign subsidiaries	-109	-493	78 %	-649	121	-636 %	1 622
		0					-459
Profit for the period	721	5 573	-87 %	2 419	7 033	-66 %	15 800
<b>Total profit</b>	<b>908</b>	<b>5 931</b>	<b>-85 %</b>	<b>1 315</b>	<b>8 231</b>	<b>-84 %</b>	<b>19 286</b>
Attributable to:							
Shareholders in parent company	908	5 931	-85 %	1 315	18 783	-93 %	18 783



# STATEMENT OF FINANCIAL POSITION

All figures in NOK 1000	2014 30 Jun	2013 30 Jun	change %	2014 31 Mar	2013 31 Dec
<b>ASSETS</b>					
<b>Non-current assets</b>					
Deferred tax asset	8 652	10 718	-19 %	8 514	9 146
Other intangible assets	15 646	18 251	-14 %	15 969	17 216
Fixed assets	30 237	29 841	1 %	30 325	27 858
<b>Total non-current assets</b>	<b>54 534</b>	<b>58 810</b>	<b>-7 %</b>	<b>54 809</b>	<b>54 221</b>
<b>Current assets</b>					
Work in progress	7 670	12 137	-37 %	6 905	15 657
Accounts receivable	67 074	84 623	-21 %	81 377	69 682
Other receivables	19 575	12 180	61 %	19 022	12 574
Bank deposits	32 284	37 120	-13 %	53 052	67 958
<b>Total current assets</b>	<b>126 605</b>	<b>146 060</b>	<b>-13 %</b>	<b>160 356</b>	<b>165 872</b>
<b>Total assets</b>	<b>181 139</b>	<b>204 869</b>	<b>-12 %</b>	<b>215 165</b>	<b>220 092</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	24 648	24 656	0 %	24 656	24 656
Other equity	32 418	44 056	-26 %	60 989	46 479
Net profit for the period	2 419	7 033	-66 %	1 698	15 800
<b>Total equity</b>	<b>59 485</b>	<b>75 745</b>	<b>-21 %</b>	<b>87 343</b>	<b>86 935</b>
<b>Non-current liabilities</b>					
Non-current interest bearing liabilities	18 701	17 087	9 %	18 398	15 827
<b>Total non-current liabilities</b>	<b>18 701</b>	<b>17 087</b>	<b>9 %</b>	<b>18 398</b>	<b>15 827</b>
<b>Current liabilities</b>					
Accounts payable	21 917	21 652	1 %	22 934	27 171
Tax payable	31	0		139	151
Public duties payable	24 570	23 442	5 %	32 668	24 576
Other short-term liabilities	56 435	66 944	-16 %	53 683	65 431
<b>Total current liabilities</b>	<b>102 953</b>	<b>112 038</b>	<b>-8 %</b>	<b>109 424</b>	<b>117 330</b>
<b>Total liabilities</b>	<b>121 654</b>	<b>129 124</b>	<b>-6 %</b>	<b>127 822</b>	<b>133 157</b>
<b>Total equity and liabilities</b>	<b>181 139</b>	<b>204 870</b>	<b>-12 %</b>	<b>215 165</b>	<b>220 092</b>
<b>Equity ratio</b>	<b>33 %</b>	<b>37 %</b>		<b>41 %</b>	<b>39 %</b>



# STATEMENT OF CASH FLOW

	2014 4-6	2013 4-6	change %	2013 1-6	2013 1-6	change %	2013 1-12
All figures in NOK 1000							
<b>Cash flow from operating activities</b>							
Profit before taxes	988	7 740	-87 %	3 314	9 768	-66 %	20 439
Income tax	-132	0		-521	0		-1 152
Depreciation	5 418	5 299	2 %	10 816	10 522	3 %	21 376
Change in work in progress	-765	-1 983	61 %	7 987	-6 244	228 %	-9 765
Change in account receivables	14 302	-12 841	211 %	2 608	-10 446	125 %	4 494
Change in account payables	-1 017	3 251	-131 %	-5 254	3 938	-233 %	9 458
Change in other accruals	-6 291	11 605	-154 %	-16 004	10 347	-255 %	10 640
Effect of currency changes	455	467	-3 %	-721	499	-244 %	
<b>Net cash flow from operating activities</b>	<b>12 958</b>	<b>13 538</b>	<b>-4 %</b>	<b>2 224</b>	<b>18 383</b>	<b>-88 %</b>	<b>57 726</b>
<b>Cash flow from investments activities</b>							
Investment in fixed assets	-1 455	-386	-277 %	-3 107	-1 480	-110 %	-5 146
Investment in intangible assets	-1 480	-829	-79 %	-2 116	-1 287	-64 %	-3 670
<b>Net cash flow from investments activities</b>	<b>-2 935</b>	<b>-1 215</b>	<b>-142 %</b>	<b>-5 223</b>	<b>-2 767</b>	<b>-89 %</b>	<b>-8 816</b>
<b>Cash flow from financing activities</b>							
Borrowings repaid	-2 026	-1 106	-83 %	-3 910	-2 389	-64 %	-6 131
Dividend	-28 765	-4 931	-483 %	-28 765	-4 931	-483 %	-4 931
<b>Net cash flow from financing activities</b>	<b>-30 791</b>	<b>-6 037</b>	<b>-410 %</b>	<b>-32 675</b>	<b>-7 320</b>	<b>-346 %</b>	<b>-11 062</b>
Currency effect on cash	0	0		0	0		1 286
<b>Net cash flow</b>	<b>-20 768</b>	<b>6 286</b>	<b>-430 %</b>	<b>-35 674</b>	<b>8 296</b>	<b>-530 %</b>	<b>39 134</b>
Bank deposits at the beginning of the period	53 052	30 834	72 %	67 958	28 824	136 %	28 824
<b>Bank deposits at the end of the period</b>	<b>32 284</b>	<b>37 120</b>	<b>-13 %</b>	<b>32 284</b>	<b>37 120</b>	<b>-13 %</b>	<b>67 958</b>
<b>New borrowing related to leasing</b>	<b>2 330</b>	<b>5 449</b>	<b>-57 %</b>	<b>6 785</b>	<b>7 543</b>	<b>-10 %</b>	<b>12 575</b>

# STATEMENT OF CHANGES IN EQUITY

All figures in NOK 1000	Share capital	Own shares	Other equity	Translation differences	Other equity	Total equity
<b>Shareholders' equity as of 31 Dec 2012</b>	<b>24 656</b>	<b>0</b>	<b>0</b>	<b>-4 626</b>	<b>52 412</b>	<b>72 442</b>
Comprehensive income for the year	0	0	0	3 486	15 800	19 286
Option costs	0	0	138	0	0	138
Dividend	0	0	0	0	-4 931	-4 931
<b>Shareholders' equity as of 31 Dec 2013</b>	<b>24 656</b>	<b>0</b>	<b>0</b>	<b>-1 140</b>	<b>63 280</b>	<b>86 935</b>
Comprehensive income for the year	0	0	0	-1 104	2 419	1 315
Dividend	0	0	0	0	-28 765	-28 765
<b>Shareholders' equity as of 30 Jun 2014</b>	<b>24 656</b>	<b>0</b>	<b>0</b>	<b>-2 244</b>	<b>36 934</b>	<b>59 485</b>

# NOTES

## NOTE 1: TRANSACTION WITH RELATED PARTIES

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There has not been any material transactions with related parties during the reporting period 1<sup>st</sup> of April to 30<sup>th</sup> of June 2014.

## NOTE 2: EVENTS AFTER BALANCE SHEET DATE

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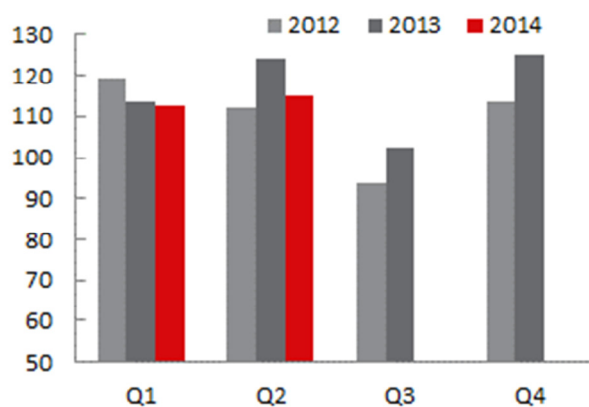
There has not been any material events after 30<sup>th</sup> of June 2014 of significance for this quarterly report.

# KEY FIGURES

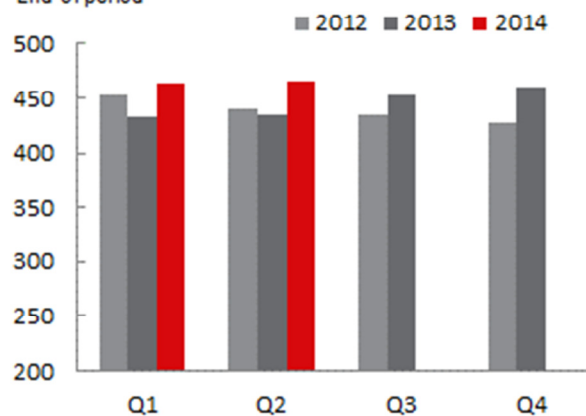
	2014 4-6	2013 4-6	change %	2014 1-6	2013 1-6	change %	2013 1-12
All figures in NOK 1000							
<b>Profit &amp; Loss</b>							
Sales revenue	114 811	124 022	-7 %	227 216	237 656	-4 %	465 194
Gross profit 1	92 932	95 969	-3 %	187 509	187 317	0 %	374 564
EBITDA	6 586	13 269	-50 %	14 429	20 705	-30 %	43 899
EBITDA-margin	5.7 %	10.7 %		6.4 %	8.7 %		9.4 %
Operating profit (EBIT)	1 168	7 971	-85 %	3 613	10 184	-65 %	22 523
EBIT-margin	1.0 %	6.4 %		1.6 %	4.3 %		4.8 %
Profit before taxes	988	7 740	-87 %	3 314	9 768	-66 %	20 439
Profit for the period	721	5 573	-87 %	2 419	7 033	-66 %	15 800
<b>Balance sheet</b>							
Non-current assets	54 534	58 810		54 534	54 221		54 221
Bank deposits	32 284	37 120		32 284	67 958		67 958
Current assets	126 605	146 060		126 605	165 872		165 872
Total assets	181 139	204 869		181 139	220 092		220 092
Equity	59 485	75 745		59 485	86 934		86 935
Total current liabilities	102 953	112 038		102 953	117 331		117 330
Equity ratio	32.8 %	37.0 %		32.8 %	39.5 %		39.5 %
Liquidity factor	1.23	1.30		1.23	1.41		1.41
<b>Cash flow</b>							
Net cash flow from operating activities	12 958	13 538		2 224	18 383		57 726
Net cash flow	-20 768	6 286		-35 674	8 296		39 134
<b>Share information</b>							
Number of shares	82 186 624	82 186 624		82 186 624	82 186 624		82 186 624
Weighted average basic shares outstanding	82 186 624	82 186 624		82 186 624	82 186 624		82 186 624
Weighted average diluted shares outstanding	82 186 624	82 186 624		82 186 624	82 186 624		82 186 624
EBIT per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
Diluted EBIT per share	0.01	0.07	-87 %	0.03	0.09	-66 %	0.19
EBITDA per share	0.08	0.16	-50 %	0.18	0.25	-30 %	0.53
Equity per share	0.72	0.92	-21 %	0.72	1.06	-32 %	1.06
Dividend per share	0.00	0.00		0.06	0.00		0.06
<b>Employees</b>							
Number of employees at the end of the period	465	435	7 %	465	435	7 %	460
Average number of employees	463	435	7 %	462	432	7 %	443
Operating revenue per employee	248	285	-13 %	492	551	-11 %	1 050
Gross profit 1 per employee	201	221	-9 %	406	434	-7 %	846
Personell expenses per employee	160	164	-3 %	322	331	-2 %	631
Other operating expenses per employee	27	26	2 %	52	55	-6 %	116
EBITDA per employee	14	31	-53 %	31	48	-35 %	99
EBIT per employee	3	18	-86 %	8	24	-67 %	51

# QUARTERLY DEVELOPMENT 2012-2014

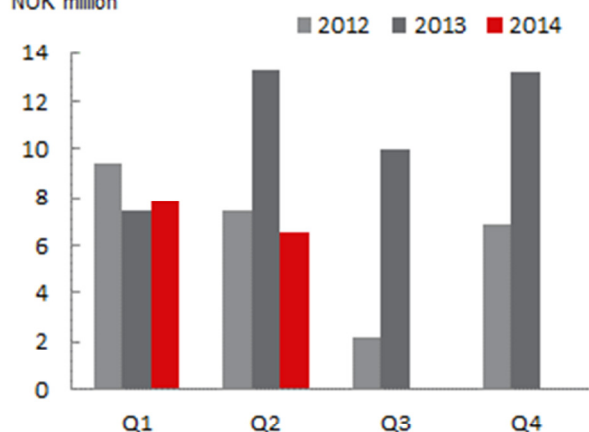
**Revenues**  
NOK million



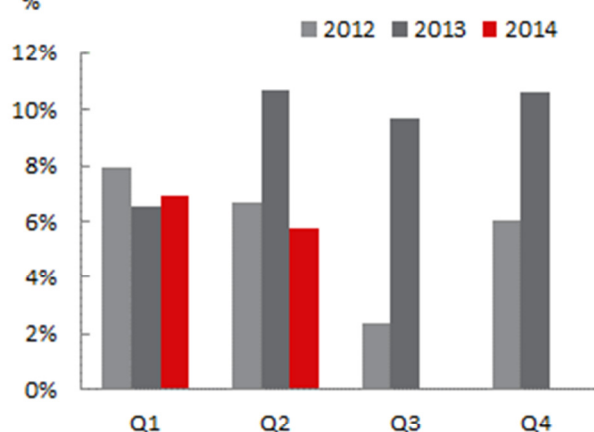
**Employees**  
End of period



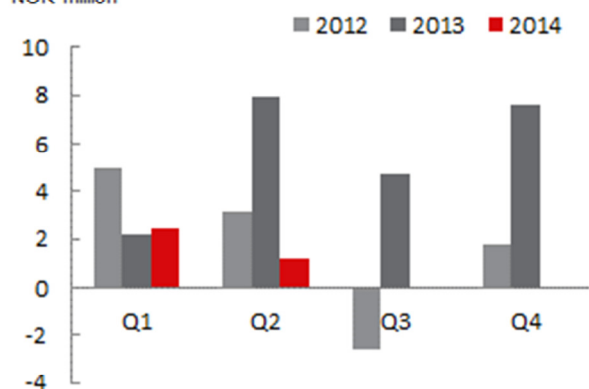
**EBITDA**  
NOK million



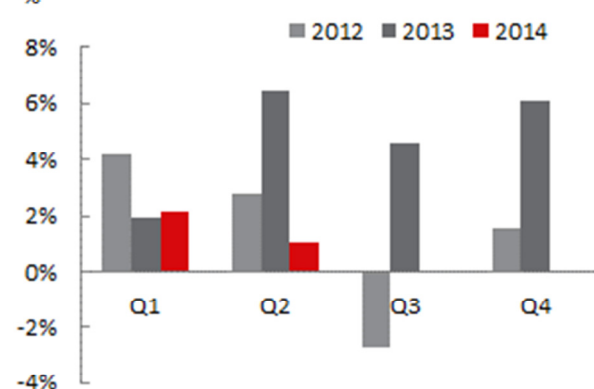
**EBITDA margin**  
%



**EBIT**  
NOK million



**EBIT margin**  
%



**IT'S OUR**  
**DIVERSITY THAT MAKES**  
**THE DIFFERENCE.**

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