



Service Excellence,
Quality-Focused Processes
and Employees – Our Key Asset

Interim Report

April – June 2014

KEY FIGURES Q2 AND YTD 2014

All figures in NOK 1 000	2014 Apr-Jun	2013 Apr-June	2014 Jan-Jun	2013 Jan-Jun	2013 Jan-Dec
Revenue	71 051	58 662	145 186	118 198	262 216
Growth (YOY)	21,1 %	8,7 %	22,8 %	5,5 %	15,8 %
Operating profit excl. one off IPO related costs*	3 175	1 767	11 627	7 839	24 616
Operating profit margin excl. IPO related costs	4,5 %	3,0 %	8,0 %	6,6 %	9,4 %
Operating profit	(479)	1 767	7 972	7 839	24 616
Operating profit margin	-0,7 %	3,0 %	5,5 %	6,6 %	9,4 %
Ordinary Profit before tax	(1 066)	592	7 137	6 239	23 534
Profit for the period	(778)	432	5 210	4 555	17 089
Net cash from operating activities	(3 810)	2 623	(3 217)	3 098	21 939
Headcount end of the period	415	363	415	363	391
*One off IPO related costs	3 655	-	3 655	-	-

HIGHLIGHTS Q2 2014

- Revenue grew YOY according to expectations by 21.1% compared to Q2 2013 to NOK 71.1 mill and YTD of NOK 145.2 mill equivalent to a YOY growth of 22.8%.
- Operating profit (EBIT) before IPO related costs NOK 3.2 million and 4.5%. Year to date EBIT according to expectations of 8.0%.
- Successfully listed on the Oslo Stock exchange in June securing high quality investor base.
- Signed a five-year agreement for the provision of transactional HR services to 23000 employees of Statoil ASA that will have revenue impact from Q3.
- Successful go-live of payroll services for TeliaSonera's 4000 employees in Finland on the Zalaris cloud platform.
- Initiating strengthening of sales function to handle market demand.
- Strengthened board with members from all Nordic countries reflecting our ambitions.



2014 – Advancing Customer Satisfaction and Profitable Growth

“We are ready to advance Zalaris’ proven business model in the fast-growing enterprise market for quality outsourced HR solutions. It’s ideal timing for our pending IPO on the Oslo Stock Exchange as demand continues to rise for the service levels and cost savings we consistently deliver.”

Hans-Petter Møllerud, CEO



Insights from the CEO

Zalaris concluded the second quarter of 2014 in line with our expectations for the period and on track with fiscal objectives for the year. In addition to growing revenue YOY to 21.1%, we increased profitability compared to Q2 2013. This resulted in revenue of NOK 71.1 million and an EBIT (before one off IPO related costs) of NOK 3.2 million for the quarter.

Recurring revenue remained stable from Q1 and variations were mainly in revenue from external consulting engagements. Revenue and EBIT for the first half year was NOK 145.2 and NOK 11.6 million.

In April we signed a five year agreement with leading energy company Statoil ASA to deliver a number of transactional HR services to their 23’000 global employee base. The project responsible for transitioning the services from Statoil to Zalaris started in April. Services to Statoil will commence on August 1st with revenue impact from that date. As a result of the Statoil deal, we are establishing a service center in Stavanger that will focus on delivering outsourced payroll and HR services to the North Sea oil industry.

Our HRO and Consulting practices are still fully engaged with new large enterprise customers. In June we went live with our new cloud based SAP powered solution for TeliaSonera in Finland, Nordea Life and Pension in Denmark and Lemminkäinen in Norway. Go-Live for Telenor Sweden is scheduled for September.

Our Service operations continued its focus on improving quality and service further. As an important mean a separate operations development group was established to be responsible for identifying and managing service operations wide improvement projects including productivity increasing measures.

Overall market response to our services still remains

strong. At the end of Q2 we signed a Letter of Intent with a well know Norwegian company for the provision of full service payroll and HR services to their around 1200 employees. The corresponding transformation project has started and we expect a final agreement to be in place and communicated in the near future.

Our pipeline of deals is strong with a number of large opportunities in various stages. There is significant upsell and expansion potential with existing customers. A handful of the prospective new customers have large Nordic and Northern European employee bases in the range of 15000 to 30000 employees.

Going forward we are working on strengthening our sales organization to further enhance our presence in the markets that we operate.

Zalaris listed on the Oslo Stock Exchange on the 20th of June at an offer price of NOK 23 per share. At this level the offering was more than 5x subscribed and secured us around 650 shareholders headed by a very strong institutional investor base including high quality International and Nordic long-only funds. At the end of Q2 share price had increased with 12.6% to NOK 25.9 per share. As the IPO process naturally demanded much attention from Zalaris management and key resources – we are excited about normalizing the situation – again being able to focus on serving our customers and delivering on expectations.

Hans-Petter Møllerud, CEO



Revenue and Profit/Loss

Revenue

Total revenue amounted to NOK 71.1 million in Q2 2014, an increase of 21.1% compared to the same period in 2013. The total revenue decreased compared to Q1 2014. This reflects normal seasonal variations and a higher number of public holidays and vacationdays in Q2 compared to Q1.

Zalaris' revenue related to the HR Outsourcing business, increased 25% compared to Q2 2013. Q2 2014 revenues were 4% lower compared to Q1 2014. The main reason was seasonal variations in payroll services related to year-end tasks having a positive impact on HR Outsourcing revenues in Q1 and Q4. On the compensating side, in Q2 the HR Outsourcing business unit delivered an increased number of change orders which gave a positive development of additional invoicing.

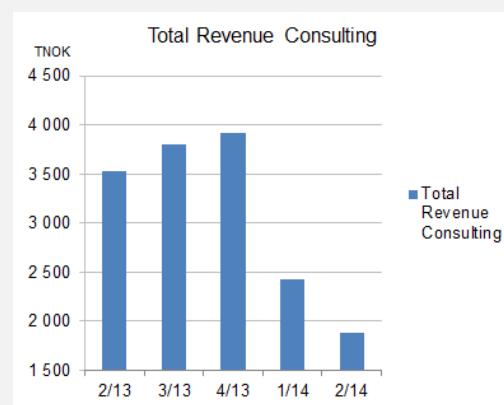
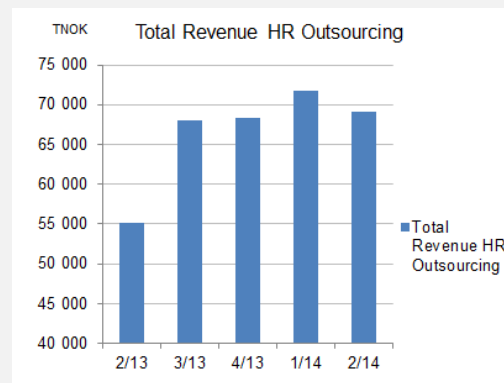
Consulting revenue amounted to 1.9 MNOK in Q2 2014. The group has continuously had high usage of consulting capacity in implementation projects for new customers and change orders for existing customers, which limited external selling by the Consulting unit. This in addition to a higher number of public holidays and vacationdays in Q2 compared to Q1, explain low consulting revenue.

Profit/loss

Group operating profit before extraordinary one off IPO costs amounted to NOK 3.2 million in the second quarter, equivalent to an operating margin of 4.5%. This is an increase of NOK 1.4 million compared to the same period last year. The operating profit equals NOK -0.5 million equivalent to -0.7% operating margin.

Extraordinary IPO costs amounting to NOK 3.7 million are one off costs related to our IPO process and mainly include legal and accounting services, listing fee and management fee to advisors.

Net financial items for the second quarter amounted to NOK -0.6 million. The result for Q2 2014 after tax is NOK -0.8 million. Equivalent figures for the first quarter of 2013 were net financial NOK -1.2 million and profit after tax NOK 0.4 million.





Revenue per region

Business unit – HR Outsourcing

Zalaris experiences continuous growth and currently has offices covering the Nordics, Baltics and Poland. In the second quarter of 2014, 97% of the total revenue was generated in the Group's HR Outsourcing business unit. This represents a 3 % increase compared to the same period in 2013.

In Q2 2014, 99% of Zalaris' outsourcing revenues resulted from our Nordic subsidiaries with the following split: Norway 43%, Sweden 20%, Denmark 20% and Finland 16%.

Compared to Q1 2014, Q2 2014 revenue remained relatively stable for Norway, Denmark and Finland while Sweden experienced a seasonal decrease mainly due to high level of invoicing related to year-end tasks in Q1.

Especially Norway but also Finland had a high level of revenues from change orders in Q2 which more than neutralized the negative impact of seasonal variations.

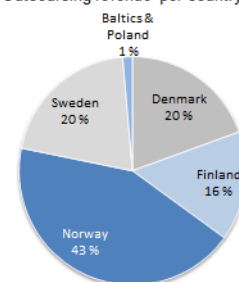
Business unit - Consulting

Consulting revenues in Q2 2014 reflects that consulting capacity has been heavily involved with customer implementation projects related to growth and high inflow of new customers in the previous quarters.

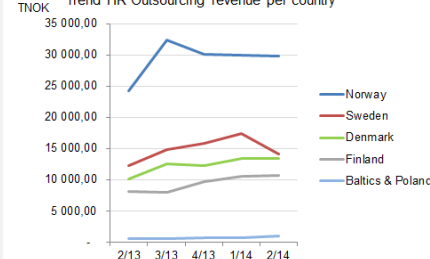
The contribution to total external revenue from the Consulting business unit was 3% in the second quarter of 2014, amounting to NOK 1.9 million. This is a decrease from the same period last year in which the contribution to total external revenue amounted to NOK 3.5 million or 6% of total revenue for the Group. The norwegian Consulting unit contributes with 75 % of all consulting revenue in Q2 and continues to be the main contributor of consulting revenue in Zalaris Group.

The consulting revenue in Q2 2014 decreased in all the Nordic countries compared to Q2 2013. In 2013 the norwegian Consulting unit used external consultants to deliver services generating external consulting revenues. In addition the high utilization of consulting capacity used on implementation projects for new HR outsourcing customers and the contribution from consulting capacity to a high level of revenues from change orders in the HR Outsourcing business unit, explains the decrease in consulting revenues.

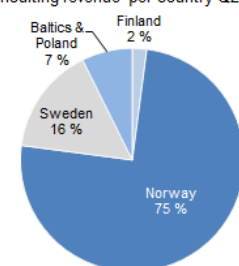
HR Outsourcing revenue per country Q2 2014



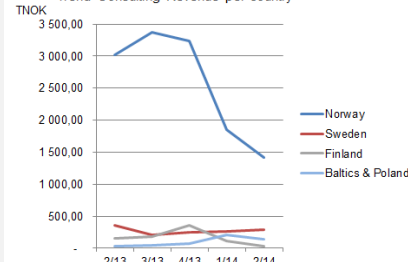
Trend HR Outsourcing revenue per country



Consulting revenue per country Q2 2014



Trend Consulting Revenue per country





Employees

The Group had a headcount of 415 (of which 33 were employed by Zalaris' provider of offshore services), equivalent to an increase of 14% from 363 (of which 33 were employed by Zalaris' provider of offshore services) at the end of Q2 2013. The number of FTEs (Full Time Equivalents) at the end of Q2 2014 was 395, compared to 331 FTEs at the end of Q2 2013.

The increase in the number of resources in the HR Outsourcing business unit in Q2 is mainly caused by the establishment of a separate operations development group to focus on increased quality and productivity in our outsourcing service processes.

Headcount in the Consulting business unit increased by 25 compared to Q2 2013 to 82 employees at the end of Q2 2014. The growth is a result of expansion of HR outsourcing services for customers in Poland and in the Baltics and thus a new consulting group in Poland, the built up of a new consulting group in Denmark and minor growth in the other Nordic consulting units due to high activity related to new customer implementation projects.

Cash flow and investments

Cash flow from operating activities amounted to NOK -3.8 million (NOK 2.6 million 2013) for the second quarter. Included in this number are the costs of activities related to customer implementation projects from new outsourcing contracts amounting to -7.0 million (NOK -0.4 million 2013).

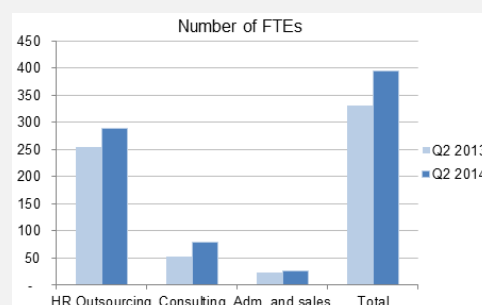
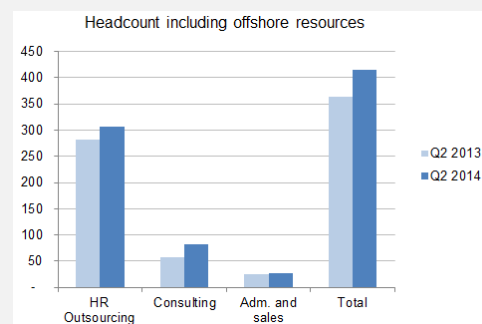
Zalaris invoices their customers on a monthly basis and mainly the last day of a month. Thus Zalaris experience a high number of incoming payments the first 10 workingdays in the following month of a closing period. Outstanding receivables with due date end of Q2 2014 amounted to NOK 12 million, whereof NOK 10 million was paid during the first 10 workingdays in July.

Cash and cash equivalents amounted to NOK 47.5 million (NOK 2.6 million 2013) at the end of the quarter. The Group has an unused credit facility of NOK 15 million.

The Group made investments of NOK 2.8 million during the quarter. The investments relate to IT functionality for improved efficiency in service deliveries and SAP licences for own users. In addition our service center in Poland moved into a new office which required investments for office equipments

Equity

The equity by the end of the second quarter was NOK 91.3 million, which corresponds to an equity ratio of 53.6%. The equity by the end of second quarter 2013 was NOK 29.8 million, equivalent to 26.1%.





Outlook

Zalaris is well positioned to maintain the growth rate achieved over the last years. We experience an increasing interest in our services from large blue chip organizations that are looking for innovative ways to deliver cost effective services and at the same time serving their employees with efficient processes. We are strengthening our sales and business development activities to address the opportunities in the market.

Key to market success is our ability to deliver quality services from a low cost base. As quality and profitability goes hand in hand we are through our operations development initiatives focusing on further improving quality through standardization of processes and increased use of IT supported electronic work flows and automation. At the same time we have defined clear targets on how we utilize near- and offshore to deliver certain personnel intensive processes at an optimal cost level whilst keeping close proximity and local language dialogue through our onshore local language service centers.

Thus our key focus for the short and medium term will be to focus on delivering upon our customers' expectations, profitable growth and at the same time work to optimize our cost levels with the intent of becoming the Northern European market leader.

Oslo, August 21, 2014
Board of Directors

Lars Laier Henriksen
(chairman)

Narve Reiten

Liselotte Hægert Engstam

Tina Steinsvik Sund

Jan Koivurinta

*This interim report was not reviewed by
the Company's auditors*



Interim consolidated condensed financial statements

Consolidated statement of profit or loss

(NOK 1000)	Notes	2014 Apr-Jun unaudited	2013 Apr-Jun unaudited	2014 Jan-Jun unaudited	2013 Jan-Jun unaudited	2013 Jan-Dec
Revenue	2	71 051	58 662	145 186	118 198	262 216
Operating expenses						
License costs		2 662	2 560	5 144	4 787	12 881
Personell expenses	3	42 361	33 311	83 771	64 820	139 178
Other operating expenses		17 224	14 429	33 831	27 362	60 601
Depreciations		184	188	368	376	811
Amortisation intangible assets	4	1 609	1 909	3 069	3 999	7 148
Amortisation implementation costs customer projects	5	3 836	4 498	7 376	9 017	16 981
IPO related one off costs		3 655		3 655		
Total operating expenses		71 531	56 895	137 214	110 360	237 600
Operating profit		-479	1 767	7 972	7 839	24 616
Financial items						
Financial income		98	152	293	566	3 708
Financial expense		-684	-1 328	-1 129	-2 165	-4 790
Net financial items		-586	-1 175	-835	-1 600	-1 083
Ordinary profit before tax		-1 066	592	7 137	6 239	23 534
Income tax expense						
Tax expense on ordinary profit		-288	160	1 927	1 685	6 445
Total tax expense		-288	160	1 927	1 685	6 445
Profit for the period		-778	432	5 210	4 555	17 089
<i>Profit attributable to:</i>						
- Owners of the parent		-1 054	64	4 303	3 509	15 776
- Non-controlling interests		276	368	907	1 045	1 313
<i>Earnings per share:</i>						
- Basic and diluted		-0,01 %	0,00 %	0,03 %	0,10 %	0,47 %
- NOK		-0,07	0,02	0,28	1,04	4,68

Consolidated statement of comprehensive income

(NOK 1000)	Notes	2014 Apr-Jun unaudited	2013 Apr-Jun unaudited	2014 Jan-Jun unaudited	2013 Jan-Jun unaudited	2013 Jan-Dec
Profit for the period		-778	432	5 210	4 555	17 089
Other comprehensive income						
Items that will be reclassified to profit and loss in subsequent periods						
Currency translation differences		-637	-888	-1 200	-550	-1 188
Total other comprehensive income		-637	-888	-1 200	-550	-1 188
Total comprehensive income		-1 415	-456	4 010	4 004	15 901
<i>Total comprehensive income attributable to:</i>						
- Owners of the parent		-1 690	-823	3 103	2 959	14 588
- Non-controlling interests		276	368	907	1 045	1 313



Consolidated statement of financial position

(NOK 1000)	Notes	2014 30. Jun <i>unaudited</i>	2013 30. Jun <i>unaudited</i>	2013 31. Dec
ASSETS				
Non-current assets				
Intangible assets				
Deferred tax asset		5 260	7 875	5 513
Other intangible assets	4	23 111	23 349	22 685
Total intangible assets		28 371	31 224	28 198
Fixed assets				
Office equipment		249	442	380
Property, plant and equipment		2 084	1 518	1 788
Total fixed assets		2 332	1 960	2 168
Total non-current assets		30 704	33 185	30 366
Current assets				
Trade accounts receivable		54 299	60 807	54 934
Customer projects	5	29 321	12 805	18 836
Other short-term receivables		8 411	4 494	4 880
Cash and cash equivalents		47 540	2 646	10 802
Total current assets		139 572	80 753	89 451
TOTAL ASSETS		170 275	113 938	119 817
EQUITY AND LIABILITIES				
Equity				
Paid-in capital				
Share capital		1 912	339	339
Own shares - nominal value		-6	0	-6
Share premium		67 498	18 441	18 442
Total paid-in capital		69 404	18 781	18 774
Retained earnings		18 159	7 538	18 122
Equity attributable to equity holders of the parent		87 563	26 319	36 896
Non-controlling interests		3 697	3 470	3 421
Total equity		91 260	29 789	40 317
Non-current liabilities				
Deferred tax		2 999	2 308	1 306
Interest-bearing loans and borrowings		1 047	2 201	3 136
Employee defined benefit liabilities		394	535	44
Total long-term debt		4 440	5 043	4 486
Current liabilities				
Trade accounts payable		8 697	10 886	11 932
Interest-bearing loan from shareholders		0	9 000	0
Income tax payable		3 274	2 280	3 274
Public duties payable		20 897	17 561	18 884
Other short-term debt		41 708	39 380	40 924
Total short-term debt		74 575	79 106	75 013
Total liabilities		79 015	84 150	79 500
TOTAL EQUITY AND LIABILITIES		170 275	113 938	119 817



Consolidated statement of cash flows

(NOK 1000)	Notes	2014	2013	2014	2013	2013
		Apr-Jun <i>unaudited</i>	Apr-Jun <i>unaudited</i>	Jan-Jun <i>unaudited</i>	Jan-Jun <i>unaudited</i>	Jan-Dec
Operating profit		-479	1 767	7 972	7 839	24 616
Depreciation		186	191	369	379	811
Amortisation intangible assets		1 610	2 016	3 070	4 106	7 148
Amortisation implementation costs customer projects		3 836	4 498	7 376	9 017	16 981
Customer projects		-7 033	-385	-17 490	-9 242	-23 237
Taxes paid		493	-346	-1 674	-1 937	-3 341
Changes in accounts receivable and accounts payable		-4 291	-15 228	-2 600	-18 202	-11 283
Changes in other short term debt and disposals		1 868	10 109	-241	11 139	10 244
Net cash flow from operating activities		-3 810	2 623	-3 217	3 098	21 939
Cash flows from investing activities						
Purchase of fixed and intangible assets		-2 803	-3 803	-4 051	-5 125	-8 965
Net cash flow from investing activities		-2 803	-3 803	-4 051	-5 125	-8 965
Cash flows from financing activities						
Net financial items		-586	-1 175	-835	-1 600	-1 083
Purchase of own shares		-	-	-	-	-6
Proceeds from issue of new borrowings		-	-	-	-	1 493
Repayments of borrowings		-1 626	-1 387	-2 090	-1 818	-9 306
Changes in factoring debt		-	-	-	-113	-113
Dividend payments to non-controlling interest		-	-	-	-	-1 362
Proceeds from issue of new shares		49 274	-	49 274	-	-
IPO Costs of equity		-2 342	-	-2 342	-	-
Net cash flow from financing activities		44 720	-2 562	44 007	-3 531	-10 377
Net changes in cash and cash equivalents		38 107	-3 742	36 738	-5 558	2 598
Cash and cash equivalents at the beginning of the period		9 433	6 388	10 802	8 204	8 204
Cash and cash equivalents at the end of the period		47 540	2 646	47 540	2 646	10 802
Unused credit facilities		15 000	14 093	15 000	14 093	15 000



Consolidated statement of changes in equity

	Share capital	Own shares	Share premium	Total paid-in equity	Cumulative translation differences	Other equity	Non-controlling interests	Total equity
<i>(in NOK 1000)</i>								
Equity at 31.03.2014	339	-6	18 442	18 774	-979	23 893	4 053	45 742
Profit of the year				-		-1 054	276	-778
Other comprehensive income				-	-637			-637
Other changes				-				-
Transaction costs related to IPO				-		-2 342		-2 342
Issue of new shares	49 274			49 274				49 274
Equity at 30.06.2014 (unaudited)	49 613	-6	18 442	68 048	-1 615	20 498	4 328	91 260
Equity at 31.03.2013	339	-	18 441	18 781	1 111	6 205	4 147	30 244
Profit of the period				-		64	368	432
Other comprehensive income				-	-888		-	-888
Other changes				-		-		-
Purchase/sale of own shares (net)				-				-
Dividend				-				-
Equity at 30.06. 2013 (unaudited)	339	-	18 441	18 781	223	6 269	4 515	29 789



Notes to the interim consolidated condensed financial statements

Note 1 - General information and basis for preparation

General information

Zalaris ASA is a public limited company incorporated in Norway. The Group's main office is located in Hovfaret 4, Oslo, Norway. The Group delivers full-service outsourced personnel and payroll services.

Zalaris' interim financial statements for the second quarter of 2014 were authorised for issue by the board of directors on 21.08.2014

Basis for preparation

These interim consolidated condensed financial statements are prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The condensed interim financial statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the annual financial statements. The interim condensed consolidated financial statements for the six months ended 30 June have not been audited or reviewed by the auditors.

A description of the significant accounting policies is included in the Zalaris' annual financial statements for 2013, and applies to these interim consolidated condensed financial statements. New and amended standards applicable for the period starting 1 January 2014 did not have any effect for the company.

Going concern

With reference to the Norwegian Accounting Act § 3-3, the Board confirms its belief that conditions exist for continuing operations and that these interim consolidated condensed financial statements have been prepared in accordance with the going concern principle.



Note 2 - Segment information

The company has two operating segments, which are HR Outsourcing and Consulting.

HR Outsourcing offers a full range of payroll and HR outsourcing services including payroll, time and attendance and travel expenses. Consulting delivers turnkey projects based on Zalaris template or implementation of customer- specific functionality. They also assist customers with cost-effective maintenance and support of customers own on-premise solution.

Information is organised by business area and geography. The reporting format is based on the Group's management and internal reporting structure. Items that are not allocated are mainly intercompany sales, interest-bearing loans and other associated expenses and assets related to administration of the Group. The Group key management is the chief decision maker in the Group. The investing activities comprise total expenses in the period for the acquisition of assets that have an expected useful life of more than one year.

Jan-Jun 2014

(NOK 1.000)	HR Outsourcing	Consulting	Unallocated	Total
Revenue	140 877	4 310		145 187
Operating expenses	131 133	2 427		133 559
Operating profit	9 744	1 883		11 627
Net financial items			-835	-835
Extraordinary IPO related one off costs			-3 655	-3 655
Income tax			-1 927	-1 927
Segment profit	9 744	1 883	-6 417	5 210
Cash flow from investing activities	-		-4 051	-4 051

Jan-Jun 2013

(NOK 1.000)	HR Outsourcing	Consulting	Unallocated	Total
Revenue	110 375	7 824		118 199
Operating expenses	105 016	5 344		110 360
Operating profit	5 359	2 480		7 839
Net financial items			-1 600	-1 600
Income tax			-1 685	-1 685
Segment profit	5 359	2 480	-3 284	4 555
Cash flow from investing activities	-		-5 125	-5 125

2013

(NOK 1.000)	HR Outsourcing	Consulting	Unallocated	Total
Revenue	246 663	15 554		262 216
Operating expenses	224 882	12 718		237 600
Operating profit	21 781	2 836		24 617
Net financial items			-1 083	-1 083
Income tax			-6 445	-6 445
Segment profit	21 781	2 836	-7 527	17 089
Cash flow from investing activities	-		-8 965	-8 965

Geographic information

The Group's operations are carried in several countries, and information regarding revenue based on geography is provided below.

Information is based on location of the entity generating the revenue, which to a large extent correspond to the geographical location of the customers.

Information about geographical allocation of revenue

Revenue from external customers attributable to:

(NOK 1000)	as % of total	2014 Apr-Jun	as % of total	2013 Apr-Jun	as % of total	2013 Jan-Dec
Norway	44 %	31 416	46 %	26 992	47 %	122 648
Sweden	20 %	14 369	22 %	12 648	22 %	58 949
Denmark	19 %	13 398	17 %	10 141	17 %	44 508
Finland	15 %	10 787	14 %	8 275	13 %	34 415
Other	2 %	1 082	1 %	606	1 %	1 697
Total	100 %	71 051	100 %	58 662	100 %	262 217

Information about major customers

(NOK 1000)	as % of total	2014 Apr-Jun	as % of total	2013 Apr-Jun	as % of total	2013 Jan-Dec
5 largest customer	49 %	34 638	48 %	27 907	42 %	110 733
10 largest customer	68 %	47 971	63 %	36 716	60 %	158 140
20 largest customer	83 %	58 670	77 %	45 401	76 %	199 551



Note 3 - Personell expenses

	2014	2013	2013
(NOK 1000)	Jan-Jun	Jan-Jun	Jan-Dec
Salary	81 605	60 376	132 459
Bonus	3 051	2 279	4 364
Social security tax	10 196	7 649	17 452
Pension costs	7 527	5 706	12 899
Other expenses	3 116	2 026	6 532
Capitalised development expenses	-1 437	-1 601	-3 066
Capitalised implementation costs customer projects	-20 287	-11 616	-31 461
Total salary expenses	83 771	64 820	139 178
Average number of employees:	369	304	328
Average number of FTEs	344	263	298

Note 4 - Other intangible assets

	Licenses and software	Internally developed software	Internally developed software under construction	Total
(NOK 1000)				
Book value 01.01.2013	8 004	11 498	2 714	22 216
Additions of the period	1 898	2 288	5 642	9 828
Disposals and currency effects in the period	403	-325	-2 288	-2 210
This periods ordinary amortisation	-2 452	-4 696	-	-7 148
Book value 31.12.2013	7 852	8 765	6 068	22 686
Book value 01.01.2014	7 852	8 765	6 068	22 686
Additions of the period	1 140	5 711	2 361	9 213
Disposals and currency effects in the period	-3	-3	-5 711	-5 717
This periods ordinary amortisation	-1 330	-1 741	-	-3 070
Book value 30.06.2014	7 660	12 733	2 718	23 111
Book value 01.01.2013	8 004	11 498	2 714	22 216
Additions of the period	1 603	2 239	3 286	7 127
Disposals and currency effects in the period	634	-283	-2 239	-1 888
This periods ordinary amortisation	-1 419	-2 687	-	-4 106
Book value 30.06.2013	8 820	10 767	3 761	23 349
Useful life	5-10 years	5 years		
Depreciation method	linear	linear		



Note 5 - Customer projects

	2014	2013	2013
(NOK 1000)	Jun	Jun	Dec
Deferred costs related to customer projects	66 148	39 874	53 584
Deferred revenue related to customer projects	-36 826	-27 069	-34 749
Net customer implementation costs	29 321	12 805	18 836

Costs related to delivering outsourcing contracts are recognized as they are incurred. However, a portion of costs incurred in the initial phase of outsourcing contracts (transition and/or transformation costs) may be deferred when they are specific to a given contract, relate to future activity on the contract and/ or will generate future economic benefits, and are recoverable. These costs are allocated to work-in-progress (customer projects) and any prepaid revenues by the client is recorded as a deduction from the costs incurred in the balance for customer projects. The deferred costs are expensed evenly over the period the outsourcing services are provided and included in the line item "Amortization implementation cost customer projects".

Note 6 - Transactions with related parties

There have been no material transactions with related parties during the reporting period 1st of April to 30th of June. Please refer to the annual financial statements for further information.

Note 7 - Events after the balance sheet date

There have been no events after the balance sheet date significantly affecting the Group's financial position.

Statement from the Board of Directors

We confirm that, to the best of our knowledge, that the condensed interim financial statement for the first half year of 2014 has been prepared in accordance with IAS 34 Interim reporting and gives a true and fair view of the Group's consolidated assets, liabilities, financial position and results of operations and that the report for the first half year includes a fair review of the information mentioned in the Securities Trading Act § 5-6, section four.

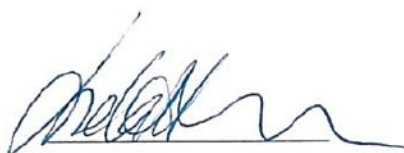
Oslo, August 21, 2014
Board of Directors



Lars Laier Henriksen
(chairman)



Narve Reiten



Liselotte Hægert Engstam



Tina Steinsvik Sund



Jan Koivurinta



The quarter in pictures



Zalaris' employee, Øyvind Flatla, wins the Norwegian 2014 Air Rifle Championship. He goes all in for the Olympics in Rio de Janeiro in 2016.



Statoil chooses Zalaris to deliver Global HR processes for travel, employee master data and reconciliations for approx. 23'000 employees.



Marit Bjørgen participates on Team Zalaris for the Holmenkollen Relay, thanks to our partnership with AKTIV against cancer.



Zalaris ASA launches Initial Public Offering. Hans-Petter Mellerud presents Zalaris at Hegnar TV.



Team Zalaris participates in the bicycle race Lofoten Insomnia with good results.



Zalaris begins trading on the Oslo Stock Exchange.

For questions, please contact

Nina Stemshaug
CFO

nina.stemshaug@zalaris.com
+47 982 60 394

Hans-Petter Mellerud
CEO

hans-petter.mellerud@zalaris.com
+47 928 97 276

Zalaris ASA

Hovfaret 4B
0275 Oslo
Norway

Financial information

Interim report July – September October 30, 2014

All financial information is published at Zalaris' website
www.zalaris.com investor relations.

Financial reports can also be ordered from
Zalaris ASA
PO Box 1053 Hoff
0218 Oslo
Norway

or by e-mail: ir@zalaris.com