



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

Interim Report July-September 2014

KEY FIGURES Q3 AND YTD 2014

All figures in NOK 1 000	2014	2013	2014	2013	2013
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Revenue	83 640	71 809	228 827	190 007	262 216
Growth (y-o-y)	16,5 %	30,0 %	20,4 %	13,6 %	15,8 %
Operating profit	(3)	6 676	7 969	14 515	24 616
Operating profit margin	0,0 %	9,3 %	3,5 %	7,6 %	9,4 %
Operating profit excl. IPO related costs*	8 290	6 676	19 917	14 515	24 616
Operating profit margin excl. IPO related costs	9,9 %	9,3 %	8,7 %	7,6 %	9,4 %
Ordinary Profit before tax	(625)	6 307	6 511	12 546	23 534
Profit for the period	(456)	4 604	4 753	9 159	17 089
Earnings per share	(0,02)	1,38	0,22	2,42	4,68
Net cash from operating activities	24 999	15 639	21 782	18 737	21 939
Headcount end of the period	442	378	442	378	391

HIGHLIGHTS Q3 2014

- Revenue grew 16,5%, in line with expectations, compared to Q3 2013 – increasing to NOK 83,6 million and year-to-date NOK of 228,8 million, equivalent to year-over-year growth of 20,4% compared to the first nine months of 2013.
- Operating profit (EBIT), before IPO-related costs of 9,9%, increased 24,2%, compared to Q3 last year. Year-to-date EBIT of 8.7% was also in line with expectations.
- New business included five-year agreements for the provision of transactional HR services to Borregaard in Norway and Dong Energy in Poland.
- The company's new business pipeline remains strong.
- Services to Statoil successfully transitioned and stable since August, further reflecting our market leadership position.
- The strong stable institutional investor base includes high-quality international and Nordic long-only funds.



2014 – Advancing Customer Satisfaction and Profitable Growth

"We delivered solid overall performance in line with targets for the third quarter of 2014. Zalaris has a bright future in the markets we serve, considering our strong position in HR outsourcing, where many large blue-chip companies see major cost-saving opportunity."

Hans-Petter Møllerud, CEO



Insights from the CEO

Zalaris continued its market momentum in the third quarter of 2014, concluding the period that ended September 30 with strong overall results in line with expectations. In addition to staying on course to meet our fiscal-year objectives, we grew year-over-year quarterly revenue 16,5% while advancing profitability 24,2% compared to Q3 2013.

Results included revenue of NOK 83,6 million and an EBIT (before one-off IPO related costs) of NOK 8,3 million for the quarter.

Recurring revenue increased significantly from Q2 2014 as we successfully commenced production in August of our agreement with oil and gas industry leader Statoil, which operates in 36 countries across the world. Key actions associated with the multi-year pact included opening a new service center in Stavanger, transferring designated Statoil staff to Zalaris to support our delivery of outsourced payroll and HR services to the North Sea oil industry.

Consulting and project revenue was lower compared to Q2 of this year, as anticipated, due to the majority of consultants taking annual summer holidays during July and August. Revenue and EBIT for the first nine months of the year reached NOK 228,8 million and NOK 19,9 million.

Strengthening Efficiency and Bottom-Line Value

Zalaris' Services operations continued to lead the company's sharp focus on further strengthening the quality and range of services everywhere we operate. Related initiatives include optimizing cost levels and planning for future expansion. The company continues to pursue strategies to reduce costs and drive new efficiencies. The efficiencies will come from a mix of operational improvements as well as near- and off-shoring strategies that include growing our presence in India.

Climate for Growth in All Market Conditions

Many favorable factors contribute to our solid current performance and encouraging long-term outlook. For example, companies increasingly look to outsource payroll and HR solutions, regardless of economic conditions. The reason is simple – these functions are not their core competencies. Zalaris delivers such services more cost effectively as well as more reliably because of the extensive experience and focus we have on them. Borregaard, a new Zalaris customer operating one of the world's most advanced and sustainable biorefineries is one example. We also signed a five year agreement with new customer Dong Energy for the provision of services in Poland.

Boundless Opportunity, More Ways to Capitalize

Our business pipeline remains strong with many large opportunities, and we will continue to methodically convert them and appropriately manage our growth. While larger-scale deals and ramp-up processes take considerable time, we see further upside with current customers as well – to diversify and expand our services with them. We are therefore expanding our sales force and streamline selling processes as much as possible.

After listing on the Oslo Stock Exchange on June 20, Zalaris' shares increased from the offering price of NOK 23,0 to NOK 30,2, up 31%, as of September 30. Our shareholder base remained stable, led by very strong institutional investors with high-quality international and Nordic long-only funds.

Hans-Petter Møllerud, CEO



Revenue and Profit/Loss

Revenue

Total revenue amounted to NOK 83,6 million in Q3 2014, an increase of 16.5% compared to the same period in 2013. The total revenue increased by NOK 12,6 million compared to Q2 2014 due to higher revenue in the HR outsourcing unit and also revenue in the cloud services unit, delivering new functionalities to outsourcing customers.

Zalaris' revenue related to the HR Outsourcing business increased 23% compared to Q3 2013. Q3 2014 revenues were 12% higher compared to Q2 2014, reflecting the go live of service delivery to new customers. Revenues for variable services, including change orders, also increased compared to Q2 2014 revenues. Consulting revenue amounted to 2,1 million NOK in Q3 2014. This represents a 12% increase in revenue compared to Q2 2014.

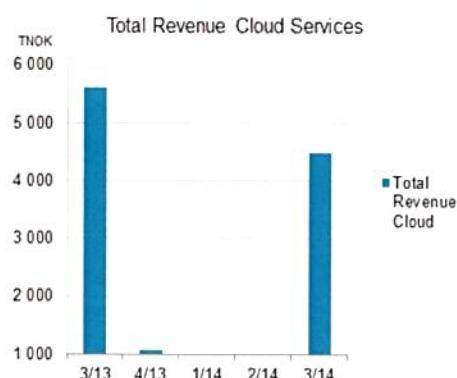
Zalaris sees a large upsell potential by offering new functionalities and products – cloud services –to our existing customer base. These products give our customers a great opportunity to offer best practice solutions within HR for their employees.

To strengthen the focus on this area, we organized all activities related to cloud service as a separate business unit headed by a newly appointed vice president of Cloud Services. In Q3 2014, the revenue mainly consists of yearly license fees for cloud services.

Profit/loss

Group operating profit before extraordinary IPO related costs amounted to NOK 8,3 million in the third quarter, equivalent to an operating margin of 9.9%. This is an increase of NOK 1,6 million compared to the same period last year. Operating profit and operating margin were both negated due to IPO-related costs amounting to NOK 8,3 million during the period. The costs related to our IPO process and mainly include legal and accounting services, listing fee and management fee to advisors. Total IPO related costs year to date are NOK 11,9 million. We do not expect any further costs related to the IPO.

Net financial items for the third quarter amounted to NOK -0,6 million. The result for Q3 2014 after tax is NOK -0,5 million. Equivalent figures for the third quarter of 2013 were net financial NOK -0.4 million and profit after tax NOK 4.6 million.





Revenue per region

Business unit – HR Outsourcing

In the third quarter of 2014, 92% of the total revenue was generated in the Group's HR Outsourcing business unit. This represents a 5 percent increase compared to the same period in 2013.

In Q3 2014, 99% of Zalaris' outsourcing revenues came from the Nordic region distributed as follows: Norway 48%, Sweden 19%, Denmark 18% and Finland 14%.

Compared to Q2 2014, Q3 revenue increased 26% in Norway primarily resulting from starting of services delivery to a new customer.

A slight increase in revenue occurred in Sweden and Denmark as a consequence of higher revenue levels from additional invoicing and change orders in Q3 2014 compared to Q2 2014.

In general, Zalaris has focused on improving service delivery processes in the HR Outsourcing unit, with efforts centered on quality assurance and process automation. These initiatives involve extensive consulting capacity and thus results in more moderate external consulting revenue. The priority of using the consulting capacity for improvement projects reduced operating margins in Q3, but will in the long run ensure higher efficiency and subsequently higher margins. We expect that these activities to a certain extent will continue in Q4 2014.

Business unit - Consulting

Consulting revenue in Q3 2014 improved 12% compared to Q2 of this fiscal year. The change is mainly due to a general increased utilization level of our consulting resources on customer-related activities.

The contribution to total external revenue from the Consulting business unit was 3% in the third quarter of 2014, amounting to NOK 2.1 million. This is a decrease from the same period last year in which the contribution to total external revenue amounted to NOK 3.8 million. The Norwegian Consulting unit contributes with 77% of all consulting revenue in Q3 and continues to be the main contributor of consulting revenue in Zalaris Group.

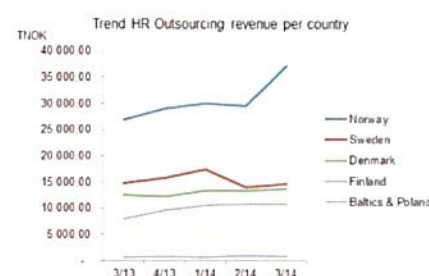
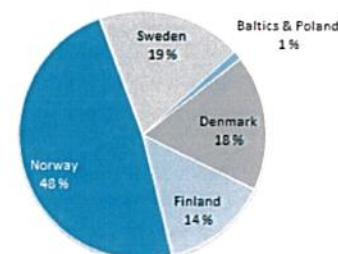
The consulting revenue in Q3 2014 decreased in all the Nordic countries, except Sweden, compared to Q3 2013.

In 2013, the Norwegian Consulting unit used external consultants to deliver services, generating external consulting revenue. Compared to Q2 2014, Q3 this year had a 16% and 33% revenue increase, respectively, in Norway and Sweden, and that is also due to an increased utilization of hours on consulting customer activities.

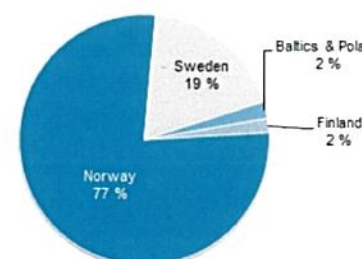
Business unit – Cloud Services

The contribution to total external revenue from Cloud services unit was 5%.

HR Outsourcing revenue per country Q3 2014



Consulting revenue per country Q3 2014



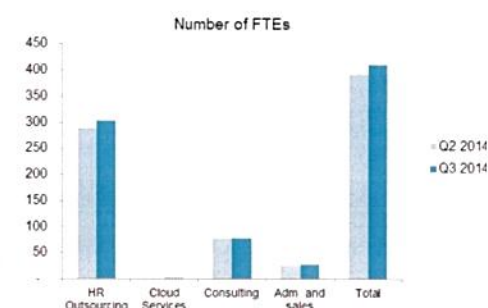
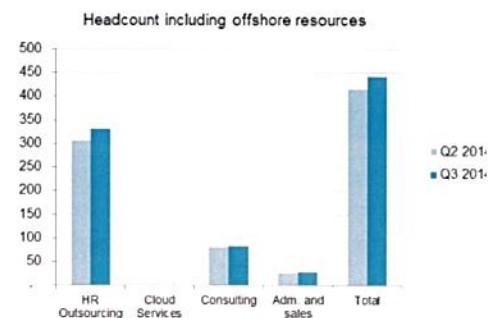


Employees

The Group had a headcount of 442 (of which 30 were employed by Zalaris' provider of offshore services), equivalent to an increase of 17% from 378 (of which 30 were employed by Zalaris' provider of offshore services) at the end of Q3 2013. The number of FTEs (Full Time Equivalents) at the end of Q3 2014 was 410,36, compared to 355 FTEs at the end of Q3 2013.

The increase in the number of resources in the HR Outsourcing business unit in Q3 2014, compared to Q2 2014, is mainly caused by the transfer of employees from our new customer Statoil ASA.

In Q3 2014, we organized Cloud Services as a separate Business Unit under Ismet Muratspahic as newly appointed Vice President of Cloud Services, responsible for sales and product management.



Cash flow and investments

Cash flow from operating activities amounted to NOK 25,0 million (NOK 15,6 million 2013) for the third quarter. Included in this number are the costs of activities related to customer implementation projects from new outsourcing contracts amounting to NOK -9,6 million (NOK -7,0 million 2013).

An advance payment related to a transition project of outsourcing service deliveries for the next two years positively affected net cash flow from operating activities in Q3 2014.

Cash and cash equivalents amounted to NOK 68,8 million (NOK 15,3 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 1,7 million during the quarter. The investments relate to IT functionality for improved efficiency in service delivery and, to a lesser extent, office equipment purchases for new service center locations.

Equity

Equity at the end of the third quarter was NOK 89,2 million, which corresponds to an equity ratio of 43,7%. The equity by the end of Q3 2013 was NOK 33,9 million, equivalent to 27,5%.



Outlook

We reiterate our position of being well-positioned to maintain the growth rate achieved over the last several years. We experience increasing interest in our services from large blue-chip organizations looking for innovative ways to deliver cost-effective services and, at the same time, serving their employees with efficient processes.

We are shortlisted in a handful procurement processes with large potential customers that supports our growth ambition with expected closure in the near future. We have strengthened and are continuing to strengthen our sales and business development capability – i.e. adding additional business developers - to address the opportunities in our pipeline.

However, the key to our success to date has been to look at customer relationships and building our business with a long term view. Thus we will continue to invest in process and service improvement as well as personnel development initiatives, with the intent of living our values of Service excellence, Quality focused processes and Employees our key asset.

Oslo, October 29, 2014
Board of Directors

Lars Laier Henriksen
(chairman)

Narve Reiten

Liselotte Hægert Engstam

Tina Steinsvik Sund

Jan M. 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 Jul-Sep unaudited	2013 Jul-Sep unaudited	2014 Jan-Sep unaudited	2013 Jan-Sep unaudited	2013 Jan-Dec
Revenue	2	83 640	71 809	228 827	190 007	262 216
Operating expenses						
License costs		5 329	5 128	10 474	9 915	12 881
Personell expenses	3	46 904	37 138	130 675	101 958	139 178
Other operating expenses		16 624	15 274	50 455	42 635	60 601
Depreciations		197	191	565	567	811
Amortisation intangible assets	4	1 706	1 636	4 775	5 635	7 148
Amortisation implementation costs customer projects	5	4 590	5 765	11 966	14 782	16 981
IPO related costs		8 293		11 948	0	
Total operating expenses		83 643	65 132	220 858	175 492	237 600
Operating profit		-3	6 676	7 969	14 515	24 616
Financial items						
Financial income		97	156	390	721	3 708
Financial expense		-719	-525	-1 847	-2 690	-4 790
Net financial items		-622	-369	-1 458	-1 969	-1 083
Ordinary profit before tax		-625	6 307	6 511	12 546	23 534
Income tax expense						
Tax expense on ordinary profit		-169	1 703	1 758	3 387	6 445
Total tax expense		-169	1 703	1 758	3 387	6 445
Profit for the period		-456	4 604	4 753	9 159	17 089
<i>Profit attributable to:</i>						
- Owners of the parent		-378	4 648	3 924	8 157	15 776
- Non-controlling interests		-78	-44	829	634	1 313
<i>Earnings per share:</i>						
- Basic and diluted		0,00 %	0,14 %	0,02 %	0,24 %	0,47 %
- NOK		-0,02	1,38	0,22	2,42	4,68

Consolidated statement of comprehensive income

(NOK 1000)	Notes	2014 Jul-Sep unaudited	2013 Jul-Sep unaudited	2014 Jan-Sep unaudited	2013 Jan-Sep unaudited	2013 Jan-Dec
Profit for the period		-456	4 604	4 753	9 159	17 089
Other comprehensive income						
Items that will be reclassified to profit and loss in subsequent periods						
Currency translation differences		-499	-485	-1 699	-1 036	-1 188
Total other comprehensive income		-499	-485	-1 699	-1 036	-1 188
Total comprehensive income		-955	4 119	3 055	8 123	15 901
<i>Total comprehensive income attributable to:</i>						
- Owners of the parent		-877	4 162	1 869	6 812	14 588
- Non-controlling interests		-78	-44	1 185	1 311	1 313



Consolidated statement of financial position

(NOK 1000)	Notes	2014	2013	2013
		30. Sep	30. Sep	31. Dec
		<i>unaudited</i>	<i>unaudited</i>	
ASSETS				
Non-current assets				
Intangible assets				
Deferred tax asset		3 575	7 875	5 513
Other intangible assets	4	23 019	23 164	22 685
		26 594	31 039	28 198
Fixed assets				
Office equipment		188	424	380
Property, plant and equipment		1 993	1 784	1 788
Total fixed assets		2 181	2 208	2 168
Total non-current assets		28 775	33 247	30 366
Current assets				
Trade accounts receivable		71 674	56 442	54 934
Customer projects	5	25 688	14 074	18 836
Other short-term receivables		9 206	4 353	4 880
Cash and cash equivalents		68 827	15 257	10 802
Total current assets		175 396	90 126	89 451
TOTAL ASSETS		204 172	123 374	119 817
EQUITY AND LIABILITIES				
Equity				
Paid-in capital				
Share capital		1 912	379	339
Own shares - nominal value		-6	1	-6
Share premium		67 085	18 441	18 442
Total paid-in capital		68 991	18 821	18 774
Retained earnings		16 847	11 620	18 122
Equity attributable to equity holders of the parent		85 839	30 441	36 896
Non-controlling interests		3 343	3 470	3 421
Total equity		89 182	33 911	40 317
Non-current liabilities				
Deferred tax		1 200	3 774	1 306
Interest-bearing loans and borrowings		793	1 723	3 136
Employee defined benefit liabilities		178	758	44
Total long-term debt		2 170	6 255	4 486
Current liabilities				
Trade accounts payable		11 248	8 756	11 932
Interest-bearing loan from shareholders		0	8 800	0
Income tax payable		3 274	2 280	3 274
Public duties payable		30 926	19 662	18 884
Other short-term debt		67 372	43 709	40 924
Total short-term debt		112 819	83 207	75 013
Total liabilities		114 990	89 462	79 500
TOTAL EQUITY AND LIABILITIES		204 172	123 374	119 817



Consolidated statement of cash flows

(NOK 1000)	Notes	2014	2013	2014	2013	2013
		Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
		<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	
Operating profit		-3	6 676	7 969	14 515	24 616
Depreciation		196	193	565	572	811
Amortisation intangible assets		1 706	1 639	4 776	5 745	7 148
Amortisation implementation costs customer projects		4 590	5 765	11 966	14 782	16 981
Customer projects		-956	-7 034	-18 446	-16 276	-23 237
Taxes paid		1 854	-1 703	180	-3 640	-3 341
Changes in accounts receivable and accounts payable		-14 824	2 235	-17 424	-15 967	-11 283
Changes in other short term debt and disposals		32 437	7 867	32 197	19 007	10 244
Net cash flow from operating activities		24 999	15 639	21 782	18 737	21 939
Cash flows from investing activities						
Purchase of fixed and intangible assets		-1 713	-1 981	-5 765	-7 106	-8 965
Net cash flow from investing activities		-1 713	-1 981	-5 765	-7 106	-8 965
Cash flows from financing activities						
Net financial items		-622	-369	-1 458	-1 969	-1 083
Purchase of own shares		-	-	-	-	-6
Proceeds from issue of new borrowings		-	-	-	-	1 493
Repayments of borrowings		-254	-677	-2 344	-2 495	-9 306
Changes in factoring debt		-	-	-	-113	-113
Dividend payments to non-controlling interest		-	-	-	-	-1 362
Proceeds from issue of new shares		-	-	49 274	-	-
IPO Costs of equity		-1 122	-	-3 464	-	-
Net cash flow from financing activities		-1 998	-1 047	42 008	-4 578	-10 377
Net changes in cash and cash equivalents		21 288	12 611	58 026	7 053	2 598
Cash and cash equivalents at the beginning of the period		47 540	2 646	10 802	8 204	8 204
Cash and cash equivalents at the end of the period		68 828	15 257	68 828	15 257	10 802



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 30.06.2014	49 613	-6	18 442	68 048	-1 615	20 498	4 328	91 260
Profit of the year				-		-378	-78	-456
Other comprehensive income				-	-499			-499
Other changes				-				-
Transaction costs related to IPO				-		-1 122		-1 122
Issue of new shares				-				-
Purchase/sale of own shares (net)				-				-
Dividend				-				-
Equity at 30.09.2014 (unaudited)	49 613	-6	18 442	68 048	-2 115	18 999	4 250	89 182
Equity at 30.06.2013	339	-	18 441	18 781	224	6 269	4 515	29 789
Profit of the period				-		4 648	-44	4 604
Other comprehensive income				-	-482		-	-482
Other changes				-		-		-
Purchase/sale of own shares (net)				-				-
Dividend				-				-
Equity at 30.09. 2013 (unaudited)	339	-	18 441	18 781	-258	10 917	4 472	33 911



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 third quarter of 2014 were authorised for issue by the board of directors on 29.10.2014

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 nine months ended 30 September 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 three operating segments, which are HR Outsourcing, Cloudservices and Consulting.

HR Outsourcing offers a full range of payroll and HR outsourcing services including payroll, time and attendance and travel expenses. Cloudservices provides hosted HR-related solutions with flexible licensing. 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-Sep 2014

(NOK 1.000)	HR Outsourcing	Cloudservices	Consulting	Unallocated	Total
Revenue	217 947	4 460	6 420		228 827
Operating expenses	198 713	3 483	6 714		208 910
Operating profit	19 234	976	-293		19 917
Net financial items				-1 458	-1 458
IPO related costs				-11 948	-11 948
Income tax				-1 758	-1 758
Segment profit	19 234	976	-293	-15 163	4 754

Cash flow from investing activities				-5 765	-5 765
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Jan-Sep 2013

(NOK 1.000)	HR Outsourcing	Cloudservices	Consulting	Unallocated	Total
Revenue	174 339	4 039	11 629		190 007
Operating expenses	161 933	3 168	10 391		175 492
Operating profit	12 406	871	1 237		14 515
Net financial items				-1 969	-1 969
Income tax				-3 387	-3 387
Segment profit	12 406	871	1 237	-5 357	9 158

Cash flow from investing activities				-7 106	-7 106
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2013

(NOK 1.000)	HR Outsourcing	Cloudservices	Consulting	Unallocated	Total
Revenue	242 624	4 039	15 554		262 216
Operating expenses	221 715	3 168	12 718		237 600
Operating profit	20 910	871	2 836		24 617
Net financial items				-1 083	-1 083
Income tax				-6 445	-6 445
Segment profit	20 910	871	2 836	-7 527	17 089

Cash flow from investing activities				-8 965	-8 965
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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 Jul-Sep	as % of total	2013 Jul-Sep	as % of total	2 013 Jan-Dec
Norway	52 %	43 237	49 %	35 514	47 %	122 648
Sweden	18 %	15 028	21 %	15 066	22 %	58 949
Denmark	16 %	13 634	17 %	12 502	17 %	44 508
Finland	13 %	10 826	11 %	8 118	13 %	34 415
Other	1 %	916	1 %	609	1 %	1 697
Total	100 %	83 640	100 %	71 809	100 %	262 217

Information about major customers

(NOK 1000)	as % of total	2014 Jul-Sep	as % of total	2013 Jul-Sep	as % of total	2 013 Jan-Dec
5 largest customer	46 %	38 302	44 %	31 795	42 %	110 733
10 largest customer	63 %	52 755	64 %	46 204	60 %	158 140
20 largest customer	78 %	65 460	82 %	58 896	76 %	199 551



Note 3 - Personell expenses

(NOK 1000)	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Salary	122 968	94 106	132 459
Bonus	4 684	4 140	4 364
Social security tax	16 669	12 558	17 452
Pension costs	11 355	8 988	12 899
Other expenses	4 137	4 313	6 532
Capitalised development expenses	-2 897	-2 180	-3 066
Capitalised implementation costs customer projects	-26 240	-19 968	-31 461
Total salary expenses	130 675	101 958	139 178
Average number of employees:	381	304	328
Average number of FTEs	354	263	298

Note 4 - Other intangible assets

(NOK 1000)	Licenses and software	Internally developed software	Internally developed software under construction	Total
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	6 749	3 982	11 871
Disposals and currency effects in the period	-9	-4	-6 749	-6 761
This periods ordinary amortisation	-1 975	-2 801	-	-4 776
Book value 30.09.2014	7 008	12 710	3 301	23 019
Book value 01.01.2013	8 004	11 498	2 714	22 216
Additions of the period	1 888	2 239	4 578	8 704
Disposals and currency effects in the period	504	-278	-2 239	-2 012
This periods ordinary amortisation	-1 867	-3 877	-	-5 745
Book value 30.09.2013	8 528	9 582	5 054	23 164
Useful life	5-10 years	5 years		
Depreciation method	linear	linear		



Note 5 - Customer projects

	2014	2013	2013
(NOK 1000)	Sep	Sep	Dec
Deferred costs related to customer projects	66 389	43 079	53 584
Deferred revenue related to customer projects	-40 701	-29 006	-34 749
Net customer implementation costs	25 688	14 074	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 July to 30th of September. 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.



The quarter in pictures



Borregaard signs a five-year agreement with Zalaris for the provision of transactional HRservices in Norway.



Arne Mellerud, the father of Zalaris' CEO Hans-Petter Mellerud, completed the world's largest marathon mountain bike race, Birkebeinerrittet, at the age of 80!



Zalaris opens offices in Stavanger and Porsgrunn to support Statoil and other prospective Zalaris clients operating in the North Sea.

For questions, please contact

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Financial information

Interim report October - December February 26, 2015

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