



Interim presentation Third quarter 2018

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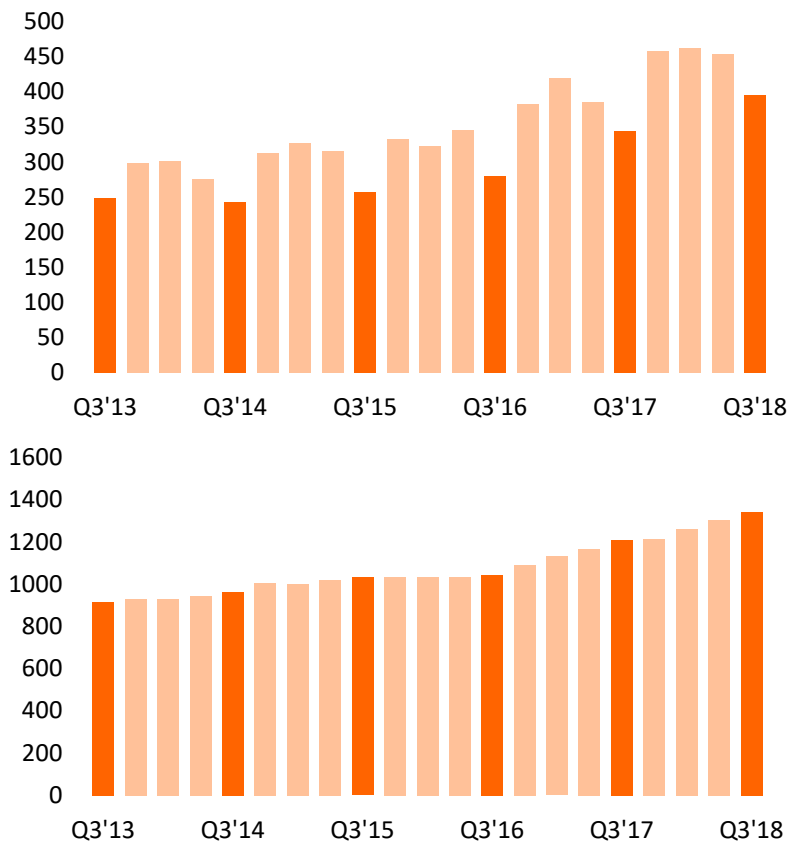
14 November 2018

Highlights in the quarter

- Revenue and EBIT
 - Operating revenues increased by 14.9 percent to NOK 395.4 million (y-o-y)
 - EBIT increased by 17.9 percent to NOK 20.1 million (y-o-y)
- 1 342 employees
 - Up 38 from Q2'18
 - An increase of 131 in the past 12 months
- Still strong market

Revenue and number of employees

MNOK and number

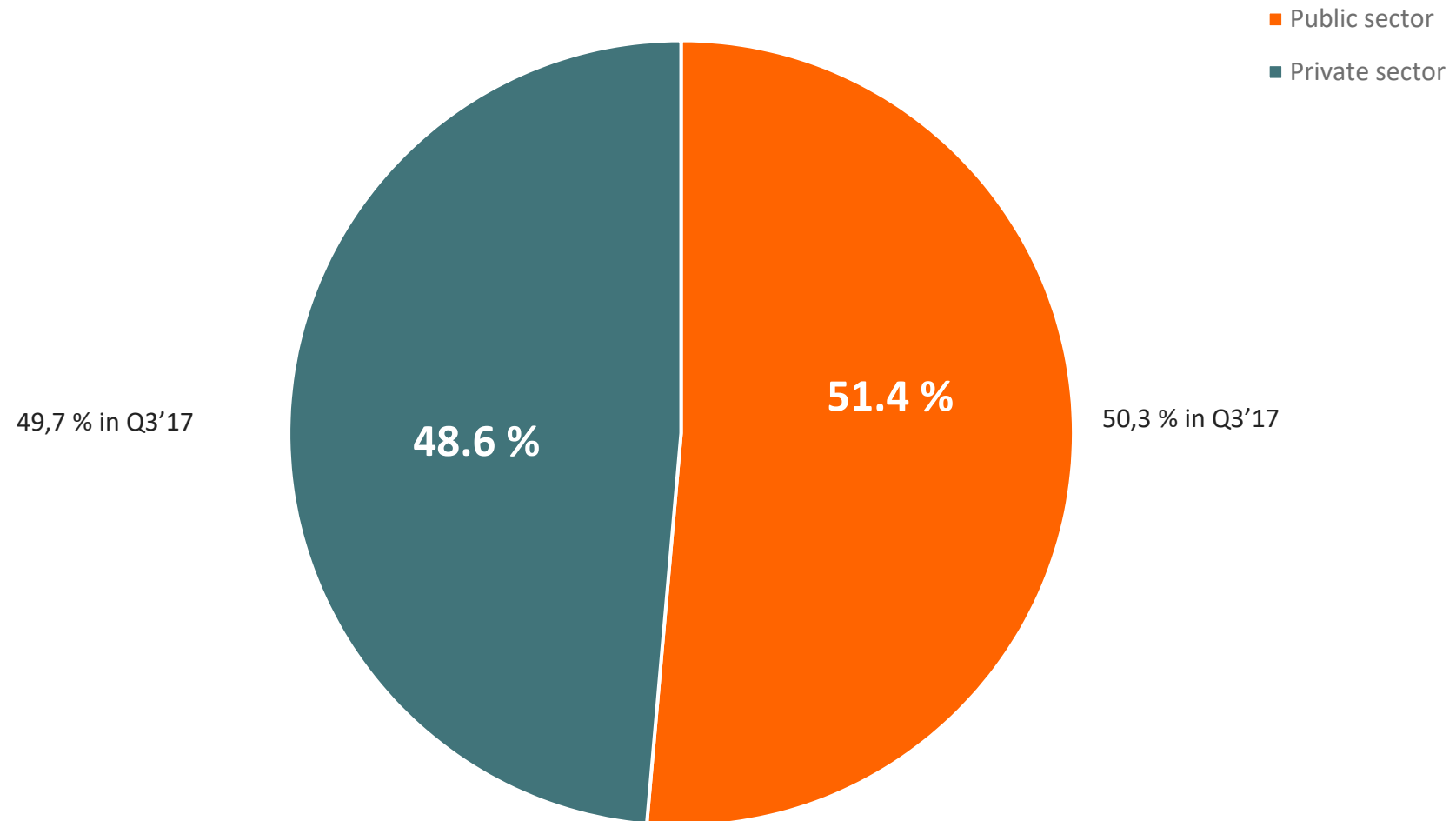




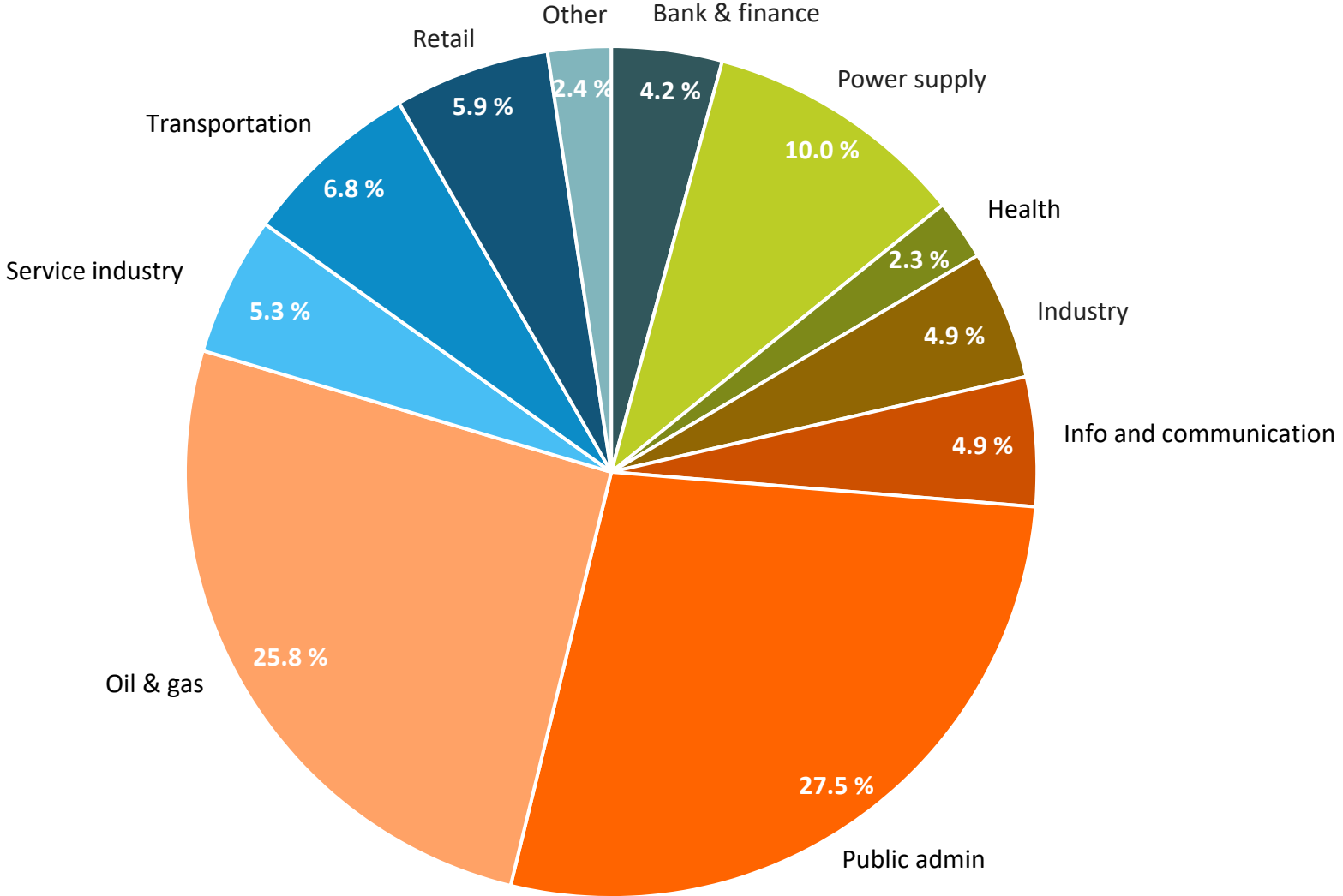
Operational Review



Public and private sector



Business sectors Q3 2018



Sectors with high increase in revenue

○ Public admin

- Increased by 17.2 percent (y-o-y)
- Represents 27.5 percent of total revenues in Q3'18

○ Oil & gas

- Increased by 35.5 percent (y-o-y)
- Represents 25.8 percent of total revenues in Q3'18

○ Power supply

- Increased by 28.0 percent (y-o-y)
- Represents 10.0 percent of total revenues in Q3'18

○ Bank & finance

- Increased by 17.5 percent (y-o-y)
- Represents 4.2 percent of total revenues in Q3'18



Digital solutions to support offshore operations

- Equinor's Integrated Operations Centre (IOC) has trusted Bouvet as a partner
- IOC supports offshore operations remote and the objective is to:
 - Reduce emissions
 - Increase the efficiency, safety and potential of production
- Duration at least one year, with significant volume and value



Photo: Equinor

New digital solutions for the Swedish government

- Bouvet is one of six suppliers to develop the future digital solutions for public-service within health, social care and education
- Duration 4 years



Hydro Traffic Management System (HTMS)

- Delivered a pilot study for a traffic system with real-time positioning to optimise use of manually and automated vehicles

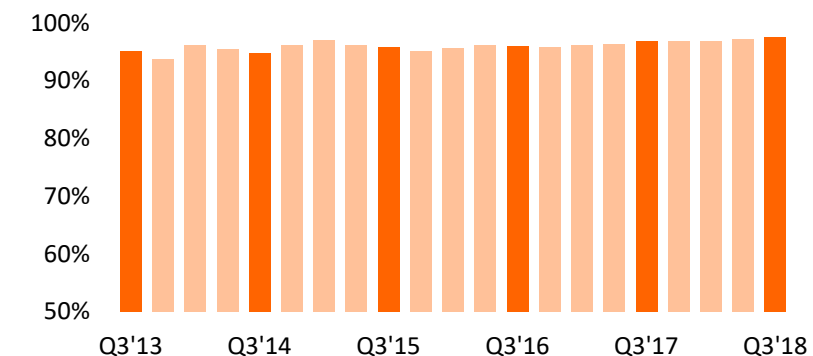


Customer and project mix

- Project mix
 - Variable contracts account for 97.5 percent of total revenues
- Customer portfolio
 - The 10 largest customers represent 38.8 percent of total revenues – up from 36.4 percent in Q3'17
 - The 20 largest customers represent 51.6 percent of total revenues – up from 49.4 percent in Q3'17

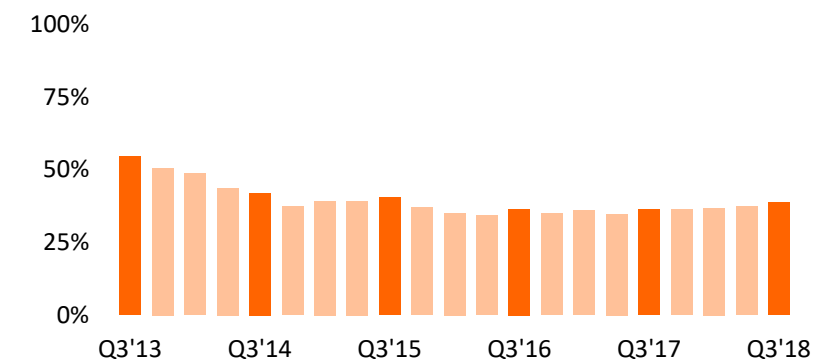
Variably priced contracts share of revenues

Percentage



10 largest customers share of revenues

Percentage



Customer development

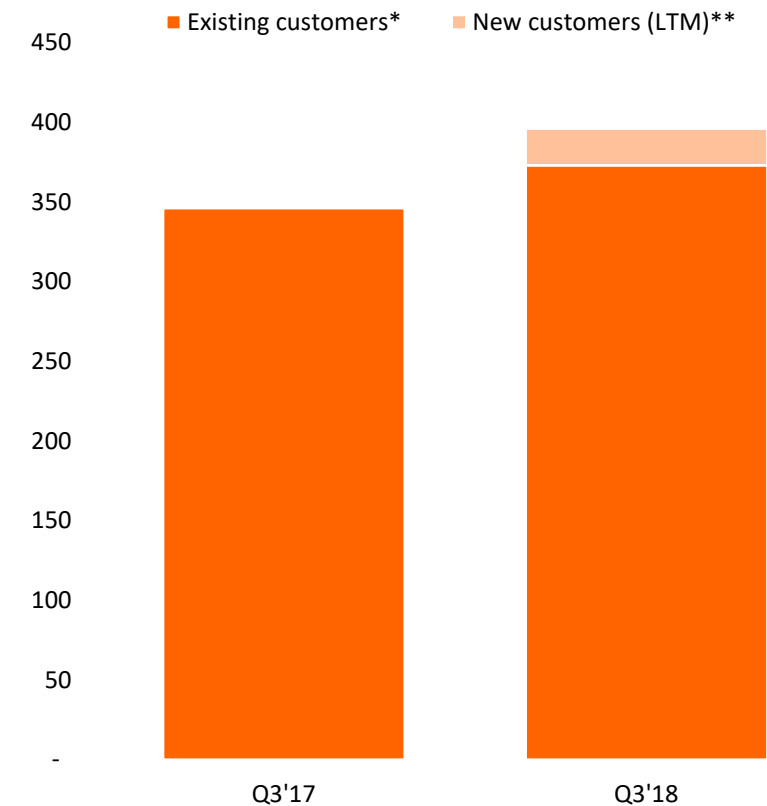
- Existing customers*
 - Accounted for 94.2 percent of revenues in Q3'18
- New customers**
 - Customers won over the past year generated revenues of NOK 23.0 million in Q3'18

* Existing customers defined as customers that were invoiced in the corresponding quarter last year

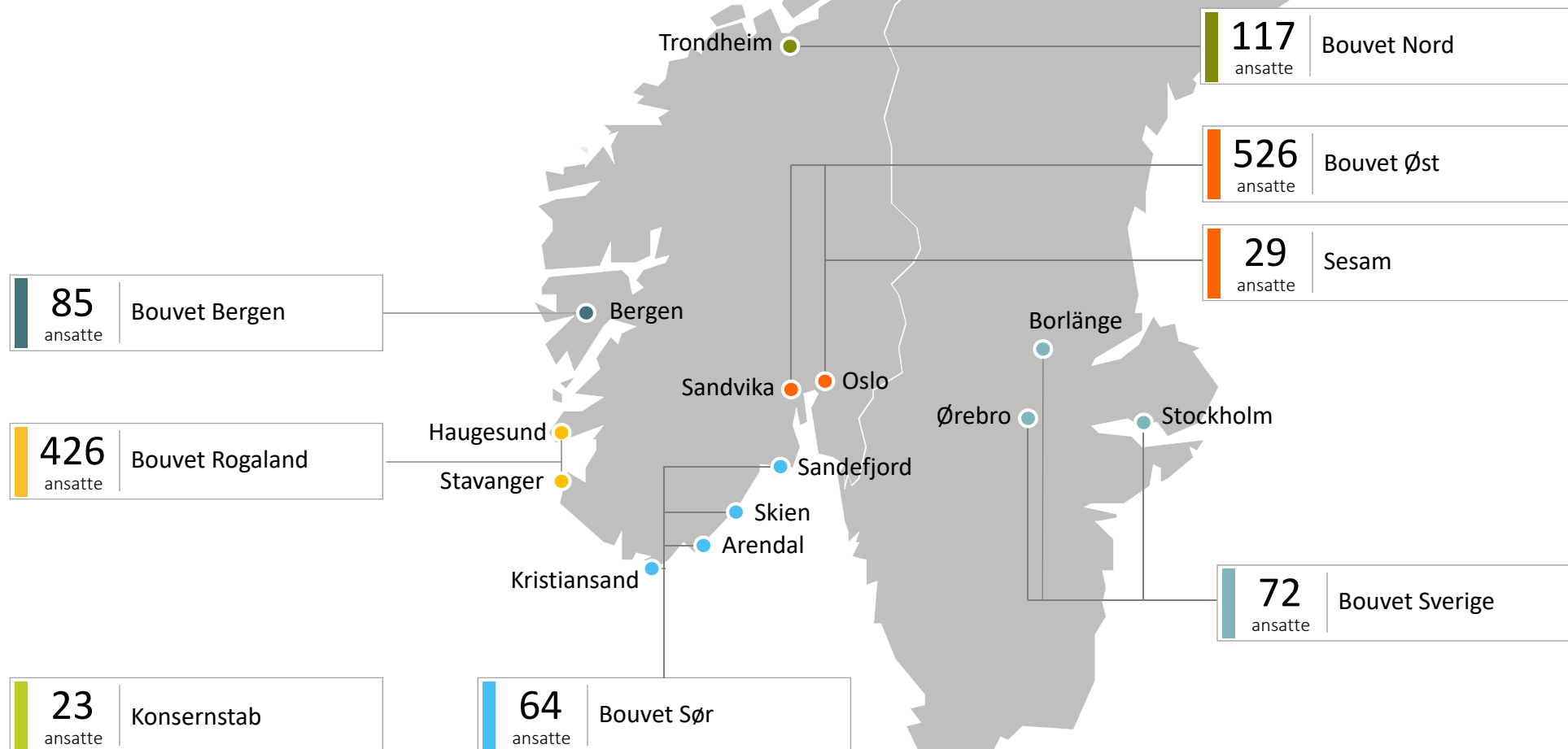
** New customers defined as customers won since end of corresponding quarter last year

Revenue customer split

MNOK



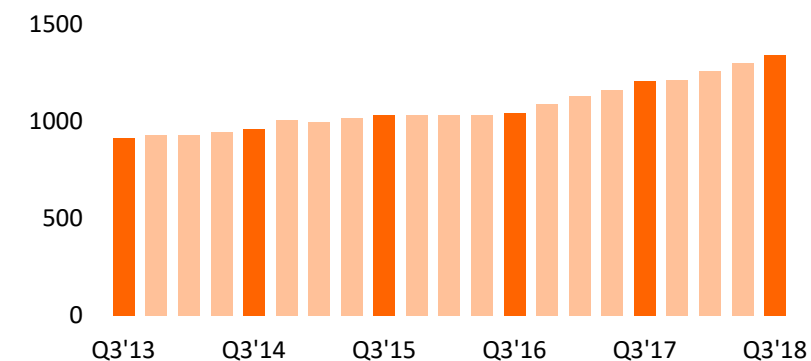
Regional organisation



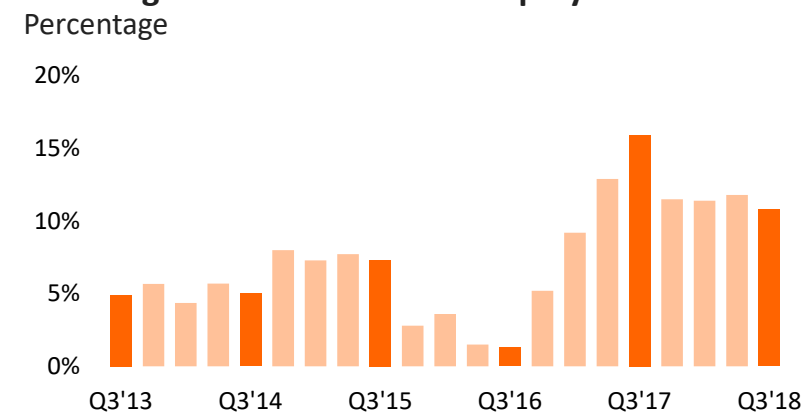
Enthusiastic and competent employees

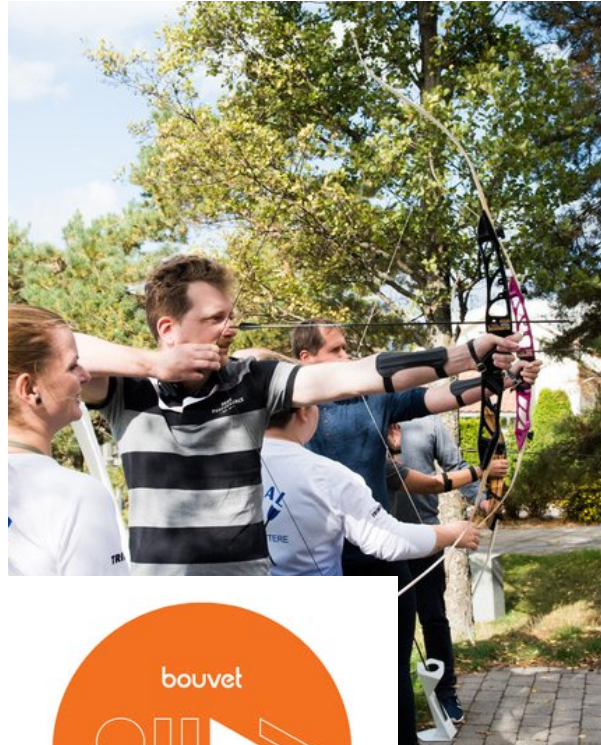
- 1 342 employees at the end of the quarter
 - Up 38 from Q2'18
 - 131 more employees in the past 12 months
 - Average number of employees in the quarter up 11.3 percent from Q3'17

Number of employees end of quarter



Annual growth in number of employees







Financial Review

Key figures

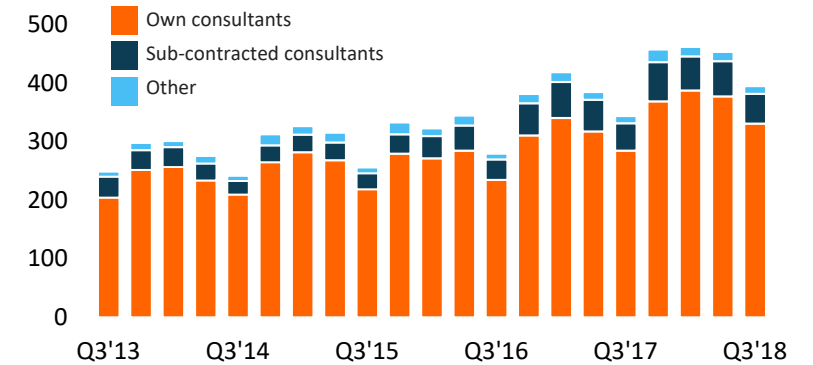
MNOK	Three months ending			Twelve months ending		
	30.09.2018	30.09.2017	Change	30.09.2018	30.09.2017	Change
Operating revenue	395.4	344.2	14.9 %	1 769.7	1 531.2	15.6 %
Operating profit (EBIT)	20.1	17.1	17.9 %	175.5	127.9	37.2 %
EBIT margin	5.1 %	5.0 %		9.9 %	8.4 %	
Ordinary profit before tax	20.2	17.0	18.8 %	175.1	129.3	35.4 %
Profit for the period	15.4	12.5	23.0 %	136.6	98.7	38.5 %
EPS (fully diluted)	1.51	1.22	23.7 %	13.32	9.64	38.2 %
Net cash flow operations	-14.1	-2.5	N/A	161.6	108.9	48.4 %
Equity ratio	35.0 %	34.2 %		35.0 %	34.2 %	
Cash and cash equivalents	63.4	41.6	52.5 %	63.4	41.6	52.5 %
Number of employees (end of period)	1 342	1 211	10.8 %	1 342	1 211	10.8 %
Number of employees (average)	1 328	1 193	11.3 %	1 271	1 139	11.6 %

Revenue

- Revenues increased by 14.9 percent y-o-y
 - Revenues from own consultants increased by 16.2 percent to NOK 331.3 million
 - Revenues from sub-contracted consultants increased by 9.1 percent to NOK 50.8 million
 - Other revenues increased by 6.3 percent to NOK 13.2 million

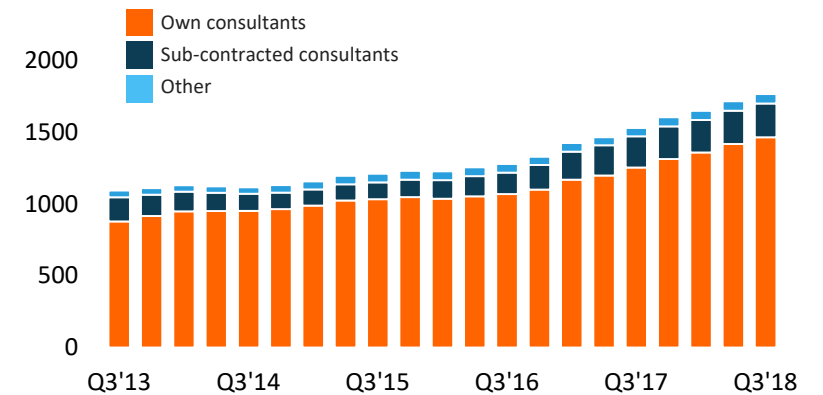
Revenue split (quarterly figures)

MNOK



Revenue split (12 months rolling average)

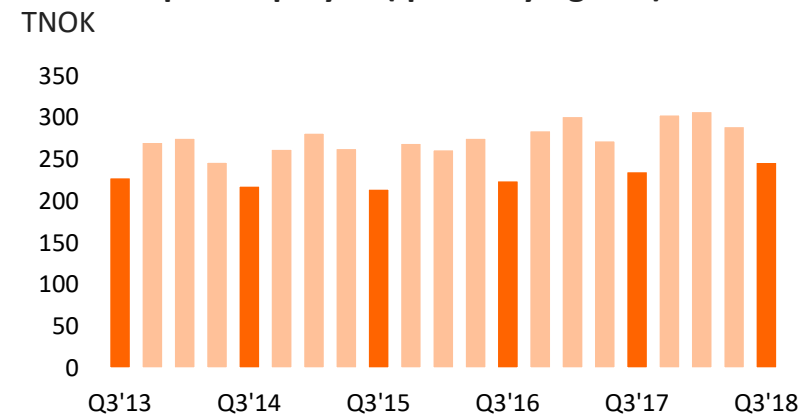
MNOK



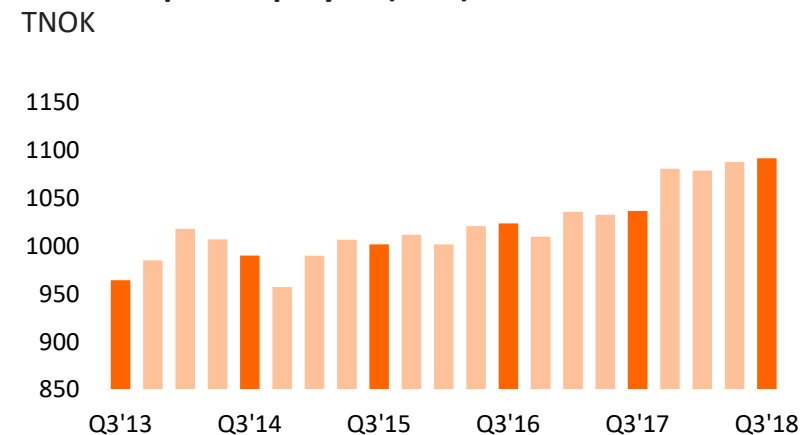
Revenues from own consultants

- Increased 16.2 percent y-o-y
 - Positive impact from increase in billing ratio by 1.5 percentage points
 - Positive impact from 11.3 percent increase in average number of employees
 - Positive impact from 3.6 percent increase in prices for group hourly services
 - 65 workdays in Q3'18 – equal to Q3'17

Revenue per employee (quarterly figures)



Revenue per employee (LTM)



Analysis of change in revenues y-o-y

Revenue
MNOK

40

35
33.6

30

25

20

15

10
10.6

5
6.4

0
5.7

-5
5.0

-10
-10.2

-15

No. of employees

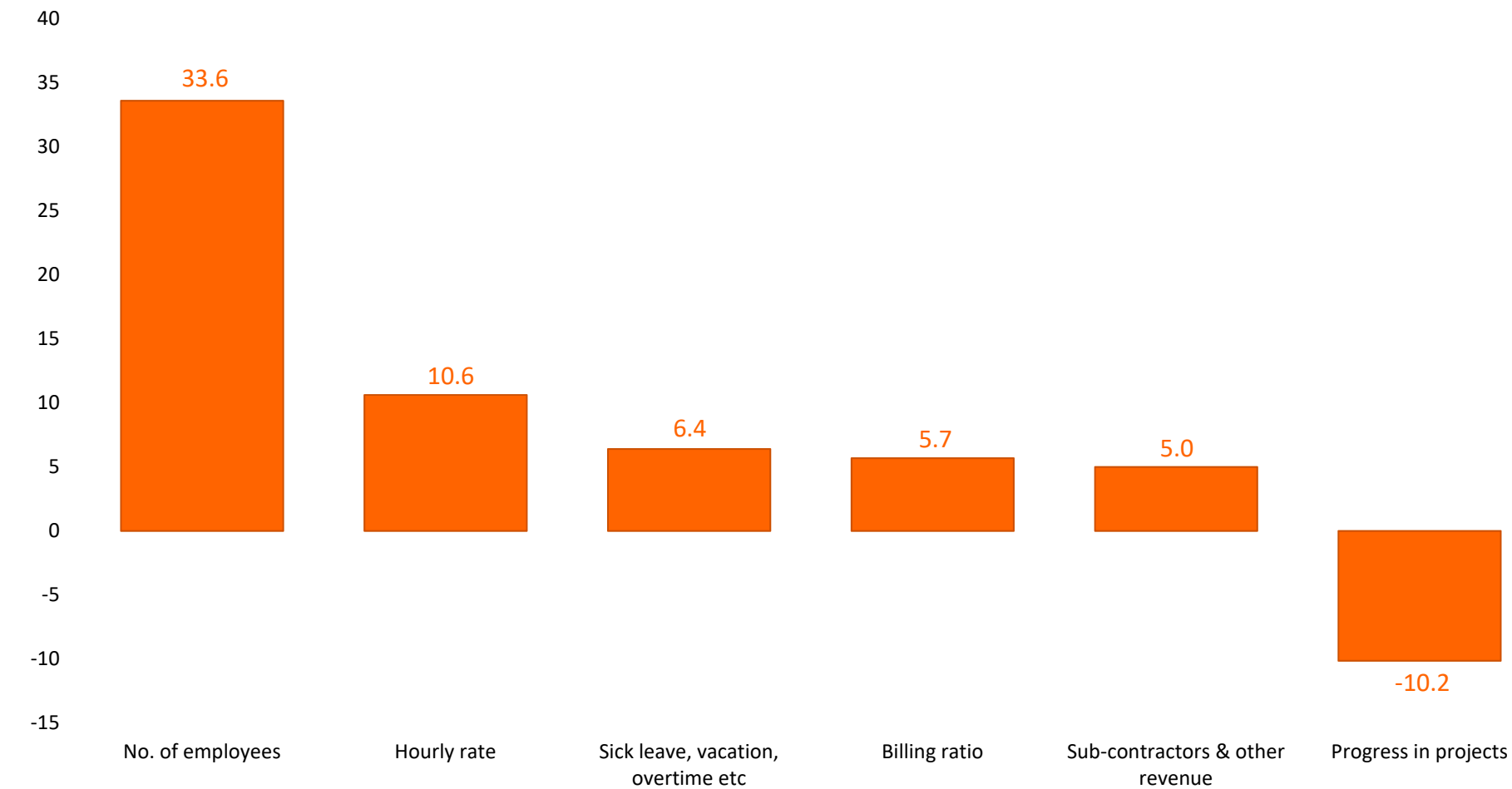
Hourly rate

Sick leave, vacation,
overtime etc

Billing ratio

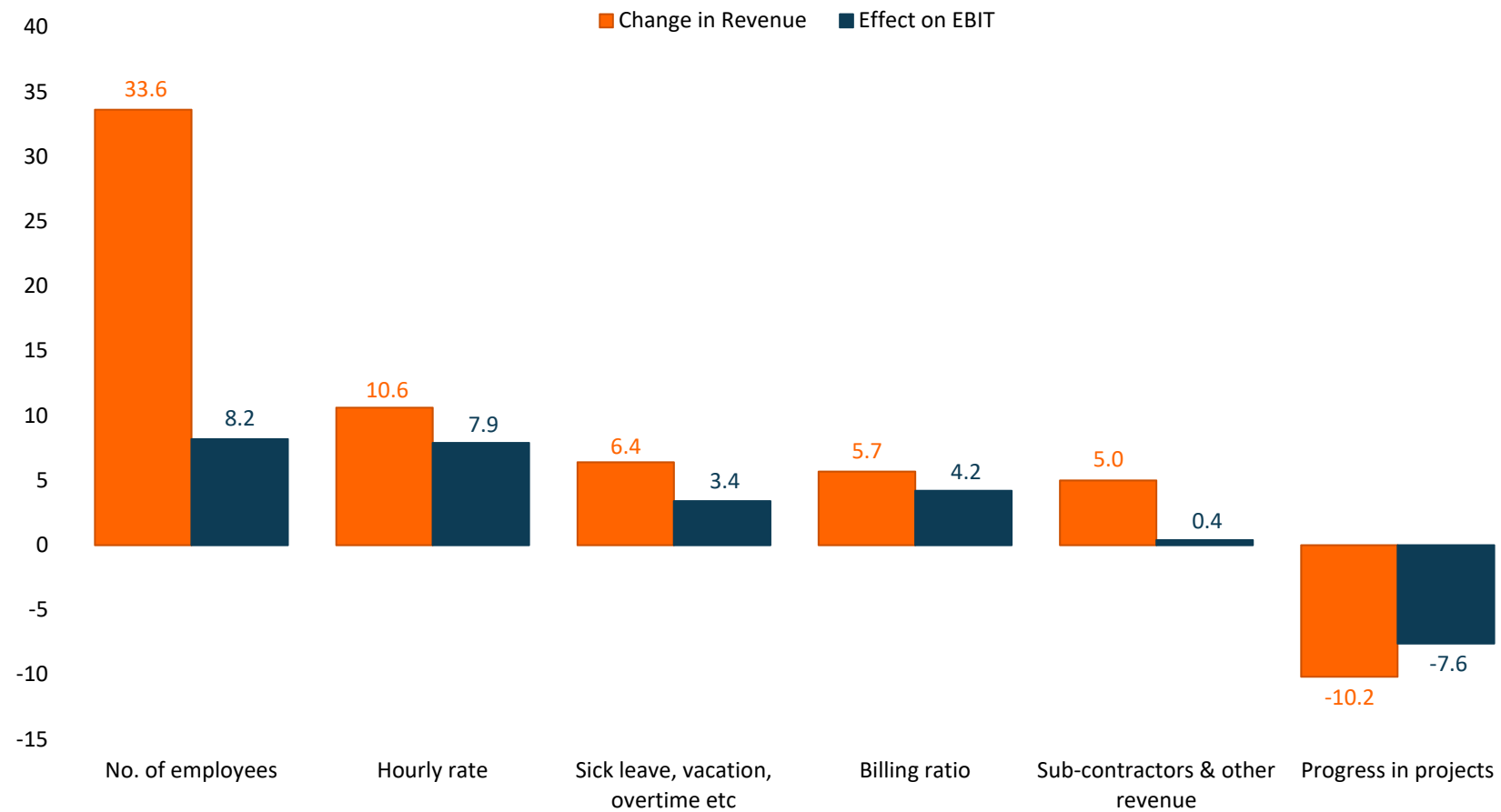
Sub-contractors & other
revenue

Progress in projects



Change in revenues – effect on EBIT

Revenue
MNOK

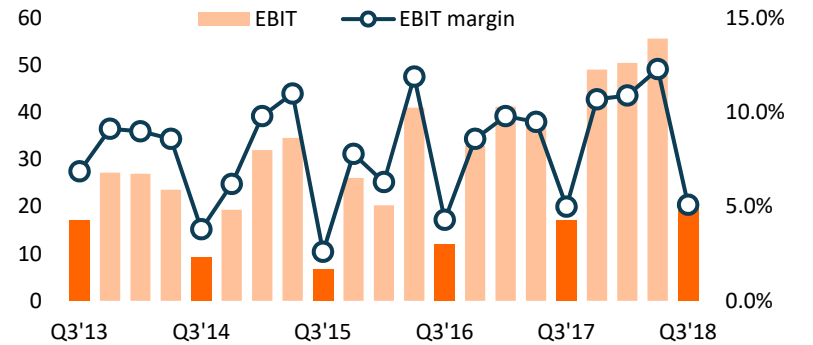


Earnings

- Operating profit (EBIT) up by 17.9 percent to NOK 20.1 million
- EBIT margin of 5.1 percent compared to 5.0 percent in Q3'17
- Operating expenses increased by 14.7 percent compared to Q3'17
- General growth in pay rate 1.6 percent y-o-y
- Other operating expenses increased 24.6 percent

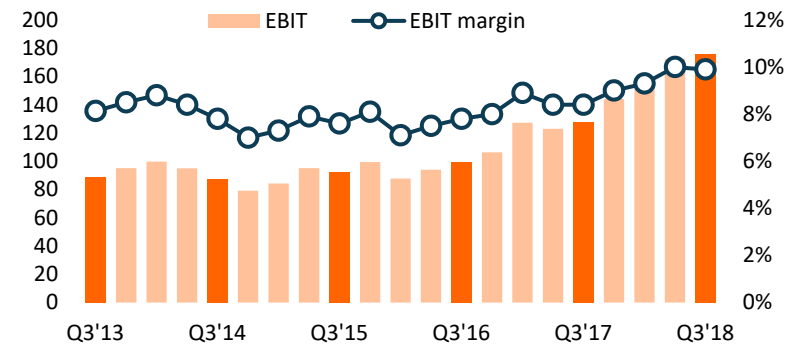
EBIT and EBIT margin

MNOK and Percent



EBIT and EBIT margin (LTM)

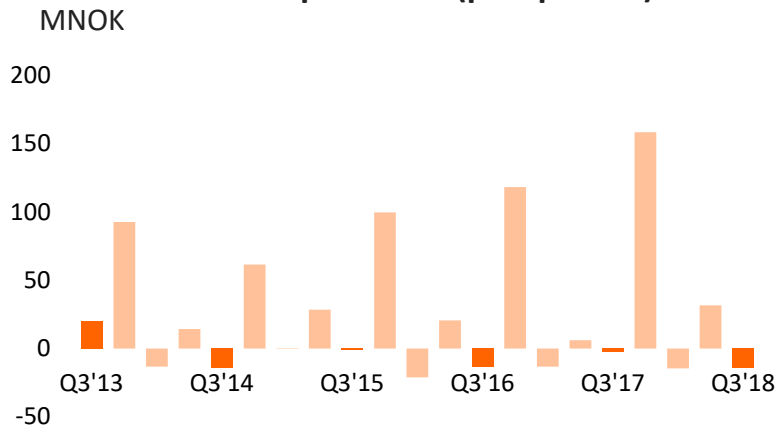
MNOK and Percent



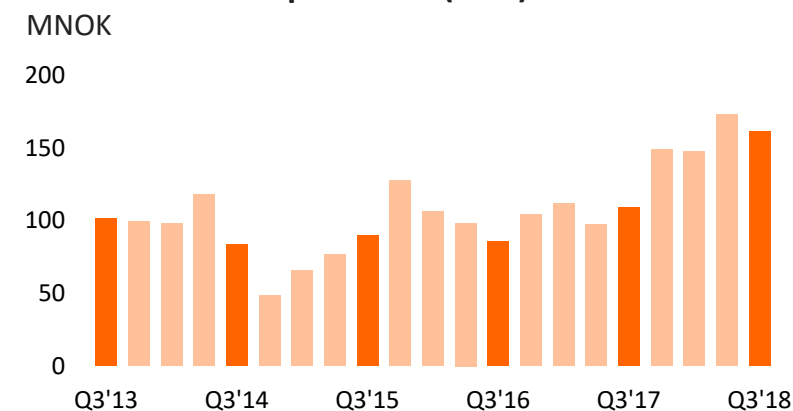
Cash flow

- Cash flow from operations
 - Negative NOK 14.1 million in Q3'18 compared to negative NOK 2.5 million in Q3'17
- Last 12 months
 - Operational cash flow over the last 12 months was NOK 161.6 million
- Cash flow from investing activities
 - Negative NOK 10.1 million compared to negative NOK 7.1 million in Q3'17

Cash flow from operations (per quarter)



Cash flow from operations (LTM)





Outlook



Outlook

- High demand
- Decreased demand for large projects
- Increased demand for cross-functional teams
- Increased demand for broad range of services
- Increased demand for platform, IoT, security and cloud competence
- Clients will increase their digital skills
- Too low capacity in the IT sector



Shareholders as of 14.11.2018

Shareholders	Number of shares	% of total
VARNER KAPITAL AS	1 070 000	10,44 %
VPF NORDEA AVKASTNING	985 331	9,61 %
STENSHAGEN INVEST AS	736 699	7,19 %
VIRTUS KAR INTERNATIONAL	517 940	5,05 %
HURUM SVERRE FINN	508 366	4,96 %
MP PENSJON KP	504 004	4,92 %
VEVLEN GÅRD AS	453 502	4,42 %
PROTECTOR FORSIKRING ASA	298 610	2,91 %
STUBØ ERIK	237 866	2,32 %
UBS SWITZERLAND AG	204 030	1,99 %
SIX SIS AG	200 000	1,95 %
VPF NORDEA KAPITAL	166 690	1,63 %
STOREBRAND NORGE I VERDIPAPIRFOND	162 929	1,59 %
TELENOR PENSJONSKASSE	154 141	1,50 %
VOLLE ANDERS	115 738	1,13 %
STATE STREET BANK AND TRUST COMP	100 972	0,99 %
DYVI INVEST AS	100 000	0,98 %
BOUVET ASA	97 053	0,95 %
RADIG NILS-HÅKAN	75 043	0,73 %
STOREBRAND VEKST VERDIPAPIRFOND	71 763	0,70 %
Number of shares held by the 20 largest shareholders	6 760 677	65,96 %