

## Company announcement 17/2015 Søborg/Copenhagen, 21 August 2015

### Financial report for the first six months of 2015

## NNIT delivers organic revenue growth of 8.8% and an operating profit margin of 10.7% in constant currencies.

### Performance highlights

- Revenue increased by 8.8% in constant currencies to DKK 1,234m and 9.7% in reported currencies to DKK 1,244m
- Operating profit margin was 10.7% in constant currencies and 9.2% in reported currencies being impacted by currency headwinds
- Operating profit increased by 20.1% in constant currencies and 3.7% in reported currencies being impacted by currency headwinds
- Net profit increased by 10.1% to DKK 94m in reported currencies due to higher operating profit and improved net financials
- Order backlog for 2015 increased by 10.0% compared with order backlog for 2014 at the same time last year
- Outlook for 2015 in constant currencies:
  - Revenue in constant currencies is forecasted to grow 6-8% (previously 5-8%), whereas revenue growth in reported currencies is expected to be around 0.7pp higher based on current exchange rates
  - Operating profit margin is forecasted to be around 11% in constant currencies, whereas operating profit margin in reported currencies is expected to be around 1.3pp lower based on current exchange rates

Per Kogut, CEO: "A solid organic revenue growth of 8.8% and an operating profit margin of 10.7% in constant currencies in the first six months of 2015 is very satisfying. Revenue growth is driven by a 15.9% increase from our non-Novo Nordisk customers in line with our strategy."

### Financial Overview

DKK million	6M 2015 (reported)	6M 2015 (constant)*	6M 2014*	Pct./pp Change (reported)	Pct./pp Change (constant)
Revenue	1,244	1,234	1,135	9.7%	8.8%
Gross margin	18.6%	20.0%	18.6%	0.1pp	1.5pp
Operating profit	114	132	110	3.7%	20.1%
Operating profit margin	9.2%	10.7%	9.7%	-0.5pp	1pp
Net profit	94	N/A	85	10.1%	N/A
Investments	94	94	57	64.8%	64.8%
Free cash flow	41	N/A	6	N/A	N/A

\*Constant currencies measured using average exchange rates for the first six months of 2014.

## Guidance 2015

	Guidance for 2015	Previous guidance	Long-term targets
<b>Revenue growth</b>			
In constant currencies* as reported**	6-8% Around 0.7pp higher	5-8% Around 0.8pp higher	≥ 5% -
<b>Operating profit margin</b>			
In constant currencies* as reported**	Around 11% Around 1.3pp lower	Around 11% Around 1.4pp lower	≥ 10% -
Investments / Revenue***	5-6%	5-6%	5-6%

\*Constant currencies measured using average 2014 exchange rates.

\*\*Based on exchange rates as of August 14, 2015 as illustrated under key currency assumptions on page 15.

\*\*\*Re-investments and new client investments in the near term are expected to be 5-6 percent of total revenue. If NNIT decides to build another data center to support growth, NNIT expects additional investments of around DKK 250 million over a three year period.

## About NNIT

NNIT A/S is one of Denmark's leading IT service providers and consultancies. NNIT A/S offers a wide range of IT services and solutions to its customers, primarily in the life sciences sector in Denmark and internationally and to customers in the public, enterprise and finance sectors in Denmark. As of June 30, 2015, NNIT A/S had 2,521 employees.

For more information please visit [www.nnit.com](http://www.nnit.com).

## Conference call details

NNIT will host a teleconference August 21 at 10:30 CET about the financial report for the first six months of 2015. Please visit the NNIT webpage at [www.nnit.com](http://www.nnit.com) to access the teleconference, which can be found under 'Investors - Downloads'. Presentation material will be available on the website approximately one hour prior to the start of the presentation.

Conference call details

Webcast link: <http://edge.media-server.com/m/p/ppaviyc8>

Participant telephone

Numbers: Confirmation code 9190863

Participants, Local - London, United Kingdom:	+44 (0) 20 3427 1903
Participants, Local - New York, United States of America:	+1 (646) 254 3362
Participants, Local - Paris, France:	+33 (0) 1 76 77 22 26
Participants, Local - Copenhagen, Denmark:	+45 3271 1658
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Participants, Local - Frankfurt, Germany:	+49 (0) 69 2999 3286

## Financial Calendar

November 17, 2015      Financial statement for the first nine months of 2015

## Forward-looking statements

This announcement contains forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'outlook', 'guidance', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

## Contacts for further information

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## Financial figures and highlights

DKK million, reported currencies	Q2 2015	Q2 2014	6M 2015	6M 2014	Total 2014
<b>Financial performance</b>					
Revenue					
Life Sciences	392.1	360.5	770.3	721.0	1,546.8
<i>Hereof Novo Nordisk Group</i>	307.5	288.0	604.1	585.0	1,260.3
<i>Hereof other Life Sciences</i>	84.6	72.5	166.1	136.0	286.6
Public	92.4	85.4	193.6	140.4	326.1
Enterprise	99.3	97.7	189.7	194.9	371.3
Finance	45.2	39.0	90.9	78.2	166.3
Revenue by customer group	629.1	582.6	1,244.4	1,134.6	2,410.4
IT Operation Services	415.9	398.2	823.4	794.3	1,667.1
IT Solution Services	213.2	184.4	421.0	340.3	743.3
Revenue by business area	629.1	582.6	1,244.4	1,134.6	2,410.4
Depreciations and amortizations	34.7	29.2	69.1	57.3	124.0
Operating profit (EBIT)	50.9	53.2	114.2	110.2	265.3
EBITDA	85.6	82.4	183.4	167.5	389.4
Net financials	-5.8	-0.9	4.5	-1.2	2.4
Net profit	35.7	40.9	93.8	85.2	209.3
Equity	609.0	710.6	609.0	710.6	684.3
Free cash flow	6.4	17.4	41.1	6.0	152.7
Total assets	1,265.6	1,198.6	1,265.6	1,198.6	1,282.4
Investments in tangible and intangible assets	37.0	21.0	93.5	56.8	155.2
Dividends paid	0.0	0.0	83.7	140.0	290.0
<b>Earnings per share<sup>1</sup></b>					
Earnings per share (DKK)	1.43	1.63	3.75	3.41	8.37
Diluted earnings per share (DKK)	1.47	1.63	3.87	3.41	8.37
<b>Employees</b>					
Average number of full-time employees	2,499	2,241	2,462	2,204	2,276
<b>Financial ratios</b>					
Operating profit margin	8.1%	9.1%	9.2%	9.7%	11.0%
EBITDA margin	13.6%	14.2%	14.7%	14.8%	16.2%
Gross profit margin	17.6%	17.4%	18.6%	18.6%	19.9%
Return on equity (MAT)	33.0%	28.9%	33.0%	28.6%	28.9%
Solvency ratio	48.1%	59.3%	48.1%	59.3%	53.4%
Effective tax rate	21.0%	21.8%	21.0%	21.8%	21.8%
<b>Long-term financial metrics</b>					
Operating profit margin	8.1%	9.1%	9.2%	9.7%	11.0%
Revenue growth	8.0%	5.9%	9.7%	8.1%	9.3%
Return on invested capital (ROIC) <sup>2</sup>	39.5%	31.9%	39.5%	31.9%	40.0%
Cash to earnings	86.2%	120.4%	86.2%	120.4%	71.7%
Cash to earnings (three-year average)	n.a.	n.a.	63.3%	34.4%	52.7%
<b>Additional numbers<sup>3</sup></b>					
Order entry backlog for the current year	2,340.1	2,127.4	2,340.1	2,127.4	-
Order entry backlog for the following years 2+3 <sup>4</sup>	2,813.4	2,485.7	2,813.4	2,485.7	-

1) In Q3 2014 NNIT increased its share capital from a nominal value of DKK 1 million to a nominal value of DKK 250 million. Additionally, a stock split was carried out in which the nominal value of NNIT shares was changed from DKK 1,000 to DKK 1 each or multiples thereof and the shares are issued with a nominal value of DKK 10 each as a multiple of the nominal value of DKK 1. Comparison figures are recalculated.

2) Net profit/Average invested capital.

3) Backlog represents anticipated revenue from contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.

4) Year 2+3 represents 2016 and 2017 in the Q2/6M 2015 column and 2015 and 2016 in the Q2/6M 2014 column etc.

## Highlights

The below are some of the key highlights for the first six months of 2015.

### Sales

Order backlog for 2015 has improved DKK 424 million to DKK 2,340 million in first six month of 2015 compared 31 December 2014 while the order backlog for 2016 and 2017 has improved DKK 280 million to DKK 2,813 million in the same period.

In the period most of the order backlog addition has been with existing clients either in the form of additional projects or extensions of existing contracts. New contracts have primarily been in the small to mid-size range.

Key wins appearing in order of significance are:

- Extension of contract with the Association of Danish Pharmacies for the operation and development of PharmaNet with a three-digit DKK million amount over a 4 year period
- Extension of infrastructure agreement with an existing customer in the public segment with a contract value of a double-digit DKK million amount over a 5 year period
- Extension of infrastructure agreement with Novo Nordisk Sales Region International Operation representing a double-digit DKK million amount over a 2 year period
- New cDisc implementation within R&D in Novo Nordisk representing a double-digit DKK million amount over a 2 year period
- New SAP application management service agreement with a customer in the public segment representing a double-digit DKK million amount over a 4 year period
- New serialisation project roll out to Novo Nordisk Sales Region International Operations representing a double-digit DKK million amount over a 1 year period
- Extension of an application outsourcing agreement with a central government agency representing a double-digit DKK million amount over a 1 year period

### Certification

NNIT Security Operations Center has been certified as an official CERT (Computer Emergency Response Team) by the Software Engineering Institute of Carnegie Mellon University. NNIT has one of only four certified CERT teams in Denmark.

It is an important milestone documenting NNIT's intention of becoming a key trusted security advisor to our customers. The CERT certification supports our cybersecurity offering portfolio and value proposition geared to address a fast growing security market, and increasing customer demands for advanced cybersecurity solutions.

## Performance overview, first six months

DKK million	6M 2015 (reported)	6M 2015 (constant*)	6M 2014*	Pct/pp Change (reported)	Pct/pp Change (constant)
<b>Revenue</b>	1,244.4	1,234.4	1,134.6	9.7%	8.8%
Cost of goods sold	1,012.6	987.1	923.9	9.6%	6.8%
<b>Gross profit</b>	<b>231.7</b>	<b>247.3</b>	<b>210.6</b>	<b>10.0%</b>	<b>17.4%</b>
<i>Gross profit margin</i>	18.6%	20.0%	18.6%	0.1pp	1.5pp
Sales and marketing costs	62.1	61.0	52.9	17.5%	15.4%
Administrative expenses	55.4	54.0	47.6	16.4%	13.5%
<b>Operating profit</b>	<b>114.2</b>	<b>132.3</b>	<b>110.2</b>	<b>3.7%</b>	<b>20.1%</b>
<i>Operating profit margin</i>	9.2%	10.7%	9.7%	-0.5pp	1pp
Net financials	4.5	N/A	-1.2	N/A	N/A
<b>Profit before tax</b>	<b>118.7</b>	<b>N/A</b>	<b>109.0</b>	<b>8.9%</b>	<b>N/A</b>
Tax	24.9	N/A	23.8	4.8%	N/A
<i>Effective tax rate</i>	21.0%	N/A	21.8%	-0.8pp	N/A
<b>Net profit</b>	<b>93.8</b>	<b>N/A</b>	<b>85.2</b>	<b>10.1%</b>	<b>N/A</b>

\*Constant currencies measured using average exchange rates for the first six months of 2014.

Revenue in the **first six months of 2015** increased by 8.8% in constant currencies and 9.7% in reported currencies compared with the first six months of 2014. Revenue growth was impacted by a number of one off items, which consolidated had a neutral effect. Cost of goods sold increased by 6.8% in constant currencies and 9.6% in reported currencies compared with the first six months of 2014. The increase in cost of goods sold in constant currencies was primarily related to the increased employee costs caused by revenue growth, costs related to the IPO incentive program and one off costs related to the expansion of facilities in Denmark. The further increase in cost of goods sold in reported currencies was mainly due to the increase in key exchange rates in the sourcing locations i.e. China and Philippines as well as the increase of costs of software/hardware purchases in US dollar. This is partly offset by gains on hedges, however these are reported under net financials.

Accordingly gross profit margin increased by 1.5pp in constant currencies whereas it was constant in reported currencies.

Sales and marketing costs increased by 15.4% in constant currencies and 17.5% in reported currencies, primarily due to a strengthening of the sales force to support future growth especially within international life sciences.

Administrative expenses increased by 13.5% in constant currencies and 16.4% in reported currencies, primarily due to costs related to the IPO incentive program as well as additional costs related to being a listing company.

Operating profit increased by 20.1% in constant currencies and 3.7% in reported currencies to DKK 114.2m due to the increase in revenue corresponding to an operating profit margin of 9.2% in reported currencies. In constant currencies operating profit margin increased by 1.0pp to 10.7%.

Net financials improved by DKK 5.7m to DKK 4.5m, primarily due to net fair value adjustment of Novo Nordisk shares and the obligations related to long-term incentive programs from previous years (DKK 4.9m, net) and gains on currency hedges (DKK 5.4m) in the first six months of 2015 partly countered by various financial fees related to being a listed company. The decrease in the tax rate is due to the gradual lowering of the corporate tax rate in Denmark.

## Performance overview, second quarter

DKK million	Q2 2015 (reported)	Q2 2015 (constant*)	Q2 2014*	Pct/pp Change (reported)	Pct/pp Change (constant)
<b>Revenue</b>	629.1	624.8	582.6	8.0%	7.2%
<b>Gross profit</b>	<b>110.9</b>	<b>120.0</b>	<b>101.6</b>	<b>9.2%</b>	<b>18.1%</b>
<i>Gross profit margin</i>	17.6%	19.2%	17.4%	0.2pp	1.8pp
<b>Operating profit</b>	<b>50.9</b>	<b>61.4</b>	<b>53.2</b>	<b>-4.4%</b>	<b>15.3%</b>
<i>Operating profit margin</i>	8.1%	9.8%	9.1%	-1pp	0.7pp
<b>Net profit</b>	<b>35.7</b>	<b>N/A</b>	<b>40.9</b>	<b>-12.7%</b>	<b>N/A</b>

\*Constant currencies measured using average exchange rates for the first six months of 2014.

\*\*Please refer to note 2 on page 22 for a detailed overview of the quarterly numbers

Revenue in **Q2 2015** increased by 7.2% in constant currencies and 8.0% in reported currencies compared with Q2 2014.

Gross profit margin increased by 1.8pp in constant currencies and 0.2pp in reported currencies primarily due to increased revenue in IT Solution Services.

Operating profit increased by 15.3% in constant currencies and decreased by 4.4% in reported currencies to DKK 50.9m corresponding to an operating profit margin of 8.1% in reported currencies. The lower operating profit in reported currencies is mainly due to the increase in key exchange rates in the sourcing locations i.e. China and Philippines as well as the increase of costs of software/hardware purchases in US dollar.

## Revenue

Revenue distribution:

DKKm	Revenue 6M 2015 (reported)	Revenue 6M 2015 (constant*)	Revenue 6M 2014*	Pct Change (reported)	Pct Change (constant)
Life Sciences	770.3	760.6	721.0	6.8%	5.5%
<i>Hereof Novo Nordisk Group</i>	604.1	597.7	585.0	3.3%	2.2%
<i>Hereof other Life Sciences</i>	166.1	162.9	136.0	22.1%	19.7%
Public	193.6	193.6	140.4	37.8%	37.8%
Enterprise	189.7	189.4	194.9	-2.7%	-2.8%
Finance	90.9	90.9	78.2	16.2%	16.2%
<b>Total</b>	<b>1,244.4</b>	<b>1,234.4</b>	<b>1,134.6</b>	<b>9.7%</b>	<b>8.8%</b>
Non-Novo Nordisk Group	640.3	636.7	549.6	16.5%	15.9%
Novo Nordisk Group	604.1	597.7	585.0	3.3%	2.2%
<b>Total</b>	<b>1,244.4</b>	<b>1,234.4</b>	<b>1,134.6</b>	<b>9.7%</b>	<b>8.8%</b>
IT Operation Services	823.4	817.4	794.3	3.7%	2.9%
IT Solution Services	421.0	417.0	340.3	23.7%	22.6%
<b>Total</b>	<b>1,244.4</b>	<b>1,234.4</b>	<b>1,134.6</b>	<b>9.7%</b>	<b>8.8%</b>

\*Constant currencies measured using average exchange rates for the first six months of 2014.

In the **first six months of 2015** revenue from the *life sciences customer group* increased by DKK 39.6m corresponding to 5.5% in constant currencies and 6.8% in reported currencies compared with the first six months of 2014. The increase was primarily driven by an increase of DKK 26.9m corresponding to 19.7% in constant currencies and 22.1% in reported currencies from non-Novo Nordisk Group life sciences customers. Revenue from the Novo Nordisk Group was affected by the discontinuation of re-invoicing of software licenses. Adjusted for the discontinuation of re-invoicing the growth in revenue from the Novo Nordisk Group was 5.2% in constant currencies and 6.3% in reported currencies. The discontinuation has no effect on operating profit.

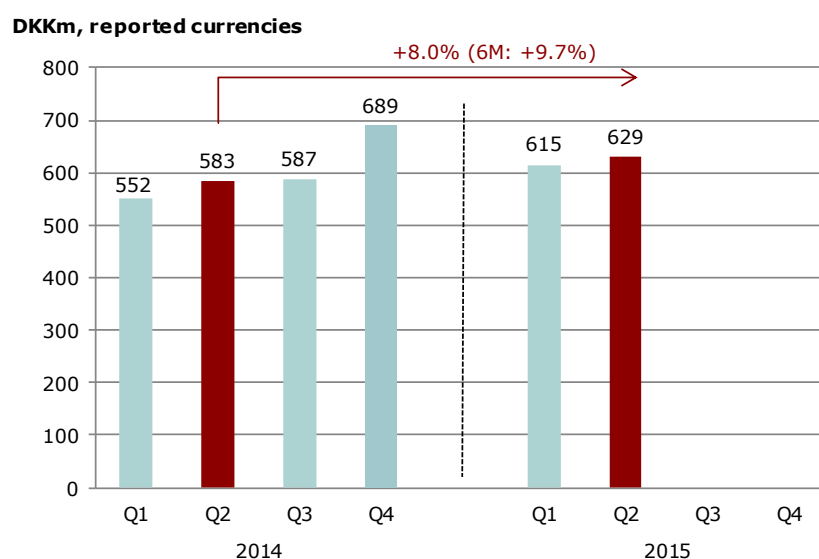
Revenue from the *public customer group* increased by DKK 53.2m, corresponding to 37.8% in both constant and reported currencies compared with the first six months of 2014. The increase was mainly due to entering into several new contracts in the last three quarters of 2014, hereunder with ATP, the Danish Tax authorities and the Danish courts. Additionally the first six months of 2014 was influenced by a DKK 25m reversal of revenue on a disputed contract and adjusted for this the revenue growth was 17.0%.

Revenue from the *enterprise customer group* decreased by DKK 5.5m, corresponding to -2.8% in constant currencies and -2.7% reported currencies. The first six months of 2014 was influenced by compensation to NNIT for early termination of a contract, and adjusted for this revenue the first six months of 2015 was in line with revenue in the first six months of 2014.

Revenue from the *finance customer group* increased by DKK 12.7m, corresponding to 16.2% in both constant and reported currencies, primarily due to expansion of several existing customer contracts.

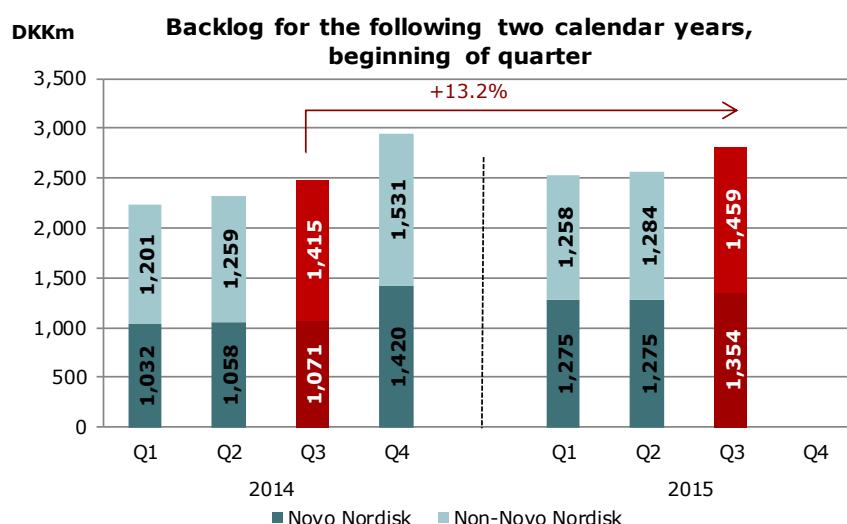
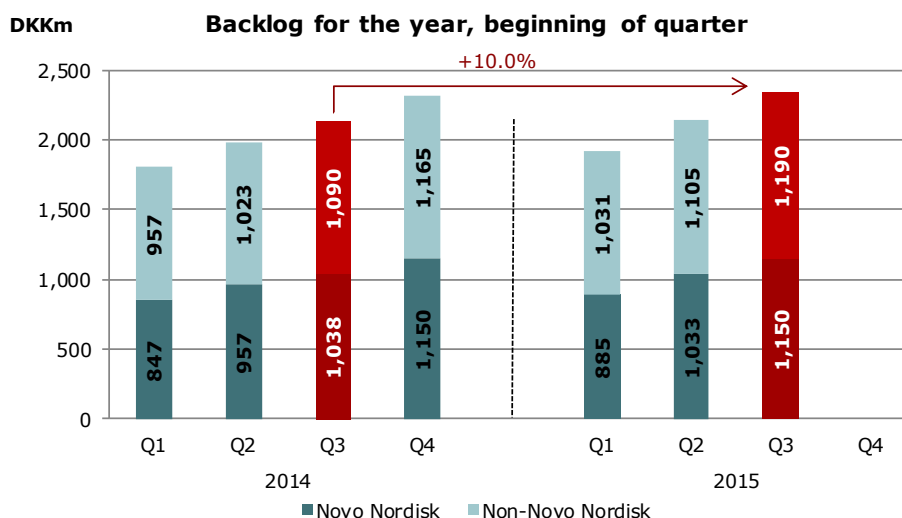
The share of NNIT's revenue from customers outside the Novo Nordisk Group in the first six months of 2015 reached 51.5% in reported currencies compared with 48.5% in the first six months of 2014.

In **Q2 2015** revenue increased by 7.2% in constant currencies and 8.0% in reported currencies to DKK 629.1m compared with Q2 2014. The increase was primarily due to new contracts with customers in the public and life sciences customer groups as well as extensions/expansions of infrastructure and support contracts with the Novo Nordisk Group and customers in the finance customer group.





## Order backlog



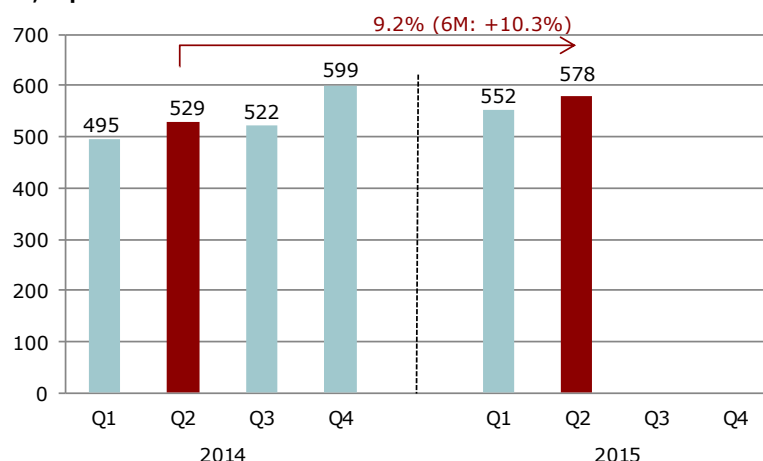
NNIT's order backlog for 2015 at the beginning of Q3 2015 amounted to DKK 2,340m, which is an increase of 10.0% compared with the order backlog for 2014 at the same time last year. The increase is primarily due to new contracts with customers in the public and life sciences customer groups as well as extensions/expansions of infrastructure and support contracts with the Novo Nordisk Group and two customers in the finance customer group.

At the beginning of Q3 2015 the order backlog for 2016 and 2017 was 13.2% higher than for 2015 and 2016 at the same time last year.

The increase in backlog from Q2 to Q3 2015 is mainly due to a contract extension with the Association of Danish Pharmacies for the operation and development of PharmaNet.

## Costs

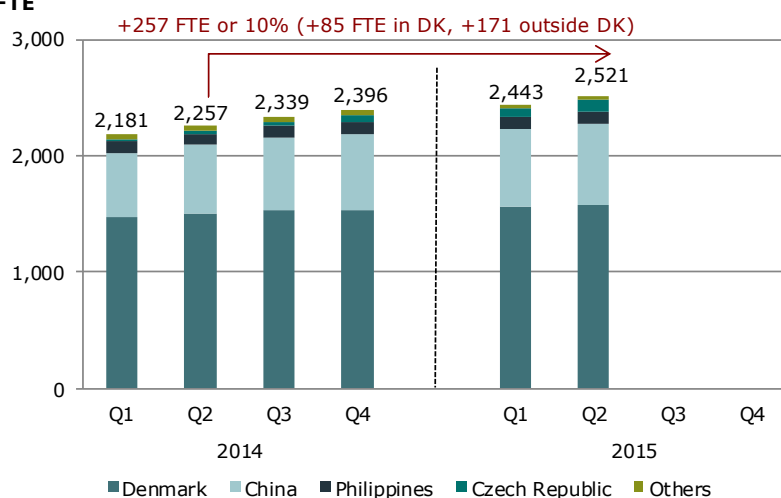
DKK M, reported currencies



In the **first six months of 2015** total costs increased by 10.3% in reported currencies compared with the first six months of 2014 and in **Q2 2015** total costs increased by 9.2% in reported currencies compared with Q2 2014. The cost increase was primarily related to the increased employee costs caused by revenue growth. Furthermore the development reflects costs related to being a listed company including costs related to the IPO incentive program, one off costs related to the expansion of office facilities in Denmark as well as a strengthening of the sales force to support future growth especially within international life sciences.

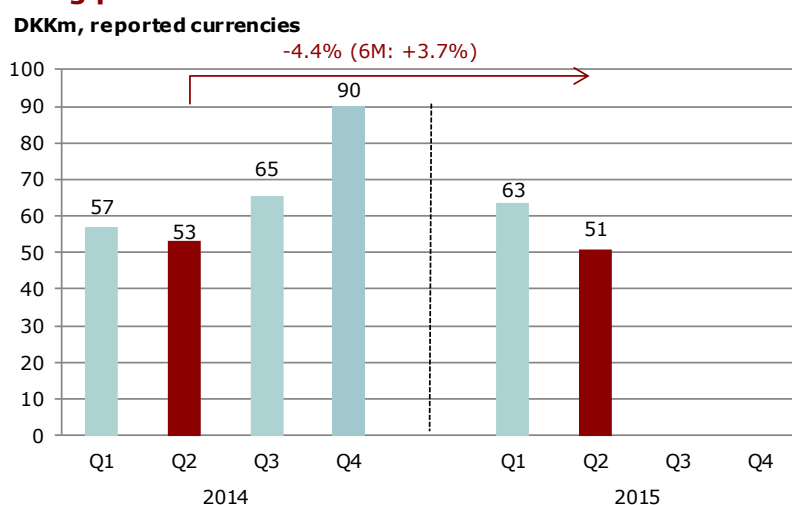
## Employees, end of period

FTE



In **Q2 2015** the number of employees increased by 257 FTE or 10.0% compared with Q2 2014. Around two thirds of the FTE growth was outside Denmark, in line with the long-term strategy, primarily in China (91 FTEs) and Czech Republic (67 FTEs).

## Operating profit



In the **first six months of 2015** operating profit increased by 20.1% in constant currencies and 3.7% in reported currencies compared with the first six months of 2014. This led to an operating profit margin of 9.2% in reported currencies, which was 0.5pp below operating profit margin in the first six months of 2014. In constant currencies operating profit margin increased by 1.0pp to 10.7%.

**Q2 2015** operating profit increased by 15.3% in constant currencies whereas it decreased 4.4% in reported currencies compared with Q2 2014. Currency headwind primarily from the Chinese yuan had a negative impact on operating profit growth of 19.7%.

## Net profit

In the first six months of 2015 net financials improved by DKK 5.7m to DKK 4.5m, primarily due to net fair value adjustment of Novo Nordisk shares and the obligations related to long-term incentive programs from previous years (DKK 4.9m, net) and gains on currency hedges (DKK 5.4m) partly countered by currency losses and various financial fees related to being a listed company. Taxes in the first six months of 2015 were DKK 24.9m, which is an increase of DKK 1.1m compared with the first six months of 2014, due to higher profit before taxes partly countered by a lower effective tax rate due to the reduction of the Danish corporate tax rate from 24.5% to 23.5%. Net profit was DKK 94m for the first six months of 2015, corresponding to an increase of 10% compared with the first six months of 2014.

## Balance sheet

NNIT's total assets, as of June 30, 2015 were DKK 1,266m compared with DKK 1,199m as of June 30, 2014. The increase was primarily due to investments in hardware as well as increased trade receivables and work in progress.

Net financial cash position decreased by DKK 157m compared with the first six months of 2014 to a net debt position of DKK 39m as of June 30, 2015, mainly due to payment of extraordinary interim dividend of DKK 150m in September 2014, payment of ordinary dividend of DKK 84m in February 2015 and the acquisition of NNIT shares of DKK 93.8 million in March 2015 in connection with the IPO incentive program. This is partly countered by net profits from operating activities throughout the past year.

Equity was DKK 609m, as of June 30, 2015, which is a decrease of DKK 102m, compared with June 30, 2014 likewise due to payment of dividends and the acquisition

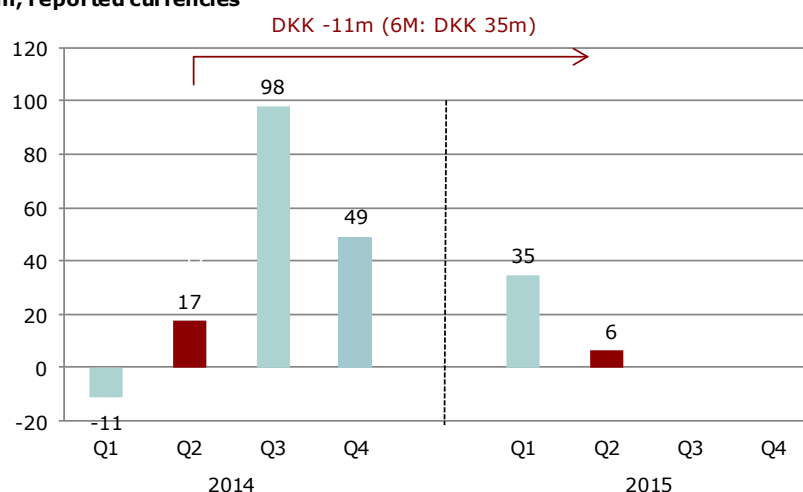
of NNIT shares partly countered by net profits from the operating activities in the past year.

### Investments

Investments in the first six months of 2015 amounted to DKK 93.5m compared with DKK 56.8m in the first six months of 2014. The increase is mainly related to investments in hardware in connection with new and existing outsourcing contracts executed in the first six months of 2015 as well as the expansion of office facilities in Denmark.

### Free cash flow

DKK m, reported currencies



Free cash flow in the first six months of 2015 was DKK 41m, which is DKK 35m higher than in the first six months of 2014, primarily driven by working capital, where timing of incoming and outgoing payments have a significant impact. This is partly countered by higher investments.

### Business areas

#### IT Operation Services

DKK million	6M 2015 (reported)	6M 2015 (constant*)	6M 2014*	Pct/pp Change (reported)	Pct/pp Change (constant*)
<b>Revenue</b>					
Novo Nordisk Group	403.0	397.7	401.0	0.5%	-0.8%
Non-Novo Nordisk Group	420.4	419.6	393.3	6.9%	6.7%
<b>Total</b>	<b>823.4</b>	<b>817.4</b>	<b>794.3</b>	<b>3.7%</b>	<b>2.9%</b>
Costs	755.7	735.5	703.3	7.4%	4.6%
<b>Operating profit</b>	<b>67.7</b>	<b>81.9</b>	<b>90.9</b>	<b>-25.5%</b>	<b>-10.0%</b>
Operating profit margin	8.2%	10.0%	11.4%	-3.2pp	-1.4pp

\*Constant currencies measured using average exchange rates in the first six months of 2014.

IT Operation Services revenue increased by 2.9% in constant currencies in the **first six months of 2015** and 3.7% in reported currencies compared with the first six months of 2014. The revenue increase was primarily driven by new customers in the life sciences customer group and expansion of several existing customer contracts in the finance customer group. Revenue from the Novo Nordisk Group is affected by discontinuation of re-invoicing of software licenses. Adjusted for this discontinuation the growth in revenue was 5.1% in constant currencies and 5.9% in reported currencies. The discontinuation has no effect on operating profit.

Operating profit decreased by 10.0% in constant currencies and 25.5% in reported currencies to DKK 67.7m, leading to an operating profit margin of 10.0% in constant currencies and 8.2% in reported currencies. The decrease in operating profit in reported currencies is primarily due to currency headwind as well as higher growth in costs compared to revenue driven by costs related to the IPO incentive program and one off costs related to the expansion of office facilities in Denmark. A number of initiatives to increase efficiency and reduce costs are being implemented and will have effect later in the year. The negative impact on operating profit from currency headwind is partly offset by gains on hedges, however these are reported under net financials.

### IT Solution Services

DKK million	6M 2015 (reported)	6M 2015 (constant*)	6M 2014*	Pct/pp Change (reported)	Pct/pp Change (constant*)
<b>Revenue</b>					
Novo Nordisk Group	201.1	200.0	184.1	9.3%	8.6%
Non-Novo Nordisk Group	219.9	217.1	156.2	40.7%	38.9%
<b>Total</b>	<b>421.0</b>	<b>417.0</b>	<b>340.3</b>	<b>23.7%</b>	<b>22.6%</b>
Costs	374.5	366.6	321.1	16.6%	14.2%
<b>Operating profit</b>	<b>46.5</b>	<b>50.4</b>	<b>19.2</b>	<b>141.6%</b>	<b>161.9%</b>
<i>Operating profit margin</i>	<i>11.0%</i>	<i>12.1%</i>	<i>5.7%</i>	<i>5.4pp</i>	<i>6.4pp</i>

\*Constant currencies measured using average exchange rates in the first six months of 2014.

IT Solution Services revenue increased by 22.6% in constant currencies in the **first six months of 2015** and 23.7% in reported currencies compared with the first six months of 2014. Certain one time events such as reversal of revenue on a disputed contract and compensation for early termination of a contract had a net negative impact on revenue in the first six months of 2014. Adjusted for this revenue growth was 16.3% in constant currencies and 17.4% in reported currencies. The revenue increase was primarily driven by new customers in the life sciences and public customer groups as well as the Novo Nordisk Group.

Operating profit increased to DKK 46.5m in reported currencies compared with DKK 19.2m for the first six months of 2014, leading to an operating profit margin of 12.1% in constant currencies and 11.0% in reported currencies. Around half of the increase in operating profit is due to the above mentioned one time events and the other half is explained by revenue growth.

### Events after balance sheet date

There have been no events after the balance sheet date that have had a significant impact on the assessment of NNIT's financial position as of June 30, 2015.

## Outlook for 2015

Our outlook for 2015 is based on the first six months of 2015 results, the increase in order backlog for 2015 and expected revenue from our pipeline of potential orders. At the beginning of Q3 2015 the backlog for 2015 was DKK 2,340m.

The expectations are based on a number of important assumptions, including that relevant macroeconomic trends will not significantly change business conditions for NNIT during 2015, business performance, customer and competitor actions will remain stable and that currency exchange rates, especially the Chinese yuan, Euro, Czech koruna, Philippine peso, US dollar and the Swiss franc, will remain at the current levels versus Danish kroner (as of August 14, 2015).

The revenue growth outlook in constant currencies is changed to 6-8% compared with previously 5-8%. Operating profit margin in constant currencies is maintained compared with previous guidance. The foreign exchange risk in respect of NNIT's activities stems primarily from costs incurred in local currencies in NNIT's delivery centers in China, the Philippines and the Czech Republic and sales offices in Switzerland and the US, while the substantial majority of NNIT's revenue is earned in Danish kroner.

The current expectations summarized:

	Guidance for 2015	Previous guidance	Long-term targets
<b>Revenue growth</b>			
In constant currencies*	6-8%	5-8%	≥ 5%
as reported**	Around 0.7pp higher	Around 0.8pp higher	-
<b>Operating profit margin</b>			
In constant currencies*	Around 11%	Around 11%	≥ 10%
as reported**	Around 1.3pp lower	Around 1.4pp lower	-
Investments / Revenue***	5-6%	5-6%	5-6%

\*Constant currencies measured using average 2014 exchange rates.

\*\*Based on exchange rates at August 14, 2015.

\*\*\*Re-investments and new client investments in the near term are expected to be 5-6 percent of total revenue. If NNIT decides to build another data center to support growth, NNIT expects additional investments of around DKK 250 million over a three-year period.

## Currency sensitivities

	Estimated annual impact on NNIT's operating profit of a 10% increase in the outlined currencies against DKK*	Hedging period (months)
CNY	DKK -15 million	14
EUR	DKK 12 million	-
CZK	DKK -2 million	-
PHP	DKK -3 million	14
USD	DKK -1 million	14
CHF	DKK -2 million	-

Hedging gains and losses do not impact operating profit as they are recognized under net financials. For further details on hedging, please see note 5 on page 24.

\* The above sensitivities address hypothetical situations and are provided for illustrative purposes only. The sensitivities assume our business develops consistent with our current 2015 business plan.

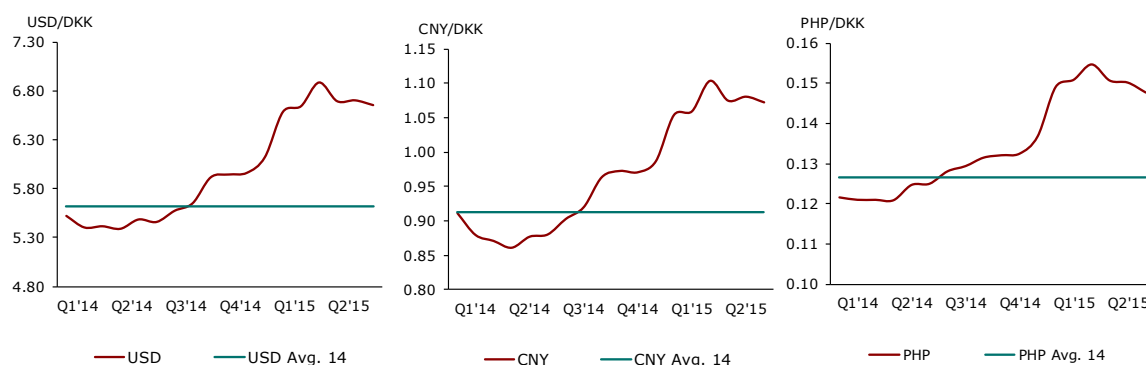
## Key currency assumptions

DKK per 100	2013 average exchange rates	2014 average exchange rates	YTD 2015 average exchange rates at August 14, 2015	Current exchange rates at August 14, 2015
CNY	91.34	91.19	107.81	104.53
EUR	745.80	745.47	745.71	746.33
CZK	28.72	27.08	27.21	27.61
PHP	13.24	12.65	14.99	14.48
USD	561.66	561.76	670.89	668.10
CHF	605.95	613.79	706.19	686.28

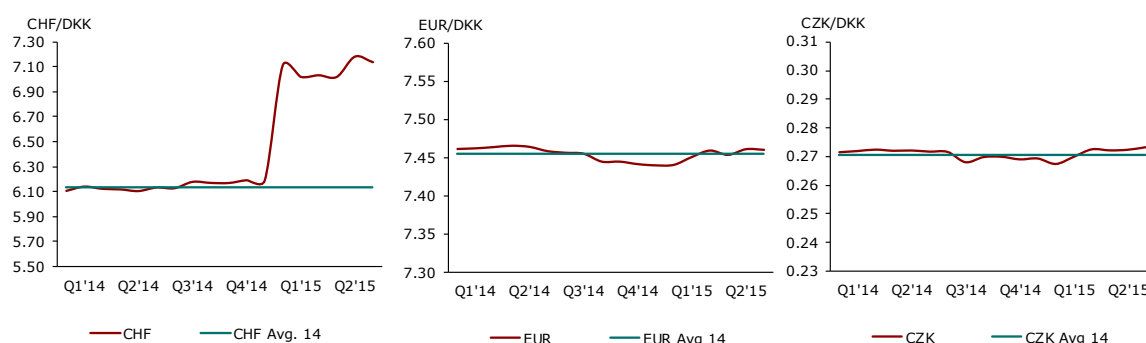
## Currency development

NNIT has a net cost exposure in the Chinese yuan, the Philippine peso, the Swiss franc the US dollar and therefore the appreciation of these currencies versus Danish kroner has had a negative impact on reported operating profit and a positive impact on NNIT's reported revenue.

Compared with 2014 the Chinese yuan, the Philippine peso, the Swiss franc and the US dollar are currently trading at a significantly higher level as illustrated below.



In the same period both the Euro and the Czech koruna have been virtually unchanged versus Danish kroner.



In Q4 2014 NNIT hedged its net currency exposure for the first quarter of 2015 using the US dollar as a proxy. Since the end of January 2015 NNIT has hedged 90% of net exposure in Chinese yuan (CNY hedged with CNH (CNY offshore)), Philippine peso (PHP proxy hedged with USD) and US dollar for the coming 12 months. From April 20, 2015 NNIT has entered into hedging agreements 14 months ahead.

## Management statement

### Statement by the Board of Directors and the Executive Management on the unaudited interim consolidated financial statements of NNIT A/S as at and for the first six months ended June 30, 2015

The Board of Directors and Executive Management ("Management") have reviewed and approved the interim consolidated financial statements of NNIT A/S (NNIT A/S, together with its subsidiaries, the "Group") for the first six months of 2015 with comparative figures for the first six months of 2014. The interim consolidated financial statements have not been audited or reviewed by the company's independent auditors.

The interim consolidated financial statements for the first six months of 2015 have been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the European Union and accounting policies set out in the annual report for 2014 of NNIT A/S. Furthermore, the interim consolidated financial statement for the first six months of 2015 and Management's review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the accounting policies used are appropriate and the overall presentation of the interim consolidated financial statements for the first six months of 2015 are adequate and give a true and fair view of the Group's assets, liabilities and financial position as at June 30, 2015 and of the results of the Group's operations and cash flow for the first six months ended June 30, 2015. Furthermore, in our opinion, Management's review includes a true and fair account of the development in the operations and financial circumstances, of the results for the period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group in accordance with Danish disclosure requirements for listed companies.

Besides what has been disclosed in the interim consolidated financial statements and Management's review for the first six months of 2015, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the Annual Report for 2014 of NNIT A/S.

Søborg, August 21, 2015

#### Executive management

Per Kogut  
*CEO*

Carsten Krogsgaard Thomsen  
*CFO*

Jess Julin Ibsen  
*Executive Vice President,  
IT Operations Services*

#### Board of Directors

Jesper Brandgaard  
*Chairman*

Wilbert A.M. Kieboom  
*Deputy Chairman*

Anne Broeng

Eivind Kolding

John Beck

René Stockner

Anders Vidstrup  
*Employee representative*

Alex Steninge-Jacobsen  
*Employee representative*



## Consolidated financial statements

### Income statement and Statement of comprehensive income

	Note	Q2 2015 DKK '000	Q2 2014 DKK '000	6M 2015 DKK '000	6M 2014 DKK '000	2014 DKK '000
<b>Income statement</b>						
	1					
Revenue	2	629,056	582,559	1,244,390	1,134,557	2,410,396
Cost of goods sold		518,107	480,957	1,012,643	923,928	1,930,680
<b>Gross profit</b>		<b>110,949</b>	<b>101,602</b>	<b>231,747</b>	<b>210,629</b>	<b>479,716</b>
Sales and marketing costs		32,239	24,468	62,138	52,880	111,898
Administrative expenses		27,814	23,904	55,370	47,578	102,471
<b>Operating profit</b>		<b>50,896</b>	<b>53,230</b>	<b>114,239</b>	<b>110,171</b>	<b>265,347</b>
Financial income		346	32	22,349	846	7,480
Financial expenses		6,113	976	17,897	2,063	5,103
<b>Profit before income taxes</b>		<b>45,129</b>	<b>52,286</b>	<b>118,691</b>	<b>108,954</b>	<b>267,724</b>
Income taxes		9,468	11,413	24,916	23,783	58,441
<b>Net profit for the period</b>		<b>35,662</b>	<b>40,873</b>	<b>93,775</b>	<b>85,171</b>	<b>209,283</b>

### Earnings per share<sup>1</sup>

	DKK	DKK	DKK	DKK	DKK
Earnings per share	1.43	1.63	3.75	3.41	8.37
Diluted earnings per share	1.47	1.63	3.87	3.41	8.37

### Statement of comprehensive income

	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Net profit for the period</b>	<b>35,662</b>	<b>40,873</b>	<b>93,775</b>	<b>85,171</b>	<b>209,283</b>
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to the Income statement:</i>					
Remeasurement related to pension obligations	-1,186	468	1,582	292	-3,633
<i>Items that will be reclassified subsequently to the Income statement, when specific conditions are met:</i>					
Currency revaluation related to subsidiaries (net)	-5,824	170	-2,250	0	2,370
Cash flow hedges	-7,236	0	-34	0	0
Income taxes relating to other comprehensive income	3,870	-145	2,912	-179	888
<b>Other comprehensive income, net of tax</b>	<b>-10,376</b>	<b>493</b>	<b>2,210</b>	<b>113</b>	<b>-375</b>
<b>Total comprehensive income</b>	<b>25,286</b>	<b>41,366</b>	<b>95,985</b>	<b>85,284</b>	<b>208,908</b>

1) In Q3 2014 NNIT increased its share capital from a nominal value of DKK 1 million to a nominal value of DKK 250 million. Additionally, a stock split was carried out in which the nominal value of NNIT shares was changed from DKK 1,000 to DKK 1 each or multiples thereof and the shares are issued with a nominal value of DKK 10 each as a multiple of the nominal value of DKK 1. Comparison figures are recalculated.

## Balance sheet

### Assets

	Note	Jun 30, 2015 DKK '000	Jun 30, 2014 DKK '000	Dec 31, 2014 DKK '000
Intangible assets		31,491	39,330	35,411
Tangible assets		427,886	365,289	401,298
Deferred tax		21,047	0	5,583
Other financial assets		28,309	21,870	22,269
<b>Total non-current assets</b>		<b>508,733</b>	<b>426,489</b>	<b>464,561</b>
Inventories		1,656	1,979	1,639
Trade receivables	3	396,588	397,031	430,416
Work in progress	3	166,446	118,026	134,156
Other receivables and pre-payments		90,044	99,255	85,477
Tax receivables		41	0	13,478
Shares		44,506	37,139	55,035
Derivative financial instruments		1,607	0	0
Cash and cash equivalents		56,020	118,644	97,648
<b>Total current assets</b>		<b>756,908</b>	<b>772,074</b>	<b>817,849</b>
<b>Total assets</b>		<b>1,265,641</b>	<b>1,198,563</b>	<b>1,282,410</b>

### Equity and liabilities

		Jun 30, 2015 DKK '000	Jun 30, 2014 DKK '000	Dec 31, 2014 DKK '000
Share capital		250,000	1,000	250,000
Treasury shares		-7,500	0	0
Retained earnings		360,039	707,242	344,716
Other reserves		6,451	2,386	5,823
Proposed dividends		0	0	83,713
<b>Total equity</b>		<b>608,990</b>	<b>710,628</b>	<b>684,252</b>
Deferred tax		3,450	6,423	4,143
Employee benefits		16,660	12,017	16,511
Provisions		7,297	3,778	4,534
<b>Total non-current liabilities</b>		<b>27,407</b>	<b>22,218</b>	<b>25,188</b>
Provisions		7,212	0	8,728
Prepayments received	3	59,880	59,045	41,146
Trade payables		78,066	63,576	110,942
Employee cost payable		269,059	233,167	296,615
Bank debt		94,709	0	0
Tax payables		16,806	16,731	2,589
Other current liabilities	3	102,239	93,198	112,950
Derivative financial instruments		1,273	0	0
<b>Total current liabilities</b>		<b>629,244</b>	<b>465,717</b>	<b>572,970</b>
<b>Total equity and liabilities</b>		<b>1,265,641</b>	<b>1,198,563</b>	<b>1,282,410</b>
Contingent liabilities and legal proceedings	4			
Currency hedging	5			

## Statement of cash flow

	Q2 2015	Q2 2014	6M 2015	6M 2014	2014
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Net profit for the period</b>	<b>35,662</b>	<b>40,873</b>	<b>93,775</b>	<b>85,171</b>	<b>209,283</b>
Reversal of non-cash items	53,094	43,457	103,776	82,820	197,861
Interest received	58	10	67	36	338
Interest paid	-479	-51	-683	-142	-1,033
Income taxes paid	643	-1,425	-13,407	-16,320	-81,600
<b>Cash flow before change in working capital</b>	<b>88,978</b>	<b>82,864</b>	<b>183,528</b>	<b>151,565</b>	<b>324,849</b>
Changes in working capital	-30,556	-34,011	-37,786	-78,222	-9,673
<b>Cash flow from operating activities</b>	<b>58,422</b>	<b>48,853</b>	<b>145,742</b>	<b>73,343</b>	<b>315,176</b>
Purchase of tangible assets	-37,031	-21,003	-93,528	-56,754	-155,227
Change in trade payables related to investments	-15,063	-6,774	-5,719	-4,076	4,329
Dividends received	0	0	671	0	1,110
Purchase of shares	0	-6,136	0	-6,136	-12,057
Payment of deposits	25	2,444	-6,040	-415	-673
<b>Cash flow from investing activities</b>	<b>-52,069</b>	<b>-31,469</b>	<b>-104,616</b>	<b>-67,381</b>	<b>-162,518</b>
Dividends paid	0	0	-83,713	-140,000	-290,000
Purchase of treasury shares	0	0	-93,750	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>-177,463</b>	<b>-140,000</b>	<b>-290,000</b>
<b>Net cash flow</b>	<b>6,353</b>	<b>17,384</b>	<b>-136,337</b>	<b>-134,038</b>	<b>-137,342</b>
Cash and cash equivalents at the beginning of the period	-45,042	83,568	97,648	234,990	234,990
<b>Cash and cash equivalents at the end of the period</b>	<b>-38,689</b>	<b>100,952</b>	<b>-38,689</b>	<b>100,952</b>	<b>97,648</b>
<b>Additional information<sup>1</sup>:</b>					
Cash and cash equivalents at the end of the period	-38,689	100,952	-38,689	100,952	97,648
Undrawn committed credit facilities	323,034	25,000	323,034	25,000	300,000
<b>Financial resources at the end of the period</b>	<b>284,345</b>	<b>125,952</b>	<b>284,345</b>	<b>125,952</b>	<b>397,648</b>
Cash flow from operating activities	58,422	48,853	145,742	73,343	315,176
Cash flow from investing activities	-52,069	-31,469	-104,616	-67,381	-162,518
<b>Free cash flow</b>	<b>6,353</b>	<b>17,384</b>	<b>41,126</b>	<b>5,962</b>	<b>152,658</b>

<sup>1</sup> Additional non-IFRS measures. 'Financial resources at the end of the period' is defined as the sum of cash and cash equivalents at the end of the period and undrawn committed credit facilities. Free cash flow is defined as 'cash flow from operating activities' less 'cash flow from investing activities'.

At the end of Q2 2015, the Group had a committed credit facility amounting to DKK 400 million with Danske Bank.

## Statement of changes in equity

DKK '000	Other reserves							Proposed dividends	Total
	Share capital	Treasury shares	Retained earnings	Currency revaluation	Cash flow hedges	Tax	Total other reserves		
<b>June 30, 2015</b>									
<b>Balance at the beginning of the period</b>	<b>250,000</b>	<b>0</b>	<b>344,716</b>	<b>3,796</b>	<b>0</b>	<b>2,027</b>	<b>5,823</b>	<b>83,713</b>	<b>684,252</b>
Net profit for the period	0	0	93,775	0	0	0	0	0	93,775
Other comprehensive income for the period	0	0	1,582	-2,250	-34	2,912	628	0	2,210
Total comprehensive income for the period	0	0	95,357	-2,250	-34	2,912	628	0	96,019
Purchase of treasury shares	0	-7,500	-86,250	0	0	0	0	0	-93,750
Share-based payments	0	0	6,216	0	0	0	0	0	6,216
Dividends paid	0	0	0	0	0	0	0	-83,713	-83,713
<b>Balance at the end of the period</b>	<b>250,000</b>	<b>-7,500</b>	<b>360,039</b>	<b>1,546</b>	<b>-34</b>	<b>4,939</b>	<b>6,451</b>	<b>0</b>	<b>608,990</b>

DKK '000	Other reserves							Proposed dividends	Total
	Share capital	Treasury shares	Retained earnings	Currency revaluation	Cash flow hedges	Tax	Total other reserves		
<b>December 31, 2014</b>									
<b>Balance at the beginning of the period</b>	<b>1,000</b>	<b>0</b>	<b>621,779</b>	<b>1,426</b>	<b>0</b>	<b>1,139</b>	<b>2,565</b>	<b>140,000</b>	<b>765,344</b>
Net profit for the period	0	0	209,283	0	0	0	0	0	209,283
Other comprehensive income for the period	0	0	-3,633	2,370	0	888	3,258	0	-375
Total comprehensive income for the period	0	0	205,650	2,370	0	888	3,258	0	208,908
Capital increase	249,000	0	-249,000	0	0	0	0	0	0
Dividends paid	0	0	-150,000	0	0	0	0	-140,000	-290,000
Proposed dividends for 2014	0	0	-83,713	0	0	0	0	83,713	0
<b>Balance at the end of the period</b>	<b>250,000</b>	<b>0</b>	<b>344,716</b>	<b>3,796</b>	<b>0</b>	<b>2,027</b>	<b>5,823</b>	<b>83,713</b>	<b>684,252</b>

DKK '000	Other reserves							Proposed dividends	Total
	Share capital	Treasury shares	Retained earnings	Currency revaluation	Cash flow hedges	Tax	Total other reserves		
<b>June 30, 2014</b>									
<b>Balance at the beginning of the period</b>	<b>1,000</b>	<b>0</b>	<b>621,779</b>	<b>1,426</b>	<b>0</b>	<b>1,139</b>	<b>2,565</b>	<b>140,000</b>	<b>765,344</b>
Net profit for the period	0	0	85,171	0	0	0	0	0	85,171
Other comprehensive income for the period	0	0	292	0	0	-179	-179	0	113
Total comprehensive income for the period	0	0	85,463	0	0	-179	-179	0	85,284
Dividends paid	0	0	0	0	0	0	0	-140,000	-140,000
<b>Balance at the end of the period</b>	<b>1,000</b>	<b>0</b>	<b>707,242</b>	<b>1,426</b>	<b>0</b>	<b>960</b>	<b>2,386</b>	<b>0</b>	<b>710,628</b>

**Notes****Note 1***Accounting policies***General**

The consolidated financial statements for the first six months of 2015 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and on the basis of the same accounting policies as were applied in the annual report 2014 of NNIT A/S except as set out below.

Further, the financial reporting including the consolidated financial statements for the first six months of 2015 and Management's review have been prepared in accordance with additional Danish disclosure requirements for interim report of listed companies. See page 63 to 68 of the Annual Report 2014 for a comprehensive description of the accounting policies applied.

**Changes**

As of June 30, 2015 NNIT A/S has adopted all relevant new or revised International Financial Reporting Standards and IFRIC Interpretations as adopted by EU with effective date January 1, 2015 or earlier. The new or revised Standards and Interpretations did not affect recognition and measurement materially or result in any material changes to disclosures in the notes.

NNIT A/S has from January 1, 2015 applied hedge accounting for currency derivative financial instruments entered into as of this date for the purpose of hedging future cash flows.

All currency derivative instruments are initially recognized at fair value and subsequently remeasured at fair value at the end of the reporting period.

Value adjustments of currency derivative financial instruments classified as cash flow hedges are recognized directly in Other comprehensive income, given hedge effectiveness, and recognized in a hedging reserve within equity. The cumulative value adjustment of these instruments is transferred from the hedging reserve to the Income statement as a reclassification adjustment under Financial income or Financial expenses, when the hedged transaction is recognized in the Income statement.

When a hedging instrument no longer meets the criteria for hedge accounting, any cumulative gain or loss recognized in the hedging reserve for the period where the criteria was met remains in equity and will be recognized in the Income statement when the forecasted transaction is ultimately recognized in the Income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognized in equity is immediately transferred to the Income statement under Financial income or Financial expenses.

## Note 2

### Quarterly numbers

DKK '000	2015		2014			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Revenue</b>	<b>629,056</b>	<b>615,333</b>	<b>688,766</b>	<b>587,073</b>	<b>582,559</b>	<b>551,998</b>
Cost of goods sold	518,107	494,536	541,381	465,371	480,958	442,970
<b>Gross profit</b>	<b>110,949</b>	<b>120,797</b>	<b>147,385</b>	<b>121,702</b>	<b>101,601</b>	<b>109,028</b>
Sales and marketing costs	32,239	29,899	30,231	28,787	24,468	28,412
Administrative expenses	27,814	27,556	27,248	27,645	23,904	23,674
<b>Operating profit</b>	<b>50,896</b>	<b>63,342</b>	<b>89,906</b>	<b>65,270</b>	<b>53,229</b>	<b>56,942</b>
Net financials	-5,767	10,219	1,585	2,009	-944	-273
<b>Profit before income taxes</b>	<b>45,129</b>	<b>73,561</b>	<b>91,491</b>	<b>67,279</b>	<b>52,285</b>	<b>56,669</b>
Income taxes	9,468	15,448	19,972	14,686	11,413	12,370
<b>Net profit for the period</b>	<b>35,662</b>	<b>58,113</b>	<b>71,519</b>	<b>52,593</b>	<b>40,872</b>	<b>44,299</b>

### Segment disclosures

DKK '000	2015		2014			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Revenue by business area</b>						
Operations	415,852	407,579	465,359	407,484	398,184	396,077
<i>hereof Novo Nordisk Group</i>	206,402	196,630	260,153	206,022	195,532	205,420
<i>hereof non-Novo Nordisk Group</i>	209,450	210,949	205,206	201,462	202,652	190,657
Solutions	213,204	207,754	223,407	179,589	184,375	155,921
<i>hereof Novo Nordisk Group</i>	101,141	99,954	117,540	91,541	92,474	91,588
<i>hereof non-Novo Nordisk Group</i>	112,063	107,800	105,867	88,048	91,901	64,333
<b>Total revenue</b>	<b>629,056</b>	<b>615,333</b>	<b>688,766</b>	<b>587,073</b>	<b>582,559</b>	<b>551,998</b>
<b>Revenue by customer group</b>						
Life Sciences	392,108	378,159	462,564	363,217	360,544	360,499
<i>hereof Novo Nordisk Group</i>	307,543	296,584	377,693	297,563	288,006	297,008
Public	92,425	101,146	89,730	95,896	85,352	55,087
Enterprise	99,313	90,386	88,145	88,213	97,665	97,230
Finance	45,210	45,643	48,327	39,747	38,998	39,182
<b>Total revenue</b>	<b>629,056</b>	<b>615,333</b>	<b>688,766</b>	<b>587,073</b>	<b>582,559</b>	<b>551,998</b>
<b>Operating profit by business area</b>						
Operations	27,428	40,304	50,978	46,485	36,108	54,817
Solutions	23,468	23,038	38,928	18,785	17,121	2,125
<b>Total operating profit</b>	<b>50,896</b>	<b>63,342</b>	<b>89,906</b>	<b>65,270</b>	<b>53,229</b>	<b>56,942</b>
<b>Ammortization, depreciation and impairment losses</b>						
Operations	34,122	33,737	33,231	31,249	28,306	27,279
Solutions	621	648	1,070	1,157	906	818
<b>Total amortization, depreciation and impairment losses</b>	<b>34,744</b>	<b>34,385</b>	<b>34,301</b>	<b>32,406</b>	<b>29,212</b>	<b>28,097</b>

The Danish operations generated 96.5% of our revenue in Q2 2015 and 96.8% in Q2 2014 based on the location of customer purchase orders. As a consequence of the predominantly Danish revenue, we will not disclose a geographical revenue split.

### Note 3

#### Related party transactions

DKK'000	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014
<b>Assets</b>			
Receivables from related parties	174,184	168,264	194,878
Work in progress related parties	55,901	29,722	37,027
<b>Liabilities</b>			
Liabilities to related parties	5,089	37,091	11,153
Prepayments from related parties	8,964	12,171	1,142

### Note 4

#### Contingent liabilities and legal proceeding

##### Contingent liabilities

In a recent decision (C-464/12) involving ATP PensionService A/S, the Court of Justice of the European Union rejected a Danish VAT practice previously applied by the Danish Tax Authorities, which required VAT to be charged on the provision of administration services to pension companies.

As a result of the Court decision, two pension companies have requested that NNIT refunds VAT paid on certain services provided by NNIT. Pursuant to the Danish Tax Administration Act, NNIT expects to claim a refund from the Danish Tax Authorities of the VAT collected on services provided to two pension companies in question and has in relation hereto sent a letter to the Danish Tax Authorities asking them to suspend the limitation period and reassess the VAT returns.

The Danish Tax Authorities have held a hearing on the administrative guidelines (in Danish "styresignaler") based on ATP PensionServices, but the guidelines are not yet finalized. Until then NNIT has no indication on whether the two pension companies will be entitled to a refund on the service provided by NNIT and whether such a refund will be the full VAT amount or the full VAT amount less certain deductions. In either event, this is not expected to have any material adverse effect on our financial position and operating results as the terms of our customer contracts with these two pension companies allow us to pass on the net effects of any new or amended taxes in respect of the services provided to the two customers. Consequently, no provision has been made.

##### Legal proceeding

NNIT is currently involved in a legal dispute with a customer in our public customer group regarding the delivery of a supply and logistics IT system. The parties disagree as to which party is responsible for the delay. In April 2014, the customer terminated the agreement, alleging material breach as a particular delivery milestone was delayed and claiming that the solution was defective. NNIT disagrees with the basis for the customer's termination of the contract and believe they were not entitled to do so under the terms of the contract. In June 2014, the customer initiated arbitration proceedings in Copenhagen, Denmark. The arbitration dispute in question is still in its preparatory stages and therefore NNIT cannot reliably predict the potential outcome of the arbitration dispute and/or the time frame for the resolution of the arbitration dispute. In its audited consolidated financial statements for 2014 NNIT reversed DKK 35m of revenue previously recognized in connection with the contract to which the dispute relates. In the event that the arbitration award is granted entirely in favor of our

counterparty, based on current pleadings, NNIT estimates that this would reduce its operating profit by approximately DKK 77m (a cash outflow of DKK 65m), plus costs of arbitration incurred and interest. This estimate takes into account and is additional to the reversal of revenue previously recognized. In the event that the arbitration award is granted entirely in our favor based on current pleadings, NNIT estimates that this would increase our operating profit by approximately DKK 51m (a cash inflow of DKK 63m), excluding any costs or interest awarded to us. NNIT does not currently expect a final ruling by the arbitration tribunal until 2016.

## **Note 5**

### *Currency hedging*

NNIT's objective at all time is to limit the company's financial risks.

NNIT is exposed to exchange rate risks in the countries where NNIT has its main activities. The majority of NNIT's revenue is in DKK and EUR, implying limited foreign exchange risk, due to the Group's functional currency being DKK and Denmark's fixedrate policy towards EUR. NNIT's foreign exchange risk therefore primarily stems from transactions carried out in the currencies of other countries in which NNIT mainly operate: primarily the Chinese yuan, and, to a lesser extent, the Philippine peso, the Czech koruna, the Swiss franc and the US dollar.

At present NNIT's revenue in these countries are not sufficiently large to balance these currency risks. To manage the foreign exchange rate risks, NNIT has entered into derivative financial instruments with a number of external banks to hedge up to 90% of the major foreign currency net exposure in Chinese yuan (CNY hedged via CNH), Philippine peso (PHP proxy hedged via USD) and US dollar for the coming 14 months.

NNIT uses forward exchange contracts to hedge forecasted cash outflows. None of the derivative financial instruments are held for trading. NNIT do not hedge assets and liabilities in foreign currencies as the risk is considered to be limited.

Cumulative gains on derivative financial instruments regarding future cash flow per June 30, 2015 are recognized in Equity (Other comprehensive income) with an amount of DKK -0.05m before tax (DKK -0.03m after tax).

## **Important notice**

*Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as "believe", "expect", "anticipate", "intends", "estimate", "will", "may", "continue", "should", "potential" and similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.*

*The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.*