

NNIT first nine months 2016

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The NNIT Presenting Team



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Agenda

Highlights for first nine months of 2016

Sales and backlog

Financial performance

Outlook for 2016

Forward looking statements

This presentation 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.

First nine months of 2016 at a glance

Revenue

DKK 1,996m

+6.3%

+6.4% organic*

Operating profit

DKK 196m

+11.0%

+5.7% organic*

Operating profit margin

9.8%

+0.4pp

-0.1pp organic*

Net profits

DKK 143m

-0.6%

Order backlog

DKK 2,662m

+7.2%

Free cash flow

DKK 118m

-DKK 4m

*Organic is growth in constant currencies using Q3 2015 average exchange rates

Q3 2016 at a glance

Revenue

DKK 674m

+6.6%

+6.7% organic*

Operating profit

DKK 70m

+11.9%

+5.4% organic*

Operating profit margin

10.3%

+0.5pp

-0.1pp organic*

Net profits

DKK 51m

+0.9%

Order backlog addition

DKK 140m

-2.0%

Free cash flow

DKK 20m

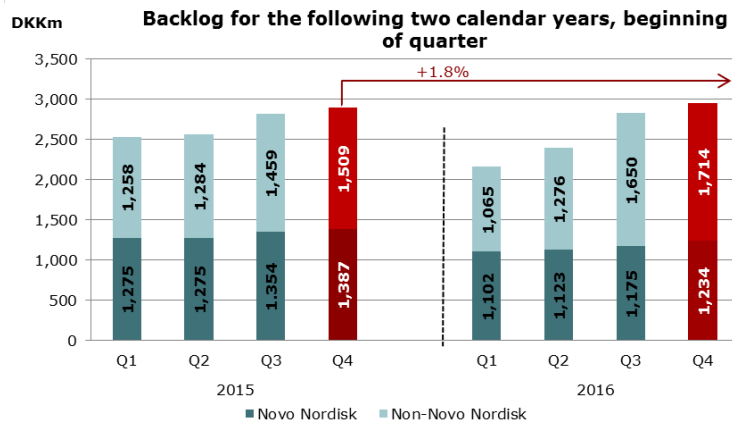
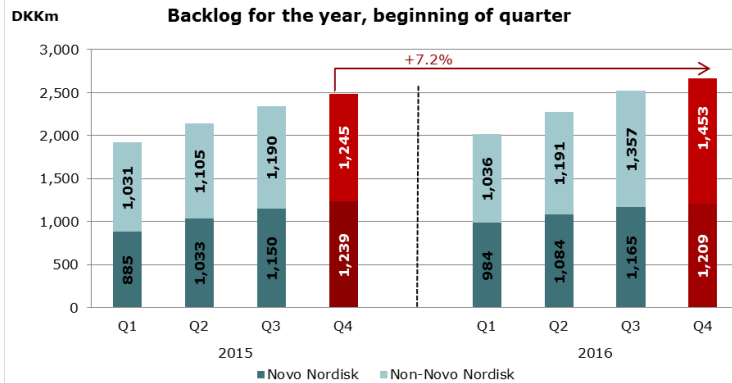
DKK -61m

*Organic is growth in constant currencies using Q3 2015 average exchange rates

Major wins

	Contract	Segment	Client	Amount (DKK million)	Length (years)
Q3 2016	Application outsourcing <i>(Announced in press release 30 August)</i>	Public	Danish Prison and Probation Service	Medium-double-digit <i>(if option is exercised)</i>	2+2
	Prolongation of Datacenter agreement	Finance	Financial client	Medium-double-digit	5
	Prolongation of an operation outsourcing	Life sciences	Life sciences client	Medium-double-digit	5
	Prolongation of an operation outsourcing	Public	Public client	Small-double-digit	2

Backlog development



Backlog for 2016 is DKK 2,662m, which is an increase of 7.2% compared to beginning of Q4 2015:

- Expansion of contracts with existing customers in the enterprise and finance customer groups
- New customers in the enterprise and finance customer groups
- Partly countered by a lower backlog within the public customer group and with Novo Nordisk

The backlog for 2017 and 2018 increased 1.8% y-o-y to DKK 2,948m.

- The backlog for 2017 and 2018 has constantly improved; from negative growth of 14.5% at the start of the year. The improvement is driven by large contract wins in Q2 with PANDORA and Danske Bank as well as a number of mid-sized deals
- Some outsourcing contracts expiring in 2017 and 2018 are not yet renegotiated or retendered

IDMP Partner Ecosystem



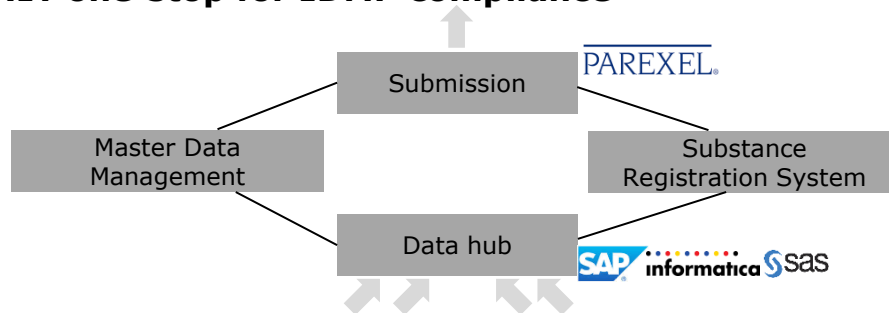
The ISO IDMP "Sweet Spot"

NNIT will invest in the development of accelerators and standardized implementation models as well as contribute with our IDMP expertise and IT knowledge to transfer regulatory compliance into business capabilities.

NNIT will become a one-stop shop for IDMP compliance.

Having partnerships in place with the leading technology providers and having done 20 advisory projects NNIT, is strongly positioned as the leading partner for life sciences companies' IDMP needs.

NNIT one-stop for IDMP compliance



Financial statement

DKK million	Q3 2016	Q3 2015	Change	9M 2016	9M 2015	Change
Revenue	674.5	633.0	6.6%	1,995.7	1,877.4	6.3%
Cost of goods sold	543.8	505.8	7.5%	1,616.6	1,518.4	6.5%
Gross profit	130.7	127.2	2.7%	379.1	358.9	5.6%
<i>Gross profit margin</i>	<i>19.4%</i>	<i>20.1%</i>	<i>-0.7pp</i>	<i>19.0%</i>	<i>19.1%</i>	<i>-0.1pp</i>
Sales and marketing costs	31.6	32.3	-2.2%	98.1	94.4	3.9%
Administrative expenses	29.4	32.6	-9.8%	84.9	87.9	-3.4%
Operating profit	69.7	62.4	11.9%	196.1	176.6	11.0%
<i>Operating profit margin</i>	<i>10.3%</i>	<i>9.9%</i>	<i>0.5pp</i>	<i>9.8%</i>	<i>9.4%</i>	<i>0.4pp</i>
Net financials	-2.7	-0.8	n.a.	-10.5	3.6	n.a.
Profit before tax	67.0	61.5	8.9%	185.6	180.2	3.0%
Tax	16.1	11.0	45.8%	42.1	36.0	17.1%
<i>Effective tax rate</i>	<i>24.0%</i>	<i>18.0%</i>	<i>6.1pp</i>	<i>22.7%</i>	<i>20.0%</i>	<i>2.7pp</i>
Net profit	50.9	50.5	0.9%	143.5	144.3	-0.6%

Organic revenue growth of 6.3% (Q3: 6.6%)

Cost of goods sold increased by 6.5% (Q3: 7.5%) mainly due to:

- Lower level of higher margin projects (Q3)
- Provision for loss on a project in the public customer group (9M)
- Provision related to a dispute with another customer in the public customer group (9M)

Operating profit margin of 9.8% (Q3: 10.3%)

Net financials negatively impacted 9M and Q3 by:

- Losses on cash flow hedges
- Negative net value adjustment of Novo Nordisk shares and long-term incentive program liability for previous years

Effective tax rate of 22.7% (Q3: 24.0%) due to the Danish Corporate tax rate of 22%

- Q3 impacted by negative net value adjustment of Novo Nordisk shares

Net profits declined 0.6% (Q3: increased 0.9%) as a result of net financials

Segment development

DKKm	Q3 2016	Q3 2015	Change	9M 2016	9M 2015	Change
Life Sciences	386.8	400.1	-3.3%	1,165.9	1,170.3	-0.4%
<i>Hereof Novo Nordisk Group</i>	298.3	319.8	-6.7%	909.7	923.9	-1.5%
<i>Hereof other Life Sciences</i>	88.6	80.3	10.3%	256.1	246.5	3.9%
Enterprise	144.7	97.1	49.0%	375.2	286.8	30.8%
Public	90.4	89.5	1.0%	281.8	283.1	-0.4%
Finance	52.6	46.4	13.4%	172.9	137.2	26.0%
Total	674.5	633.0	6.6%	1,995.7	1,877.4	6.3%

Novo Nordisk revenue decreased by 1.5% (Q3: decreased by 6.7%).

Life sciences revenue outside Novo Nordisk grew by 3.9% (Q3: 10.3%).
The growth in Q3 driven by new orders from previous quarters

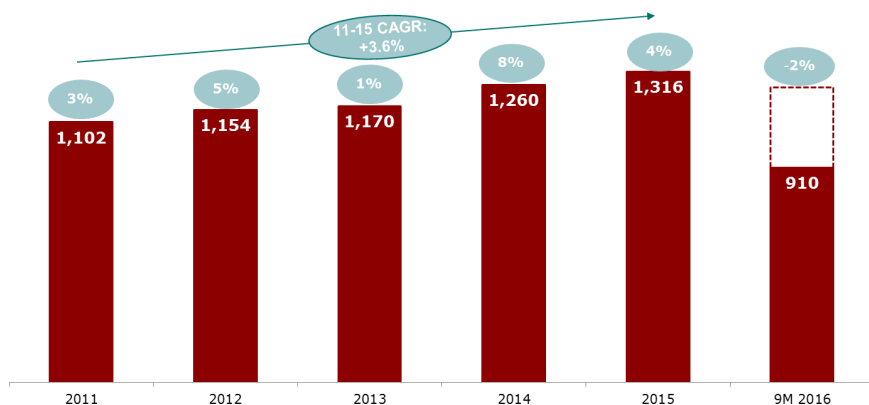
Enterprise revenue grew by 30.8% (Q3: 49%)
driven by existing customers as well as PANDORA

Public revenue decreased slightly (Q3: increased 1%) impacted by a reversal of revenue related to a dispute with a customer and price reductions in some outsourcing contracts which have only partly been offset by increased project activity

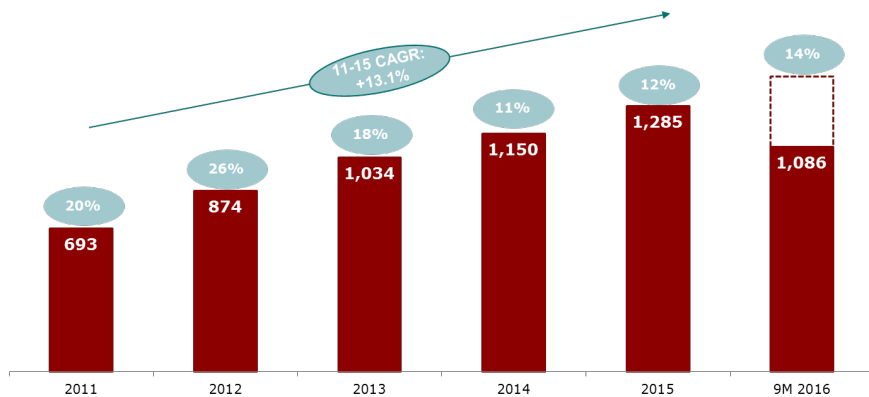
Finance revenue increased 26% (Q3: 13.4%) due to expansion of several existing customer contracts and new customers

Continued revenue diversification

Novo Nordisk revenue 2011 - 9M 2016 (mDKK, growth in %)



non-Novo Nordisk revenue 2011 - 9M 2016 (mDKK, growth in %)



In the last 5 years the non-Novo Nordisk revenue CAGR is 13.1%

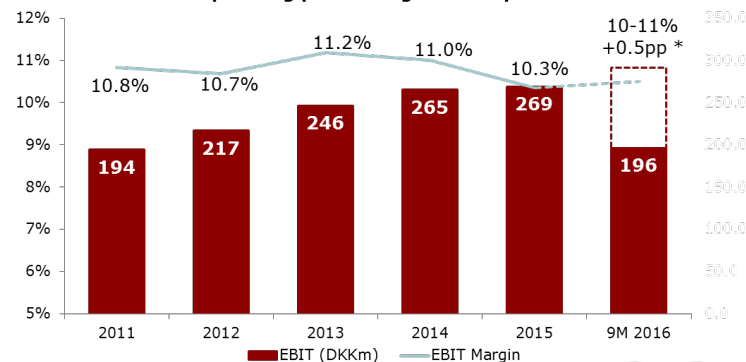
- 9M 2016 the growth rate is 13.9%

In the last 5 years the Novo Nordisk revenue CAGR is 3.6%

- 9M 2016 the growth rate is -1.5%

Operating profit margin has been stable the last 5 years

Operating profit margin development



* Current guidance in constant currencies and the adjusted effect in reported currencies



IT Operations

DKKm	Q3 2016	Q3 2015	Change	9M 2016	9M 2015	Change
Revenue						
Novo Nordisk Group	203.0	216.0	-6.0%	615.5	619.0	-0.6%
Non-Novo Nordisk Group	244.1	210.3	16.0%	692.6	630.7	9.8%
Total	447.1	426.3	4.9%	1,308.0	1,249.7	4.7%
Costs	393.9	381.7	3.2%	1,168.9	1,137.4	2.8%
Operating profit	53.1	44.5	19.3%	139.1	112.3	23.9%
<i>Operating profit margin</i>	<i>11.9%</i>	<i>10.4%</i>	<i>1.4pp</i>	<i>10.6%</i>	<i>9.0%</i>	<i>1.7pp</i>

9M 2016 revenue growth of 4.7% (Q3: 4.9%)

- Driven by some of the large outsourcing customers primarily within the enterprise segment
- Q3 is negatively impacted by Novo Nordisk revenue due to less project activity compared to Q3 2015 such as the IT separation project between Novo Nordisk and NNIT

9M 2016 operating profit margins increase 1.7pp to 10.6% (Q3: +1.4pp to 11.9%)

- Profit margin positively impacted by the growth in revenue
- Efficiency measures implemented last year combined with stable operations are positively impacting operating profits

IT Solutions

DKKm	Q3 2016	Q3 2015	Change	9M 2016	9M 2015	Change
Revenue						
Novo Nordisk Group	95.3	103.8	-8.2%	294.3	304.9	-3.5%
Non-Novo Nordisk Group	132.1	102.9	28.4%	393.4	322.8	21.9%
Total	227.4	206.7	10.0%	687.7	627.7	9.6%
Costs	210.8	188.9	11.6%	630.7	563.3	12.0%
Operating profit	16.6	17.8	-6.8%	57.0	64.3	-11.5%
<i>Operating profit margin</i>	<i>7.3%</i>	<i>8.6%</i>	<i>-1.3pp</i>	<i>8.3%</i>	<i>10.2%</i>	<i>-2pp</i>

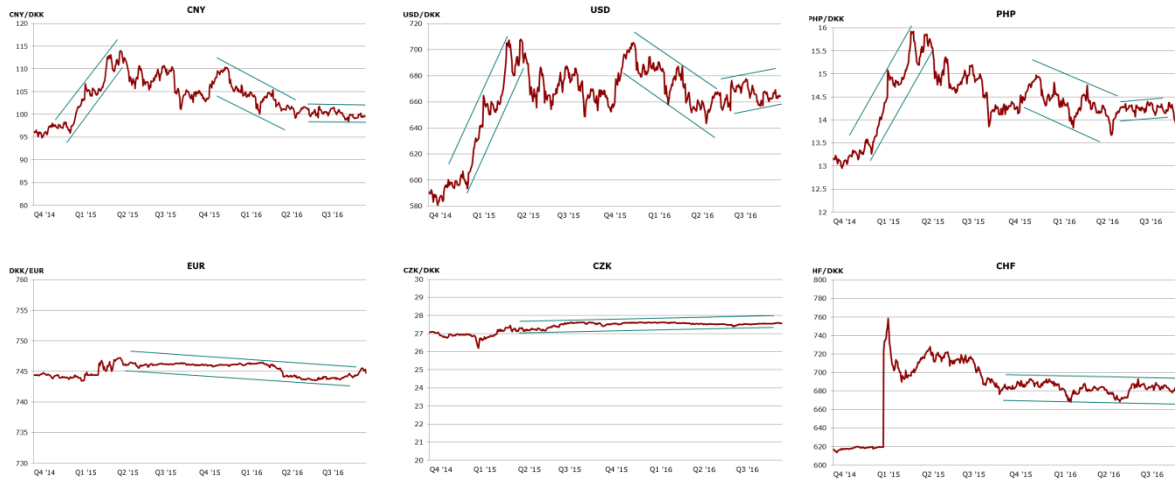
9M 2016 revenue growth of 9.6% (Q3: 10.0%)

- The revenue increase was driven by revenue from customers outside the Novo Nordisk Group
- Revenue from the Novo Nordisk Group decreased 8.2% partly due to lower project activity and partly to a strong comparison base in 2015 with non-recurring projects being finalized

9M 2016 operating profit margins decreased 2.0pp to 8.3% (Q3: -1.3pp to 7.3%)

- Lower level of higher margin projects (Q3)
- Increased complexity of a fixed price project in the public customer group resulted in a provision for loss (9M)
- One-time payments in connection with changes in group management (9M)

Currency development and hedging



After the depreciation of the CNY in Q1 vs. DKK, the CNY has been relative flat compared to DKK in Q3

USD has been appreciating vs. the DKK. PHP has been depreciating lately against the DKK, while EUR, CZK, CHF have all been relative flat vs. DKK

We continue to have currency tailwind from the CNY, CHF and PHP compared to 2015. EUR, CZK and USD are on 2015 level.

Estimated annual impact on NNIT's operating profit of a 10% increase Hedging period in the outlined currencies against DKK* (months)

CNY	DKK -17 million	14
EUR	DKK 18 million	-
CZK	DKK -7 million	14
PHP	DKK -3 million	-
CHF	DKK -2 million	-
USD	DKK -2 million	-

Hedging gains and losses do not impact operating profit as they are recognized under net financials.

*The above sensitivities address hypothetical situations and are provided for illustrative purposes only. The sensitivities assume our business develops consistent with our current 2016 business plan.

9M 2016 our operating profit margin tailwind is 0.5pp compared to 2015 exchange rates, while Q3 operating profit margin tailwind is 0.6pp compared to Q3 2015.

Net Financials

Net financials DKKm	9M 2016	9M 2015	Change
Net gains on Novo Nordisk shares*	-3.7	3.9	-7.6
Dividends received from Novo Nordisk shares	0.7	0.7	0.1
Total Novo Nordisk share related items	-3.0	4.6	-7.5
Currency hedge gains	-5.2	6.0	-11.3
Currency losses	-0.1	-2.7	2.6
Total currency related items	-5.3	3.3	-8.6
Interests and bank charges**	-2.2	-4.2	2.0
Total interests and bank charges	-2.2	-4.2	2.0
Net financials	-10.5	3.6	-14.1

* Market value of Novo Nordisk shares less adjustment of obligation related to long-term incentive programs from previous years.

** Includes fees to banks in relation to being a public listed company

Total Currency hedges DKKm	9M 2016	9M 2015	Change
Currency hedge gains in P&L	-5.2	6.0	-11.3
Currency hedge gains on Equity	0.0	-4.2	4.2
Total currency hedge gains	-5.2	1.8	-7.0

Net Financial impact from Novo Nordisk share price DKKm	Market value	Obligation	Net
Q3 2016 (share price of DKK 275)	-9.6	5.9	-3.7
Full year 2016 (if share price stays at DKK 275)	-9.6	5.4	-4.2
Full year 2016 (if the share price increase by 10%)	-7.4	3.8	-3.6
Full year 2016 (if the share price decrease by 10%)	-11.7	7.0	-4.7

Net financials for 9M 2016 are DKK -10.5m, which is DKK 14.1m lower than 9M 2015

- Q3 net financials were -2,7m, which is DKK 1.8m lower than Q3 2015

This is due to net Losses on Novo Nordisk shares held for management long-term incentive program from before 2015 of DKK 3.7m vs. a gain of DKK 3.9m in 9M 2015

- Q3 loss of DKK 1.0m vs. loss of DKK 1.1m in Q3 2015

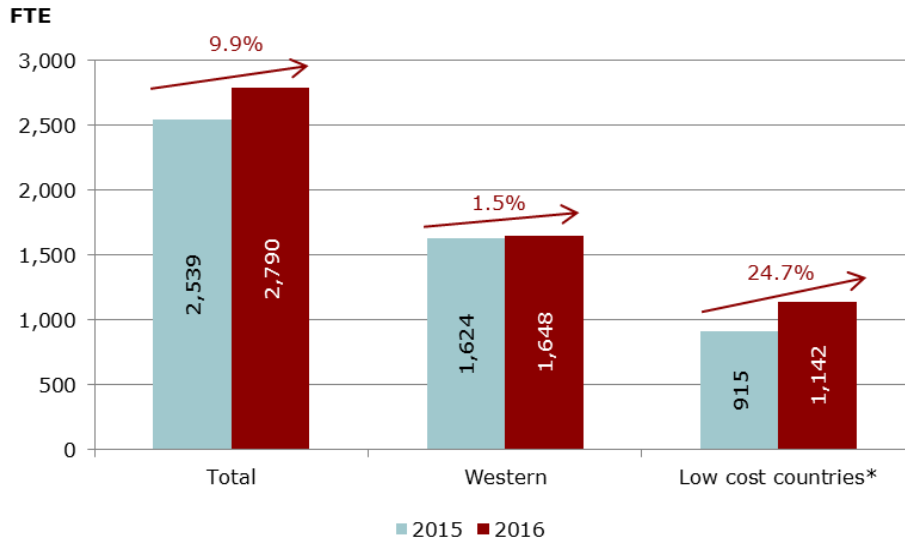
Losses on currency hedges of DKK 5.2m compared to a gain of DKK 5.4m in 9M 2015

- Q3 loss of DKK 1.3m vs. gain of DKK 0.6m in Q3 2016

Interest and bank charges of DKK -2.2m, which is an improvement of DKK 2.0m compared to 9M 2015



Employee development



*Low cost countries: China, Philippines, Czech Republic

Number of employees increased by 9.9% to 2,790 FTE end of September 2016

Growth came primarily in low cost countries

- Increase of 227 FTE (24.7%) compared to end of September 2015

Number of employees in western countries increased 24 FTE (1.5%)

Share of employees in low cost countries grew to 41% end of September 2016

- Increase of 5 percentage-points compared to September 2015

Balance sheet

Assets DKKm	2016	2015
Intangible assets	21.7	29.5
Tangible assets	409.6	406.9
Deferred tax	28.4	33.7
Other financial assets	28.7	28.2
Total non-current assets	488.4	498.3
Inventories	2.5	2.2
Trade receivables	432.5	405.5
Work in progress	130.8	164.2
Other receivables and pre-payments	101.3	82.1
Tax receivables	3.5	0.1
Shares	21.1	44.2
Derivative financial instruments	1.4	0.0
Cash and cash equivalents	103.8	67.4
Total non-current assets	797.0	765.8
Total assets	1,285.4	1,264.1

Equity and liabilities DKKm	2016	2015
Share capital	250.0	250.0
Treasury shares	-7.5	-7.5
Retained earnings	509.2	418.5
Other reserves	6.5	4.6
Total equity	758.1	665.6
Deferred tax	0.0	0.0
Employee benefit obligation	29.7	30.7
Provisions	10.0	7.8
Total non-current liabilities	39.7	38.5
Prepayments received	64.0	56.0
Trade payables	57.2	65.1
Employee cost payable	237.2	241.4
Bank debt	0.0	24.6
Tax payables	2.9	37.5
Other current liabilities	110.2	107.9
Derivative financial instruments	1.4	4.0
Employee benefit obligation	6.5	16.7
Provisions	8.1	6.8
Total current liabilities	487.6	560.0
Total equity and liabilities	1,285.4	1,264.1

Cash flows

Cash flow DKKm	9M 2016	9M 2015	Change
Net profit for the period	143.5	144.3	-0.8
Reversal of non-cash items	176.1	160.1	16.0
Net interest and taxes paid	-38.8	-20.3	-18.4
Changes in working capital	-46.6	-45.2	-1.4
Cash flow from operating activities	234.1	238.8	-4.7
Purchase of tangible assets	-112.3	-106.0	-6.3
Sale of tangible assets	2.2	0.0	2.2
Change in trade payables related to investments	-6.1	-4.9	-1.2
Dividends received	0.7	0.7	0.0
Purchase of shares	0.0	0.0	0.0
Payment of deposits	-0.4	-5.9	5.6
Cash flow from investing activities	-115.8	-116.2	0.4
Dividends paid	-145.5	-83.7	-61.8
Purchase of treasury shares	0.0	-93.8	93.8
Cash flow from financing activities	-145.5	-177.5	32.0
Net cash flow	-27.2	-54.9	27.7
Free cash flow	118.3	122.6	-4.3

Cash flow from operating activities is DKK 234m, which is DKK 5m lower than 9M 2015 due to additional interim tax payments.

Cash flow from investing activities is DKK -116m which is at same level as 9M 2015

Cash flow from financing activities was DKK -146m compared to DKK -178m in 9M 2015

- 9M 2016 was impacted by interim dividends of DKK 49m, while 9M 2015 was impacted by purchase of treasury shares of DKK 94m

Free cash flow was DKK 118m, which is DKK 4m lower than 9M 2015 due to additional interim tax payments

Outlook

	2016	Previous guidance
Revenue growth	5-8% in constant currencies Around 0.1pp lower in reported currencies	5-8% in constant currencies Around 0.1pp lower in reported currencies
Operating margin	10-11% in constant currencies Around 0.5pp higher in reported currencies	10-11% in constant currencies Around 0.5pp higher in reported currencies
Capex	Around 6% of revenue NNIT expects total data center investments of around DKK 250m in 2016-2018	6-7% of revenue (incl. up to 2% investment in new data center) NNIT expects total data center investments of around DKK 250m in 2016-2018

Closing remarks

- Solid financial results in line with expectations
- Strong growth in non-Novo Nordisk revenue
- Revenue from Novo Nordisk declines but fully mitigated by other customer groups
- Operating profit in line with expectations
- Solid backlog development
- Maintained guidance of 5-8% revenue growth and 10-11% operating profit margin with a lower investment level in 2016

Investor contact information

Upcoming events

November 30, 2016:	Danske Banks Copenhagen Winter Seminar
January 11, 2017:	SEB Nordic Seminar, Copenhagen
January 25, 2017:	Financial statement for the full year 2016

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