

ATEA

Q4 2016 Interim Report

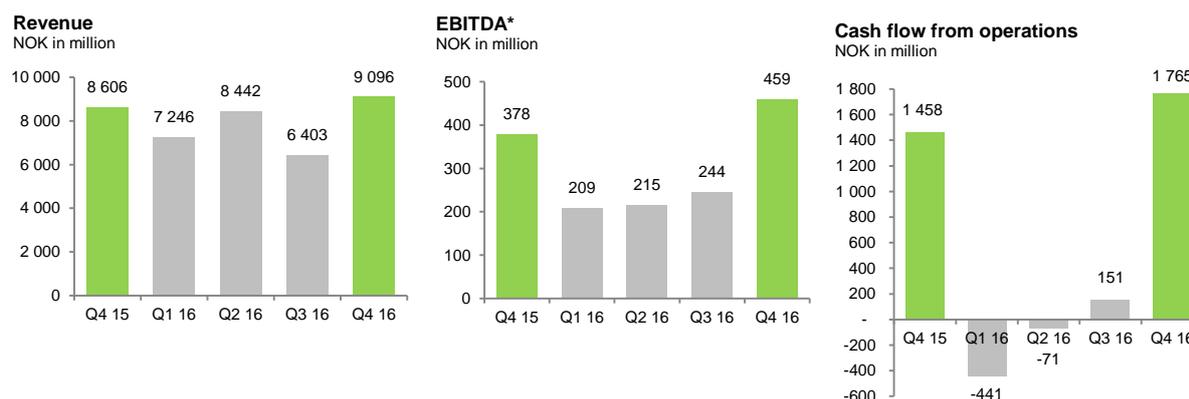
Atea finished a record strong 2016 with a record high fourth quarter. All key financial metrics improved, most notably EBITDA up by 22% and EBIT up by 42% from last year.

Steinar Sønsteby
CEO of ATEA



Highlights

- Revenue of NOK 9,096 million, up 5.7% y-o-y
- EBITDA* of NOK 459 million, up 21.6% y-o-y
- EBITDA* margin of 5.0%, up from 4.4% last year
- EBIT of NOK 358 million, up 42.1% y-o-y
- Cash flow from operations of NOK 1,765 million, up from NOK 1,458 million last year
- Board proposes dividend of NOK 6.50 to be paid in two equal instalments of NOK 3.25 in May and October 2017



Key figures

| | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--|------------|------------|-------------------|-------------------|
| Group revenue (NOK in million) | 9,096 | 8,606 | 31,188 | 27,904 |
| Gross margin (%) | 21.6 | 21.7 | 22.2 | 22.9 |
| EBITDA* (NOK in million) | 459 | 378 | 1,129 | 951 |
| EBITDA* margin (%) | 5.0 | 4.4 | 3.6 | 3.4 |
| EBIT (NOK in million) | 358 | 252 | 677 | 514 |
| Net profit (NOK in million) | 290 | 232 | 512 | 393 |
| Earnings per share (NOK) | 2.75 | 2.21 | 4.87 | 3.76 |
| Diluted earnings per share (NOK) | 2.72 | 2.19 | 4.80 | 3.71 |
| Cash flow from operations (NOK in million) | 1,765 | 1,458 | 1,404 | 1,287 |
| Free cash flow (NOK in million) ** | 1,708 | 1,306 | 1,075 | 868 |

| | 31 Dec 2016 | 31 Dec 2015 |
|---|-------------|-------------|
| Net financial position (NOK in million) | -350 | -750 |
| Liquidity reserve (NOK in million) *** | 2,362 | 1,578 |
| Working capital (NOK in million) **** | -1,379 | -986 |
| Working capital in relation to annualized revenue (%) | -3.8 | -2.9 |
| Equity ratio (%) | 23.8 | 25.3 |
| Number of full-time employees | 6,882 | 6,779 |

* Before share-based compensation and expenses related to acquisitions

** Defined as cash flow from operations, less capital expenditures. Capital expenditures include assets acquired through cash purchases and through financial leasing agreements

*** Limited by a bond covenant ratio of 2.5x EBITDA (net debt/last twelve months pro forma EBITDA)

**** Non-interest-bearing current assets less non-interest-bearing current liabilities

Financial review

Q4 2016

Group

Atea finished 2016 with a record strong fourth quarter. Revenue, EBITDA* and cash flow from operations all achieved new highs.

Group revenue increased 5.7% to NOK 9,096 million in Q4 2016, up from NOK 8,606 million in Q4 2015. Hardware revenue was up 7.2%, software revenue was up 7.1% and services revenue was down 0.7%. On a pro forma basis**, revenue growth was 5.6%. Currency fluctuations had a negative impact of 2.8% in Q4 2016 compared to Q4 2015.

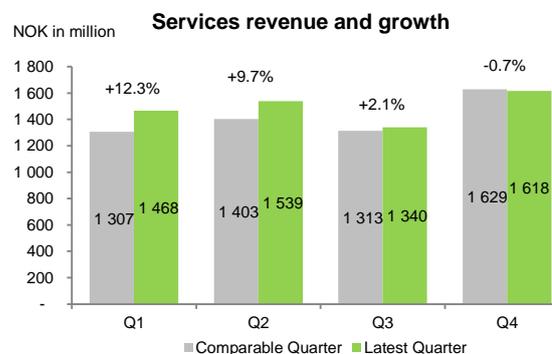
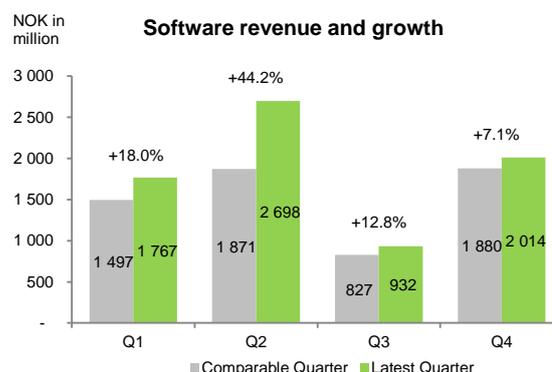
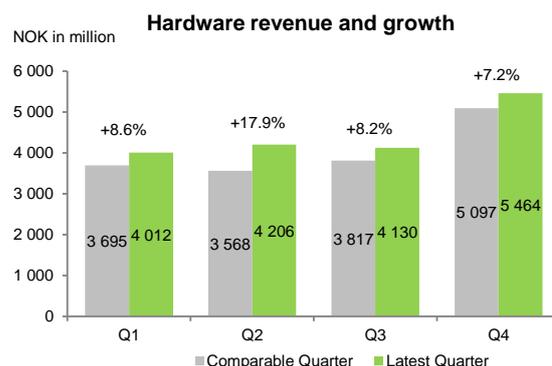
Hardware revenue increased in all countries, with particularly strong growth in Sweden, Finland and the Baltics. Software revenue also grew, based on higher sales to public sector customers in Sweden and Norway. Services revenue fell slightly due to adverse currency movements and due to a decrease in sales of subcontracted services, which offset an increase in sales from Atea's own consultants.

EBITDA* in Q4 2016 increased by 21.6% to NOK 459 million, up from NOK 378 million in Q4 2015. The improved EBITDA* was driven by high revenue growth and relatively lower growth in operating expenses. Atea's EBITDA* margin increased to 5.0%, compared with 4.4% last year.

EBIT increased by 42.1% to NOK 358 million, up from NOK 252 million in Q4 2015. Net financial items were an expense of NOK 8 million, compared with an expense of NOK 14 million last year.

Profit before tax was NOK 350 million, compared with NOK 238 million last year. Income tax expense increased to NOK 60 million in Q4 2016 from NOK 6 million in Q4 2015. Deferred tax change in 2016 was mainly influenced by currency effects on intercompany loans. For more information, see Note 5 of this report.

Net profit after tax ended at NOK 290 million, compared with NOK 232 million last year.



Full year 2016

Group revenue in the full year 2016 was NOK 31,188 million, up 11.8% from NOK 27,904 million in 2015. Hardware revenue was up 10.1%, software revenue was up 22.0% and services revenue was up 5.5%. Currency effects had a positive impact of 2.5% on the full year 2016. On a pro forma basis**, revenue growth was 8.8% in constant currency.

EBITDA* in 2016 increased to NOK 1,129 million, up 18.7% from NOK 951 million in 2015. The improved EBITDA* reflects high revenue growth and relatively lower growth in operating expenses.

* Before share-based compensation and expenses related to acquisitions

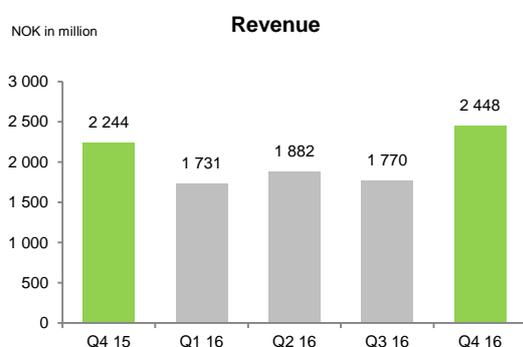
** Pro forma revenue growth includes revenue from companies acquired during 2015 and 2016 in both the current and prior full year

Norway

Atea Norway had rapid growth in both revenue and EBITDA* during the fourth quarter of 2016. EBITDA* growth was driven by increased product sales and a significant improvement in the services margin compared with last year.

Revenue in Q4 2016 was NOK 2,448 million, up 9.1% compared with Q4 2015. Hardware revenue was up 8.9%, software revenue was up 18.8% and services revenue was up 1.8%.

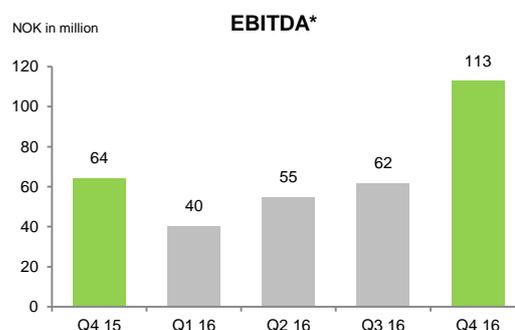
The growth in hardware and software revenue was primarily driven by increased sales of clients and client related software to the public sector. Growth in services revenue was driven by higher sales of contracted services, such as outsourcing and support agreements.



Total gross margin increased to 23.0%, up from 22.5% in Q4 2015, driven by higher margin on services revenue. Product margin decreased slightly to 12.5% from 12.6% in Q4 2015. Services margin increased to 67.1%, up from 60.6% last year, due to a lower proportion of subcontracted services in the revenue mix.

Atea Norway has taken action to reduce its staffing and operating expenses during the last year, in response to weaker demand from private sector customers with exposure to the oil and gas sectors. As a result, the average number of full time employees during Q4 2016 was 93 (-5.6%) below last year.

Based on high growth in revenue, improved gross margin, and a reduction in staff levels, EBITDA* in Q4 2016 increased 75.5% to NOK 113 million, up from NOK 64 million in Q4 2015. The EBITDA* margin increased to 4.6%, up from 2.9% last year.



* Before share-based compensation and expenses related to acquisitions

** Pro forma revenue growth includes revenue from companies acquired during 2015 and 2016 in both the current and prior full year

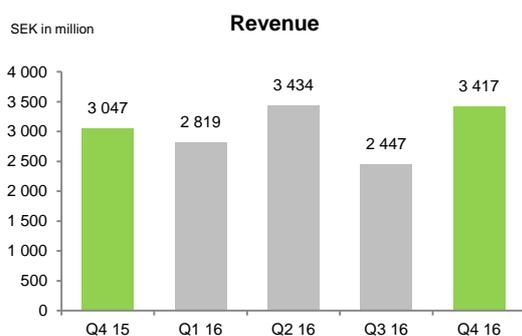
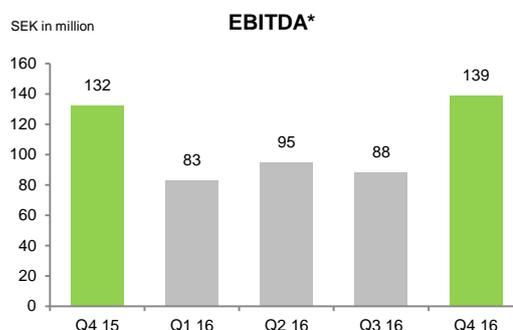
Sweden

Atea Sweden had strong growth in revenue and higher EBITDA* during the fourth quarter of 2016. Revenue growth was driven by increased sales of client hardware and software to the public sector. EBITDA* growth was driven by higher revenue and an improved services margin.

Revenue in Q4 2016 was SEK 3,417 million, up 12.1% compared with last year. Hardware revenue was up 13.2%, software revenue was up 17.9% and services revenue was down 0.1%. Adjusting for the acquisition of Barrett AB in March 2016, revenue growth on a pro forma basis** was 11.8%.

The growth in hardware and software revenue was spread across multiple product categories, but was particularly strong within client related deliveries to the public sector. Services revenue was down slightly from last year, as a decline in sales of subcontracted services offset an increase in sales of Atea's own services.

EBITDA* in Q4 2016 increased to SEK 139 million, up from SEK 132 million in Q4 2015, reflecting high revenue growth and lower growth in operating expenses. The EBITDA* margin decreased to 4.1% from 4.3% last year, due to lower gross margin on product sales.



Total gross margin was 20.1% in Q4 2016 compared to 21.4% last year. Product margin fell to 11.5% from 12.9% last year, due to an increased proportion of clients and client related software within the revenue mix. Services margin increased to 65.5% from 60.5% last year due to a lower proportion of revenue from subcontractors.

Operating costs increased by 5.4% to SEK 548 million primarily due to an increase in the average number of full time employees of 83 (+4.2%) in Q4 2016 compared to last year and due to a general salary inflation.

* Before share-based compensation and expenses related to acquisitions

** Pro forma revenue growth includes revenue from companies acquired during 2015 and 2016 in both the current and prior full year

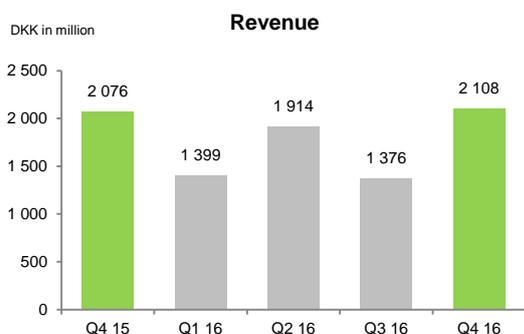
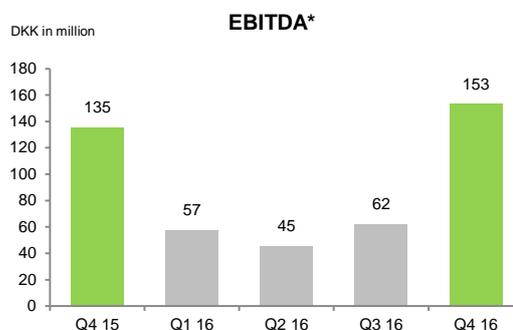
Denmark

Atea Denmark had strong growth in EBITDA* in the fourth quarter of 2016, driven by improved product margins.

Revenue in Q4 2016 was DKK 2,108 million, up 1.6% compared with last year. Hardware revenue was up 2.2%, software revenue was down 2.9%, and services revenue was up 3.3%.

Hardware revenue growth was based on higher sales of datacenter and audio-visual products. Software revenue fell from a very strong fourth quarter last year, when sales were positively impacted by a number of large one-off Microsoft orders to the public sector. Services revenue grew compared with last year, based on an increase in sales of software consulting and managed client agreements.

EBITDA* in Q4 2016 was DKK 153 million, up 13.1% from DKK 135 million in Q4 2015. The EBITDA* margin improved to 7.3% this year compared with 6.5% last year, based on a higher gross margin from product sales.



Total gross margin increased to 21.6% from 20.6% last year. Product margin increased to 10.1% from 8.9% last year, based on higher hardware and software margins. The increase in hardware margin was primarily driven by recent initiatives to improve procurement processes. The increase in software margin was based on a change in the vendor mix, and a lower proportion of revenue from large deals. Services margin fell slightly from 64.8% last year to 63.9% this year.

Operating expenses grew by 2.9% to DKK 302 million, based on higher expenses for variable compensation. The average number of full time employees was 15 (1.0%) above last year

* Before share-based compensation and expenses related to acquisitions

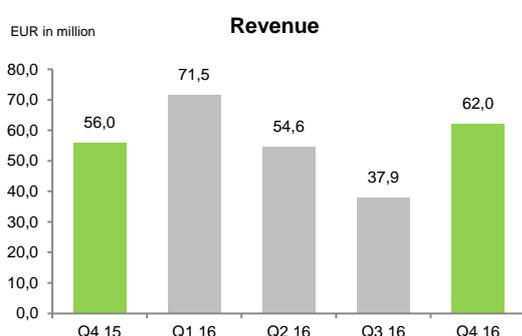
** Pro forma revenue growth includes revenue from companies acquired during 2015 and 2016 in both the current and prior full year

Finland

Atea Finland reported strong growth in revenue and EBITDA* during the fourth quarter of 2016. Growth was primarily driven by increased sales to the public sector as a result of new frame agreements won in late 2015.

Revenue in Q4 2016 was EUR 62.0 million, up 10.7% compared with last year. Hardware revenue was up 14.6%, software revenue was up 1.1%, while services revenue was up 20.4%.

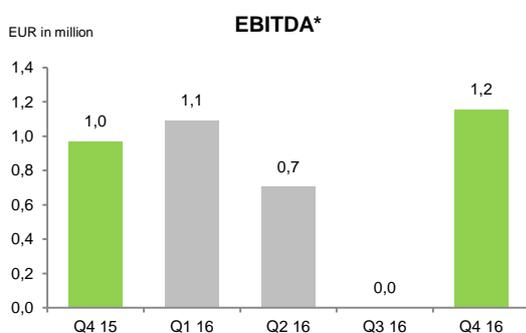
Hardware revenue increased based on higher sales of clients and network products. Software revenue grew slightly based on higher demand for client related software. Services revenue increased based on growth in sales of consulting.



Total gross margin increased to 15.9% for Q4 2016, up from 15.4% last year. The increase in gross margin was a result of higher hardware margin and a larger proportion of services in the revenue mix.

Operating costs increased by 13.6% to 8.7 million due to an increase in the average number of full time employees of 17 (+5.5%) in Q4 2016 compared to last year and higher expenses for variable compensation.

EBITDA* in Q4 2016 increased to EUR 1.2 million, up from EUR 1.0 million in Q4 2015, based on higher sales and improved gross margin. The EBITDA* margin increased to 1.9% from 1.7% last year.

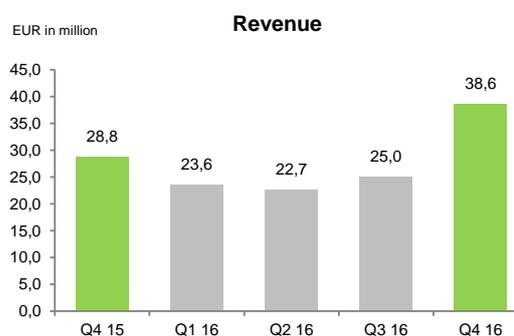


The Baltics

Atea Baltics reported a strong improvement in EBITDA* in the fourth quarter of 2016 due to increased hardware volumes to public customers.

Revenue in Q4 2016 was EUR 38.6 million, up by 33.9% compared to last year. Hardware revenue was up 54.0%, software revenue was down 1.1% and services revenue was up 3.1%.

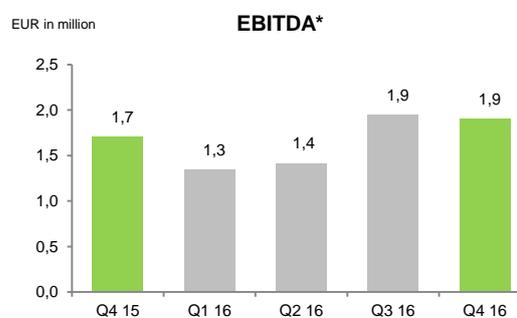
The strong growth in hardware revenue was driven by public sector projects related to security. Software revenue was slightly down compared to last year, as last year's revenue was positively impacted by a large one-off deal. Growth in services revenue was driven by an increase in datacenter outsourcing contracts.



Total gross margin ended at 20.1% for Q4 2016 compared to 24.3% last year. The decrease in gross margin was a result of lower hardware margin and a lower proportion of services in the revenue mix.

Operating expenses increased by 10.9% to EUR 5.9 million based on higher expenses for variable compensation. The average number of full time employees was 9 (1.2%) above last year.

EBITDA* in Q4 increased to EUR 1.9 million, up from EUR 1.7 million last year, reflecting the strong growth in hardware volumes. The EBITDA* margin fell to 4.9% from 5.9% last year, based on lower gross margins.



* Before share-based compensation and expenses related to acquisitions

** Pro forma revenue growth includes revenue from companies acquired during 2015 and 2016 in both the current and prior full year

Balance sheet and cash flow

As of 31 December 2016, Atea had total assets of NOK 13,456 million. Current assets such as cash, receivables and inventory represented NOK 8,251 million of this total. Non-current assets represented NOK 5,205 million of this total, and primarily consisted of goodwill (NOK 3,658 million), deferred tax assets (NOK 563 million), and property, plant and equipment (NOK 682 million).

Atea had total liabilities of NOK 10,256 million as of 31 December 2016, of which NOK 8,908 million were current liabilities. Equity was NOK 3,200 million, corresponding to an equity ratio of 23.8%.

Atea had cash flow from operations of NOK 1,765 million in the fourth quarter of 2016, compared with NOK 1,458 million in Q4 2015. The increased cash flow was driven by higher profits, a decrease in the number of days sales outstanding on accounts receivable and improved inventory metrics. Atea's net working capital* balance at the end of Q4 2016 was NOK -1,379 million compared to NOK -986 million last year. Cash flow from operations in full year 2016 was NOK 1,404 million, compared with NOK 1,287 million in full year 2015.

Cash flow from investments related to capital expenditures was NOK -48 million in Q4 2016 down from NOK -110 million in the corresponding quarter last year. The decline reflects an overall strategy and management focus on reducing capital expenditure throughout Atea. For the full year 2016, Atea's total capital expenditure was NOK 332 million, compared with NOK 419 million last year (includes assets acquired through financial leases which are not reported on the cash flow statement).

Cash flow from financing was NOK -1,012 million in Q4 2016. Atea had an outflow related to dividend of NOK 343 million (corresponding to NOK 3.25 per share), and an inflow of NOK 30 million from the share capital increase related to employees' exercise of share options. Additionally, short-term debt of NOK 699 million was repaid. At quarter end, Atea had a cash balance of NOK 880 million.

At the end of Q4 2016, Atea's net financial position was NOK -350 million compared with NOK -750 million at the end of Q4 2015. Atea's bond covenants require that the Group maintains a maximum net interest bearing debt of 2.5x pro forma EBITDA over the last twelve months. Atea is currently well within this limit, and maintains liquidity reserves, including unutilized credit facilities, of NOK 2,362 million as of 31 December 2016.

Shares

Atea had 7,105 shareholders on 31 December 2016 compared with 7,153 shareholders on 31 December 2015.

The 10 largest shareholders as of 31 December 2016 were:

| Main Shareholders * | Shares | % |
|--------------------------------------|--------------------|---------------|
| Systemintegration APS ** | 26,363,510 | 24.9% |
| Folketrygdfondet | 8,578,818 | 8.1% |
| State Street Bank & Trust Co. *** | 8,336,112 | 7.9% |
| RBC Investor Services Trust *** | 4,712,560 | 4.5% |
| JP Morgan Chase Bank, NA *** | 4,615,217 | 4.4% |
| Odin Norge | 2,917,975 | 2.8% |
| State Street Bank and Trust Co. *** | 2,815,200 | 2.7% |
| VPF Nordea Kapital | 2,610,118 | 2.5% |
| Skandinaviske Enskilda Banken AB *** | 2,483,172 | 2.3% |
| State Street Bank and Trust Co. *** | 1,799,686 | 1.7% |
| Other | 40,537,304 | 38.3% |
| Total number of shares | 105,769,672 | 100.0% |

* Source: Verdipapirsentralen

** Includes shares held by Ib Kunøe

*** Includes client nominee accounts

As of 31 December 2016, Atea's Chairman Ib Kunøe and close associates controlled a total of 25.5% of the shares, including the shares held by Systemintegration ApS.

* Non-interest-bearing current assets less non-interest-bearing current liabilities

Business overview

Background

Atea is the leading provider of IT infrastructure and related services to organizations within the Nordic and Baltic regions. The company is the largest player by far in its local markets, with more than 18% market share in 2016. Roughly half of Atea's sales are to the public sector, with the remainder of sales to private companies.

The market for IT infrastructure in the Nordic and Baltic regions has grown steadily during the last several years, despite challenging conditions in the global economy. According to estimates from IDC*, the market for IT infrastructure and related services has grown at an average rate of 3% per year from 2007 – 2016.

Atea's competence and leading market position in IT infrastructure has enabled the company to grow at a rate significantly higher than that of the market. Since 2007, the company has averaged an organic revenue growth rate of 5.5% per year.

In addition to organic growth, Atea has successfully pursued an M&A strategy to strengthen and consolidate its market position. Atea's current organization structure is the result of the merger of the leading IT infrastructure companies in Denmark, Norway, Sweden, Finland and the Baltics in 2006 and 2007. Since 2007, Atea has acquired more than 50 companies, at valuation multiples significantly below the Group.

Atea's market share in the Nordic and Baltic regions far exceeds that of other IT infrastructure providers. Today, the company has offices in 89 cities in the Nordic and Baltic region and more than 6,800 employees. This scale provides Atea with critical competitive advantages in purchasing, local market presence, breadth and depth of product offering, system integration competence, and efficient shared service and logistics functions.

To address the needs of the Nordic and Baltic markets, Atea works closely with leading international IT companies, such as Microsoft, Cisco, HP Inc., Hewlett Packard Enterprise, IBM, Apple, Lenovo, VMware, Citrix, and Dell/EMC. These companies view the Nordic region as a critical market for the early adoption of new technologies, and work closely with Atea to penetrate these markets. In recent years, Atea's cooperation with its technology partners has intensified. This enables Atea to stay at the forefront of the latest IT trends, and to offer its customers new and innovative IT solutions.

IT market trends

The market for information technology is in the midst of dramatic change, which is transforming society and the workplace.

Across private enterprise and throughout the public sector, organizations are increasingly relying on new and innovative IT solutions to improve productivity and living standards. While the specific applications for information technology are unique for each organization, the changing demands on internal IT departments follow several common themes.

Organizations require their IT infrastructure to efficiently and securely capture, process and store ever larger amounts of data from diverse sources. This information must be available wherever it may be required in a secure manner, within or outside the workplace. Finally, IT systems must allow individuals to communicate, collaborate and be productive across a broad range of technology platforms.

As a result of these trends, the number of unique devices for capturing or receiving data is rapidly increasing, and the amount of data which is transferred between them and the data center is growing exponentially. At the same time, the risk of security breaches becomes ever greater. All of this creates a level of complexity which IT departments struggle to support.

This presents a significant opportunity for Atea, as a system integrator with expertise across multiple platforms. Through its breadth of competency and depth of system integration expertise, Atea supports IT departments in adapting to the growing complexity of today's IT infrastructure and security requirements. Atea helps its customers to design, implement and support IT solutions tailored for their organization.

* International IT research company, International Data Corporation

Business overview (cont'd)

Business outlook

Group:

Based on its competitive advantages and leading market position in the Nordic and Baltic regions, Atea is well-positioned to maintain a long-term growth rate faster than the IT infrastructure market in general.

Furthermore, the company aims to improve its profit margin through a combination of revenue growth, expansion within higher value added products and services, improved procurement and supply chain processes, and a tight management of operating expenses.

The company achieved its revenue growth objective during 2016. Atea reported an organic revenue growth in constant currency of 8.8%, a very high premium to the long-term market growth rate of 3%.

At the same time, Atea improved its EBITDA* margins to 3.6% in 2016, up from 3.4% last year. The improvement in EBITDA* margin was driven by a combination of high revenue growth and slower growth in operating expenses.

In 2017, Management expects that the company will continue to grow faster than the overall IT infrastructure market while improving its EBITDA* margins. The company does not expect revenue to maintain the same rate of growth in 2017, based on the very strong growth rate that the company achieved in 2016. The company expects that higher EBITDA* margins will be achieved through selling higher margin products and services and through containing operating expenses.

The Outlook by country:

Sweden:

Sweden is Atea's largest market, representing 38% of Group revenue. In 2016, the Swedish business reported revenue growth of 12.4% and EBITDA* growth of 13.8%. This represents the third consecutive year of very strong growth in both revenue and EBITDA* in Sweden.

Growth in the Swedish business has come from sales of products, where the organization has been very effective in leveraging Atea's market strength and winning new customer agreements.

Atea Sweden has made significant changes to its services business during the last year, refocusing its internal capabilities within growth areas, such as cloud and managed infrastructure solutions. These initiatives are expected to drive growth in revenue and profitability within services during 2017.

Atea expects continued improvement from its Swedish business during 2017, although with slower growth in product revenue and more moderate growth in EBITDA* than in previous years.

Denmark:

Denmark is Atea's second largest market, representing 27% of Group revenue. In 2016, the Danish business reported revenue growth of 6.2% and EBITDA* growth of 4.4%.

The solid revenue growth in Denmark during 2016 marks a recovery from previous year, when the Danish business had flat organic growth (adjusted for the acquisition of Axxess).

Since 2015, the Danish business has aggressively recaptured market share by winning large new public frame agreements, particularly within software. These new frame agreements have been won at a relatively low gross margin, driving revenue but putting pressure on the EBITDA* margin.

To improve profitability, the Danish business has implemented measures to reduce its cost base and increase gross margin through improvements in the procurement process. These efforts began to show results during 2016. The Danish business scaled its operating expenses relative to revenue in 2016, and product margins significantly improved during Q4.

During 2017, Atea expects its financial performance in Denmark to incrementally improve based on a slower but steady growth in sales, and on a focus on margin recovery and cost management.

* Before share-based compensation and expenses related to acquisitions

Business overview (cont'd)

Business outlook (cont'd)

Norway:

Norway represents 25% of Group revenue. In 2016, the Norwegian business reported revenue growth of 7.7% and EBITDA* growth of 39.4%. Revenue growth in 2016 was particularly driven by sales of software, which increased by 23.6% from last year.

The Norwegian economy is heavily exposed to the oil and gas industries, and the downturn in these areas has impacted private sector demand for IT equipment. At the same time, public sector demand has been very strong. The public sector continues to invest in IT solutions to expand government services and to improve efficiency and quality.

In response to a difficult market environment, Atea Norway has restructured parts of its organization in order to reduce costs and sharpen focus on growth opportunities. In Q4 2016, average headcount was 93 FTE's below last year. The Norwegian business is particularly focused on improving the profitability of its consulting and services businesses, which represents the majority of the organization's headcount.

In March 2016 Michael Jacobs took over the position as Country Manager in Norway. Michael brings extensive industry experience to the role, having previously worked as the Managing Director of Microsoft Norway, and as the Managing Director of Dell's operations within the Nordic region.

With changes to management, a renewed focus on growth opportunities and a lower cost base, Atea expects its business performance in Norway to continue to improve. While the business expects growth in product sales to slow from 2016, EBITDA* margin is expected to improve based on a higher margin product and services mix and a continued focus on cost management.

Finland:

Finland represents 7% of Group revenue. In 2016, the Finnish business reported revenue growth of 9.1% and EBITDA* growth of 27.4%.

Atea has won several large new frame agreements to the public sector since 2015. These new public frame agreements drove revenue growth for Atea Finland throughout 2016.

In 2017, Atea Finland is expected to continue to outgrow the market, particularly within sales to the public sector and within services.

Baltics:

The Baltic region represents 3% of Group revenue. In 2016, the Baltic business reported revenue growth of 4.4% and EBITDA* growth of 14.2%. Atea has operations and strong market positions in all the three Baltic countries but the majority of the business is conducted in Lithuania.

For the first three quarters of 2016, Atea Baltics faced weaker demand from the public sector, which is heavily dependent on EU funding for large IT infrastructure projects. As one 5-year funding program from the EU has been recently completed, and another has just commenced, demand from the public sector was significantly lower during most of 2016.

Demand from the public sector increased significantly during Q4 2016. Based on new EU funded projects to the public sector, Atea Baltics expects strong growth in demand during 2017. In addition, the company expects to see solid growth in its services business, based on recent investments in the services organization including the acquisition of Baltneta in 2015.

Condensed financial information for the 12 months ended 31 December 2016

Consolidated income statement

| NOK in million | Note | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|----------|------------|------------|-------------------|-------------------|
| Revenue | 2, 6 | 9,096 | 8,606 | 31,188 | 27,904 |
| Cost of goods sold | | (7,130) | (6,742) | (24,249) | (21,501) |
| Personnel costs* | | (1,289) | (1,242) | (4,919) | (4,568) |
| Other operating costs* | | (218) | (244) | (892) | (884) |
| EBITDA* | 2 | 459 | 378 | 1,129 | 951 |
| Share based compensation | | (6) | (10) | (39) | (25) |
| Expenses/income related to acquisitions | | (0) | (0) | (5) | (2) |
| EBITDA | | 453 | 368 | 1,085 | 924 |
| Depreciation and amortization | | (86) | (104) | (365) | (359) |
| Amortization related to acquisitions | | (9) | (12) | (42) | (50) |
| Operating profit (EBIT) | 2 | 358 | 252 | 677 | 514 |
| Net financial items | 8 | (8) | (14) | (60) | (82) |
| Profit before tax | | 350 | 238 | 617 | 432 |
| Tax | 5 | (60) | (6) | (105) | (39) |
| Profit for the period | | 290 | 232 | 512 | 393 |
| Earnings per share | | | | | |
| - earnings per share | | 2.75 | 2.21 | 4.87 | 3.76 |
| - diluted earnings per share | | 2.72 | 2.19 | 4.80 | 3.71 |

Consolidated statement of comprehensive income

| NOK in million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|------------|------------|-------------------|-------------------|
| Profit for the period | 290 | 232 | 512 | 393 |
| Currency translation differences | 43 | 61 | (206) | 221 |
| Forward contracts - cash flow hedging | 6 | (1) | 1 | (4) |
| Income tax OCI relating to items that may be reclassified to profit or loss | (5) | (8) | 21 | (21) |
| Items that may be reclassified subsequently to profit or loss | 43 | 53 | (184) | 197 |
| Other comprehensive income | 43 | 53 | (184) | 197 |
| Total comprehensive income for the period | 334 | 284 | 328 | 590 |

* Before share-based compensation and expenses related to acquisitions

Consolidated statement of financial position

| NOK in million | Note | 31 Dec 2016 | 31 Dec 2015 |
|--|------|---------------|---------------|
| ASSETS | | | |
| Property, plant and equipment | | 682 | 742 |
| Deferred tax assets | 5 | 563 | 553 |
| Goodwill | | 3,658 | 3,815 |
| Other intangible assets | | 294 | 357 |
| Shares in associated companies | 8 | 0 | 9 |
| Other long-term receivables | | 7 | 3 |
| Non-current assets | | 5,205 | 5,479 |
| Inventories | | 608 | 762 |
| Trade receivables | | 5,975 | 5,988 |
| Other receivables | | 785 | 867 |
| Other financial assets | | 3 | 5 |
| Cash and cash equivalents | | 880 | 630 |
| Current assets | | 8,251 | 8,252 |
| Total assets | | 13,456 | 13,731 |
| EQUITY AND LIABILITIES | | | |
| Share capital and premium | 3 | 269 | 1,180 |
| Other unrecognised reserves | | 2,039 | 1,276 |
| Retained earnings | | 892 | 1,024 |
| Equity | | 3,200 | 3,480 |
| Interest-bearing long-term liabilities | | 1,079 | 1,182 |
| Other long-term liabilities | | 17 | 5 |
| Deferred tax liabilities | | 253 | 259 |
| Non-current liabilities | | 1,348 | 1,446 |
| Trade payables | | 5,835 | 5,707 |
| Interest-bearing current liabilities | | 152 | 197 |
| VAT, taxes and government fees | | 783 | 777 |
| Provisions | | 233 | 227 |
| Other current liabilities | | 1,897 | 1,875 |
| Other financial liabilities | | 9 | 22 |
| Current liabilities | | 8,908 | 8,806 |
| Total liabilities | | 10,256 | 10,252 |
| Total equity and liabilities | | 13,456 | 13,731 |

Consolidated statement of changes in equity

| NOK in million | 31 Dec 2016 | 31 Dec 2015 |
|--|--------------|--------------|
| Equity at start of period - 1 January | 3,480 | 3,549 |
| Currency translation differences | -184 | 199 |
| Forward contracts - cash flow hedging | 1 | -3 |
| Other comprehensive income | -184 | 197 |
| Profit for the period | 512 | 393 |
| Total recognised income for the year | 328 | 590 |
| Employee share-option schemes | 24 | 18 |
| Dividends | -682 | -679 |
| Changes related to own shares | 21 | -41 |
| Issue of share capital | 30 | 45 |
| Non-controlling interests from acquisitions | 0 | -3 |
| Equity at end of period | 3,200 | 3,480 |

Consolidated statement of cash flow

| NOK in million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--------------------------------------|---------------|--------------|-------------------|-------------------|
| Profit before taxes | 349 | 237 | 617 | 432 |
| Taxes paid | -33 | -10 | -128 | -56 |
| Depreciation & amortisation | 97 | 116 | 407 | 409 |
| Share based compensation | 5 | 9 | 30 | 20 |
| Other corrections | -2 | 6 | -2 | 6 |
| Cash earnings | 416 | 359 | 924 | 812 |
| Change account receivables | -2,081 | -1,875 | -373 | -107 |
| Change inventory | 56 | -137 | 100 | -74 |
| Change trade payables | 2,651 | 2,422 | 506 | 662 |
| Other changes in working capital | 723 | 689 | 247 | -6 |
| Cash flow from operations | 1,765 | 1,458 | 1,404 | 1,287 |
| Capital expenditures | -48 | -110 | -280 | -291 |
| Purch./sale of subs./assoc./investm. | 11 | -2 | -5 | -68 |
| Cash flow from investments | -37 | -112 | -285 | -359 |
| Payment of dividends | -343 | -340 | -682 | -679 |
| Other equity transactions | 30 | 4 | 44 | 5 |
| Change in debt | -699 | -571 | -150 | -276 |
| Cash flow from financing | -1,012 | -907 | -788 | -950 |
| Net cash flow | 716 | 438 | 331 | -23 |
| Cash start of period | 154 | 168 | 630 | 583 |
| Currency effects on cash | 11 | 21 | -81 | 69 |
| Cash end of period | 880 | 630 | 880 | 630 |

NOTES

NOTE 1 – General information and accounting policies

The condensed interim financial statements for the twelve months ending 31 December 2016 were approved for publication by the Board of Directors on 7 February 2017. These Group financial statements have not been subject to audit or review.

Atea ASA is a public limited company incorporated and domiciled in Norway whose shares are listed on the Oslo Stock Exchange. Atea (the Group) consists of Atea ASA (the Company) and its subsidiaries. Atea is the leading provider of IT infrastructure and related services to organizations within the Nordic and Baltic region.

The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS), IAS 34 “Interim Financial Reporting”. The condensed interim financial statements do not include all information and disclosures required in the annual financial statement, and should be read in accordance with the Group’s Annual Report for 2015, which has been prepared according to IFRS as adopted by EU.

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2015. There are no changes in accounting policy effective from 1 January 2016 that have impact on the Group accounts. See Note 7 regarding effects of the new leasing standard IFRS 16, effective for annual reports beginning on or after 1 January 2019. Other preliminary assessment of effects of the new leasing standard are described in Note 2 – Summary of significant accounting principles – in the Annual report for 2015.

In the interim financial statements for 2016, judgements, estimates and assumptions have been applied that may affect the use of accounting principles, book values of assets and liabilities, revenues and expenses. Actual values may differ from these estimates. The major assumptions applied in the interim financial statements for 2016 and the major sources of uncertainty in the statements are similar to those found in the annual accounts for 2015.

The Board confirms that these interim financial statements have been prepared on a going concern basis. As a result of rounding differences numbers or percentages may not add up to the total.

The carrying amounts of Financial assets and Financial liabilities recognized in the Consolidated statement of financial position approximate their fair values, according to Management’s assessment.

Alternative performance measures (APMs)

In 2015 the European Securities and Markets Authority enacted guidelines on the use of alternative performance measures (APMs) in financial reporting. Atea is currently evaluating how it will proceed in reporting APMs under the new guidelines. The company will implement these changes from the first quarter of 2017.

NOTE 2 – Operating segment information

Atea is located in 86 cities in Norway, Sweden, Denmark, Finland, and the Baltic countries of Lithuania, Latvia and Estonia, with approximately 6,900 employees. For management and reporting purposes, the Group is organized by these geographical areas. The performance of these geographical areas are evaluated on a regular basis by Atea’s Senior Management Group.

In addition to the geographical areas, the Group operates Shared Services functions (Atea Logistics and Atea Global Services) and central administration. These costs are reported separately as Group Shared Service and Group cost.

Transfer prices between operating segments are on arm’s length basis in a manner similar to transactions with third parties.

NOTE 2 – Operating segment information (cont'd)**Operating segment information – NOK**

| Revenue NOK in million | Q4 2016 | Q4 2015 | % change | Full year 2016 | Full year 2015 | % change |
|---------------------------|----------------|----------------|-------------|-------------------|-------------------|--------------|
| Norway | 2,448.2 | 2,244.4 | 9.1% | 7,830.4 | 7,268.4 | 7.7% |
| Sweden | 3,193.5 | 3,036.1 | 5.2% | 11,901.8 | 10,303.8 | 15.5% |
| Denmark | 2,578.5 | 2,564.5 | 0.5% | 8,482.9 | 7,670.7 | 10.6% |
| Finland | 562.6 | 521.0 | 8.0% | 2,100.3 | 1,852.1 | 13.4% |
| The Baltics | 352.7 | 267.9 | 31.7% | 1,021.7 | 941.7 | 8.5% |
| Group Shared Services | 1,361.4 | 1,249.9 | 8.9% | 4,777.2 | 4,435.7 | 7.7% |
| Eliminations * | (1,400.6) | (1,278.0) | | (4,926.3) | (4,568.8) | |
| Atea Group | 9,096.2 | 8,605.9 | 5.7% | 31,187.9 | 27,903.5 | 11.8% |

| EBITDA ** NOK in million | Q4 2016 | Q4 2015 | % change | Full year 2016 | Full year 2015 | % change |
|-----------------------------|--------------|--------------|--------------|-------------------|-------------------|--------------|
| Norway | 112.7 | 64.2 | 75.5% | 269.0 | 193.0 | 39.4% |
| Sweden | 131.2 | 129.9 | 1.0% | 397.0 | 339.4 | 17.0% |
| Denmark | 189.1 | 165.1 | 14.5% | 396.9 | 365.1 | 8.7% |
| Finland | 10.6 | 8.8 | 19.6% | 26.9 | 20.3 | 32.5% |
| The Baltics | 17.2 | 15.8 | 9.4% | 61.3 | 51.6 | 18.7% |
| Group Shared Services | 13.4 | 5.2 | 158.1% | 30.0 | 22.7 | 32.1% |
| Group cost | (14.8) | (11.2) | -32.2% | (52.6) | (41.5) | |
| EBITDA ** | 459.4 | 377.7 | 21.6% | 1,128.5 | 950.7 | 18.7% |
| EBITDA ** margin (%) | 5.0% | 4.4% | | 3.6% | 3.4% | |

| EBIT NOK in million | Q4 2016 | Q4 2015 | % change | Full year 2016 | Full year 2015 | % change |
|--------------------------------|------------|------------|--------------|-------------------|-------------------|--------------|
| Norway | 92 | 45 | 103.9% | 189 | 125 | 51.3% |
| Sweden | 117 | 106 | 9.9% | 331 | 269 | 23.1% |
| Denmark | 134 | 104 | 28.8% | 166 | 147 | 13.4% |
| Finland | 8 | 6 | 39.4% | 13 | 8 | 65.4% |
| The Baltics | 13 | 4 | 263.6% | 23 | 8 | 181.6% |
| Group Shared Services | 10 | 1 | 800.1% | 16 | 8 | 97.9% |
| Group cost | -16 | -14 | -16.7% | -61 | -50 | -22.3% |
| Operating profit (EBIT) | 358 | 252 | 42.1% | 677 | 514 | 31.7% |
| Net financial items | -8 | -14 | 45.3% | -60 | -82 | 26.6% |
| Profit before tax | 350 | 238 | 47.2% | 617 | 432 | 42.7% |

| Quarterly revenue and gross margin NOK in million | Q4 2016 | Q4 2015 | % change | Full year 2016 | Full year 2015 | % change |
|--|----------------|----------------|-------------|-------------------|-------------------|--------------|
| Product revenue | 7,478.0 | 6,976.7 | 7.2% | 25,222.1 | 22,251.2 | 13.4% |
| Services revenue | 1,617.9 | 1,629.1 | -0.7% | 5,964.8 | 5,651.9 | 5.5% |
| Other income | 0.3 | 0.1 | 211.8% | 0.9 | 0.4 | 128.2% |
| Total revenue | 9,096.2 | 8,605.9 | 5.7% | 31,187.9 | 27,903.5 | 11.8% |
| Gross contribution | 1,965.9 | 1,864.0 | 5.5% | 6,938.7 | 6,402.6 | 8.4% |
| Product margin | 11.8% | 11.9% | | 11.9% | 12.3% | |
| Services margin | 67.0% | 63.6% | | 66.2% | 64.8% | |
| Gross margin | 21.6% | 21.7% | | 22.2% | 22.9% | |

| Quarterly revenue and gross margin NOK in million | Q4 2016 | Q3 2016 | Q2 2016 | Q1 2016 | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Product revenue | 7,478.0 | 5,062.2 | 6,903.3 | 5,778.7 | 6,976.7 | 4,644.0 | 5,439.3 | 5,191.3 |
| Services revenue | 1,617.9 | 1,340.4 | 1,539.0 | 1,467.6 | 1,629.1 | 1,313.4 | 1,402.7 | 1,306.5 |
| Other income | 0.3 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total revenue | 9,096.2 | 6,402.9 | 8,442.4 | 7,246.4 | 8,605.9 | 5,957.4 | 6,842.1 | 6,498.1 |
| Gross contribution | 1,965.9 | 1,503.9 | 1,770.6 | 1,698.2 | 1,864.0 | 1,462.3 | 1,538.6 | 1,537.5 |
| Product margin | 11.8% | 12.9% | 10.8% | 12.3% | 11.9% | 13.4% | 11.6% | 12.7% |
| Services margin | 67.0% | 63.5% | 66.7% | 67.2% | 63.6% | 64.1% | 64.6% | 67.2% |
| Gross margin | 21.6% | 23.5% | 21.0% | 23.4% | 21.7% | 24.5% | 22.5% | 23.7% |

* Most of Atea's internal sales are related to Group Shared Services, which consists of Atea Logistics and Atea Global Services

** Before share-based compensation and expenses related to acquisitions

NOTE 2 – Operating segment information (cont'd)**Operating segment information – local currency**

| Revenue | | Q4 | Q4 | % | Full year | Full year | % |
|---------------------------|------------|----------------|----------------|-------------|-----------------|-----------------|--------------|
| Local currency in million | | 2016 | 2015 | change | 2016 | 2015 | change |
| Norway | NOK | 2,448.2 | 2,244.4 | 9.1% | 7,830.4 | 7,268.4 | 7.7% |
| Sweden | SEK | 3,416.7 | 3,046.7 | 12.1% | 12,116.2 | 10,779.1 | 12.4% |
| Denmark | DKK | 2,108.0 | 2,075.8 | 1.6% | 6,796.6 | 6,398.6 | 6.2% |
| Finland | EUR | 62.0 | 56.0 | 10.7% | 226.0 | 207.1 | 9.1% |
| The Baltics | EUR | 38.6 | 28.8 | 33.9% | 109.9 | 105.3 | 4.4% |
| Group Shared Services | NOK | 1,361.4 | 1,249.9 | 8.9% | 4,777.2 | 4,435.7 | 7.7% |
| Eliminations * | NOK | (1,400.6) | (1,278.0) | | (4,926.3) | (4,568.8) | |
| Atea Group | NOK | 9,096.2 | 8,605.9 | 5.7% | 31,187.9 | 27,903.5 | 11.8% |

| EBITDA ** | | Q4 | Q4 | % | Full year | Full year | % |
|-----------------------------|------------|--------------|--------------|--------------|----------------|--------------|--------------|
| Local currency in million | | 2016 | 2015 | change | 2016 | 2015 | change |
| Norway | NOK | 112.7 | 64.2 | 75.5% | 269.0 | 193.0 | 39.4% |
| Sweden | SEK | 138.6 | 132.1 | 4.9% | 404.1 | 355.1 | 13.8% |
| Denmark | DKK | 153.0 | 135.2 | 13.1% | 318.0 | 304.6 | 4.4% |
| Finland | EUR | 1.2 | 1.0 | 19.0% | 2.9 | 2.3 | 27.4% |
| The Baltics | EUR | 1.9 | 1.7 | 11.5% | 6.6 | 5.8 | 14.2% |
| Group Shared Services | NOK | 13.4 | 5.2 | 158.1% | 30.0 | 22.7 | 32.1% |
| Eliminations * | NOK | (0.0) | - | 0.0% | - | - | 0.0% |
| Group cost | NOK | (14.8) | (11.2) | -32.2% | (52.6) | (41.5) | -26.8% |
| EBITDA ** | NOK | 459.4 | 377.7 | 21.6% | 1,128.5 | 950.7 | 18.7% |
| EBITDA ** margin (%) | | 5.0% | 4.4% | | 3.6% | 3.4% | |

| EBIT | | Q4 | Q4 | % | Full year | Full year | % |
|--------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Local currency in million | | 2016 | 2015 | change | 2016 | 2015 | change |
| Norway | NOK | 92.4 | 45.3 | 103.9% | 189.3 | 125.1 | 51.3% |
| Sweden | SEK | 123.0 | 108.3 | 13.6% | 336.5 | 281.0 | 19.8% |
| Denmark | DKK | 107.3 | 86.0 | 24.7% | 133.2 | 122.3 | 8.9% |
| Finland | EUR | 0.8 | 0.6 | 35.7% | 1.4 | 0.9 | 59.1% |
| The Baltics | EUR | 1.4 | 0.4 | 259.3% | 2.5 | 0.9 | 171.0% |
| Group Shared Services | NOK | 10.2 | 1.1 | 800.1% | 16.4 | 8.3 | 97.9% |
| Group cost | NOK | (16.5) | (14.1) | -16.7% | (61.4) | (50.2) | -22.3% |
| Operating profit (EBIT) | NOK | 357.5 | 251.6 | 42.1% | 677.3 | 514.4 | 31.7% |
| Net financial items | NOK | (7.6) | (13.8) | 45.3% | (60.2) | (82.1) | 26.6% |
| Profit before tax | NOK | 350.0 | 237.7 | 47.2% | 617.0 | 432.3 | 42.7% |

NOTE 3 – Share capital and premium

| NOK in million, except number of shares | Number of shares | | Share capital | | | |
|---|--------------------|-----------------|---------------|-----------------|---------------|--------------|
| | Issued | Treasury shares | Issued | Treasury shares | Share premium | Total |
| At 1 January 2016 | 105,170,711 | -576,479 | 1,052 | -6 | 134 | 1,180 |
| Issue of Share capital*** | 598,961 | - | 1 | - | 29 | 30 |
| Reduction of the par value of the company's shares **** | - | - | -947 | - | - | -947 |
| Changes related to own shares ***** | - | 568,635 | - | 6 | - | 6 |
| At 31 December 2016 | 105,769,672 | -7,844 | 106 | 0 | 163 | 269 |

* Most of Atea's internal sales are related to Group Shared Services, which consists of Atea Logistics and Atea Global Services

** Before share-based compensation and expenses related to acquisitions

*** Issue of Share capital is related to Share options for the Management and selected employee

**** The Company's share capital is reduced by NOK 947 million from NOK 1,052 million to NOK 105 million by a reduction of the par value of the company's shares from NOK 10 to NOK 1. The amount of the share capital reduction has been transferred to Other unrecognized reserves.

***** The sales price for the Treasury shares was NOK 21 million (with remaining NOK 15 million affecting Other unrecognized reserves) and related to exercise of options.

NOTE 4 – Business combinations**Acquisition in 2016**

Atea acquired one company during 2016. The financial performance from the acquisition date to the end of the quarter for the acquired company is considered to be immaterial from a Group perspective.

- **Barret AB:**
Atea acquired Barret AB in March 2016. The acquisition of Barret will strengthen Atea's position in the expanding Östersund region in Northern Sweden, especially within cloud solutions and other areas within digitalization.

Allocation of purchase price

Due to the high knowledge and low capital requirements for operating an IT sales and consulting organization, acquisitions within this sector will typically result in a goodwill balance. This goodwill balance represents the surplus of the purchase price compared with the accounting value of the net fixed and intangible assets of the acquired company.

The fair values have been determined on provisional basis because new information may occur.

Breakdown of the acquired net assets and goodwill in 2016 is as follows:

| NOK in million | Barret AB |
|---|---------------|
| Acquisition date | 15 March 2016 |
| Country | Sweden |
| Voting rights/ownership interest | 100% |
| Acquisition cost: | |
| Consideration* | 16 |
| Total acquisition cost | 16 |
| Book value of equity (see table below) | 7 |
| Identification of excess value: | |
| Contracts and customer relationships | 5 |
| Deferred tax | -1 |
| Net excess value | 4 |
| Fair value of net assets acquired, excluding goodwill | 11 |
| Controlling ownership interests | 11 |
| Goodwill | 5 |

* Consideration that is dependent on future results is recognised as an obligation based on the fair value at the time of acquisition

NOTE 4 – Business combinations (cont'd)

Assets and liabilities related to the acquisition in 2016 are as follows:

| NOK in million | Barret AB |
|--|-----------|
| Deferred tax assets | 0 |
| Property, plant and equipment | 2 |
| Other long-term interest-bearing receivables | 1 |
| Other long-term receivables | 1 |
| Trade receivables | 4 |
| Other receivables | 2 |
| Cash and cash equivalents | 7 |
| Total asset | 16 |
| Non-current liabilities | -1 |
| Current liabilities | -8 |
| Total liabilities | -9 |
| Net assets acquired | 7 |

Net cash payments in connection with the acquisition are as follows:

| NOK in million | Barret AB |
|---|-----------|
| Considerations and costs in cash and cash equivalents | 16 |
| Cash and cash equivalents in acquired companies | -7 |
| Net cash payments for the acquisition | 9 |

If all acquired entities had been consolidated from 1 January 2015, the consolidated pro forma income statements for 2016 would show revenue and profit as follows:

| NOK in million | YTD 2016 | YTD 2015 |
|-------------------------|-------------|-------------|
| Operating revenue | 31,195 | 27,952 |
| Operating profit (EBIT) | 678 | 519 |

NOTE 5 – Taxes

| NOK in million | Q4 2016 | Effective rate | Q4 2015 | Effective rate | Full year 2016 | Effective rate | Full year 2015 | Effective rate |
|---------------------------|------------|-------------------|------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Profit before tax | 350 | | 238 | | 617 | | 432 | |
| Tax payable expenses | -49 | 14.0% | -31 | 13.1% | -97 | 15.7% | -66 | 15.3% |
| Deferred tax changes | -11 | 3.0% | 25 | -10.5% | -8 | 1.3% | 27 | -6.2% |
| Total tax expenses | -60 | 17.0% | -6 | 2.6% | -105 | 17.0% | -39 | 9.1% |

At the year end of 2016, the tax value of the tax loss carried forward within the Group was NOK 537 million and the full amount was recognized as Deferred Tax Assets on the balance sheet.

At the end of each year, Management reassesses the value of tax loss carried forward which will be recognized on the balance sheet. This assessment is made based on financial estimates of tax payments for the next five years. This annual assessment may have a material effect on reported Deferred Tax Assets and income tax expenses in the fourth quarter and full year accounts.

NOTE 6 – Seasonality of operations

Atea's revenue and cash flow are affected by the seasonality of demand for IT infrastructure investments. Demand for IT infrastructure among Atea's customers peaks in the fourth quarter of the year, leading to higher revenue and cash flow for Atea in the fourth quarter. This demand seasonality is based on the procurement cycles of large organizations in the Nordic and Baltic regions, and is particularly strong within the public sector.

NOTE 7 – Commitments

With reference to Note 25 – Commitments – in the Annual report for 2015, Atea ASA has issued guarantees in favor of financial institutions as security for the lending facilities provided to Atea ASA and subsidiaries. Part of these commitments concern sublease facilities. At the end of Q4 2016, the Group had sublease commitments of NOK 396 million to financial institutions, which are not reported on-balance sheet.

Under a new leasing standard, IFRS 16, the sublease commitments referred to above would be reflected as both an asset and liability on the balance sheet. IFRS 16 was issued in January 2016 and effective for annual reports beginning on or after 1 January 2019.

NOTE 8 – Investment in associated companies

The Group had one associated company as at 31 December 2015.

| Entity | Country | Industry | Ownership interest |
|------------------------|---------|----------------------------|--------------------|
| Konsertsystemer LLB AS | Norway | Events and concert systems | 55% |

In December 2016, the Group sold their shares in Konsertsystemer LLB AS as for NOK 8.3 million. The loss of NOK 0.4 million is recognized as Financial expenses.

Reconciliation of summarized financial information:

| | Konsertsystemer LLB AS |
|---------------------------------------|------------------------|
| Book value at 1 January 2016 | 9 |
| Share of profit after tax | 1 |
| Loss sale of shares | -2 |
| Disposals | -8 |
| Book value at 31 December 2016 | 0 |

NOTE 9 – Risks and uncertainties

As described in the “Financial Summary” and “Business Outlook” sections of this report, Atea’s subsidiary in Denmark has been charged (“sigtet” in Danish) in connection with a Danish bribery investigation announced by the Danish police in June 2015.

The bribery investigation was immediately disclosed by Atea through a stock exchange announcement on 9 June 2015. The investigation also involves a competitor of Atea Denmark where three current executives have been charged. These executives all held leading positions within Atea Denmark prior to establishing their own company.

A number of public officials in Denmark, some of which are clients of Atea, have also been charged as a result of a police raid in Denmark conducted in the end of June 2016.

Since the first charges were announced in 2015, Atea has cooperated fully with the police investigation. Atea has also carried out its own internal investigation which has revealed that some former employees in Atea have violated Atea’s internal ethical guidelines and code of conduct. These individuals no longer hold employment in Atea. Atea has intensified corporate communication activities with the intention of being an even more transparent company and with the purpose of protecting the Atea brand and company reputation.

Atea has updated its internal Code of Conduct which all employees are obliged to comply with. Atea has also sharpened its control routines on expenses and client events. Finally, Atea has established a new Compliance Department reporting to the Board of Directors, and enhanced its “whistleblower” scheme for employees to report violations of the Code of Conduct or relevant law. These reports can be given on an anonymous basis.

Since June 2015, Atea Denmark has undergone a so-called self-cleaning process. This is normal procedure for any company undergoing a police investigation. Following a satisfactory self-cleaning process, Atea Denmark cannot automatically be excluded from public tenders. This applies even in the event of a company being prosecuted and/or convicted.

Other risk factors are described in the Board of Directors statement of the 2015 Annual Report.

NOTE 10 – Events after the balance sheet date

On February 7, 2017 the Board of Atea ASA resolved to propose a dividend of NOK 6.50 per share at the next Annual General Meeting to be held on April 27, 2017. The dividend will be split into two equal payments of NOK 3.25 which will take place in May and October 2017. For Norwegian tax purposes, the dividend shall be considered as repayment of paid in capital. Further details on the dividend payment will be provided in the Notice to the Annual General Meeting.

There were no other significant events after the balance sheet date which could affect the evaluation of the reported accounts.

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