



Year-end report Itiviti Group Holding AB January 1 – December 31, 2016

Year of execution lays foundation for optimistic outlook

- > Operating revenue for the period from October to December 2016 was SEK 179,682k (176,956), an increase of 2% compared to the same quarter of 2015. Adjusted for foreign exchange effects, operating revenue increased by SEK 1 139k (0%). The increase is attributable to System revenue.
- > Adjusted EBITDA was SEK 92,990k (83,290) and EBITDA-CAPEX was SEK 41,168k (32,049). Operating expenses and adjusted CAPEX, adjusted for one-off effects, fell by SEK 6,393k compared to the same period last year. Adjusted for foreign exchange effects, expenses were SEK 8,508k lower than in the same period of last year, down by 10%. The cost reduction is mainly attributable to synergy effects from the merger of Orc and CameronTec and decreased variable salary cost. This was counterbalanced by increased provisions for bad debt. The intense development of new products is reflected by a resumed high adjusted CAPEX level.

Comments from CEO Torben Munch:

“Having celebrated the anniversary of our new company and the Itiviti brand we clearly see the strengths of the comprehensive platform created by the integration of CameronTec. Building on this momentum and the possibilities resulting from the combination, 2016 was a year characterized by intense activity: we built and launched new solutions for regulatory compliance, agency trading business as well as for managed services, including the introduction of our managed connectivity platform, Itiviti Managed FIX, in the US.

Although we achieved growing revenues, market conditions included some headwinds: political events such as Brexit and the US election created uncertainty among clients, resulting in some cases in postponed investment decisions. Overall however the trends on which we base our strategy appear to materialize; with an increased focus on core activities among market participants and a resulting inclination to outsource trading infrastructure to third party providers. At the same time, customers seek to consolidate vendor relationships and use broader, cross-asset class solutions. Here Itiviti is well positioned with our modern technology platform, which we continuously extend further.

Another key theme is the introduction of MiFID II. 2016 saw our R&D spend increase to its highest level in five years, as we invest heavily to bring solutions to the significant regulatory challenges facing our customers.

On February 20 we also announced that we are redeeming our outstanding corporate bond before its expiry in November 2017, in favor of a new bank loan package with the Nordic bank DNB. We are pleased to have secured a long-term financing package at a significantly lower cost than the previous bond financing.”

About Itiviti

Itiviti is a world-leading technology provider for the capital markets industry. Trading firms, banks, brokers and institutional clients rely on Itiviti’s technology, solutions and expertise to streamline their daily operations, while gaining sustainable competitive edge in global markets.

With 13 offices serving more than 400 customers worldwide, Itiviti was formed by uniting Orc Group, a leader in trading and electronic execution, and CameronTec Group, the global standard in financial messaging infrastructure and connectivity. From its establishment in 2016, Itiviti has a staff of 400 and estimated annual revenue of SEK 700 million.

Itiviti is committed to continuous innovation to deliver trading infrastructure built for today's dynamic markets, offering highly adaptable platforms and solutions that enable clients to stay ahead of competitive and regulatory challenges.

Itiviti Group Holding AB is owned by Itiviti AB, in which Nordic Capital Fund VII is the principal shareholder.

For more information visit: itiviti.com