



EVERY ASA

Q1 2018 PRESENTATION

CEO BJÖRN IVROTH

CFO HENRIK SCHIBLER

EVERY

Agenda

- Group highlights
- Business update
- Financial highlights
- Business area performance
- Targets and Concluding remarks
- Q&A



Group highlights

FINANCIALS		REVENUE (NOKm) 3,208		EBITA (NOKm) ² 320		Backlog (NOKbn) 17.8
		ORGANIC GROWTH ¹ 0.5%		EBITA MARGIN ² 10.0%	M&A	FINDWISE
BUSINESS UPDATE	<ul style="list-style-type: none">Organic growth, despite less working days and Easter seasonalityStable double digit EBITA marginFinancial Services continue to grow with sustainable margin above group averageHigh utilisation within consultancy and strong underlying fundamentals			<ul style="list-style-type: none">Maintain a strong backlog through renewals and extensions of a mix of small and larger strategic contractsProgressing on the T&T³ project and implementing new SME delivery modelAcquisition of Findwise AB		

1) ADJUSTED FOR CURRENCY EFFECTS, ACQUISITIONS AND DIVESTMENTS

2) BEFORE OTHER INCOME AND EXPENSES

3) T&T: TRANSITION AND TRANSFORMATION

Status on Samlink transaction

Background

EVERY has over the last months been in negotiations with the owners of Samlink Oy for a potential acquisition of the company and to enter into long term service contracts with the banks



Status

- The Board of Samlink notified EVERY on 12 April 2018 that they had decided to invite other potential buyers into the transaction process

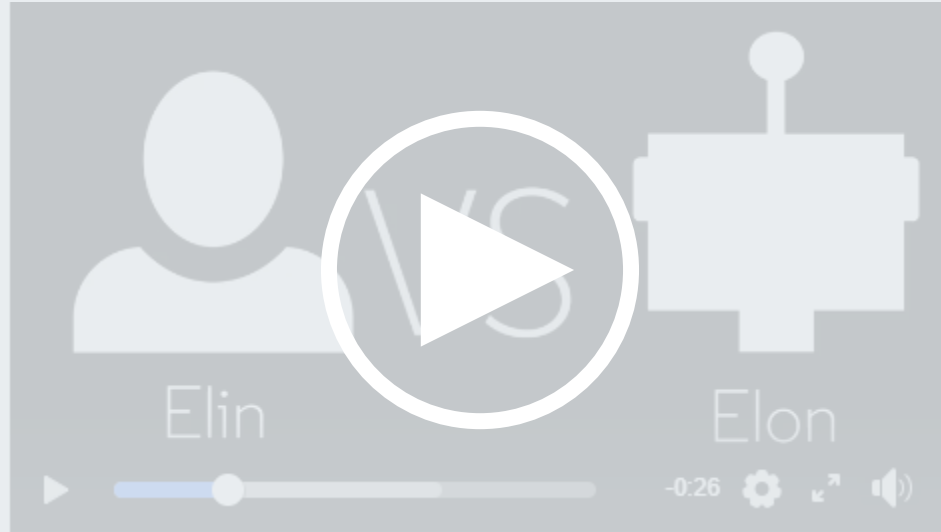
Consequences

- EVERY will now consider its options, but in light of the new development, the likelihood of acquiring Samlink is reduced
- The strategy to grow the EVERY Financial Services business still remain high and the developments on this transaction has not changed that ambition

A person's arm and hand are visible in the foreground, wearing a black smartwatch. The hand is touching the watch screen. In the background, a robot with a glowing orange head and blue lights on its chest is visible. The scene is brightly lit with a warm, orange glow.

Business update

EVERY



Digital Advantage is a business management priority

3x growth¹ in business-driven investment in IT in the Nordics

Application of emerging technology is receiving increased attention from business management

Partnerships both with suppliers and with customers are the main driver for successful business development

Digital Consulting and industry knowledge of increased importance to enable Digital Advantage

- + 14,6%¹ growth in consulting within emerging tech/ digital
- + 1,0%¹ growth in consulting within mature IT-services

KEY NEEDS AREAS FOR BUSINESS MANAGEMENT



Customer
insight & experience



Cognitive
solutions



Automation
& RPA



Data management &
analytics

vapps

POLYGON

Felleskjøpet

Norsvin



EVRY

Digital Advantage is a business management priority

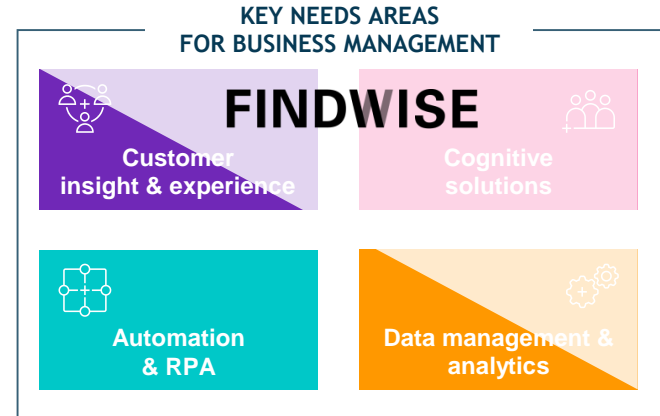
3x growth¹ in business-driven investment in IT in the Nordics

Application of emerging technology is receiving increased attention from business management

Partnerships both with suppliers and with customers are the main driver for successful business development

Digital Consulting and industry knowledge of increased importance to enable Digital Advantage

- + 14,6%¹ growth in consulting within emerging tech/ digital
- + 1,0%¹ growth in consulting within mature IT-services




Driving scale, efficiency and capabilities throughout the Nordics





One of the largest T&T projects in Europe has been exposed to challenges, but are now progressing according to plan

Challenges	Actions	Results
<ul style="list-style-type: none"> EVERY's historical SME approach has been a people oriented delivery model 	Process <ul style="list-style-type: none"> Top down/ bottom up – Standardise 	<ul style="list-style-type: none"> Accelerate the digital journey High stability in production Improving delivery on change orders Moving customers to cloud/ cloud enabled Up-sale potential on SMEs still to be materialized → delay in 2018
	Tools <ul style="list-style-type: none"> Automation and Cognitive solutions 	
	People <ul style="list-style-type: none"> Extended and integrated governance model (with partners) 	





Favorable industry dynamics within the Financial Services industry



Continued focus on regulation

- PSD2/Open APIs (Open banking)
- Anti Money Laundering



Investments in automation and advanced data analytics

- Customer service and back office automation
- Flexible service development



Legacy combined with emerging tech

- Rip and replace not an feasible option
- Modernizing core banking systems



International competition & opportunities

- Bank collaboration
- International opportunities for payment solutions



New entrants challenging incumbents

- Global big-tech's
- Fintech startups and niche players



Cross industry shift & payments

- Mobile payments
- Retail convergence into financial services

Established players

S'banken

DNB

BN Bank

Sydbank

JYSKE BANK

SpareBank 1

Handelsbanken

Aktia

Nordeo

New players

vopps

NorgesGruppen

Hampden & Co.
BANKERS




MONOBANK



Financial highlights

Group financial highlights

Q1 2018 quarter on quarter performance

EVERY Group		 NORWAY		 SWEDEN		 FINANCIAL SERVICES			
		Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017
REVENUE NOKm		3 208	3 177	1 465	1 508	839	852	819	779
ORGANIC GROWTH ¹		0.5%	4.8%	-2,8%	4.7%	-3.8%	2.8%	4.7%	2.1%
EBITA ² NOKm		320	345	117	152	65	83	92	85
EBITA MARGIN ²		10.0%	10.9%	8.0%	10.1%	7.7%	9.8%	11.2%	11.0%
CASH CONVERSION		FREE CASH FLOW		ADJ. EPS		BACKLOG			
70.3% LTM Mar. 2018		NOK -320m Q1 2018		NOK 0.53 Q1 2018		NOK 17.8bn 31 Mar. 2018			

ORGANIC REVENUE GROWTH

Consulting Services
-4.1%

Application Services
8.4%

Digital Platform Services
-1.9%

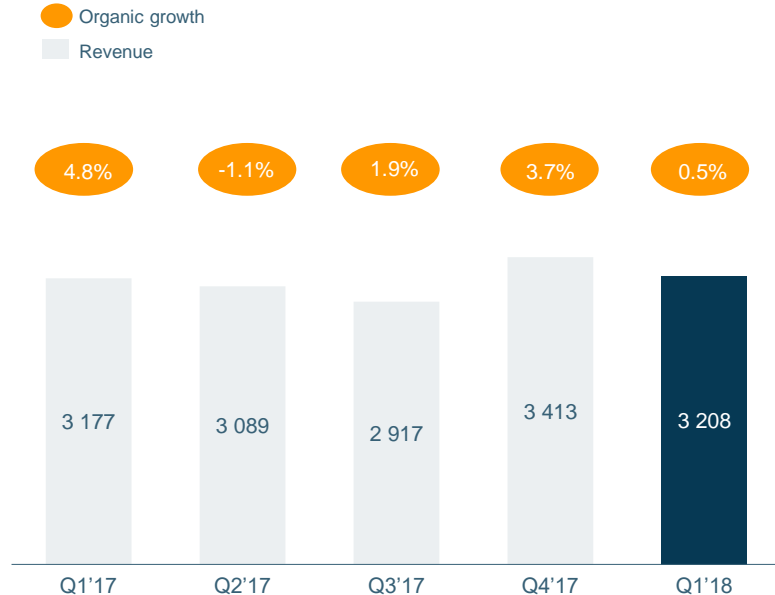
Fulfilment Services
-9.5%

1) ADJUSTED FOR CURRENCY EFFECTS, ACQUISITIONS AND DIVESTMENTS

13 2) BEFORE OTHER INCOME AND EXPENSES

EVERY

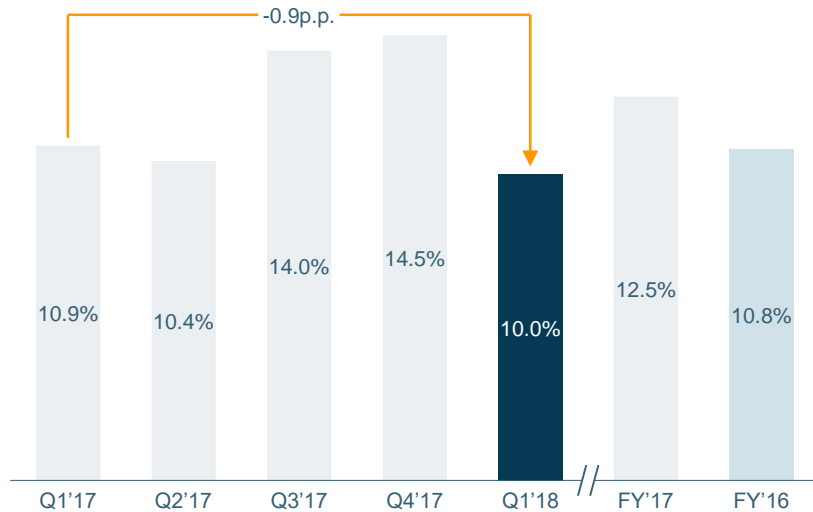
Organic growth of 0.5% despite a quarter negatively impacted by less working days



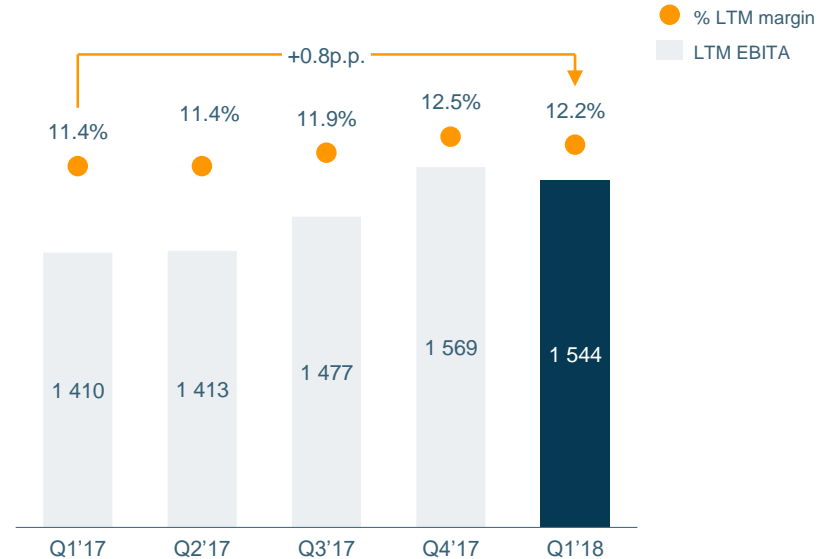
- Revenue growth above internal objectives
- High utilisation in the consultancy business across the Nordics
- Financial Services continue to grow, especially within the Card Service area
- 3 bank holidays more in Q1 2018 vs. Q1 2017 have negative impact on the revenue generation from the consultancy business
- Note that Q2 2018 has two more working days in Norway compared to Q2 2017 (one day in Sweden), but the consultancy business could be negatively impacted the national days in Norway and Sweden in May and June

Underlying performance stable with double digit profitability

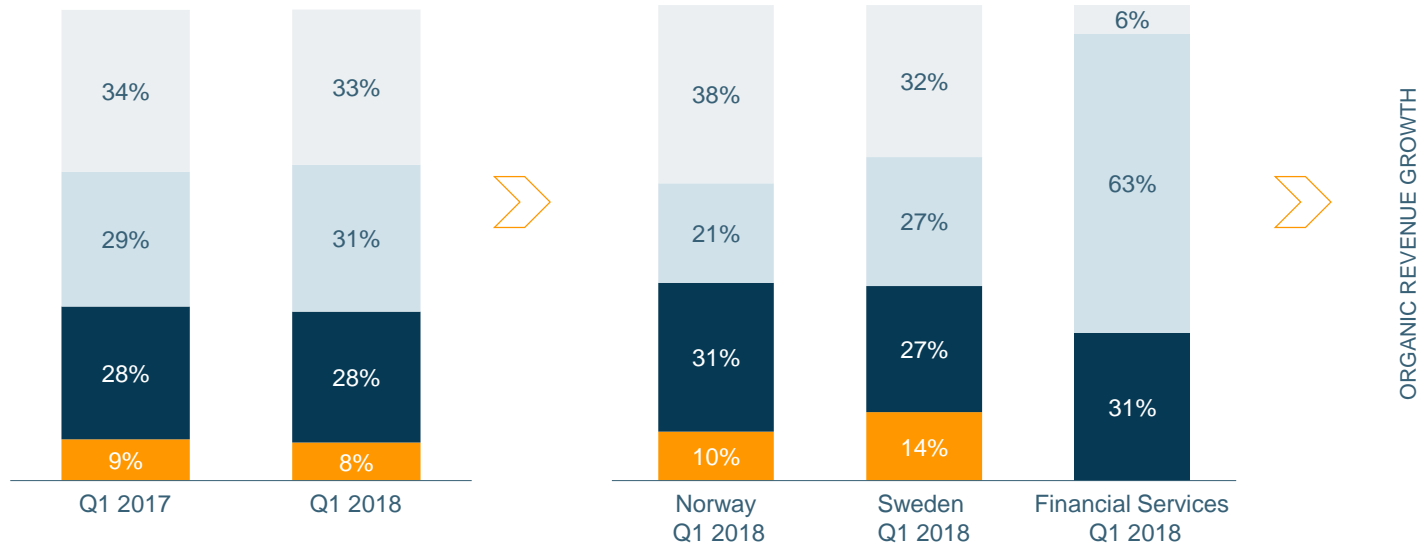
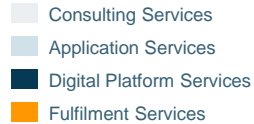
EBITA margin¹



LTM EBITA¹



Implemented more granularity in revenue mix where seasonality explains the reduced relative share of Consultancy revenue



ORGANIC REVENUE GROWTH

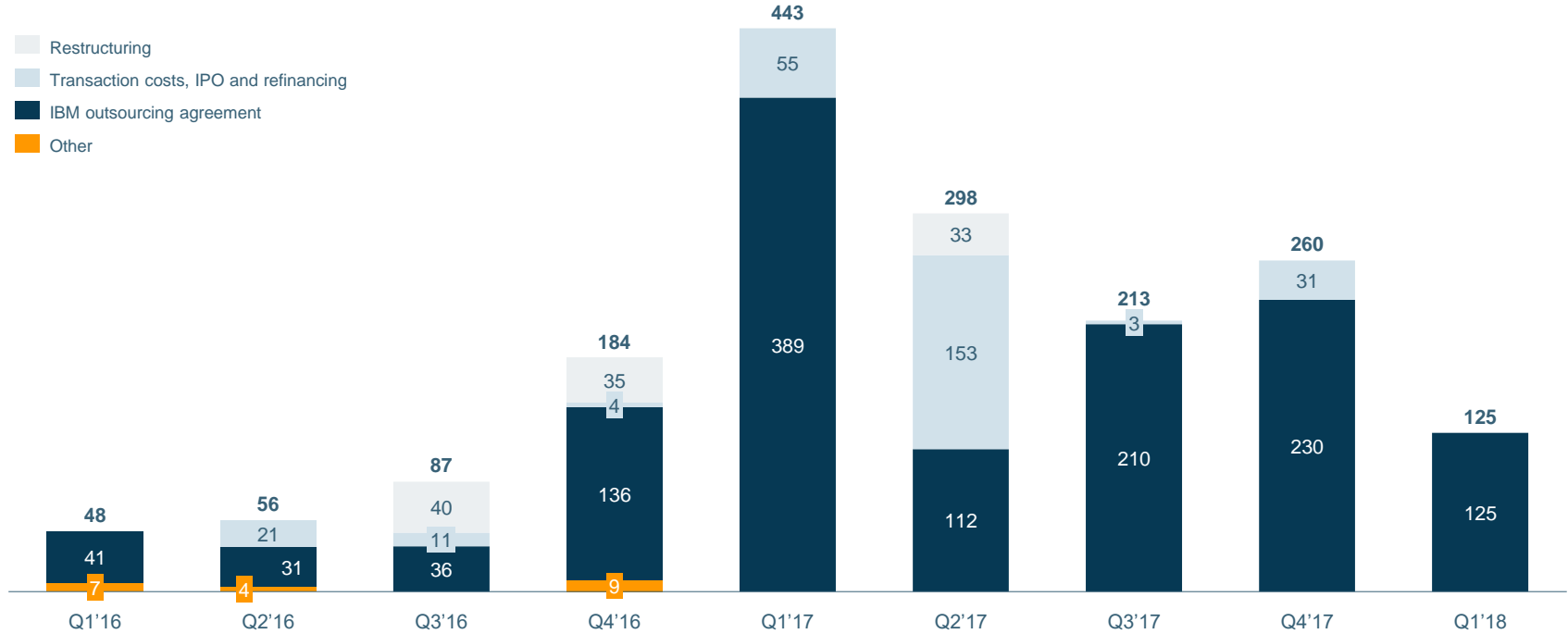
Consulting Services
-4.1%

Application Services
8.4%

Digital Platform Services
-1.9%

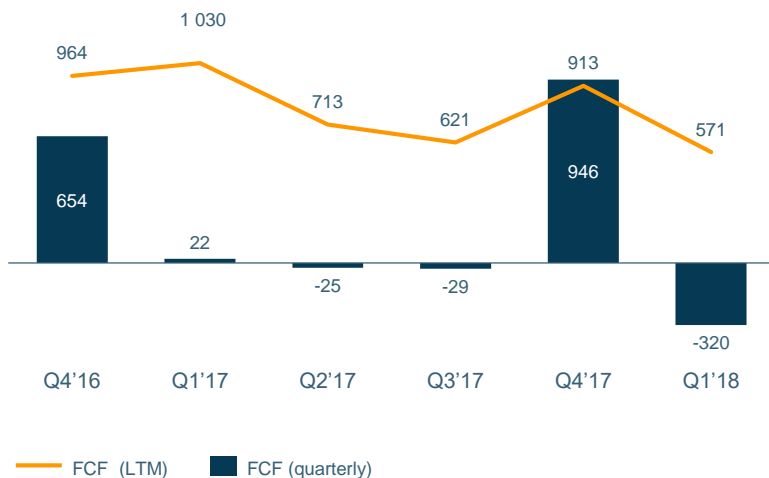
Fulfilment Services
-9.5%

Expenses driven by restructuring and the T&T infrastructure project are declining, and trading according to the outlook for 2018

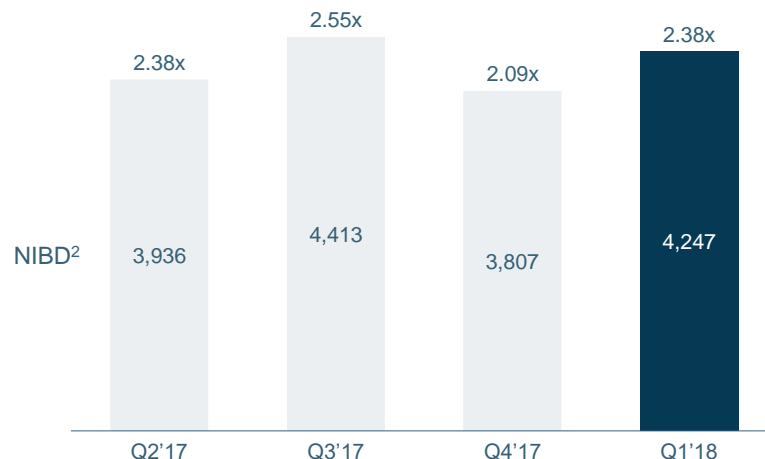


Working capital outflow and increased net leverage a result of quarter end mid Easter

Free Cash Flow (FCF³)



Net leverage multiples (post IPO)¹



1) NIBD/ LTM EBITDA BEFORE OTHER INCOME AND EXPENSES

2) NIBD = NET INTEREST-BEARING LIABILITIES REPRESENTS CURRENT AND NON-CURRENT INTEREST-BEARING LIABILITIES LESS BANK DEPOSITS

3) BEFORE OTHER INCOME AND EXPENSES

The net impact of IFRS 15 implementation on total revenue and earnings is expected to be immaterial

IFRS 15 implications going forward

- EVRY expects no material changes in reported revenue as a result of IFRS 15 implementation

- Affected areas for timing of revenue recognition:

3

- The timing of revenue from sale of licenses that are not distinct will change from a point in time (at delivery) to over time (over the contract period)

- Transition projects will be recognised when the customer can use and benefit from the project activities

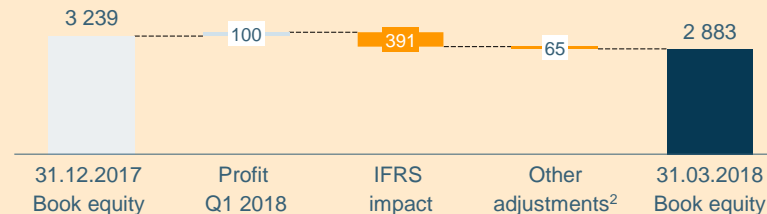
IFRS 15 implementation effects Q1 2018

	Reported Q1 2018 (IFRS 15)	Impact IFRS 15	Adjusted Q1 2018 (IAS 18)
Revenue	3 208	-5	3 203
EBITA ¹	320	-2	318
Profit / -loss	100	-2	98

Change in book equity during the quarter

31.12.2017 Book equity	3 239
Profit Q1 2018	100
IFRS impact	-391
Other adjustments ²	65
31.03.2018 Book equity	3 013

Change in book equity during the quarter

















1) BEFORE OTHER INCOME AND EXPENSES

2) OTHER ADJUSTMENTS INCLUDES OTHER COMPREHENSIVE INCOME AND SHARE OPTION PROGRAM FOR EMPLOYEES

Business area
performance

EVRY



Business area performance



		 NORWAY		 SWEDEN		 FINANCIAL SERVICES		 GLOBAL DELIVERY	
		Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017
ORGANIC GROWTH ¹		-2.8%	4.7%	-3.8%	2.8%	4.7%	2.1%	12.6%	3.8%
EBITA MARGIN ²		8.0%	10.1%	7.7%	9.8%	11.2%	11.0%	15.5%	15.0%
31 Mar. 2018 BACKLOG		NOK 7.0bn		NOK 3.3bn		NOK 7.5bn			
Q1'18 SELECTED CONTRACT WINS		 storebrand  mesta		 ELLEVIO  eHälsomyndigheten		 BN Bank  Nordea			
Q1 2018 DRIVERS		<ul style="list-style-type: none"> Revenue and profitability negatively impacted by Easter seasonality Lag of additional sales to SME's Utilisation up to 81.5% compared to 81.0% YoY Attractive fundamentals with solid pipeline 		<ul style="list-style-type: none"> Decline in revenue and profitability due to lower utilisation within Consultancy YoY Lag of additional sales to SME's Utilisation down to 80.9% compared to 84.1% YoY A wide range of opportunities especially in the public space and within healthcare 		<ul style="list-style-type: none"> Growth and profitability driven by good momentum within the Card business area Revenue growth in Card Services of 16.7% YoY Revenue and profitability within Banking normally back ended during the year 		<ul style="list-style-type: none"> Continue to deliver stable margins High utilisation of offshore resources in India, Ukraine and Latvia Approx. 60% of revenue relates to external customers outside EVRY 	

1) ADJUSTED FOR CURRENCY EFFECTS, ACQUISITIONS AND DIVESTMENTS

2) BEFORE OTHER INCOME AND EXPENSES

EVERY Financial Services is operating within two main areas


Banking 	<ul style="list-style-type: none"> Solutions for core banking services and payment solutions Includes a wide range of solutions and products for retail and commercial banking services Module-based solutions for banking services, transactions systems and payment solutions
Cards 	<ul style="list-style-type: none"> Covers the complete card value chain from card issuing to card acquiring Physical card production and development of virtual cards, as well as card switching
Other key facts	<ul style="list-style-type: none"> Around 77 % revenue from own IP The full service core banking SaaS solution is delivered as Digital Platform Services

	Banking 	Cards 	Financial Services Total
Q1 2018			
Consulting services	49	-	49
Application Services	280	237	516
Digital Platform Services	254	-	254
Total revenue	582	237	819
EBITA	61	31	92
EBITA margin	10.4%	13.1%	11.2%



Targets and Concluding remarks

Current trading supports expectations of growing above market and further margin expansion in the medium term

	2018 targets	Mid term targets ²
	Revenue ¹	
	12,750 ↔ 13,000	<ul style="list-style-type: none"> Revenue¹: Expect to gain share and grow in excess of the market growth rate in the medium term
	Adj. EBITA margin ¹	
	12.0% ↔ 12.8%	<ul style="list-style-type: none"> EBITA margin expansion towards 13.5 – 14.5% in the medium term
	Other I&E	
P&L effect	360 ↔ 550	<ul style="list-style-type: none"> Capex: Below 2.5% of revenue going forward
Cash effect	420 ↔ 580	<ul style="list-style-type: none"> Working capital: Limited change post 2017 Dividend: >60% of Adjusted Net Income Leverage target: 1.5-2.0x Net Debt/ EBITDA



1) EXCLUDING CURRENCY EFFECTS, ACQUISITIONS AND DIVESTMENTS

24 2) MID TERM TARGETS FROM IPO JUNE 2017



Concluding remarks

- Strong market dynamics
- Trading according to internal objectives as of Q1
- Positive momentum on the T&T project and exceptional items are according to plan
- Attractive market conditions for consultancy and financial services
- Current trading supports expectations of growing above market and further margin expansion in the medium term

Upcoming events

16 Jul 2018: Q2 2018 earnings release

To be announced: Capital Markets Day

A scenic landscape at sunset. In the foreground, a red tent is pitched on a rocky, grassy slope. To the right, a person is standing on a rocky ridge, looking out over the landscape. The sky is filled with colorful clouds in shades of orange, pink, and purple. The overall mood is peaceful and adventurous.

Q&A

EVRY



Appendices

Profit & loss (NOKm)	Q1 2018	Q1 2017	FY 2017
Revenue	3 208	3 177	12 596
Cost of goods sold	1 098	1 003	4 281
Salaries and personnel costs	1 430	1 437	5 341
Other operating costs	306	329	1 154
Adjusted EBITDA	374	408	1 821
Depreciation and write-down of tangible assets and in-house developed software	54	63	252
Adjusted EBITA	320	345	1 569
Other income and expenses	125	443	1 215
EBITA	195	-98	353
Amortisation of customer contracts and other intangible assets	1	6	14
EBIT	194	-104	339
Net financial items	-68	-148	-673
Profit / loss before tax	126	-252	-333
Taxes	26	-62	-72
Profit / loss	100	-190	-261

Profit & Loss

- Adjusted for currency impact and acquisitions, the organic growth was 0.5% in the first quarter of 2018
 - Consulting Services:** Declined from NOK 1.156m to NOK 1.106m q/q (org. growth of -4.1%) due to seasonality effects that negatively impacted the consultancy business (three more official bank holidays in Norway and one in Sweden)
 - Application Services:** Increased from NOK 961m to NOK 1.050m q/q (org. growth of 8.4%) driven by increasing sales of higher value-added services. Revenue from Financial Services amounts to NOK 516m (equal to 49.2% of the total Application revenues), driven by the card business
 - Digital Platform Services (Infrastructure Services):** Declined from 947m to NOK 934m (org. growth -1.9%), which imply that EVRY continue the journey on changing the revenue mix by selling relatively more services higher up in the value stack.
- Change in cost mix between cogs and personnel expenses a result of the ongoing implementation of the second wave on the T&T project
- Reduced opex driven by high attention on operational efficiency and improvement programs
- Depreciations and amortization on normalized level
- Financial expenses of NOK 68m includes a disagio effect of NOK 20m and other financial costs of NOK 8m (fees, provision etc.)
 - Financial expenses reduced significantly from Q1 2017 due to lower leverage post IPO in June 2017
- Effective tax rate of 20.9%

Cash Flow (NOKm)	Q1 2018	Q1 2017	FY 2017
Profit / loss before tax	126	-252	-333
Depreciation, write-down and amortization	55	92	290
Tax paid	-4	-26	-52
Net financial items	22	18	278
Change in net working capital	-592	-159	-177
Other changes	160	422	1 268
Adjusted net cash flow from operations	-232	94	1 272
Cash effect from other income and expenses	-179	-403	-1 767
Net cash flow from operations	-411	-309	-495
Net cash flow from investments	-88	-89	-368
Net cash flow from financing	-2	249	770
Changes in foreign exchange rates	-11	4	-17
Net change in cash flow	-512	-145	-110
Free Cash Flow	-320	22	913

Cash flow

- LTM Cash conversion Q1 2018 of 70.3% compared to 109.8% Q1 2017
- DSO reduced by 2.3 days from 39.6 days in Q1 2017 vs. 37.2 days Q1 2018
- Cash flow and cash conversion in Q1 2018 highly impacted by seasonality
 - Easter effect (i.e the consultancy business) and quarter end on a weekend/ mid Easter (payment from customers delayed into April)
- Change in Net- and Free cash flow driven by lower EBITDA and high working capital outflow
- Investments in line with Q1 2017 where major part is related to in-house developed software (NOK 64m of total investments)
- No acquisitions closed during Q1 2018
- Net cash flow from financing in Q1 2108 was NOK -2m, compared to NOK 249m in Q1 2017
 - Q1 2017 mainly related to draw downs on the previous vendor financing that was repaid in relation to the IPO

Break down Other income and expenses (NOKm)	Q1 2018	Q1 2017	FY 2017
EBITA	195	-98	353
IBM outsourcing agreement	-125	-389	941
Provision for restructuring	0	0	33
Transaction costs, IPO and refinancing	0	-55	241
Total Other income and expenses	-125	-443	1 215
Adjusted EBITA	320	345	1 569
Depreciation and Write-downs	54	63	252
Adjusted EBITDA	374	408	1 821

Other income and expenses with cash flow effect (NOKm)	Q1 2018	Q1 2017	FY 2017
Adjusted operational cash flow	-232	94	1 272
Payments related to restructuring processes	-29	-64	-195
Transaction, IPO and refinancing payments	-10	-10	-343
Payments related to IBM outsourcing agreement	-140	-329	-1229
Net cash flow from operations	-411	-309	-495

Other income and expenses

- EBITA effects:
 - Reduced by NOK 264m from Q1 2017 and trading according to the "Transition and Transformation update" presented December 7, 2017
- Cash flow effect:
 - Payments related to the IBM outsourcing agreement reduced by NOK 189m from Q1 2017, and trading according to the "Transition and Transformation update" presented December 7, 2017
 - NOK 29m in restructuring cost relates to payments for work force reductions performed in 2016 and 2017, that comes with cash effect during the termination periods (termination fees)
 - NOK 10m in Transaction cost are late incoming invoices from the IPO syndicate and relates to advisory in connection to the IPO conducted in June 2017

IFRS 15 implementation effects Q1 2018: Profit & Loss

Consolidated statement of comprehensive income (NOKm)	Reported Q1 2018 (IFRS 15)	Impact IFRS 15	Adjusted Q1 2018 (IAS 18)	Reported Q1 2017 (IAS 18)
Revenue	3 208	-5	3 203	3 177
Cost of goods sold	1 098	3	1 095	1 003
Salaries and personnel costs	1 430		1 430	1 437
Other operating costs	306		306	329
Adjusted EBITDA	374	-2	372	408
Depreciation and write-down of tangible assets and in-house developed software	54		54	63
Adjusted EBITA	320	-2	318	345
Other income and expenses	125			443
EBITA	195	-2	193	-98
Amortisation of customer contracts and other intangible assets	1			6
EBIT	194	-2	192	933
Net financial items	-68		-68	-148
Profit / -loss before tax	126	-2	124	-252
Taxes	26		26	-62
Profit / -loss	100	-2	98	-190

IFRS 15 implementation effects Q1 2018: Statement of financial position

Consolidated statement of financial position (NOKm)	Opening balance 31 December 2017 (IAS 18)	Impact IFRS 15	1 January 2018 (IFRS 15)	Reported 31 March 2018 (IFRS 15)	Impact IFRS 15	Adjusted 31 March 2018 (IAS 18)
Goodwill	5 736		5 736	5 580		5 580
Other intangible assets	1 310	117	1 427	1 458	-117	1 341
Total intangible assets	7 046	117	7 163	7 038	-117	6 921
Total tangible assets	376		376	359		359
Total non-current financial assets	339		339	356		356
Total current assets	3 621		3 621	3 190		3 190
Total assets	11 383	117	11 500	10 942	-117	10 825
Equity	3 238	-391	2 847	2 882	389	3 271
Non-controlling interests	1		1	1		1
Total equity	3 239	-391	2 848	2 883	389	3 272
Provision for liabilities	274	406	682	267	-404	-137
Non-current non-interest-bearing liabilities	12		12	413		413
Non-current interest-bearing liabilities	4 623		4 623	4 555		4 555
Total non-current liabilities	4 910	406	5 317	5 236	-404	4 832
Total current liabilities	3 234	102	3 335	2 823	-102	2 721
Total equity and liabilities	11 383	117	11 500	10 942	-117	10 825

Disclaimer

These materials may contain statements about future events and expectations that are forward-looking statements. Any statement in these materials that is not a statement of historical fact including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including, among others competition from Nordic and international companies in the markets in which the Company operates, changes in the demand for IT services, in particular in the Nordic market, changes in international, national and local economic, political, business, industry and tax conditions, the Company's ability to realise backlog as operating revenue, the Company's ability to correctly assess costs, pricing and other terms of its contracts, the Company's ability to manage an increasingly complex business, political and administrative decisions that may affect the Company's public customer group contracts, the Company's ability to retain or replace key personnel and manage employee turnover and other labour costs, unplanned events affecting the Group's operations or equipment, the Company's ability to grow the business organically, changes regarding the Company's brand reputation and brand image, fluctuations in the price of goods, the value of the NOK and exchange and interest rates, the Company's ability to manage its international operations, changes in the legal and regulatory environment and in the Company's compliance with laws and regulations, increases to the Company's effective tax rate or other harm to its business as a result of changes in tax laws, changes in the Company's business strategy, development and investment plans, other factors referenced in this report and the Company's success in identifying other risks to its business and managing the risks of the aforementioned factors. Should one or more of these risks or uncertainties materialise, or should any underlying estimates or assumptions prove to be inappropriate or incorrect, our actual financial condition, cash flows or results of operations could differ materially from what is expressed or implied herein. The Company assumes no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

This presentation does not constitute or form part of, and is not prepared or made in connection with, an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purposes whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. The information in this presentation is subject to verification, completion and change. The contents of this presentation have not been independently verified. The Company's securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), and are offered and sold only outside the United States in accordance with an exemption from registration provided by Regulation S of the US Securities Act. This presentation should not form the basis of any investment decision. Investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigation and appraisal of the business and financial condition of such company and the nature of the securities.



EVERY

Digital
+ Advantage