



**Q1**

# **First Quarter 2011**

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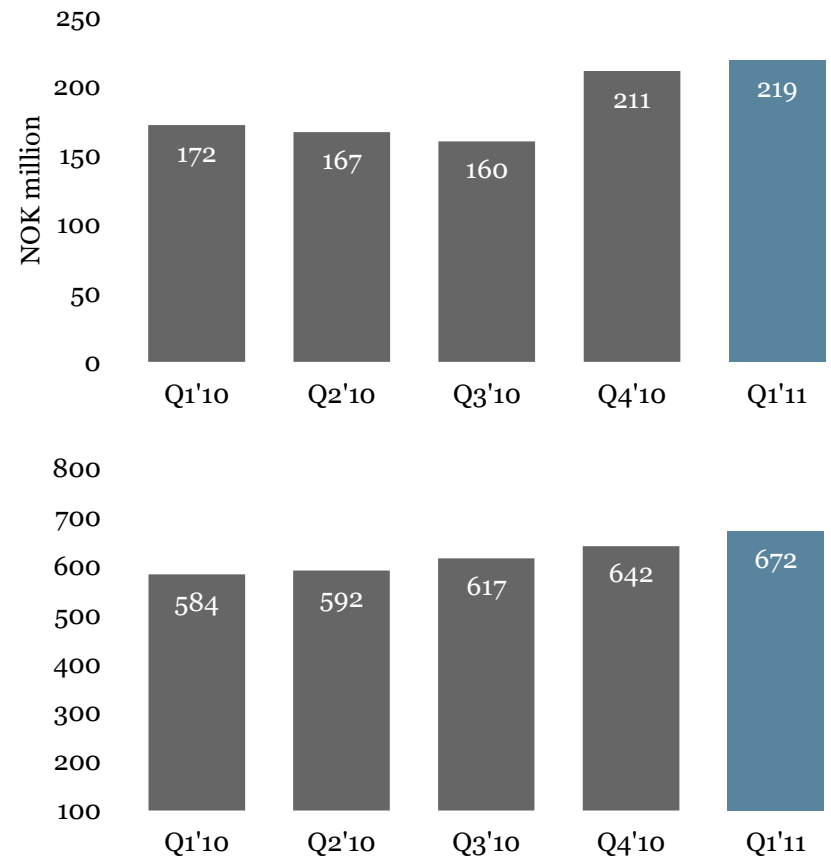
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# Highlights in the first quarter

- **Revenues and EBIT**
  - Revenues increased 27.2 percent YoY to NOK 218.8 million
  - EBIT up 54.8 percent to NOK 25.5 million YoY
- **Growing workforce**
  - 30 new colleagues in Q1 and 88 over the last 12 months
- **Important new frame agreements**
  - The Norwegian Armed Forces
  - Statoil

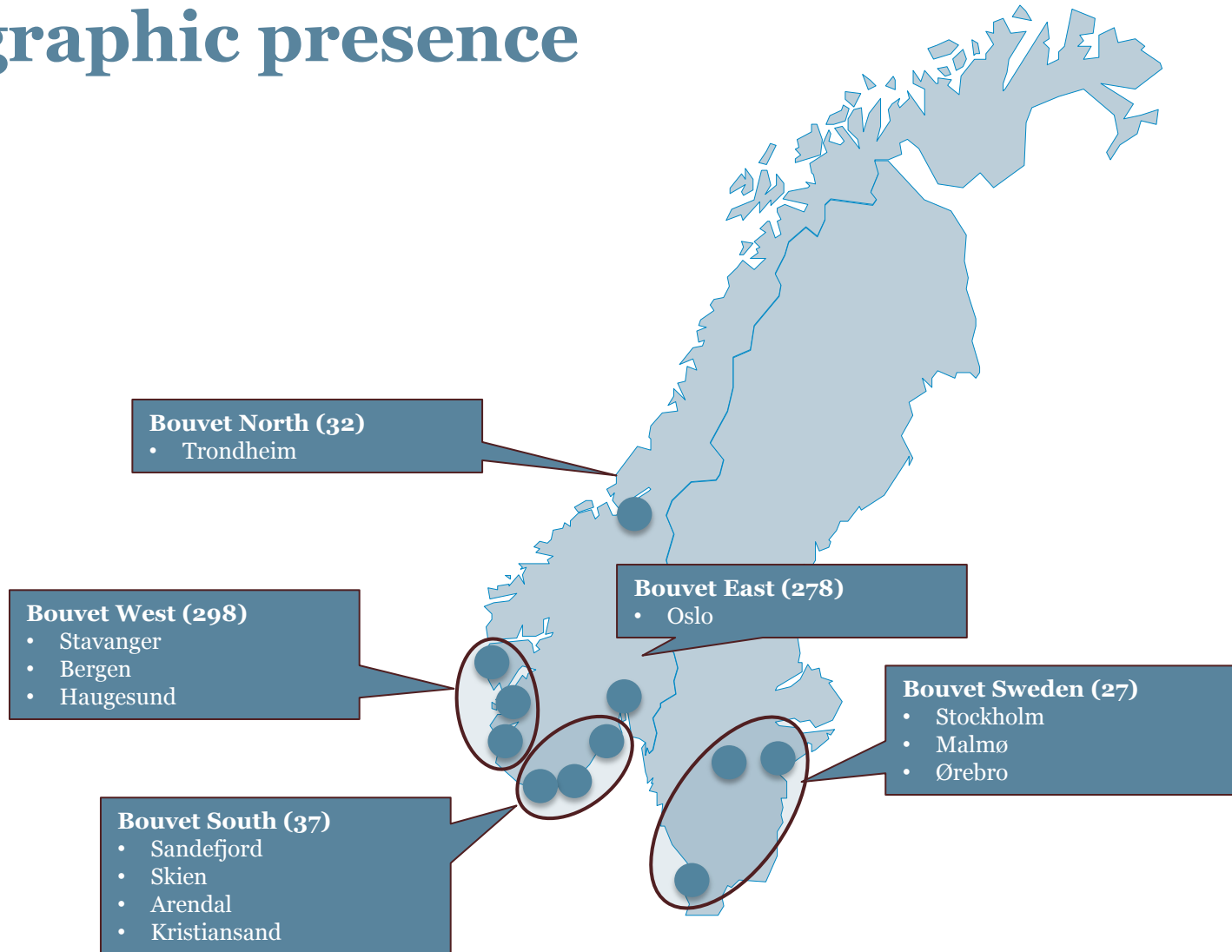
Revenues and number of employees



First Quarter 2011

# Operational Review

# Geographic presence



# We deliver services in the following areas

## **Information technology** **Interactive communication** **Enterprise management**

IT strategy - Consulting - Development – Integration - Architecture  
Search – Databases- Project management – Testing - Application management  
Infrastructure – Operation - ASP – ERP- Business intelligence  
Rich web solutions – Collaboration - Mobile applications  
Information management- Security - Digital public services  
Digital communication - Multi-channel strategy - Information architecture  
Graphical design - Content development - Training courses – Certifications

# myDrilling.com

- Bouvet is a significant contributor to the development of myDrilling.com
- myDrilling™ is a collaboration platform
  - A multidisciplinary collaboration platform
  - Improve rig performance through:
    - real-time data
    - proactive services
    - smart communication
  - Optimise the performance of equipment and drilling systems and most importantly to increase rig safety



# Frame agreement with the Norwegian Armed Forces

**Value:** Approximately NOK 30 million per year

**Duration:** Two years + options of 1 + 1 year



Services within the Norwegian Armed Forces operative systems:

- System development
- Integration
- Adaption
- Project management
- Maintenance and operative support
- Test and verification
- Technical competence support





# Agreement with Statoil

- System Development Services
- An enterprise system development agreement involving services like
  - Integration (BizTalk, AMTrix, SAP XI/PI and Websphere)
  - SAP (Enterprise Portal and ABAP)
  - Development (.NET, Java, Test and Usability)
- Value: Approximately NOK 75 million per year
- Duration: Three years + options of two + one year





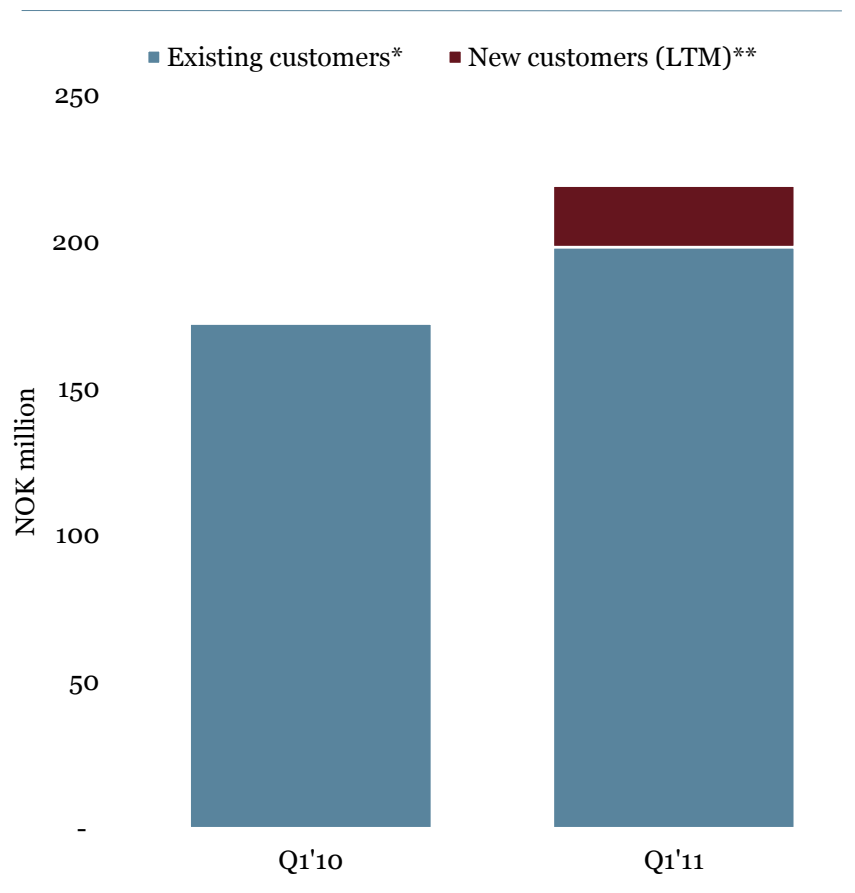
# Growth in the customer base

- Keeping customers
  - The existing customers\* increased 15.2 percent from Q1'10
  - Existing customers\* represent 90.6 percent of revenues in Q1'11
- Expanding the customer base
  - Revenues increased by NOK 20.5 million from retaining new customers \*\*
- A strong market
  - Large number of contracts in both the public and the private sector

\* **Existing customers** defined as customers that were invoiced in the corresponding quarter last year

\*\* **New customers** defined as customers won since end of corresponding quarter last year

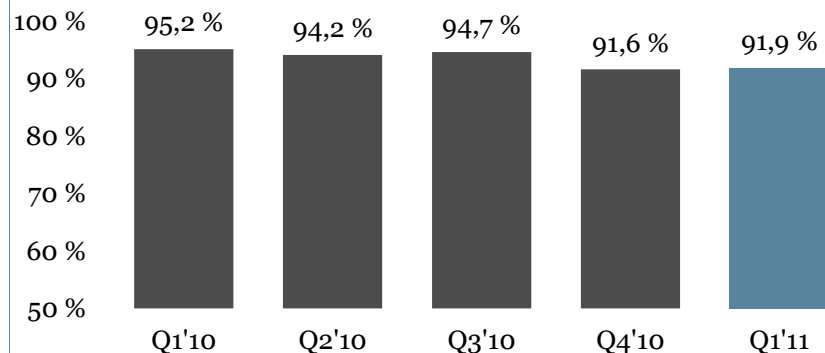
Revenues customer split



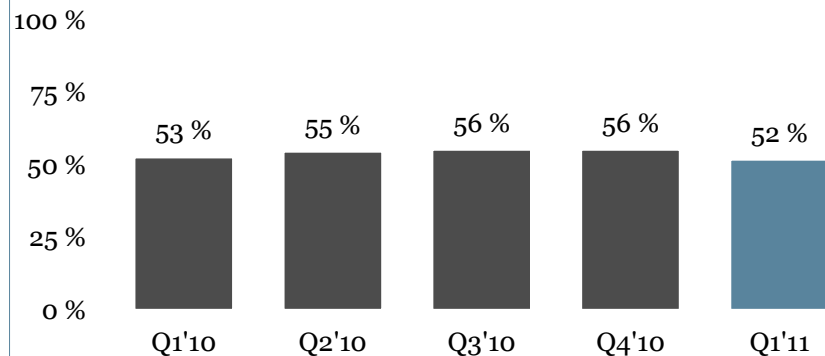
# Constant project and customer mix

- **Project mix**
  - The variably priced contracts share of total revenues increased marginally to 91.9 % in Q1'11
- **Customer mix**
  - Revenues from the three largest customers represent NOK 80.6 million
  - The 10 largest customers represent 52 percent of total revenues
  - The 20 largest customers represent 66 percent of total revenues in Q1'11

Variably priced contracts share of revenues



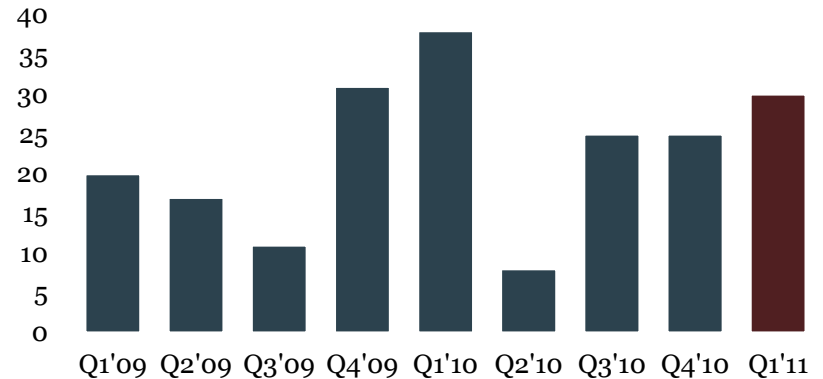
10 largest customers share of revenues



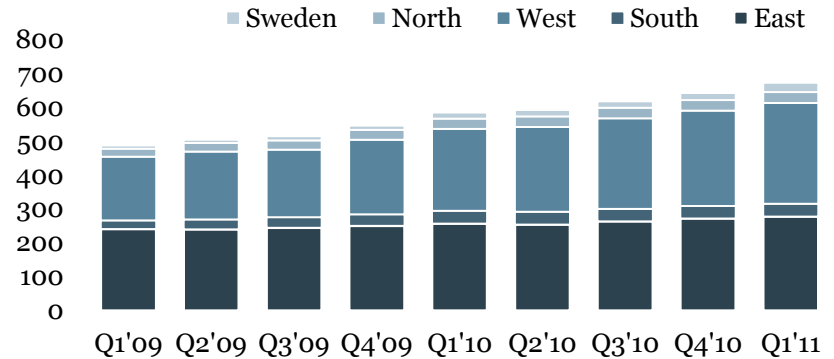
# A growing workforce

- Our employees is an invaluable resource
  - Training and motivation
  - Interesting assignments
  - Bouvet is considered a leading specialist environment
- 672 employees as of 31 March 2011
  - Net 30 new hires in the Q1'11
  - Net 88 new hires in the last twelve months
- Talent is in demand
  - Competition increases salaries

Changes in total number of employees



Number of employees



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# Financial Review

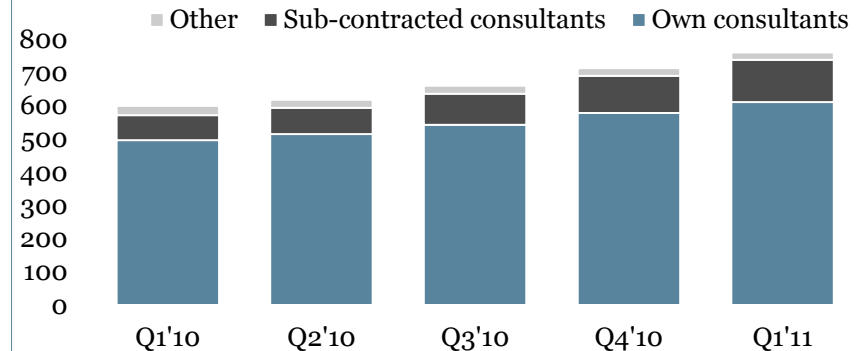
# Key Figures

NOK millions	Three months ending			Twelve months ending		
	31.03.2011	31.03.2010	Change	31.03.2011	31.03.2010	Change
Operating revenue	<b>218.8</b>	172.1	+27.2 %	<b>757,4</b>	598,1	+26,6 %
Operating profit (EBIT)	<b>25.5</b>	16.5	+54.8 %	<b>73,7</b>	53,2	+38,7 %
EBIT margin	<b>11.6 %</b>	9.6 %		<b>9,7 %</b>	8,9 %	
Ordinary profit before tax	<b>26.0</b>	17.2	+51.2 %	<b>75,8</b>	55,8	+35,8 %
Profit for the period	<b>18.7</b>	12.1	+55.1 %	<b>55,6</b>	38.8	+43,2 %
EPS (fully diluted)	<b>1.78</b>	1.18	+51.3 %	<b>5,40</b>	3,81	+41,7 %
Net cash flow operations	<b>4.4</b>	-28.3		<b>69,2</b>	31,9	+116,5 %
Equity ratio	<b>38.8 %</b>	43.2 %		<b>38,8 %</b>	43,2 %	
Cash and cash equivalents	<b>115.3</b>	90.0	+28.1 %	<b>115,3</b>	90,0	+28,1 %
Number of employees (end of period)	<b>672</b>	584	+15.1 %	<b>672</b>	584	+15,1 %
Number of employees (average)	<b>664</b>	572	+16.1 %	<b>625</b>	528	+18,5 %

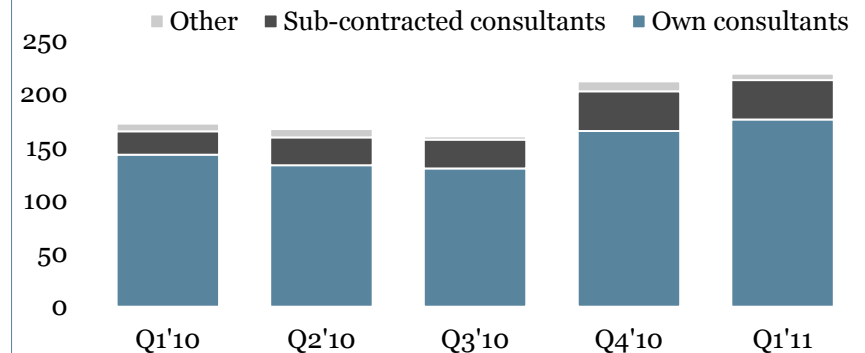
# Strong top-line growth

- Revenues increased by **27.2 percent** compared to Q1'10
  - Revenues from own consultants increased YOY by 22.8 percent to NOK 176.1 million
  - Sub-contracted consultants share of revenues increased from 12.6 percent to 16.7 percent
  - Other revenues decreased YOY by 13.1 percent to NOK 6.2 million
- Workdays in Q1 2011
  - One extra workday compared to Q1'10
  - Easter week in Q2 this year, whereas in Q1 2010
- Utilization rate of **78.9 percent** in Q1'11 vs. **73.1 percent** in Q1'10

Revenue split (12 months rolling average)



Revenue split (quarterly figures)

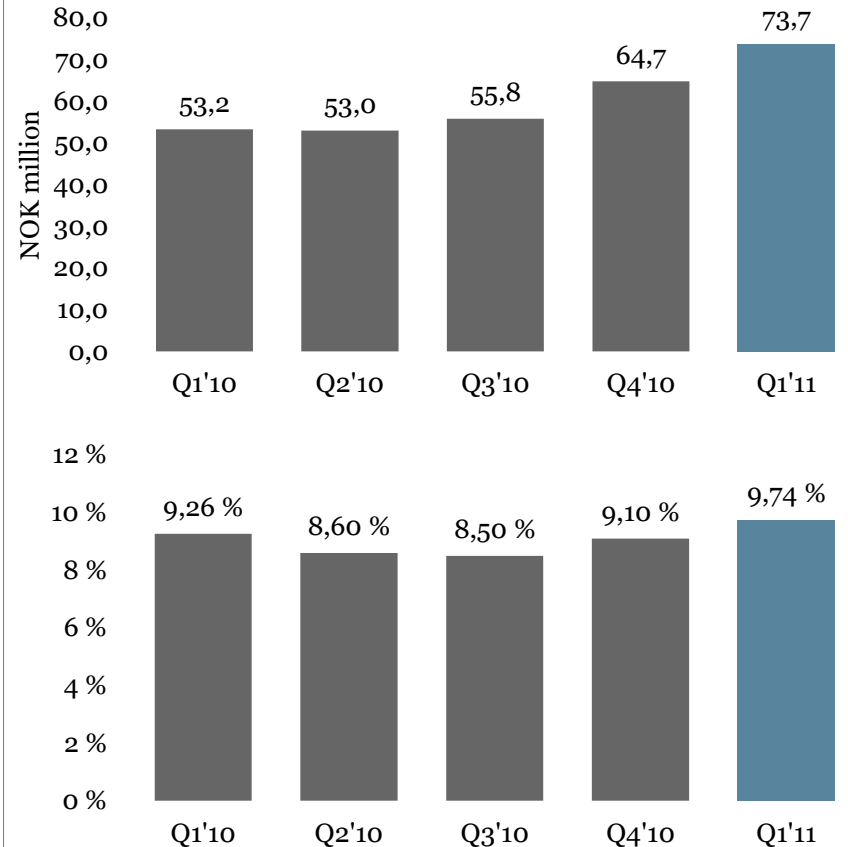




# Positive EBIT development

- EBIT increase YOY\*
  - The EBIT-margin grows to 11.6 percent from 9.6 in Q1'10
- OPEX up 24.2 percent
- Average salary increased 3.6 percent in the last twelve months
  - Average number of employees up 16.1 percent
- Other OPEX up 36.2 percent
  - Primarily a result of recruiting talent

EBIT and EBIT margin (12 months rolling)

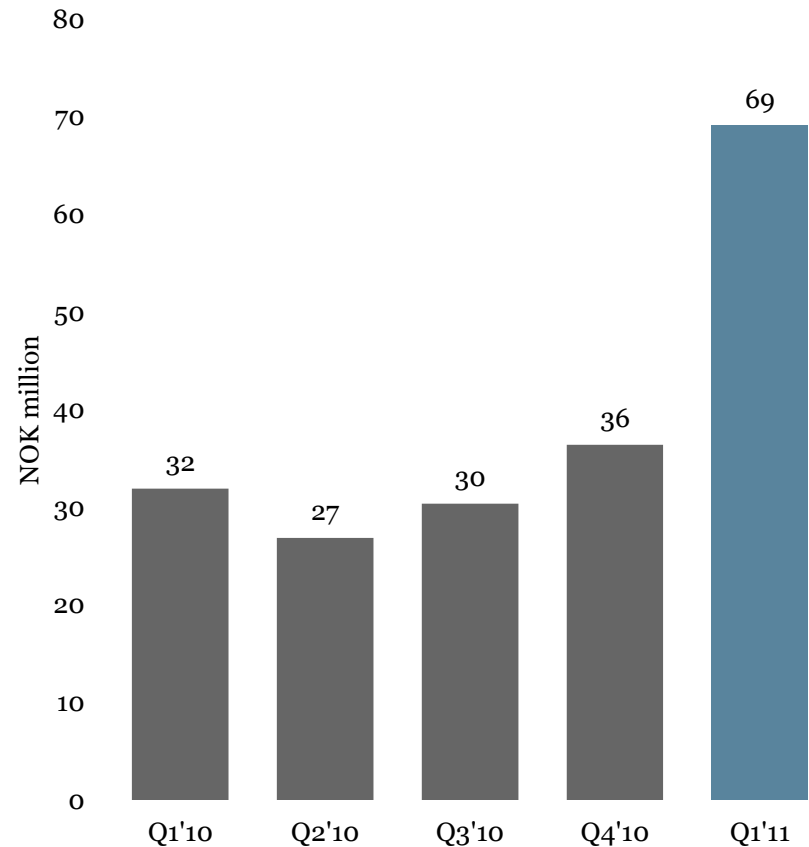


\*YOY (Year over year) compares a time period, against the same time period last year.

# Cash flow from operations

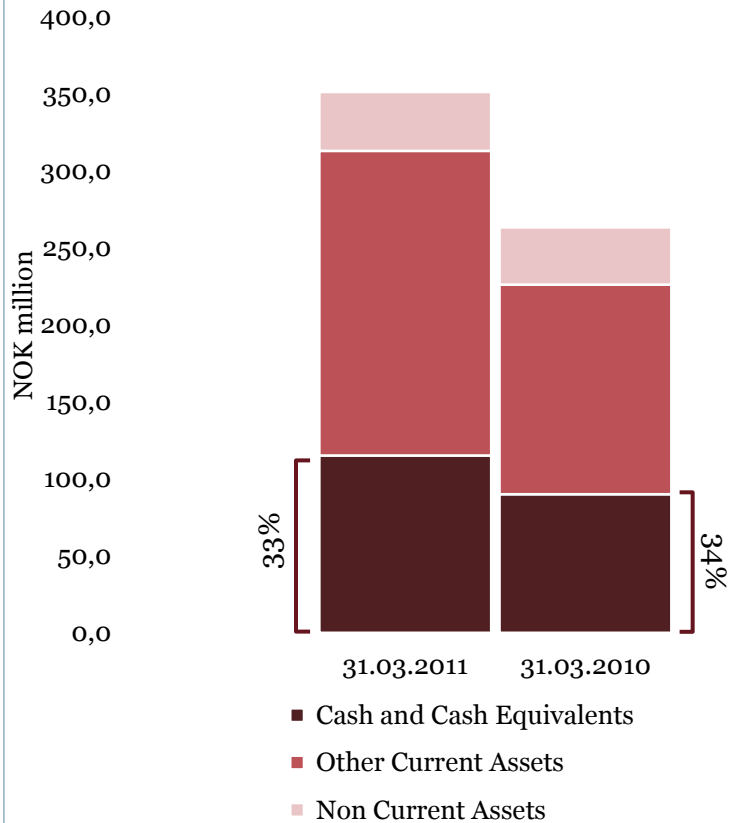
- Growth in cash flow from operations
  - Positive in Q1'11 up from negative NOK 28.3 million in Q1'10
  - Working capital related to accounts receivables and work in progress increases 34.7% to 174.2 million from Q1'10

Cash flow from operations (12 months rolling)

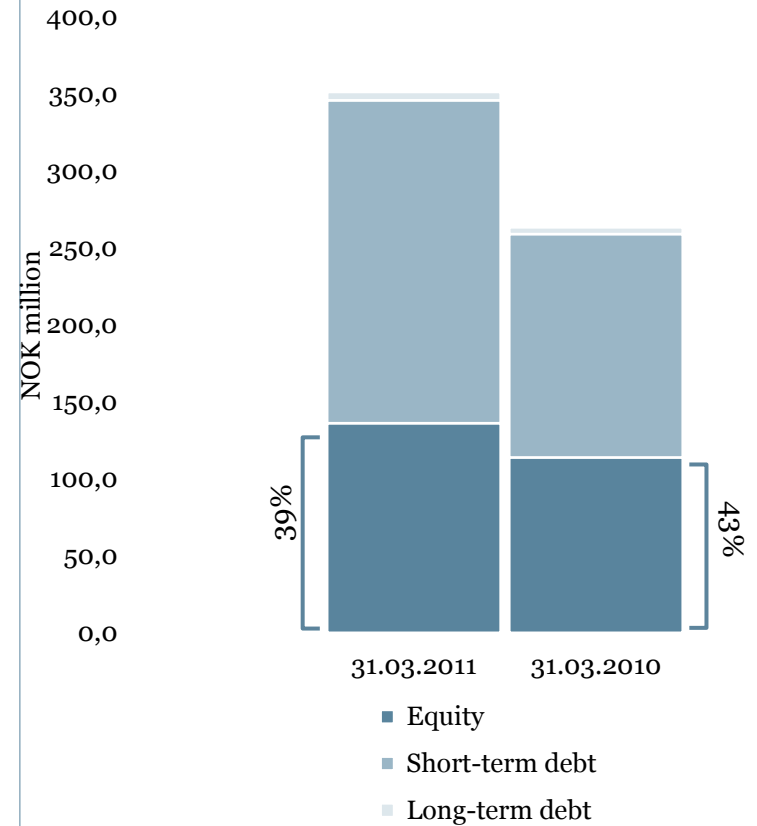


# Capital structure

## Assets



## Equity and liabilities



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# Outlook and Closing Remarks

# Market development and outlook

- Client development
  - A strong market
  - Large number of tenders in both the public and the private sector
- Frame agreements comprise wider set of deliveries
  - A trend towards larger frame agreements
  - A wider set of deliveries under each agreement
- Employee development
  - Important to attract new talent
  - Salaries are rising as competitors compete in the same talent pool

# Summary

- Solid financials
  - Revenues up 27.2 percent and EBIT up 54.8 percent from Q1'10
- Won important new frame agreements
  - The Norwegian Armed Forces and Statoil ASA
- Workforce continues to grow
  - 30 new colleagues in the first quarter and 88 over the last 12 months
- The Board propose a dividend of NOK 4.10 per share

# Shareholders as of 23 May 2011

	Shareholder	% of total shares	Number of shares
1	JPMORGAN CHASE BANK	9.86%	1 011 061
2	HURUM SVERRE FINN	6.28%	643 403
3	MP PENSJON PK	5.86%	601 000
4	DNB NOR NORDIC TECHNOLOGY VPF	5.77%	591 381
5	KLP AKSJE NORGE VPF	4.38%	449 338
6	MORGAN STANLEY & CO INTERNAT. PLC	4.36%	447 369
7	KOMMUNAL LANDSPENSJONSKASSE	3.90%	400 000
8	STUBØ ERIK	2.76%	282 903
9	SHB STOCKHOLM CLIENTS ACCOUNT	2.39%	245 000
10	NERGAARD NILS OLAV	1.88%	192 876
11	SKANDINAVISKA ENSKILDA BANKEN	1.86%	190 974
12	TELENOR PENSJONSKASSE	1.82%	186 800
13	DNB NOR SMB VPF	1.81%	185 121
14	VERDIPAPIRF.STOREB.NORGE INSTITUS.	1.60%	163 796
15	WARRENWICKLUND NORGE	1.44%	147 450
16	STOREBRAND LIVSFORSIKRING AS	1.34%	137 532
17	STOREBRAND VEKST	1.29%	131 835
18	RIISNÆS STEIN KRISTIAN	1.18%	121 141
19	MIDELFART INVEST AS	1.16%	119 000
20	VOLLE ANDERS	1.10%	112 270
<b>20 largest shareholders</b>		<b>63.14%</b>	<b>6 472 222</b>