



4th QUARTER 2018

Kenneth Ragnvaldsen, CEO

Oslo, 31 January, 2019

AGENDA

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HIGHLIGHTS

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FINANCIALS

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BUSINESS REVIEW

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Q&A



Kenneth
Ragnvaldsen
CEO



Rune
Wahl
CFO



This quarter's **HIGHLIGHTS**

ALL-TIME HIGH revenue and profit

Strong growth – all geographical regions contributes

TECH-TRENDS like Industry 4.0, IoT and Connectivity fuel the market

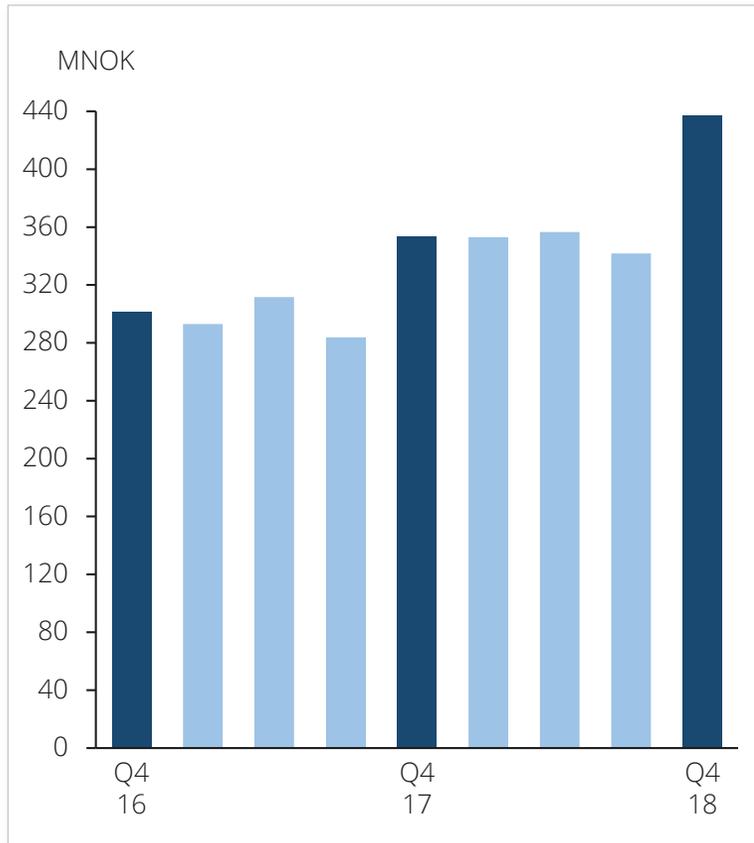
STRONG DEMAND for engineering R&D specialists

Acquisitions of **IT SONIX / XPURE** in Germany

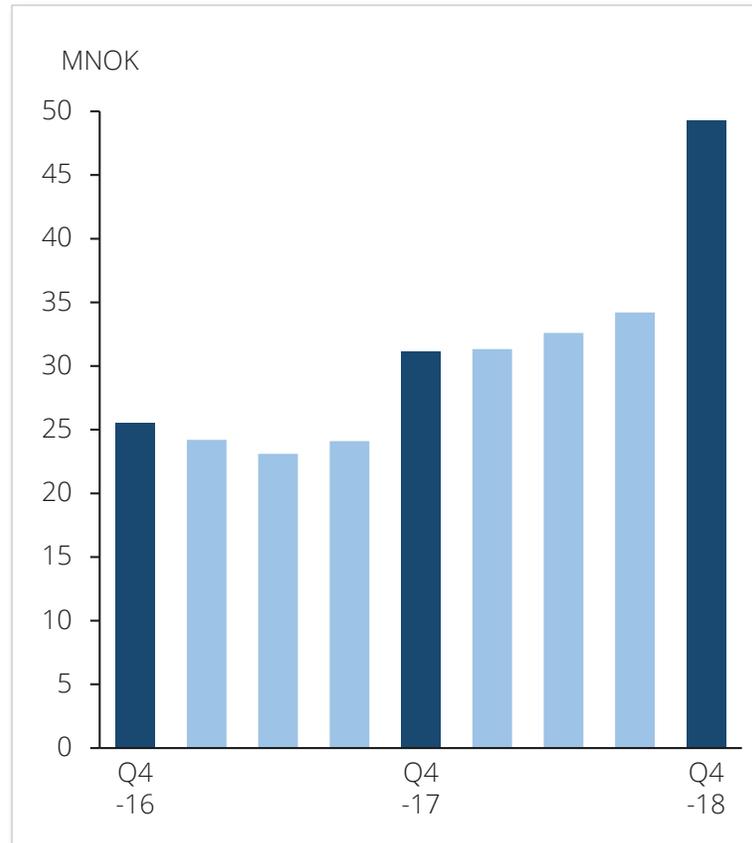
Increasing portfolio of **SUSTAINABILITY** assignments

FINANCIAL HIGHLIGHTS FROM Q4 2018

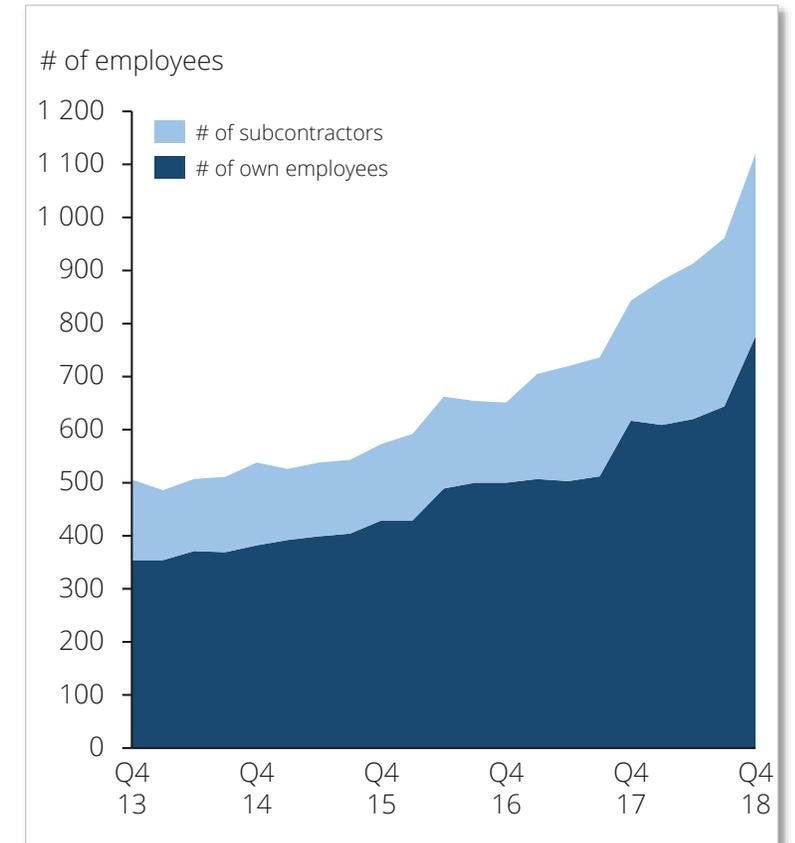
Revenues
437



EBITDA¹
49.3



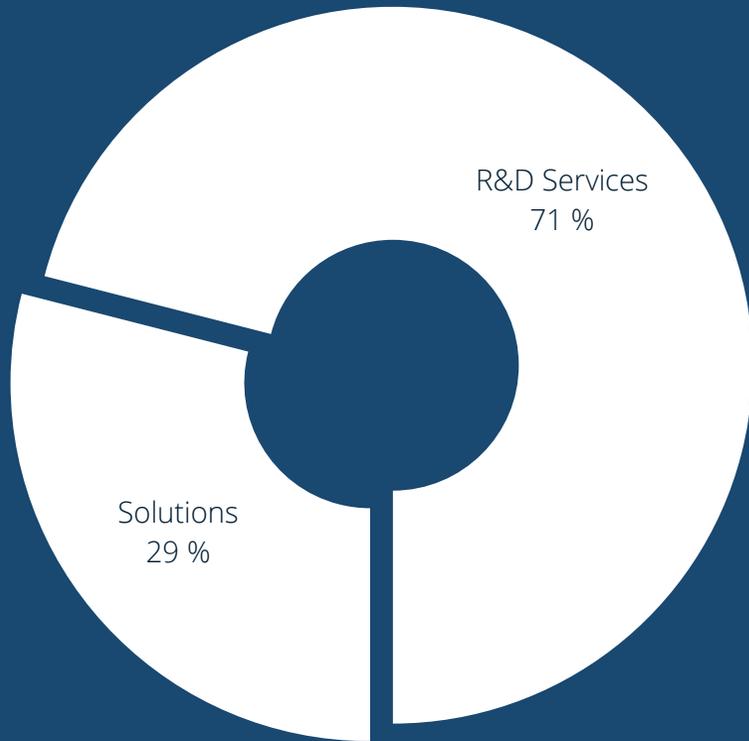
Number of employees
1 120



¹ Including transaction cost of 8.6 MNOK

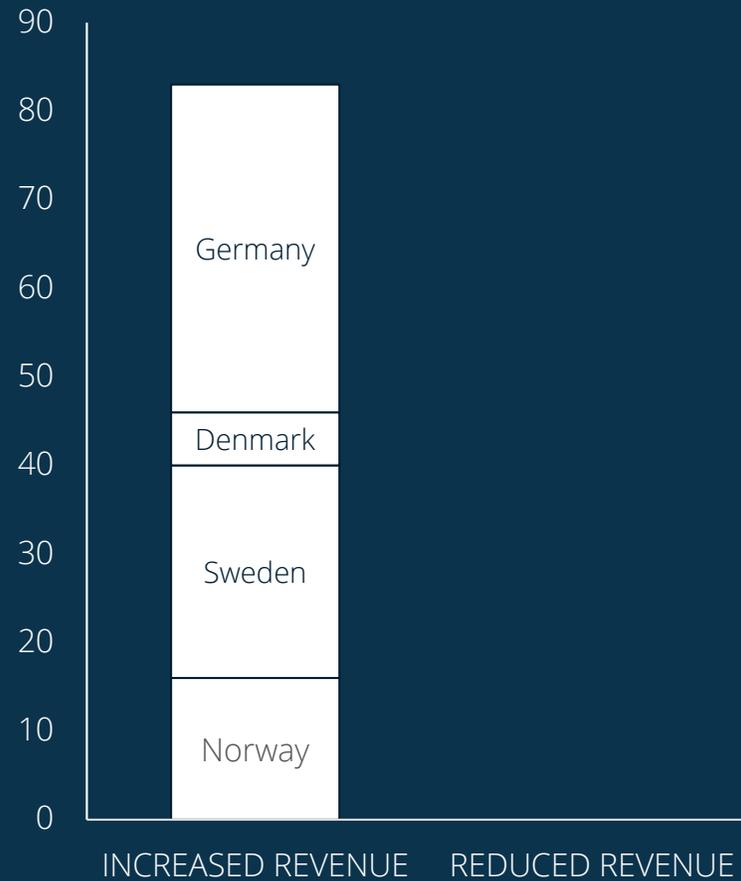
R&D SERVICES

main growth engine



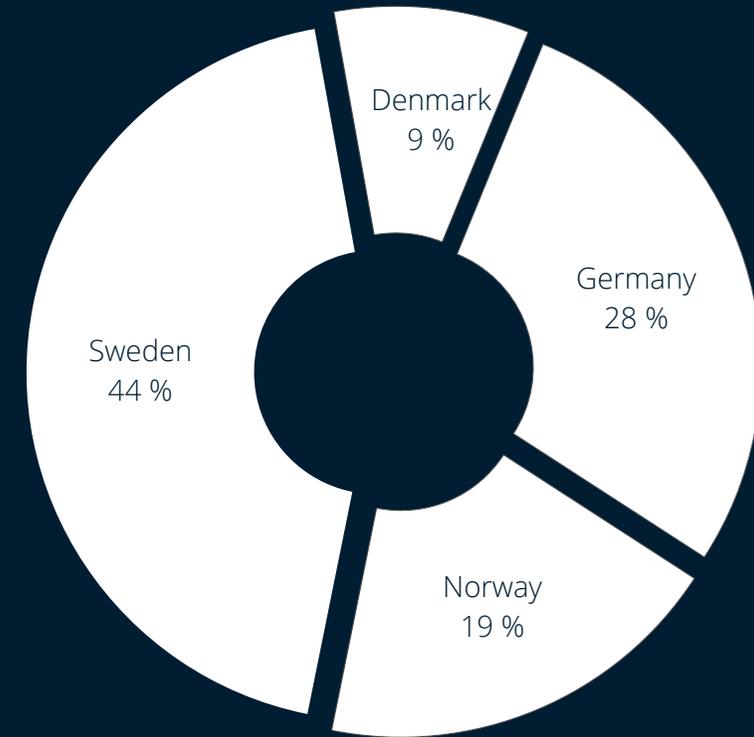
GROWTH

in all countries



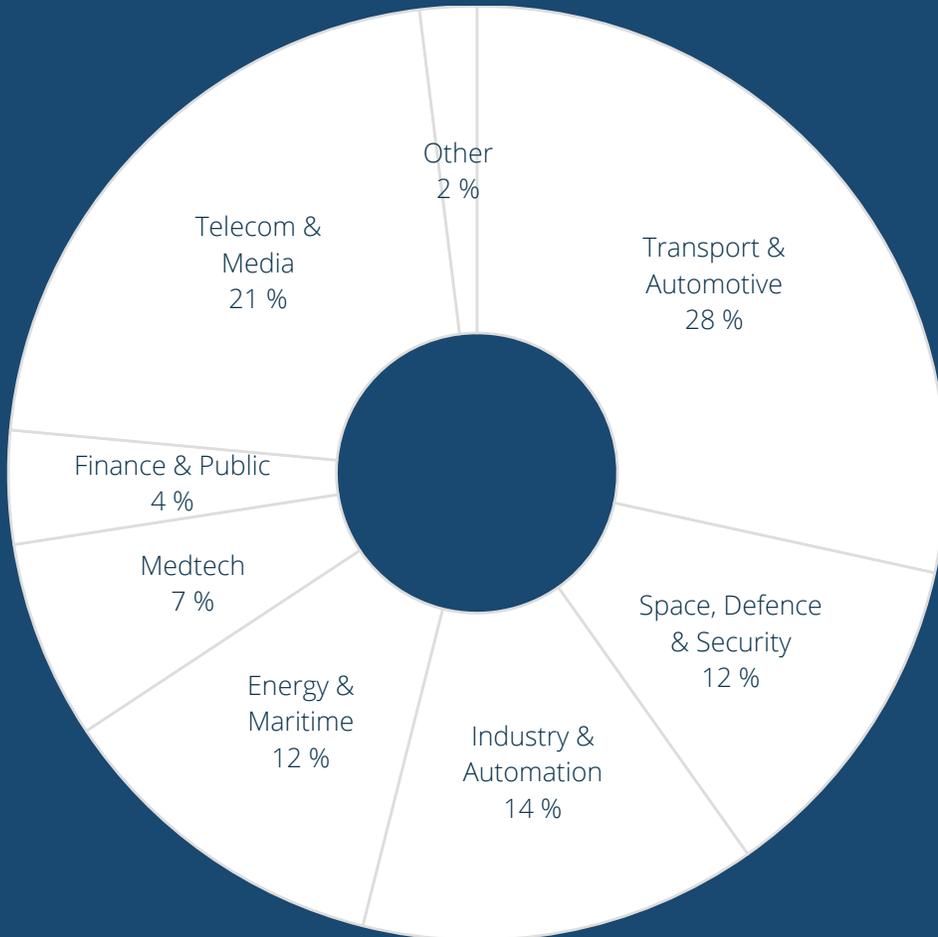
SWEDEN

largest market



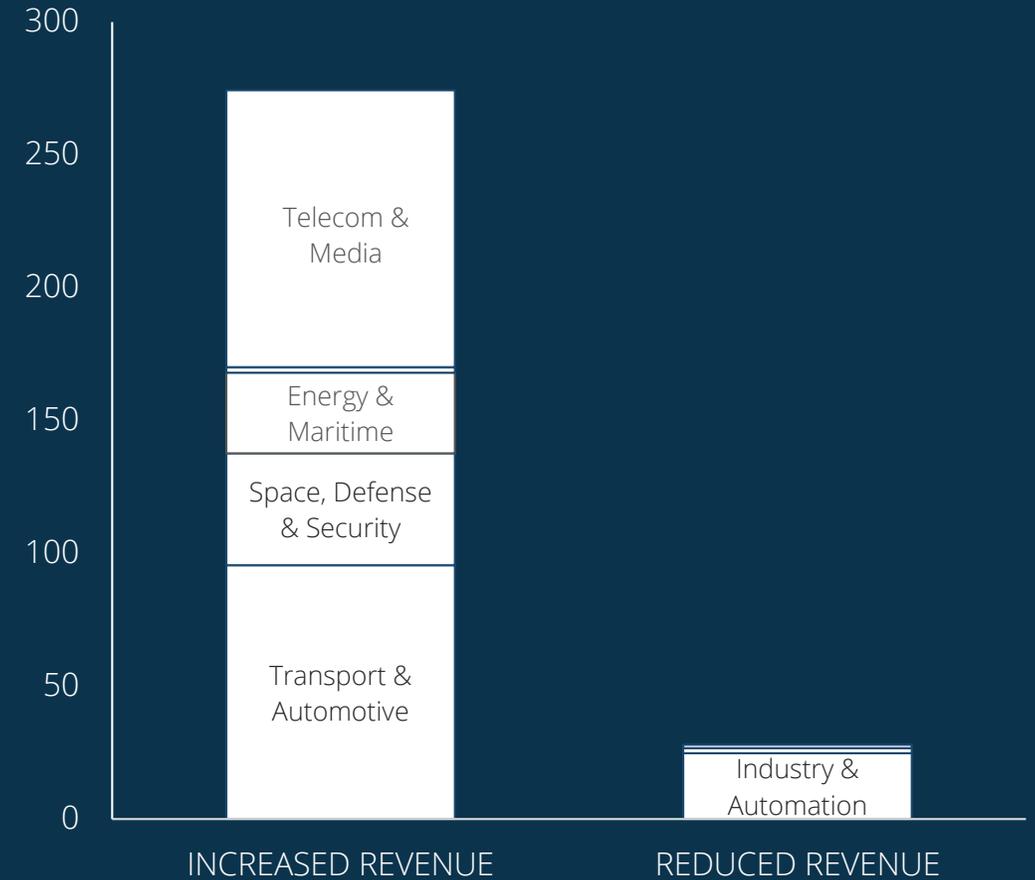
STRONG DIVERSIFICATION

across several industries



INCREASING REVENUE

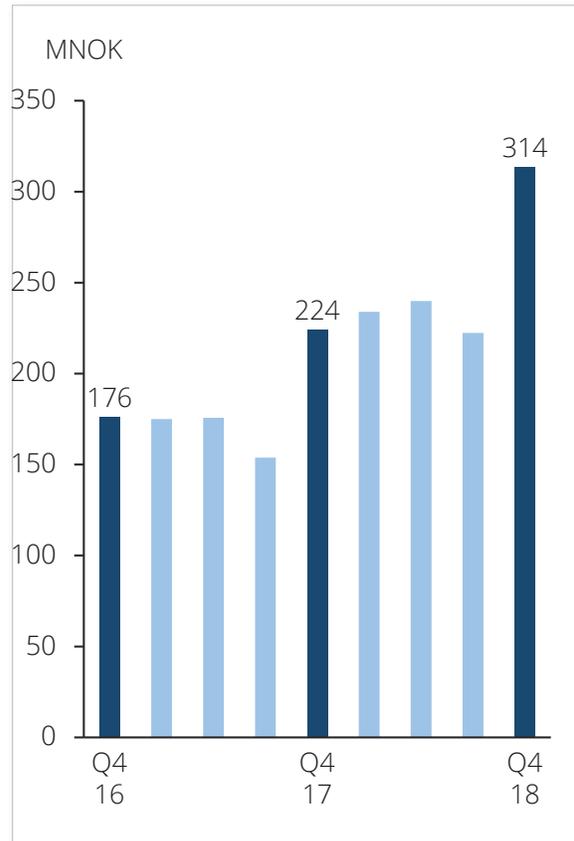
in largest market segment



KEY FIGURES – R&D SERVICES

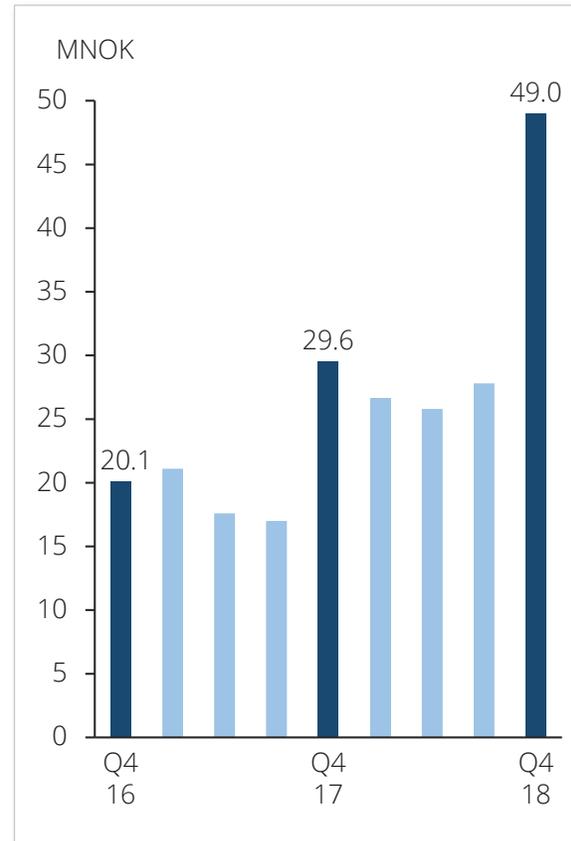
Revenues

314



EBITDA¹

49.0 (15.6 %)



RECORD-HIGH revenue (40 % growth) driven by solid performance by ALL group companies

STRONG MARGIN DEVELOPMENT due to high overall utilization, price improvements, bolt-on acquisitions and large turnkey R&D projects

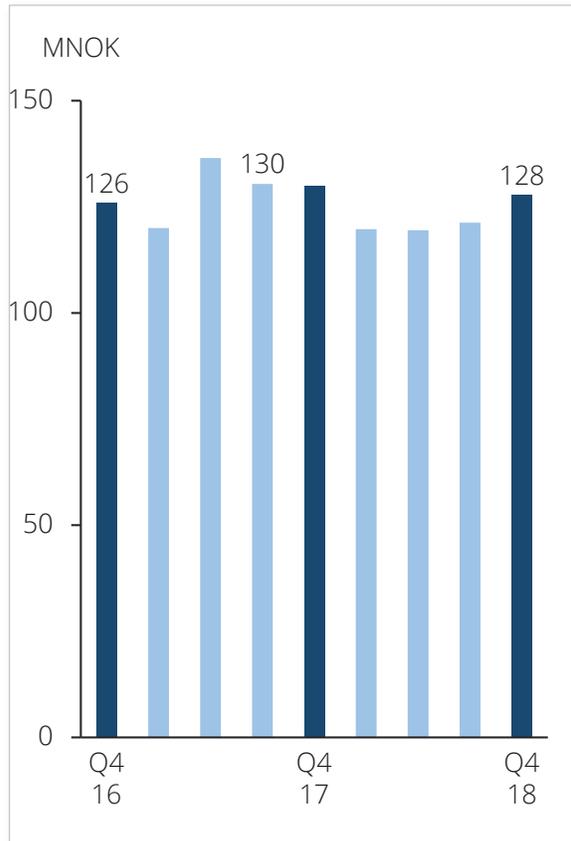
Market remains strong with continued **SOLID DEMAND** driven by across industry trends:

- Industrial digitalisation (Industry 4.0)
- Internet of Things (IoT), Connectivity
- More SW oriented products, services and solutions
- Analytics - Artificial Intelligence (AI)

KEY FIGURES – SOLUTIONS

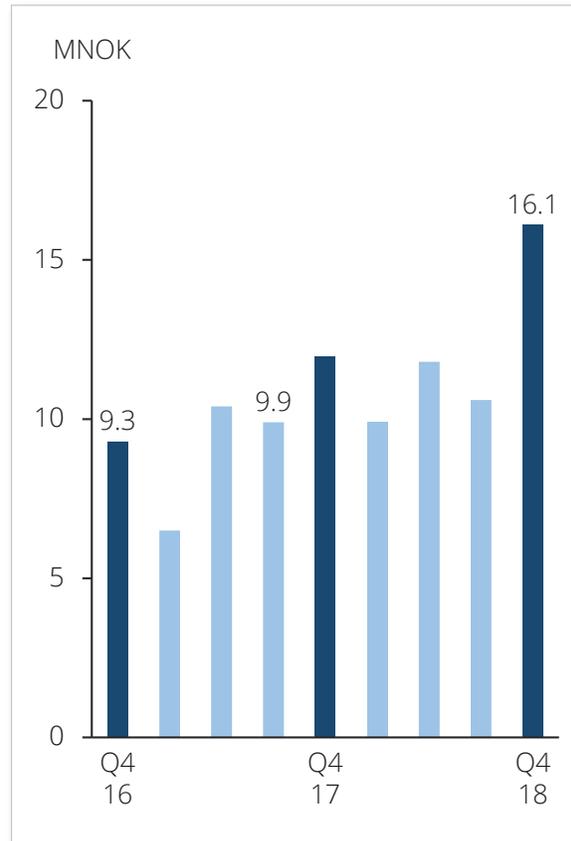
Revenues

128



EBITDA¹

16.0 (12.6 %)



Solid margin **IMPROVEMENT** driven by focus on increased SW content, value-add services and continued strong cost discipline

STRATEGIC SHIFT towards smarter, connected and high-end solutions hampers short term growth

WELL DIVERSIFIED in terms of markets, regions and customers

Advanced **SOLUTIONS**

Contract in Norway of NOK 11 million

Custom development of an advanced communication solution with high security requirements that will be operating in rugged environments.

data_{DR}**respons**

Advanced communication solution

High security requirements

Platform independent

Rugged environment

SUSTAINABLE Technology

Contract in Denmark
of NOK 31 million

R&D services, software and
SMART solutions embedded in
customer's product supporting a
more sustainable society

data_{DR}respons



Intelligent sensors

More automated solutions

Data driven processes

SUSTAINABLE TECHNOLOGY improving the environment

Smart **BANKING**

Contract in Germany
of NOK 20 million

Development of smart solutions
and software improving efficiency
and supporting new digital
product and service offerings

data by **respons**



Modernisation of infrastructure

Platform independent solutions

New applications and services

CONNECTED vehicles

**Contract in Germany
of NOK 40 million**

Development of SW for real-time information processing, advanced communication solutions and applications integrated with multiple optimisation and control systems

data by **respons**



Fleet Management

Additional sensors

Always connected

More embedded software

Increased demand for data processing

Security solutions

New value adding applications and services



SUSTAINABILITY THROUGH TECHNOLOGY



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Rune
Wahl
CFO



INCOME STATEMENT

NOK MILLION

	Q4 18	Q4 17	%	2018	2017	%
Total revenue and other income	436.7	353.5	24 %	1 488.0	1 241.8	20 %
Cost of goods sold	190.0	168.4		699.6	611.9	
Payroll expenses	161.6	126.2		544.4	447.5	
Other operating expenses	35.9	27.8		96.6	80.0	
EBITDA *	49.3	31.1	59 %	147.5	102.5	44 %
<i>EBITDA %</i>	11.3 %	8.8 %		9.9 %	8.3 %	
Depreciation	1.5	0.7		4.7	3.8	
Amortisation and impairment of intangible assets	5.5	2.7		18.6	8.5	
Operating profit (EBIT)	42.3	27.7	53 %	124.2	90.1	38 %
Net financial items **	(26.1)	(25.1)		(29.1)	(22.9)	
Profit before income tax	16.2	2.5		95.1	67.3	
Income tax expense	15.7	9.3		35.3	21.6	
Profit for the period	0.4	(6.7)		59.7	45.6	
Basic earnings per share (NOK)	(0.03)	(0.17)		0.98	0.80	

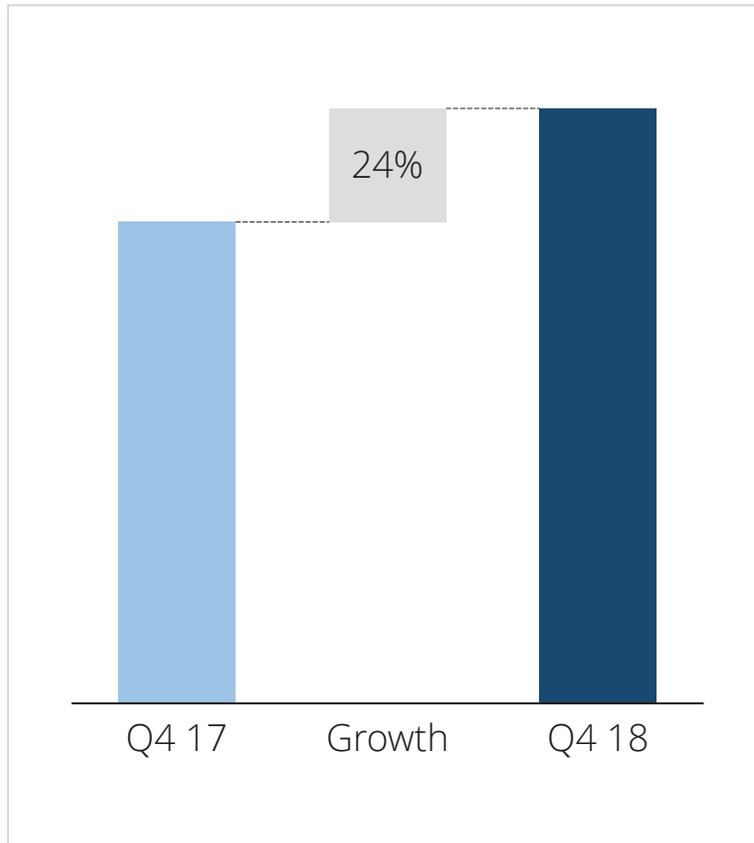
* The underlying EBITDA in the fourth quarter, adjusted for expensed transaction cost of NOK 8.6 million related to the acquisition of IT SONIX GmbH and XPURE GmbH was NOK 57.9 million

**Net financial items are negative with NOK 26 million in the quarter mainly because of an unrealised currency translation loss of NOK 21 million on earn-out liabilities in foreign currency.

REVENUE GROWTH (QUARTERLY)

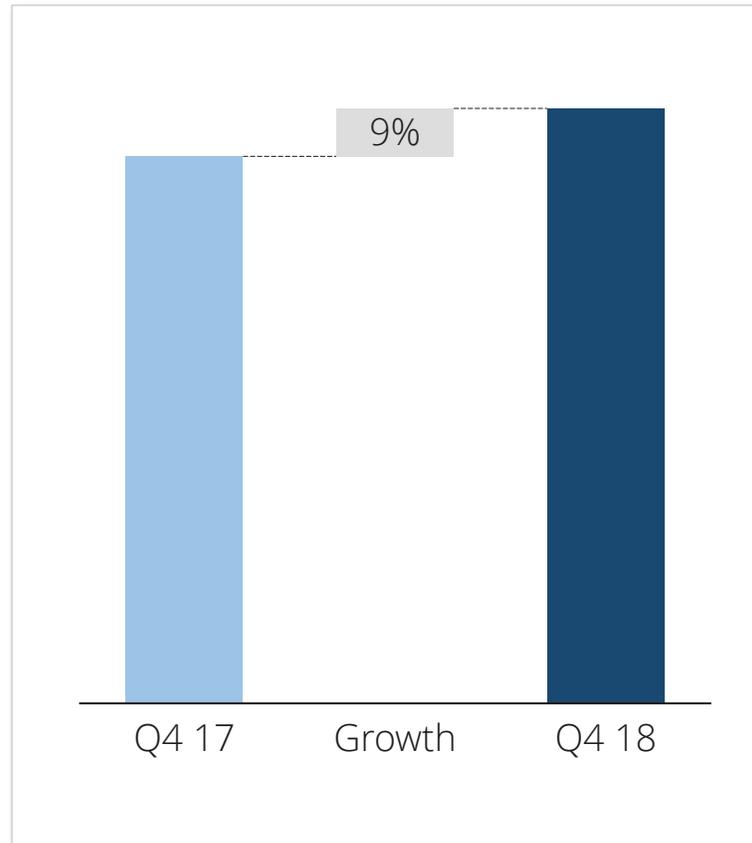
TOTAL GROWTH

24 %



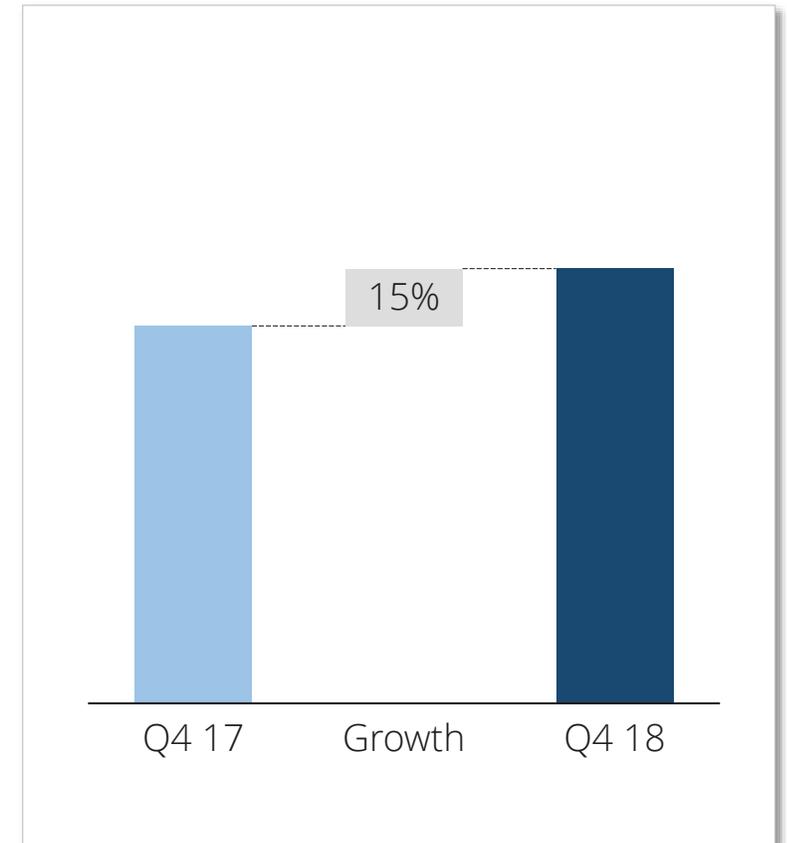
TOTAL ORGANIC GROWTH

9 %



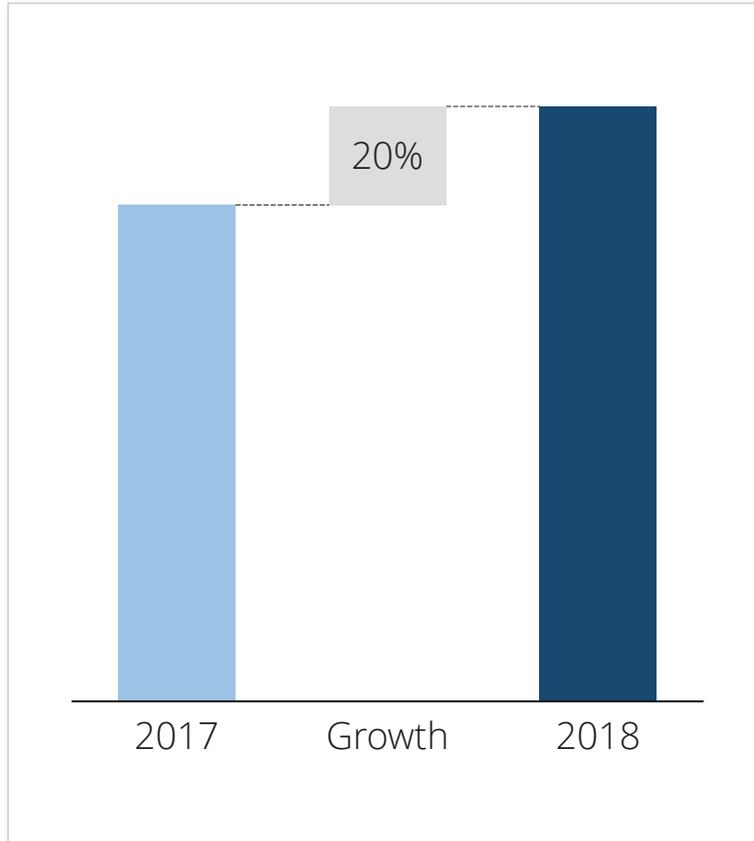
ORGANIC R&D Services

15 %

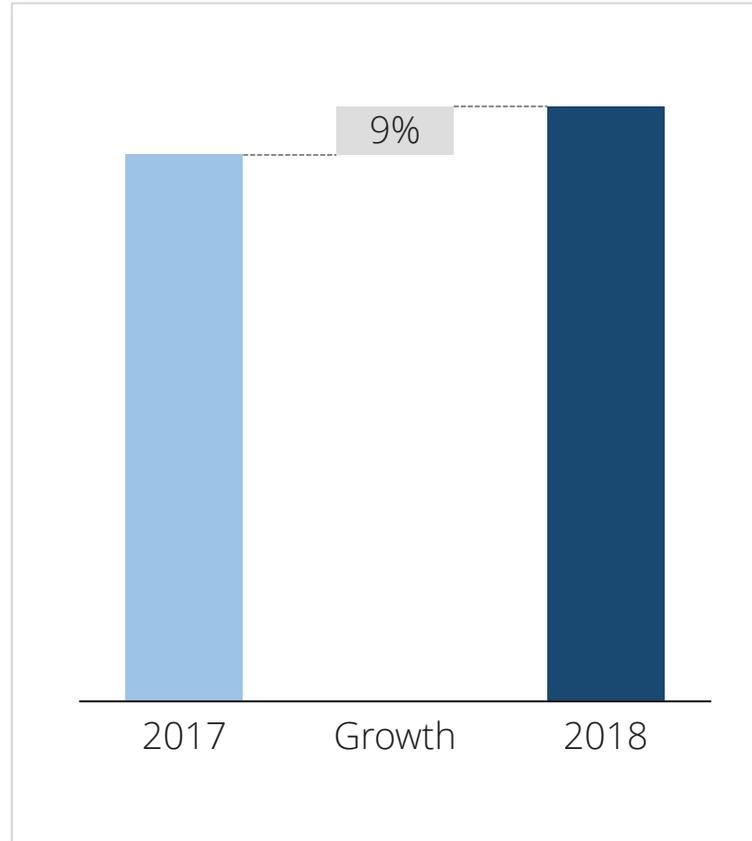


REVENUE GROWTH (ANNUALY)

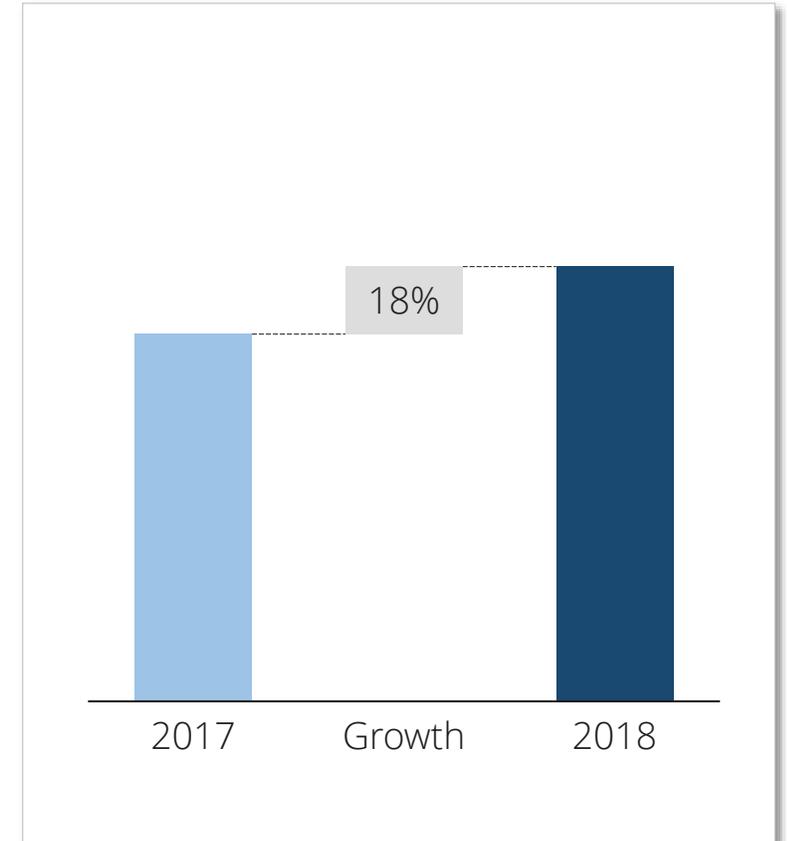
TOTAL GROWTH
20 %



TOTAL ORGANIC GROWTH
9 %



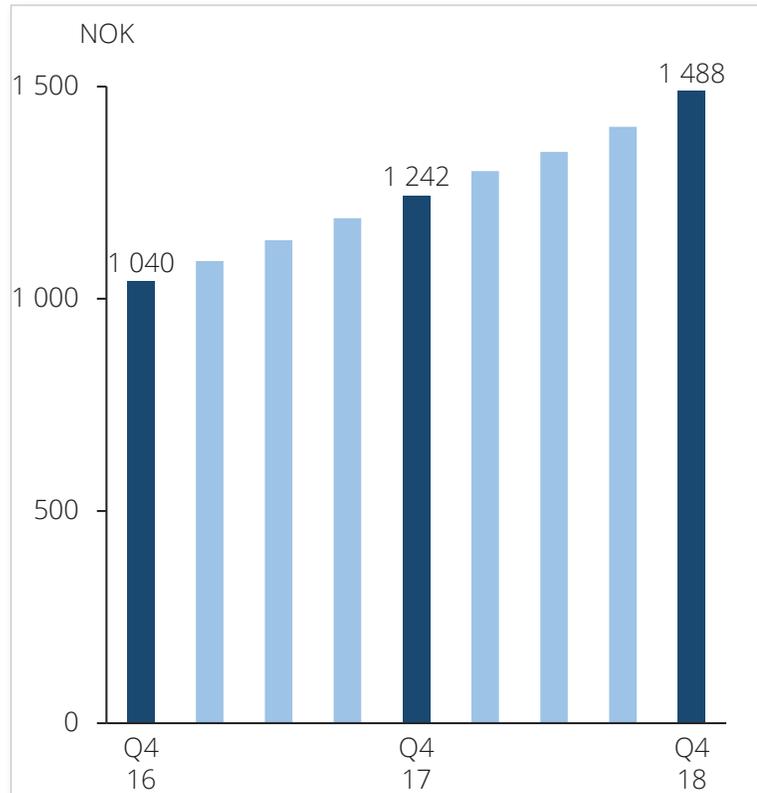
ORGANIC R&D Services
18 %



KEY FIGURES (RTM)

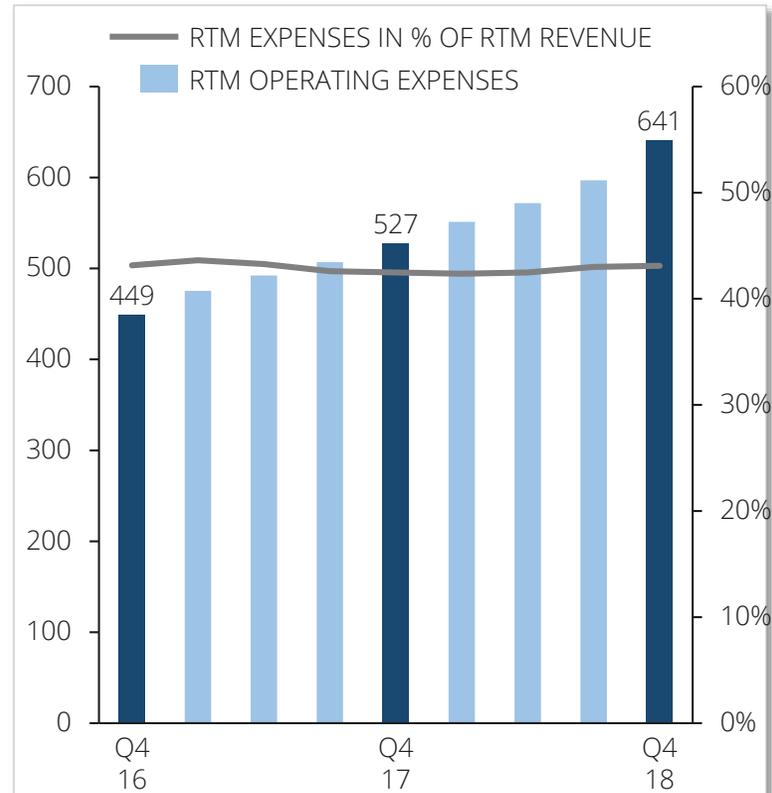
RTM Revenue

1 488



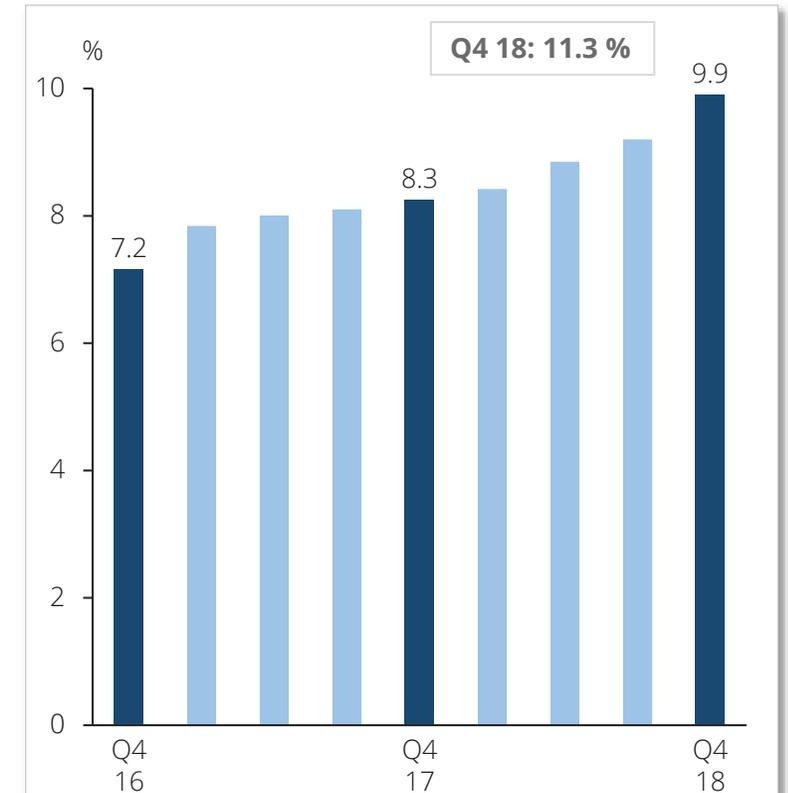
RTM Operating expenses

641



RTM EBITDA margin

9.9%



R&D SERVICES

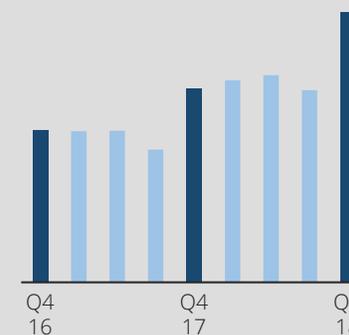
NOK MILLION	Q4 18	Q4 17	%	2018	2017	%
Revenue	313.5	224.0	40 %	1 009.8	728.1	39 %
EBITDA ¹	49.0	29.6	66 %	129.2	85.3	52 %
EBITDA margin ¹	15.6 %	13.2 %		12.8 %	11.7 %	
Employees	685	517		685	517	

SOLUTIONS

NOK MILLION	Q4 18	Q4 17	%	2018	2017	%
Revenue	127.7	130.0	-2 %	488.3	516.7	-5 %
EBITDA ¹	16.0	12.0	34 %	48.3	38.8	24 %
EBITDA margin ¹	12.6 %	9.2 %		9.9 %	7.5 %	
Employees	84	93		84	93	

Revenues

314



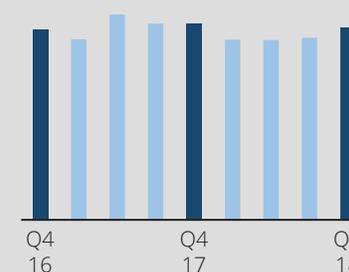
EBITDA

49.0



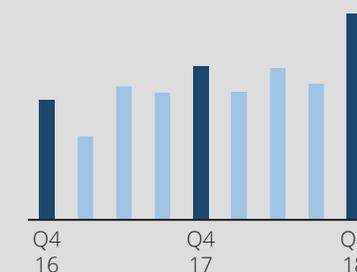
Revenues

128



EBITDA

16.0

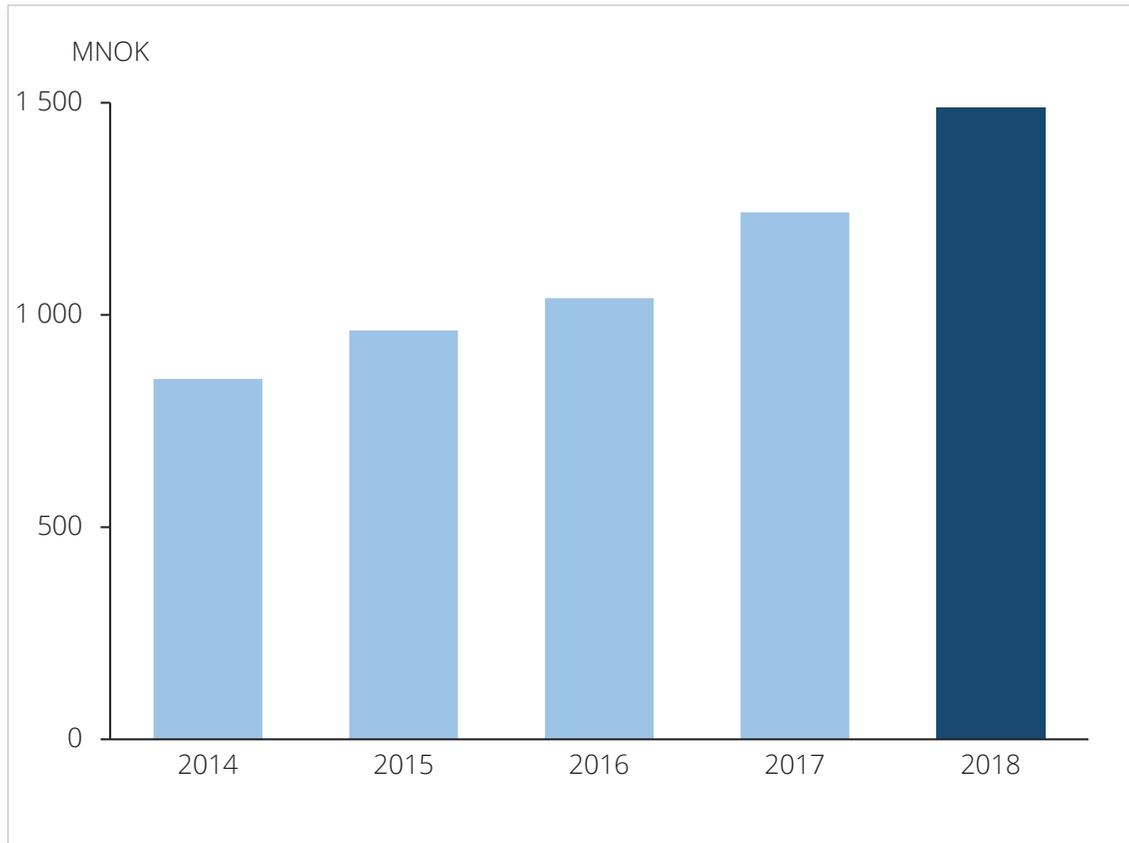


¹ EBITDA before corporate costs

KEY FIGURES

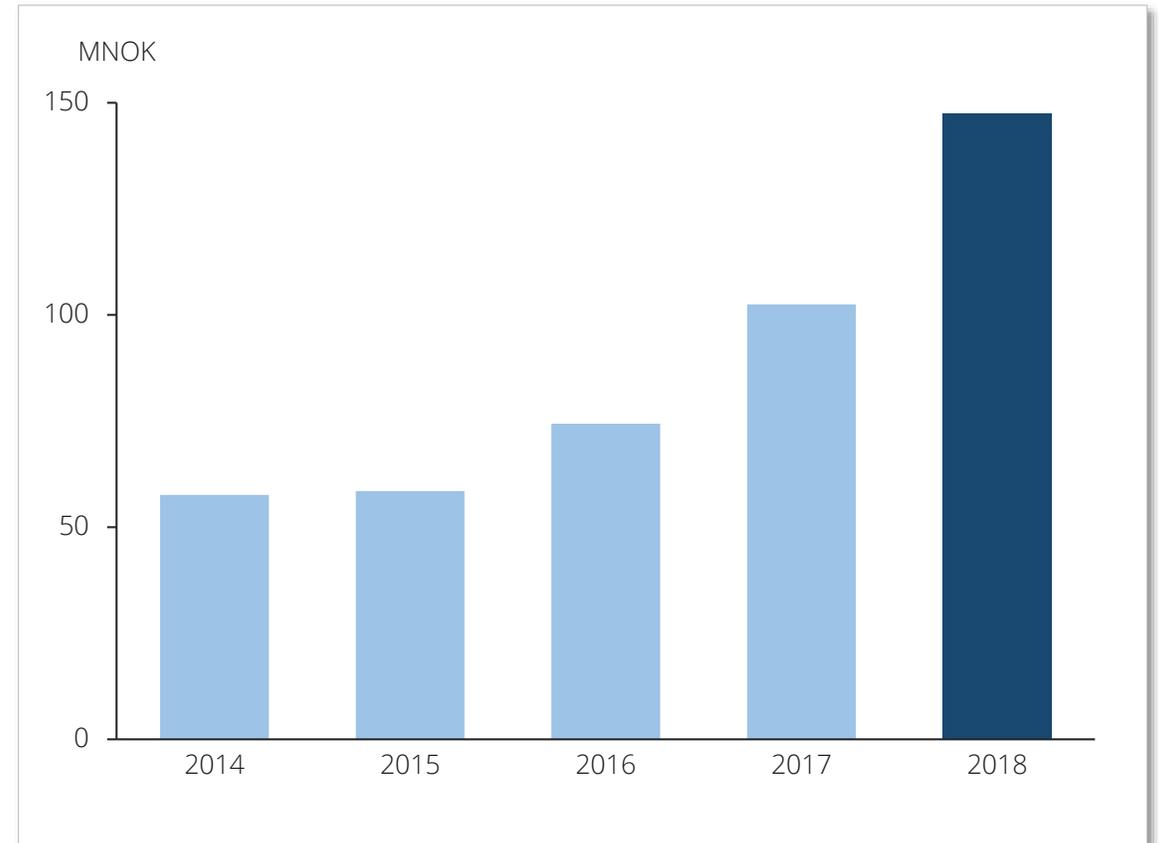
Revenues

1 488

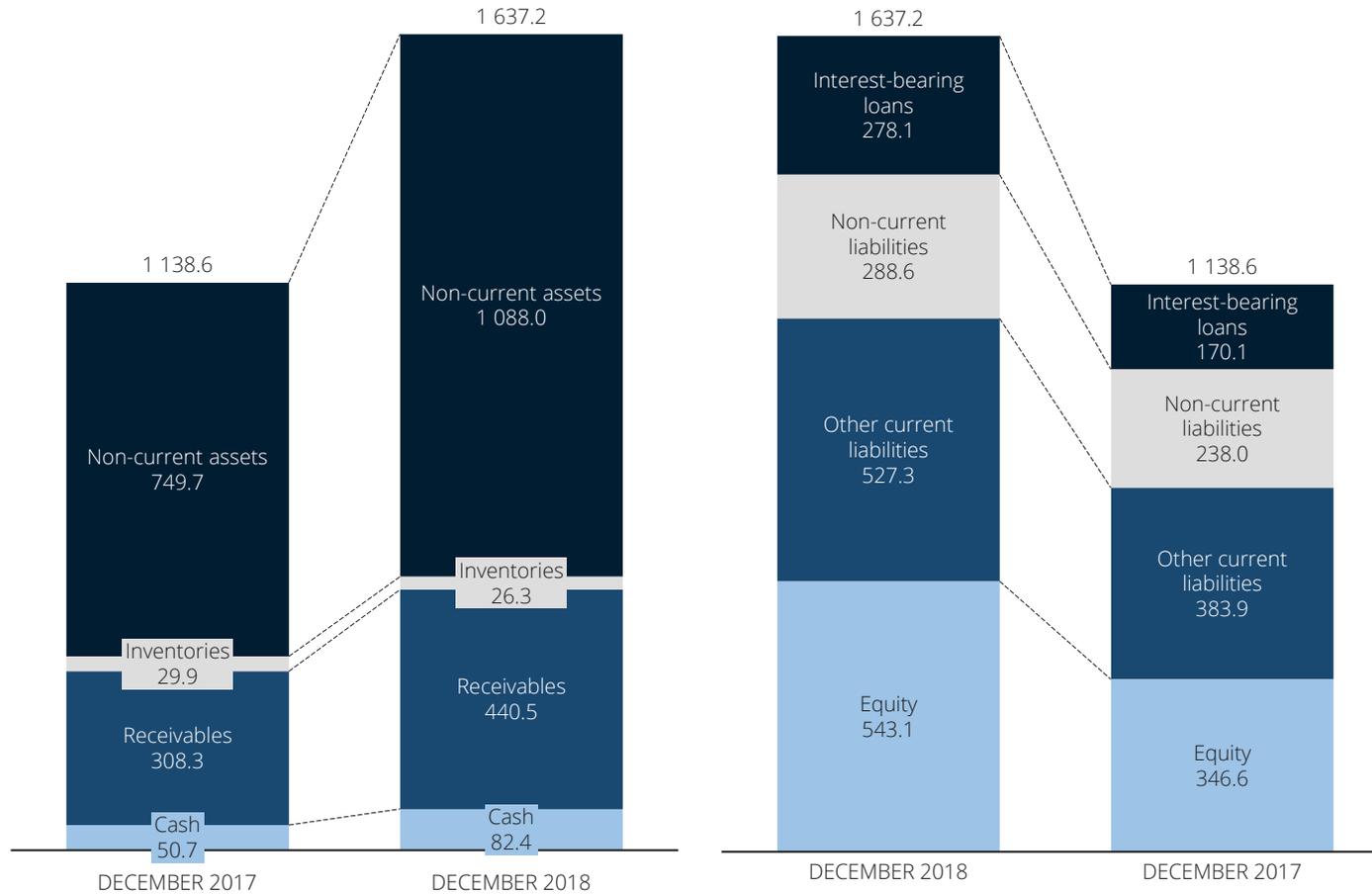


EBITDA

147.5 (9.9 %)



FINANCIAL POSITION



- **CASH POSITION**
NOK 82 million (51)
- **NON CURRENT ASSETS**
NOK 1 088 million (750)
- **INVENTORIES**
NOK 26 million (30)
- **RECEIVABLES**
NOK 441 million (308)
- **INTEREST-BEARING LOANS**
NOK 278 million (170)
- **EARN-OUT LIABILITIES**
NOK 378 million (279)
- **EQUITY RATIO**
33.2 % (30.4 %)

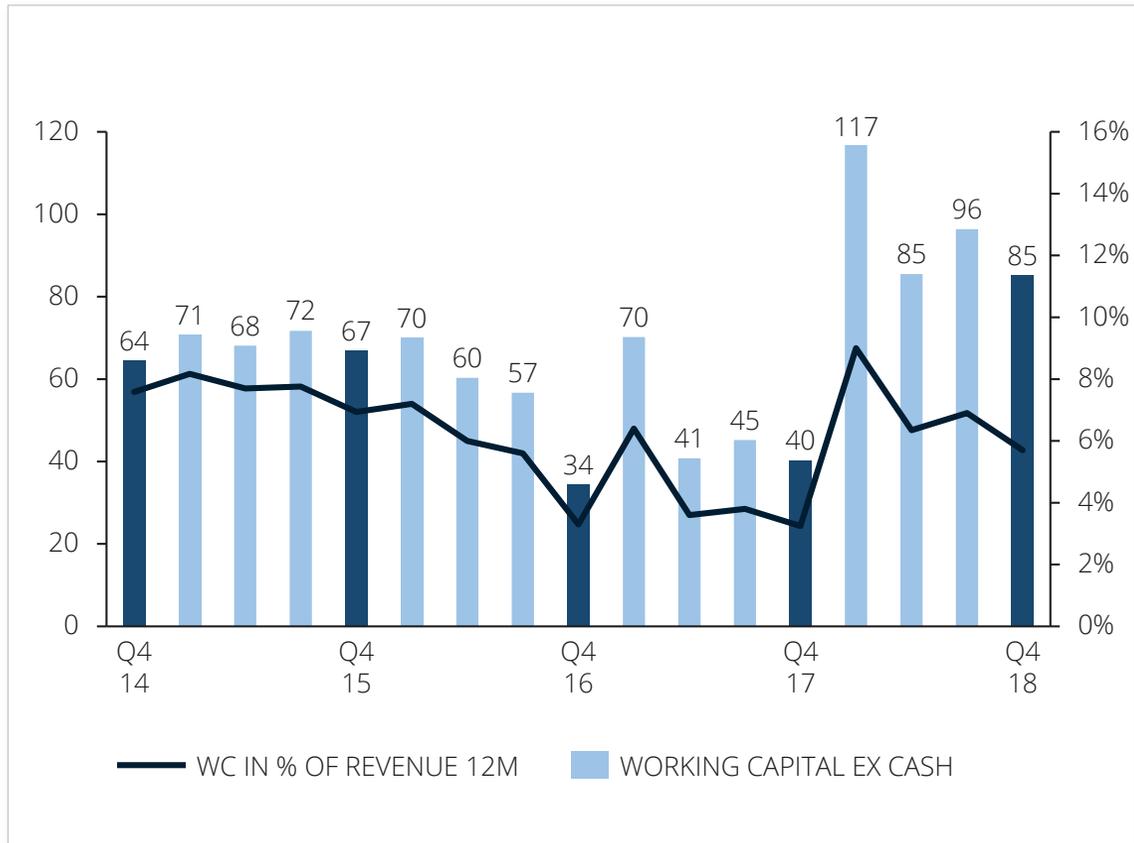
CASH FLOW

<i>NOK MILLION</i>	Q4 18	Q4 17	2018	2017
EBITDA	49.3	31.1	147.5	102.5
Income tax paid	(16.5)	(2.5)	(43.0)	(10.7)
Change in NWC	21.4	7.1	(41.1)	(13.4)
Cash flow - operating activities	54.1	35.7	63.4	78.3
Acquisition of subsidiaries, net of cash acquired	(158.4)	(90.0)	(243.7)	(159.3)
Other - investing activities	(0.9)	(1.1)	(2.8)	(3.1)
Cash flow - investing activities	(159.3)	(91.1)	(246.4)	(162.4)
Net change in interest-bearing liabilities	80.0	84.2	107.4	70.4
Proceeds from issue of shares	76.1	-	171.6	53.3
Dividends	(0.2)	-	(57.3)	(54.0)
Other - financing activities	(1.1)	(1.5)	(5.9)	(4.5)
Cash flow - financing activities	154.8	82.7	215.8	65.2
Net cash flow from the period	49.6	27.3	32.7	(18.8)
Cash at the beginning of the period	27.6	18.5	50.7	62.9
Exchange gain / losses on cash	5.2	4.8	(1.0)	6.6
Cash at the end of the period	82.4	50.7	82.4	50.7

WORKING CAPITAL AND OPERATIONAL CASH FLOW

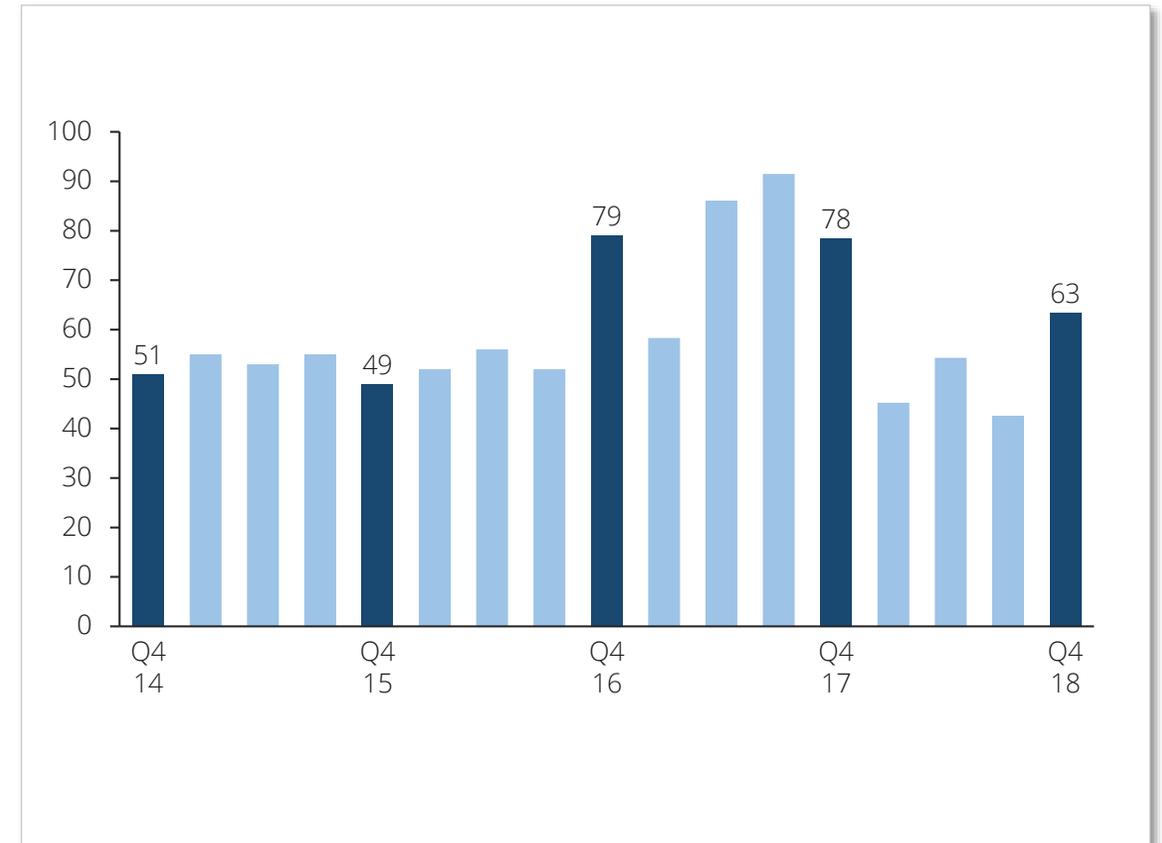
Working capital

85



Operational cash flow (RTM)

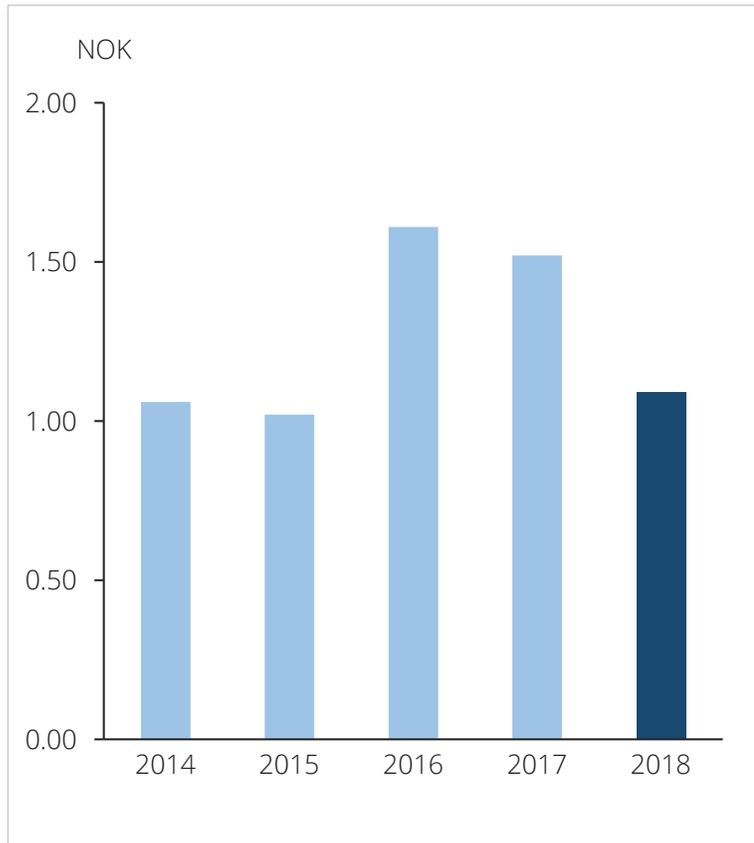
63



KEY FIGURES PER SHARE

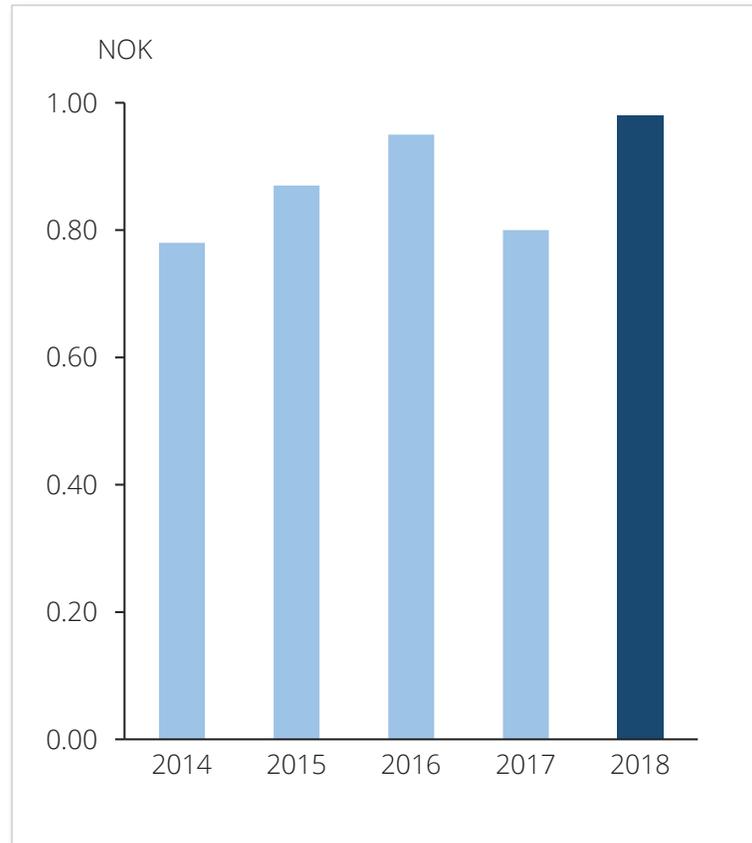
NOCF per share

1.09



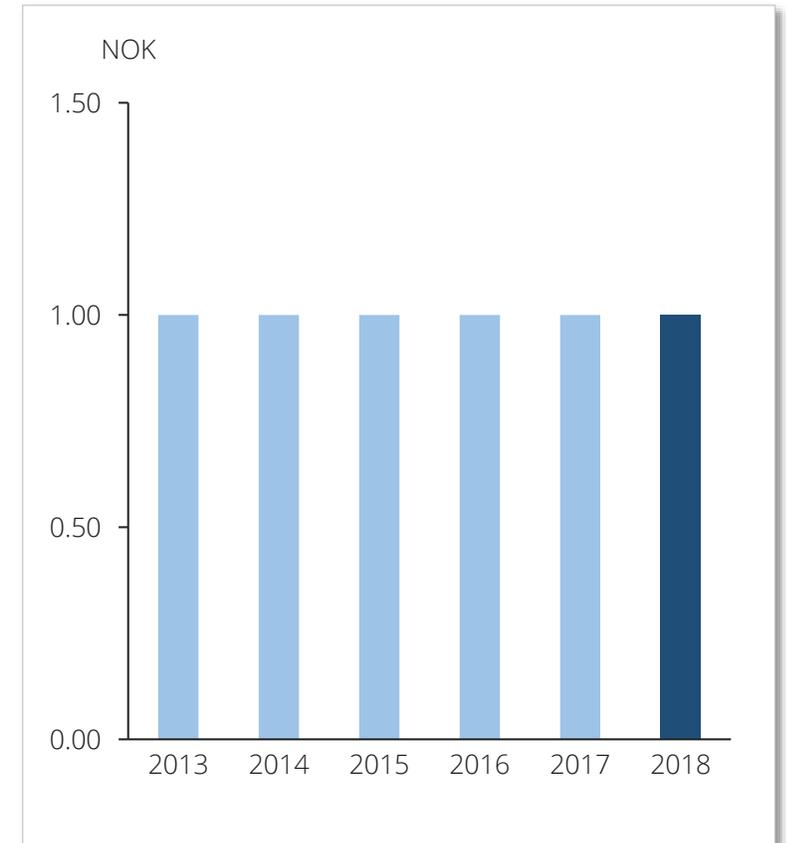
EPS

0.98



DIVIDEND per share

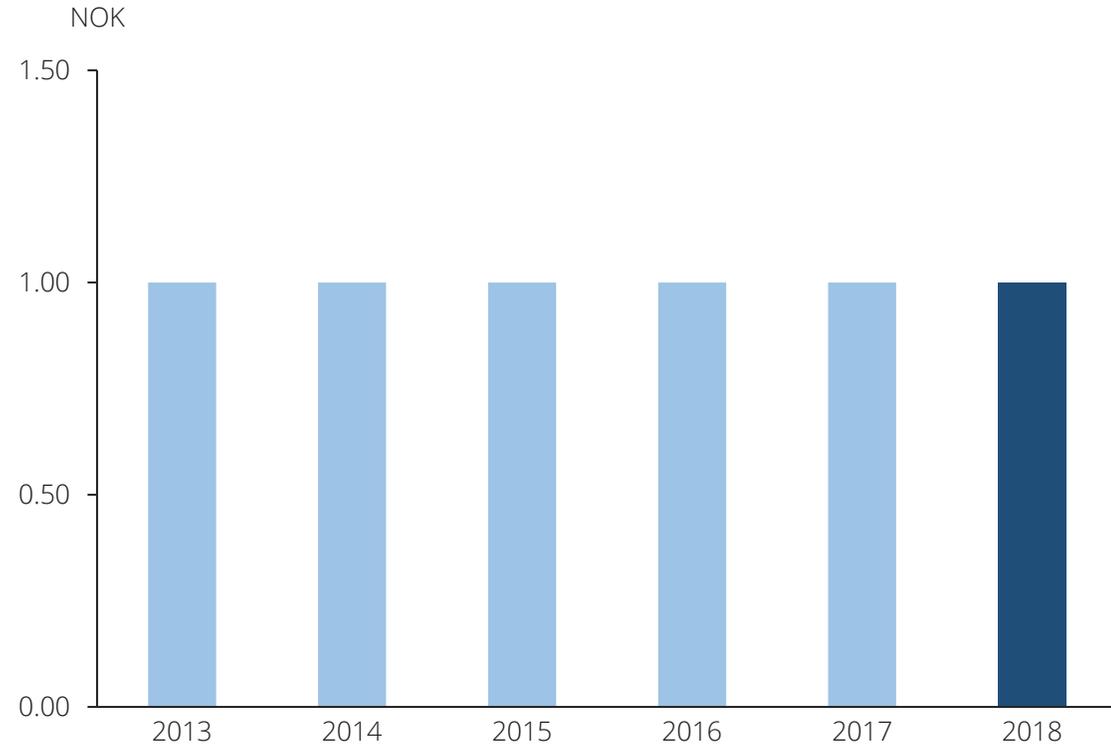
1.00



DIVIDEND 2018

The Board of Directors propose a dividend of **NOK 1.00 PER SHARE** for 2018.

Following the resolution by the annual general meeting on Friday April 12, 2019 the DAT share will trade ex dividend on Monday April 15, 2019.



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Kenneth
Ragnvaldsen
CEO



A complete technology partner

for smarter embedded and IoT solutions

- Digitalisation of the industries of tomorrow!



Embedded
Solutions

R&D Services

Data Respons

AT A GLANCE



1.5 billion NOK



1100 specialists



1000s R&D projects



34 nationalities



TWO BUSINESS AREAS

R&D SERVICES

SOLUTIONS

SYNERGIES

GO-TO-MARKET MODEL
CROSS SALES AND MARKETING
FULL-SERVICE AND COMPLETE SUPPLIER
TECHNOLOGY AND KNOWLEDGE SHARING



1.100
SPECIALISTS

Data Respons **R&D SERVICES**

From idea to implementation
Consultancy, specialists, R&D projects
Strategic collaboration partner
Top selected talents & specialists
Dynamic methodology

datarespons



Customised delivery models adapted to customer needs

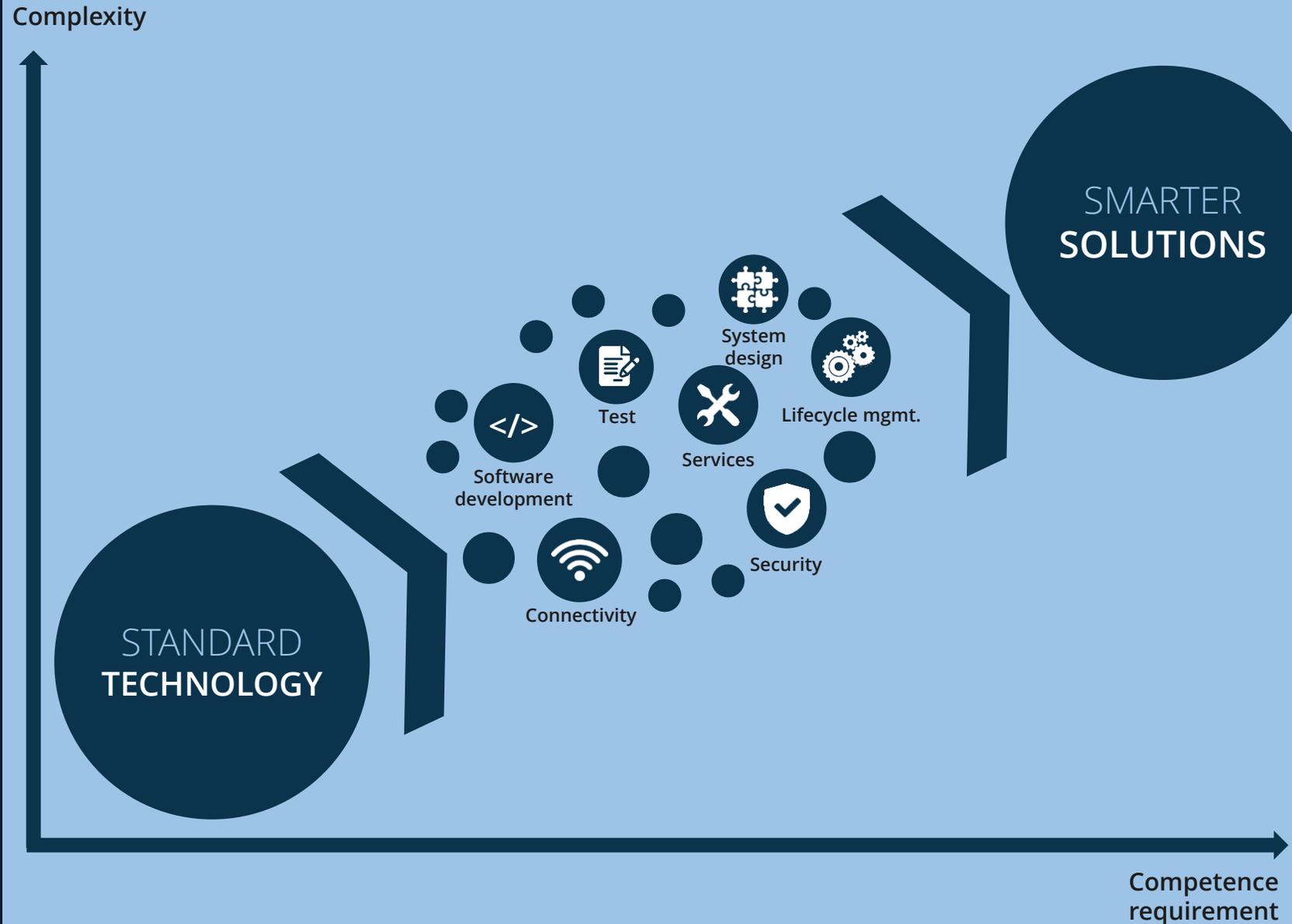
SPECIALIST
SERVICES

WORK
PACKAGES

R&D
PROJECT

Data Respons **SOLUTIONS**

- Specification
- Industry Know-how
- Architecture / Technology platform
- Customization
- Global partners
- SW-specialist competence
- Deployment
- Next generation
- Value add services



INVESTMENT **RATIONALE**

1 **ATTRACTIVE** market opportunity

2 **STRONG** customer list

3 **TECHNOLOGY** and competence

4 **VALUE ADDING** acquisitions

5 **SUSTAINABILITY** through technology

6 **LONG TERM** growth track record



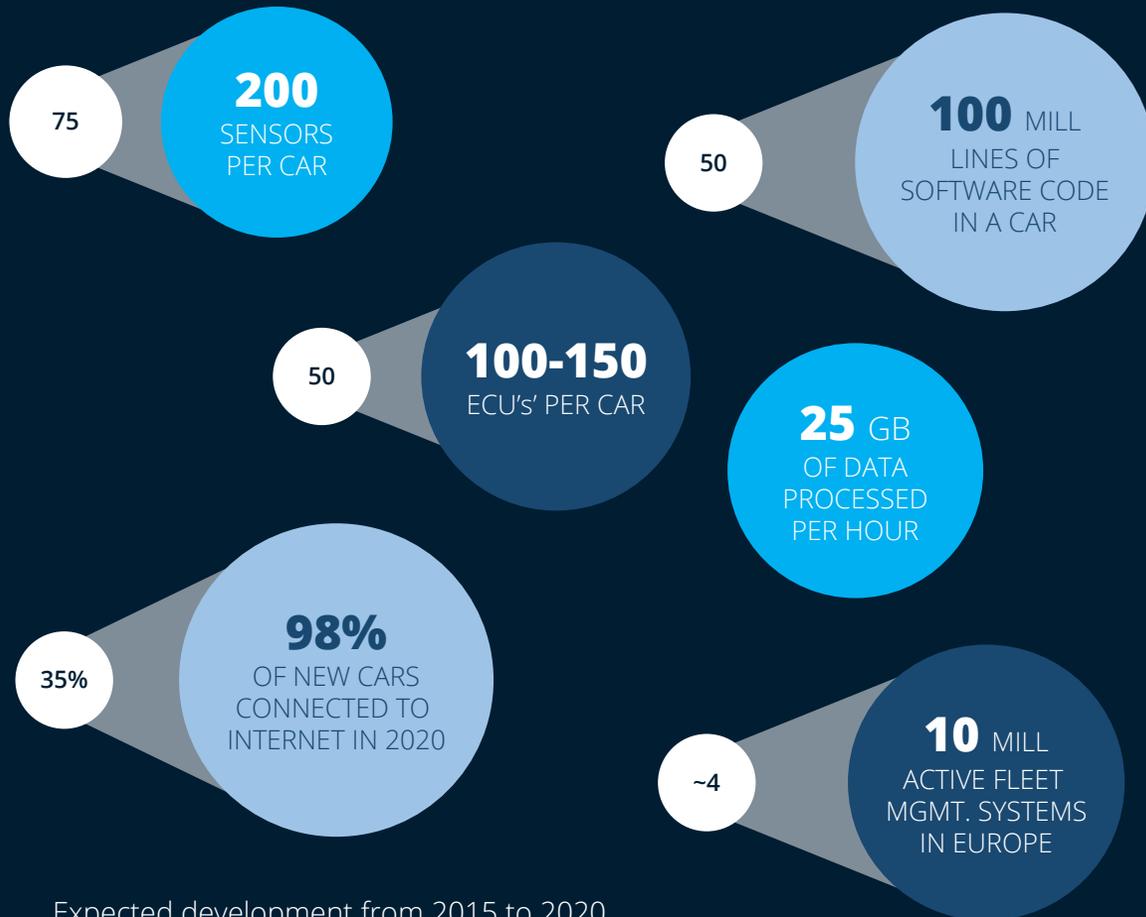
EVERYTHING

Digitalised, connected,
automated, EVERYWHERE

ATTRACTIVE
market opportunity



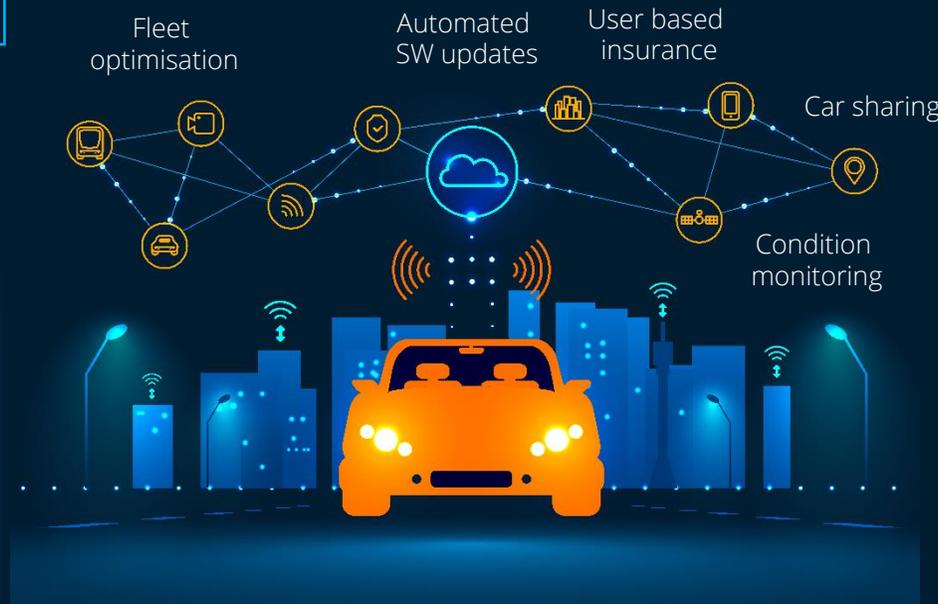
The automotive industry is getting **SIGNIFICANTLY MORE COMPLEX**



MORE...

- Embedded **SOFTWARE** and **HARDWARE**
- Application **DEVELOPMENT**
- **COMPATIBILITY** requirements and challenges
- Complex **CONNECTIVITY** solutions
- New **SECURITY** requirements
- Unit and system **TESTING**

THE EVOLUTION OFFERS SIGNIFICANT OPPORTUNITIES



V2X technology connecting vehicles to **EVERYTHING**

- Other vehicles to avoid accidents
- Traffic lights to coordinate traffic
- Parking facilities to reserve a spot and pay
- ...



IN-VEHICLE OPTIMISATION

Sensors, instrumentation, communication entering vehicles

CONNECTED VEHICLES

New applications and services enabled through on-board WLAN

SMART VEHICLES

More sensors, processing power, communications

Solid CUSTOMER LIST

 28%
TRANSPORT & AUTOMOTIVE

 14%
INDUSTRY & AUTOMATION

 21%
TELECOM & MEDIA

 12%
SPACE, DEFENCE & SECURITY

 12%
ENERGY & MARITIME

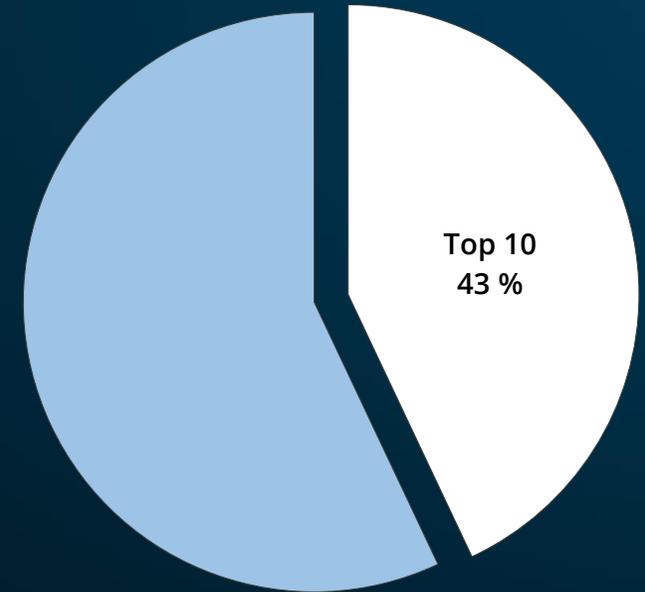
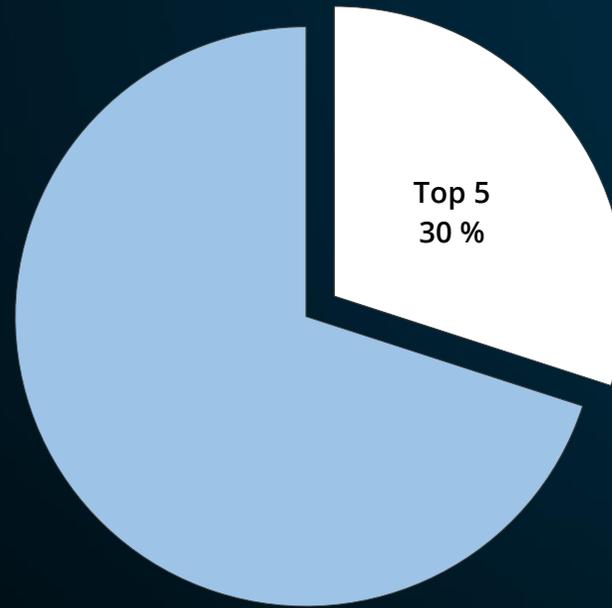
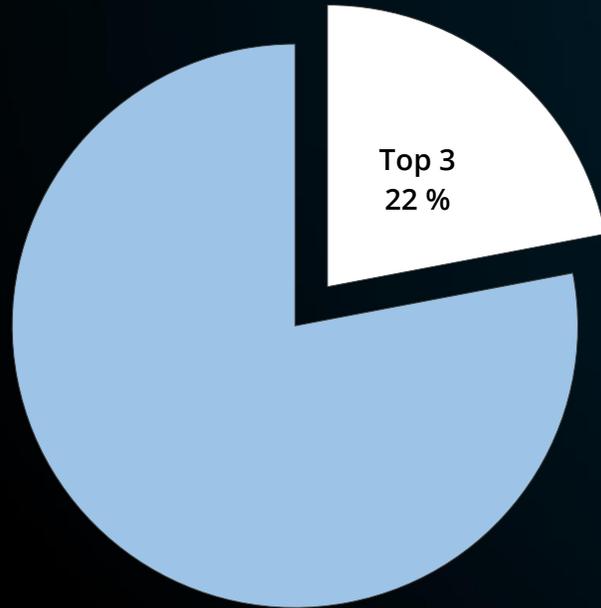
 7%
MEDTECH

 4%
FINANCE & PUBLIC

 2%
OTHER

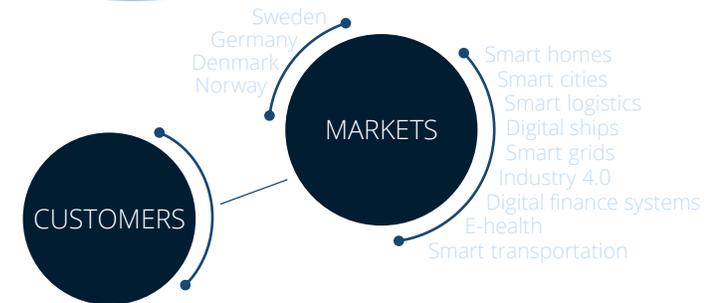
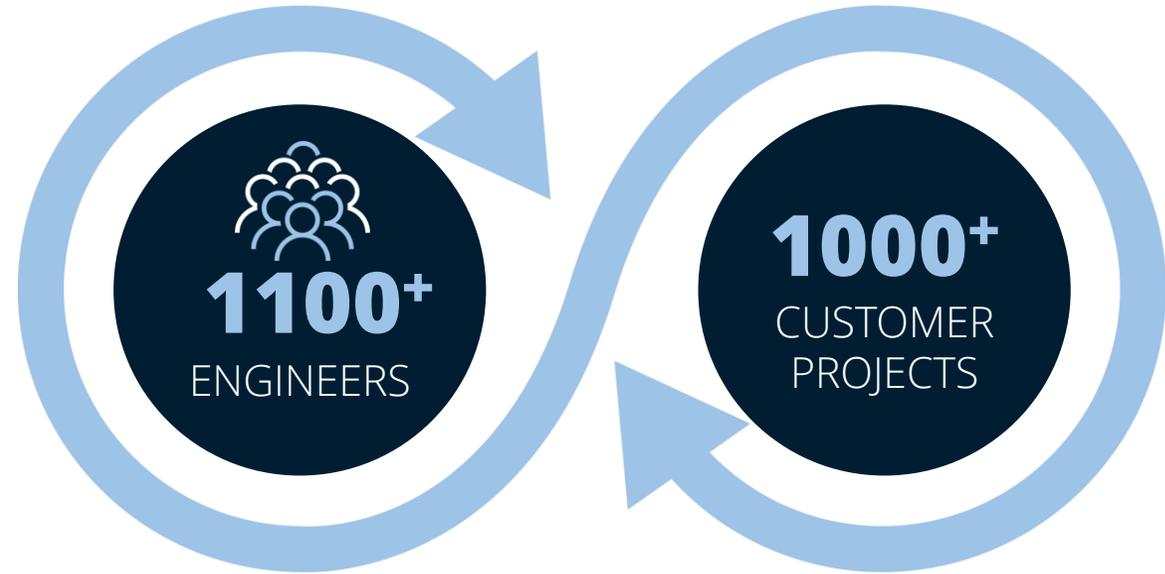
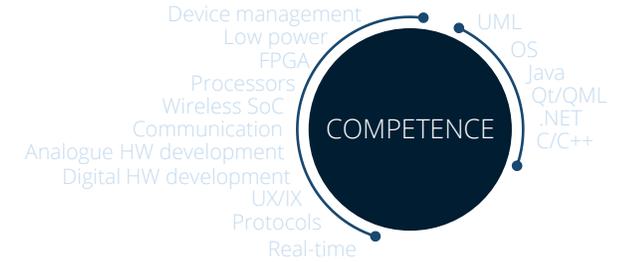
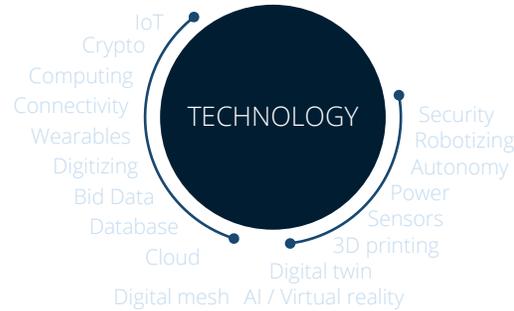


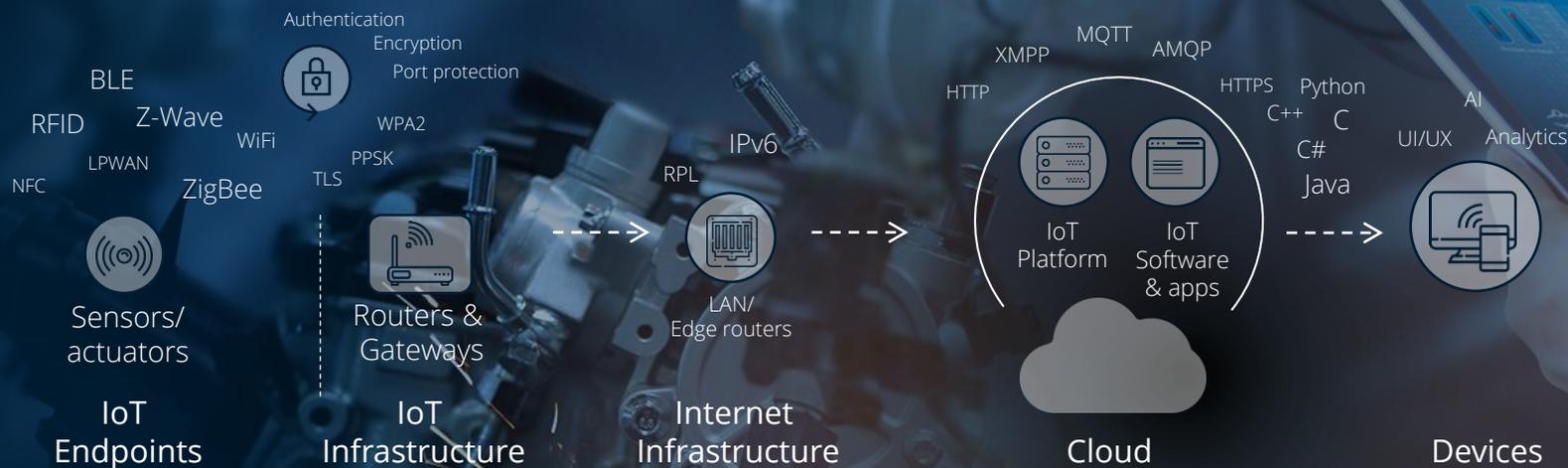
STRONG CUSTOMER DIVERSIFICATION



Our **COMPETENCE MAP** is changed every day

Keeping 1.100 ENGINEERS in customer driven R&D projects today and tomorrow creates continuously changes and improvements and a market oriented competence structure





We develop everything from **SENSOR LEVEL** to the **MOBILE APP** making us a good partner for your **DIGITALISATION**

ACQUISITIONS

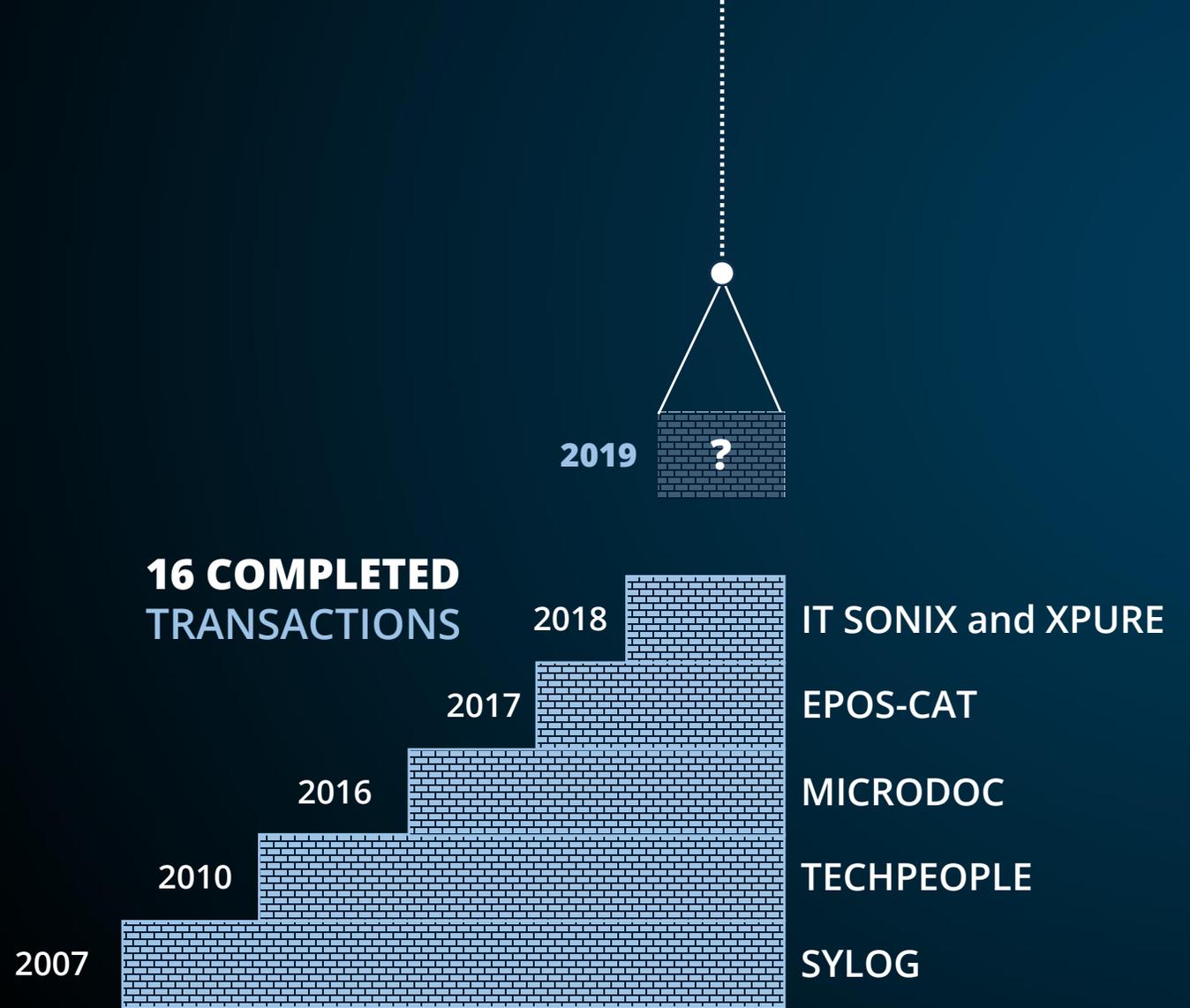
Proven track record

FILLING GAP in our specialist and technology competence

ACCESS to strategic customer portfolios and markets

FOCUS on R&D Services: SW, IoT, industrial digitalisation and embedded technologies

PROVEN TRACK RECORD, accretive financials, Nordic/Germany



SUSTAINABILITY

through technology

Our goal is to conduct
**50 SUSTAINABLE
TECHNOLOGY PROJECTS**
every year.



We believe in
TECHNOLOGY DEVELOPMENT
to enable a sustainable future!



SUSTAINABLE TECHNOLOGY PROJECT EXPAMPLES



Helping save lives with technology

Laerdal Medical is an international supplier of training and treatment equipment for life-saving first aid based in Stavanger, Norway. Their mission is to help save lives through medical technology.



Fighting the Pacific Oysters with an optical robot

The Norwegian company Oystercatch has developed an optical oyster-catching robot in order to help stopping the mass growth of the Pacific Oyster, threatening beaches in Europe and around the Pacific Ocean.



IoT-based solution for innovative energy management

The EnergyBase system from EnBW automatically optimizes energy consumption with its self-learning algorithms and controls the energy flows in your home.



LONG TERM GROWTH continues

17 %
annual growth
2000-2018

REVENUE





OUTLOOK

Overall market remains attractive – we see opportunities in all our key markets

Strong momentum within IoT, industrial digitalisation and embedded technologies continues

Expect growth, improved profitability and positive operational cash flow

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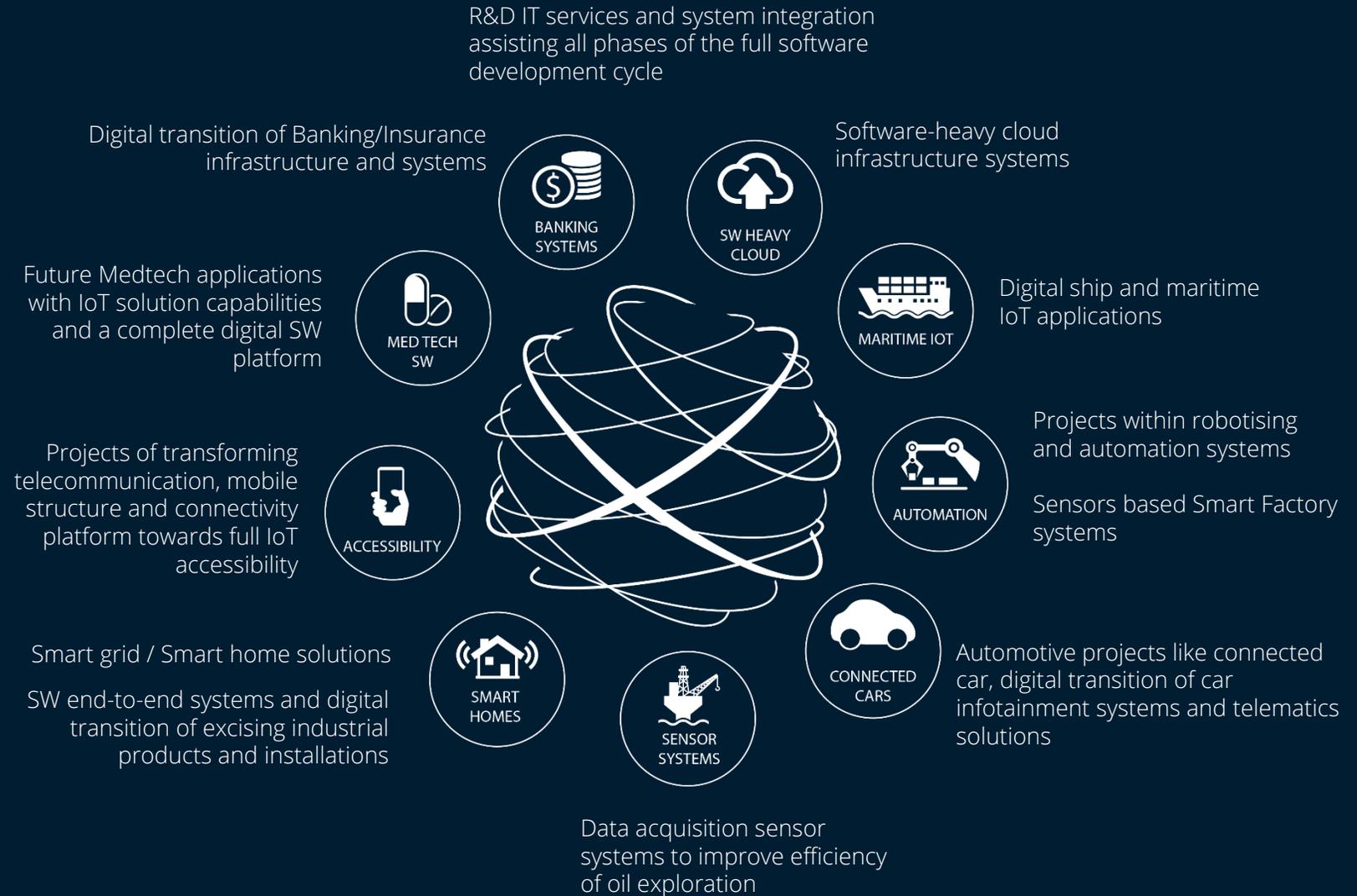


Rune
Wahl
CFO



Areas in which Data Respons is **INVOLVED**

Data Respons develop innovative technology for a wide range of customers and industries.



We live
OUR VALUES
Every day!



TO PERFORM RESPONSIBILITY BEING GENEROUS HAVING FUN

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