



INTERIM REPORT

ORC GROUP HOLDING AB
JANUARY 1 – JUNE 30, 2015

ORC

STRONG SALES MOMENTUM AND ENTRY INTO CHINA

	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
SEK THOUSANDS				
Operating revenue*	119,510	98,810	233,746	196,599
Operating expenses	-72,417	-57,176	-142,564	-113,691
Adjusted EBITDA**	47,093	41,634	91,182	82,908
Adjusted CAPEX***	-27,389	-27,569	-58,664	-52,542
EBITDA-CAPEX	19,704	14,065	32,518	30,366

*) Operating revenue is adjusted with an add-back of the fair value adjustment of the carrying amount of deferred income in Tbricks upon acquisition, which has been carried out in accordance with IFRS.

**) Adjusted EBITDA is defined as operating income after adjustment of operating expenses for amortization, depreciation and impairment losses, foreign exchange differences recognized in income pertaining to remeasurement of items in the balance sheet, non-recurring items and reversal of development costs not capitalized in the company's balance sheet. See table on page 3.

***) Adjusted CAPEX is defined as investments in intangible assets and property, plant and equipment as reported in the cash flow statement, as well as reversal of development costs not capitalized in the company's balance sheet according to the above. See table on page 3.

- > Operating revenue for the period from April to June 2015 was SEK 119,510k (98,810), an increase of 21% compared to the same quarter of 2014. Adjusted for foreign exchange effects, revenue was up by SEK 8,400k, most of which is attributable to the acquisition of Tbricks. In a comparison with the first quarter of 2015, revenue has increased by SEK 5,274k, but was unchanged after adjustment for foreign exchange effects. Revenue from the APAC region was strengthened through higher sales primarily in China. An unchanged level was seen in the Americas region and a slight decrease in the EMEA region.
- > Adjusted EBITDA was SEK 47,093k (41,634) and adjusted EBITDA-CAPEX amounted to SEK 19,704k (14,065). Operating expenses and CAPEX, adjusted for one-off effects, were higher than in the corresponding period of last year, which is mainly explained by a weaker Swedish krona and the acquisition of Tbricks.
- > EBITDA-CAPEX for the second quarter of 2015 was SEK 19,704k, compared to SEK 12,814k in the first quarter of the year. The improvement is mainly attributable to favorable currency effects and a decrease in personnel costs as a result of fewer employees in the second quarter compared to the first quarter of the year.

COMMENTS FROM CEO TORBEN MUNCH:

“The Asia Pacific region achieved a strong quarter from a sales perspective, aided by Orc’s strategic decision to offer products and services for trading on exchanges located on mainland China. We are excited about the many opportunities arising as the Chinese markets open up for trading. Orc’s track record as an established vendor with proven solutions makes us well positioned to capitalize on the significant interest in these markets.

The positive market response to the Tbricks acquisition continues. Several clients have committed to migrate to the new Orc Tbricks platform, and our account management teams are working closely with these clients to ensure a smooth transition.

While the market challenges persist, we can also see that the current environment presents good opportunities for vendors who can deliver outstanding products and customer service.”

ADJUSTED EBITDA AND CAPEX

	Apr 1, 2015	Apr 1, 2014	Jan 1, 2015	Jan 1, 2014
SEK THOUSANDS	- Jun 30, 2015	- Jun 30, 2014	- Jun 30, 2015	- Jun 30, 2014
Operating income	8,661	7,857	-167,906	16,542
Reversal of foreign exchange differences	1,718	-1,808	2,800	-1,820
Reversal of amortization, depreciation and impairment losses	27,838	29,236	209,797	57,807
Reversal of development costs not capitalized as work performed by the company for its own use	6,613	5,913	15,320	10,005
Reversal of non-recurring items	55	436	21,523	374
Reversal of fair value adjustment	2,208	-	9,648	-
Adjusted EBITDA	47,093	41,634	91,182	82,908
Specification of adjusted CAPEX				
Reported CAPEX	-20,776	-21,656	-43,344	-42,537
Reversal of development costs not capitalized as work performed by the company for its own use	-6,613	-5,913	-15,320	-10,005
Adjusted CAPEX	-27,389	-27,569	-58,664	-52,542

The table above shows the differences between reported operating income and adjusted EBITDA, and between reported CAPEX and adjusted CAPEX.

Adjusted EBITDA is defined as reported operating income before amortization, depreciation and impairment losses adjusted for foreign exchange differences recognized in income, non-recurring items and reversal of development costs not capitalized as work performed for the company's own use.

>> Foreign exchange differences refer to translation of items in the balance sheet, such as trade receivables and cash and cash equivalents, to Swedish kronor based on the closing day rate of exchange.

>> All costs for Orc's product and development organization have been excluded, including the portion that is not capitalized as work performed for own use in the company's balance sheet. The same definition of EBITDA has been used in the terms of the senior secured bond that was placed in November 2012.

>> Non-recurring items refer to specific expenses or revenue that are not regularly recurring in operating activities.

>> Reversal of fair value adjustment refers to the add-back of the fair value adjustment of the carrying amount of prepaid income in Tbricks at the date of acquisition, which has been carried out in accordance with IFRS.

Adjusted CAPEX is defined as investments in intangible assets and property, plant and equipment as reported in the cash flow statement, as well as reversal of development costs not capitalized as worked performed for own use in the company's balance sheet. The reversed amount is thus regarded as an investment.

Over time, EBITDA-CAPEX is a good indicator of the operating cash flow. See also comments under "Balance sheet and cash flow".

EARNINGS

	Apr 1, 2015	Apr 1, 2014	Jan 1, 2015	Jan 1, 2014
SEK THOUSANDS	- Jun 30, 2015	- Jun 30, 2014	- Jun 30, 2015	- Jun 30, 2014
System revenue	112,744	95,730	215,240	191,511
Professional Services	4,558	3,080	8,858	5,088
Other revenue	-	-	-	-
Operating revenue	117,302	98,810	224,098	196,599
Cost of goods sold	-5,117	-4,397	-9,951	-8,944
Other external expenses	-28,170	-20,137	-60,029	-37,893
Personnel costs	-65,769	-60,328	-149,605	-119,262
Work performed by the company for its own use and capitalized	19,971	21,337	40,178	42,029
Amortization, depreciation and impairment losses	-27,838	-29,236	-209,797	-57,807
Foreign exchange differences	-1,718	1,808	-2,800	1,820
Operating expenses	-108,641	-90,953	-392,004	-180,057
Operating income	8,661	7,857	-167,906	16,542
Financial income	4,184	62	17,988	248
Financial expenses	-13,267	-40,472	-26,602	-65,602
Net financial items	-9,083	-40,410	-8,614	-65,354
Income after financial items	-422	-32,553	-176,520	-48,812
Income tax	1,476	6,518	38,754	10,104
Income for the period	1,054	-26,035	-137,766	-38,708
Adjusted EBITDA	47,093	41,634	91,182	82,908

APRIL 1 – JUNE 30, 2015

Operating revenue for the period from April to June 2015 increased by SEK 18,492k compared to the same period of last year and amounted to SEK 117,302k (98,810). Adjusted for the correction of fair value of the acquired revenue in Tbricks of SEK 2,208k, the increase was SEK 20,700k, or 21%. Weakening of the Swedish krona mainly against the euro and the US dollar led to an increase in revenue of SEK 12,300k owing to foreign exchange effects in the second quarter of 2015 compared to the same quarter of last year, the remaining increase was attributable to the acquisition of Tbricks. Professional Services have continued to grow and resulted in revenue of SEK 4,558k (3,080) for the quarter.

Operating expenses for the period from April to June 2015, adjusted for amortization, depreciation and impairment losses and foreign exchange differences, totaled SEK -79,030k (-63,089), an increase of SEK 15,941k compared to the same quarter of last year. Weakening of the Swedish krona, above all against the US dollar, has aside from the eliminated foreign exchange remeasurements also resulted in higher operating expenses compared to the same quarter of last year of approximately SEK 6,700k. In the second quarter of 2015 the Group reported a cost for bad debt losses of SEK -834k, compared to Q2 2014 when the effect was positive at SEK 299k. Furthermore, the Group held a global conference for all employees in the second quarter of 2015 for which the costs amounted to SEK 3,200k. The remaining rise in costs is explained by an increased workforce including travel expenses, rents for premises and other operating expenses following the acquisition of Tbricks. The number of employees at the end of June 2015 was 249 (212).

The quarter's amortization, depreciation and impairment losses of SEK -27,838k (-29,236) refer to amortization of customer contracts and technology and capitalized costs for worked performed for Orc's software development. Just over two thirds of the total cost for the development function are capitalized in the consolidated balance sheet and are amortized over a period of 7-10 years.

Operating income including non-recurring items was SEK 8,661k (7,857) and net financial items amounted to SEK -9,083k (-40,410). Financial items include an unrealized foreign exchange difference of SEK 4,176k (-14,898) on the note loan, since the loan is denominated in euros and the reporting currency is SEK. Other financial expenses refer to interest and other expenses arising from Orc Group Holding AB's acquisition of Orc Group AB. The reported tax expense was SEK 1,476k (6,518) and income for the period was SEK 1,054k (-26,035).

JANUARY 1 – JUNE 30, 2015

Operating revenue for the first half of the year was SEK 224,098k (196,599), which is equal to an increase of 14%. Adjusted for the correction of fair value of the acquired revenue in Tbricks of SEK 9,648k, the increase was SEK 37,147k, or 19%. Weakening of the Swedish krona mainly against the euro and the US dollar explains SEK 19,300k of the increase. The remainder of the increase is primarily attributable to the acquisition of Tbricks. The share of revenue from Professional Services increased to SEK 8,858k (5,088) and has continued to grow.

Operating expenses amounted to SEK -392,004k (-180,057), of which the period's amortization, depreciation and impairment losses of SEK -209,797k (-57,807) explain most of the cost increase. In the first quarter of 2015, an impairment loss for development costs of SEK -148,000k was recognized on the book value of technology attributable to Orc's platform. The impairment loss was recorded in connection with the decision to mainly develop products based on Tbricks' trading platform going forward. The remaining value of SEK 208,380k will be amortized on a straight-line basis over the period in which the Orc platform is expected to continue generating revenue. This period is currently estimated at 5 years. After this period, essentially all revenue is expected to be generated by the new Orc Tbricks platform. Amortization of SEK -61,797k (-57,807) is mainly related to Orc Group Holding AB's acquisition of Orc Group AB and Orc's acquisition of Tbricks. The increase in amortization of SEK 3,990k compared to the same period of last year is due primarily to the higher degree of capitalized work performed for own use and the acquisition of Tbricks.

Operating expenses adjusted for amortization, depreciation and impairment losses and foreign exchange effects totaled SEK -157,884k (-123,696), an increase of SEK 34,188k, or 28%. Weakening of the Swedish krona, above all against the US dollar, has aside from the eliminated foreign exchange remeasurements also resulted in higher operating expenses in 2015 of approximately SEK 14,700k compared to the same period of last year. The increase is explained mainly by increased personnel costs and travel attributable to the addition of 40 employees through the acquisition of Tbricks, compared to the previous year, but also by higher bad debt losses and the above-mentioned conference. Non-recurring items of SEK 21,523k (374) consist of restructuring costs primarily for employees and premises in connection with Orc's acquisition of Tbricks.

Operating income including non-recurring items was SEK -167,906k (16,542), net financial items amounted to SEK -8,614k (-65,354) and income tax was SEK 38,754k (10,104). Net financial items include an unrealized foreign exchange difference of SEK 17,892k (-15,210) on the note loan. Income for the period was SEK -137,766k (-38,708).

BALANCE SHEET AND CASH FLOW

SEK THOUSANDS	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014
ASSETS			
Intangible assets	2,023,169	1,893,107	1,879,250
Property, plant and equipment	11,438	16,255	11,583
Financial assets	2,723	1,883	1,956
Deferred tax asset	6,949	1,172	393
Total non-current assets	2,044,279	1,912,417	1,893,182
Trade receivables	54,049	52,850	42,678
Prepaid tax	2,742	2,068	1,435
Other current assets	106,692	63,549	102,759
Cash and cash equivalents	117,728	72,260	100,131
Total current assets	281,211	190,727	247,003
TOTAL ASSETS	2,325,490	2,103,144	2,140,185
EQUITY AND LIABILITIES			
Equity	1,429,577	609,853	1,256,716
Deferred tax liability	141,876	157,598	152,248
Non-current liabilities	543,665	1,164,951	559,651
Other appropriations	931	1,021	1,136
Total non-current liabilities	686,472	1,323,570	713,035
Trade payables	10,435	9,026	11,810
Tax liabilities	2,623	1,398	5,270
Other current liabilities	196,383	159,297	153,354
Total current liabilities	209,441	169,721	170,434
TOTAL EQUITY AND LIABILITIES	2,325,490	2,103,144	2,140,185

Total assets at the end of the period amounted to SEK 2,325,490k (2,103,144), of which SEK 2,023,169k (1,893,107) consisted of intangible assets, primarily goodwill and other intangible assets arising in connection with Orc Group Holding AB's acquisition of Orc Group AB and Orc's acquisition of Tbricks. Other current assets amounted to SEK 106,692k (63,549) and have increased by SEK 43,143k, which is mainly explained by unsettled group contributions of SEK 40,734k from Cidron Delfi Intressenter Holding AB for 2014. Cash and cash equivalents totaled SEK 117,728k (72,260).

Equity amounted to SEK 1,429,577k (609,853) and the equity/assets ratio at the end of the period was 61% (29). In November 2014, Orc carried out the conversion of a shareholder loan of SEK 643,050k through a set-off issue in which Orc issued 428,986 preference shares to the parent company Cidron Delfi Intressenter Holding AB. In January 2015 the Group received a shareholder contribution of SEK 308,159k in connection with the acquisition of Tbricks.

Non-current liabilities in the Group amounted to SEK 686,472k (1,323,570), a decrease of SEK 637,098k. Non-current liabilities include an interest-bearing shareholder loan from Orc Group Holding AB's parent company of SEK 0k (626,427) and a note loan of SEK 543,665k (538,524), where the change is explained mainly by conversion of the shareholder loan to equity of SEK 643,050k but also by foreign exchange effects on the note loan.

Cash and cash equivalents for the period from January to June 2015 rose by SEK 17,597k, from SEK 100,131k to SEK 117,728k. Operating activities generated a cash flow of SEK 30,327k (44,836) after changes in working capital. The change in working capital of SEK 11,923k (1,135) is mainly explained by additional prepaid income in connection with the acquisition of Tbricks. Cash flow from investing activities was SEK -12,861k (-42,359) and consisted mainly of capitalized development costs of SEK -41,851k (-42,029) and acquired cash and cash equivalents of SEK 31,026k attributable to the acquisition of Tbricks. As earlier, the Group had an unutilized overdraft facility of SEK 145,000k at the end of the period.

FOREIGN EXCHANGE EFFECTS

Movements in foreign exchange rates affect Orc in several ways. Assets (primarily cash and trade receivables) and liabilities in foreign currency are remeasured at every balance sheet date and the value change is reported net as a separate item in the income statement. Orc's policy is to not continuously hedge operating cash flows in foreign currency. However, this policy is under continuous review and may be changed as needed. The note loan that was raised in November 2012 is deliberately denominated in euros in order to match interest expenses against operating revenue in the same currency.

Operating revenue and expenses are also affected by movements in foreign exchange rates, which have a direct impact on both the revenue and expense item. For the periods covered in this report, the net change that directly affects the income statement has been described above.

Of total operating revenue approximately 45% consists of euros, 33% consists of US dollars, 9% of Swedish kronas and the remaining 10% of other currencies, primarily Australian dollars and Sterling pounds. Operating expenses, excluding amortization, depreciation and impairment losses, consist of approximately 49% Swedish kronor, 13% US dollars, 13% Sterling pounds, 11% Hong Kong dollars, 4% euros and 10% other currencies, primarily Russian rubels.

FINANCIAL INSTRUMENTS

Orc's financial instruments consist mainly of trade receivables, cash and cash equivalents, trade payables, accrued supplier expenses and interest-bearing liabilities. The nature and size of the financial assets and liabilities have not changed significantly compared to those that applied in connection with the latest annual closing. In all material aspects, the fair values of the financial instruments are assessed to approximate their carrying amounts.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No events after the end of the reporting period have been reported.

PARENT COMPANY

The Parent Company Orc Group Holding AB (publ) (556873-5913) is owned by Cidron Delfi Intressenter Holding AB (556871-8141), which is in turn ultimately owned by Nordic Capital Fund VII and by the management and staff in the Orc Group.

Revenue in the Parent Company for the period from April to June 2015 amounted to SEK 1,404k (433). Operating income was SEK 25k (-393), net financial items totaled SEK -16,433k (-47,078) and income after tax amounted to SEK -12,798k (-37,027). Net financial items and income for the second quarter consist mainly of interest expenses on loans and financial expenses payable to the bank, as well as an unrealized foreign exchange difference of SEK 4,176k (-14,898) attributable to revaluation of the note loan. Investments in property, plant and equipment and intangible assets for the period from April to June 2015 amounted to SEK - (-). At June 30, 2015, the Parent Company had cash and cash equivalents of SEK 2,154k (842).

Non-restricted equity in the Parent Company at the end of the period amounted to SEK 1,215,479k (262,012). The increase is attributable to the conversion of a SEK 643,050k shareholder loan through a set-off issue in which Orc Group Holding AB issued 428,986 preference shares to the parent company Cidron Delfi Intressenter Holding AB and a shareholder contribution for the Tbricks acquisition of SEK 308,159k. Non-current and current liabilities amounted to SEK 960,634k (1,551,207) and have decreased mainly as a result of the set-off issue.

Orc Group Holding AB has no significant related party transactions other than transactions with group companies, as well as board fees and a loan to the Parent Company Cidron Delfi Intressenter Holding AB, which was converted to equity in November 2014. All transactions with related parties are carried out on market-based terms. In all material aspects, the nature and size of related party transactions during the period are the same as those that applied in 2014.

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. The Annual Accounts Act and RFR 2, Accounting for Legal Entities, are applied in the Parent Company. For both the Group and the Parent Company, the accounting policies are the same as those applied in the latest annual report unless otherwise stated below.

NEW AND CHANGED ACCOUNTING STANDARDS IN 2015

None of the standards and statements that have been published by the IASB and are effective for annual periods beginning on or after January 1, 2015, have had any material impact on the financial statements of the Group.

SIGNIFICANT ACCOUNTING POLICIES

Below is a brief description of how the accounting policies are applied for a few key items in Orc's income statement and balance sheet. For more detailed information about Orc's significant accounting policies, see the most recently published annual report.

SYSTEM REVENUE

The Group's total revenue consists mainly of revenue from the sale of software licenses, which are billed quarterly in advance. Revenue is then recognized over the quarter to which the billing refers, but at the exchange rates applicable on the billing date.

GOODWILL

The useful life of goodwill is indefinite and the carrying amount of goodwill should therefore be tested for impairment at least annually according to the principles described in the annual report. Orc determines the value of goodwill based on forecasted future cash flows for the cash-generating units.

CAPITALIZED DEVELOPMENT COSTS

Orc's principle is to capitalize development costs attributable to separately identifiable projects that result in either new products or significant improvements in existing products and technology, and that can be expected to generate future economic benefits. Capitalized development costs are amortized on a straight-line basis over their estimated useful lives of 7 to 10 years from the date on which the asset is ready to use or from the quarter after capitalization has taken place. The amortization period of 7 to 10 years is based on an assessment of the useful lives of the products developed by Orc over the years.

INTANGIBLE ASSETS

Orc's intangible assets other than goodwill or capitalized development costs are amortized over a period of 7 to 10 years, depending on the nature and estimated useful life of the asset.

THE GROUP'S SALES BY GEOGRAPHICAL AREA

Orc's operations are divided into one segment and the geographical markets EMEA, Americas and APAC.

SIGNIFICANT RISKS AND UNCERTAINTIES

The most significant risks in Orc's operations have been assessed to lie in the company's ability to predict market needs and thereby adapt its technical solution to these, the ability to recruit and retain skilled employees, risks related to the IT infrastructure, foreign exchange risks and the risk for bad debt losses.

The ongoing uncertainty in the global financial markets is associated with a risk for continued cancellations of existing client contracts, lower sales of new client contracts and increased credit risks. Another significant risk factor to be taken into account is the risk for reduced liquidity in the global derivatives markets, which would most likely have a negative impact on Orc's clients and could therefore also affect staff reductions, new sales and credit risks. Orc's ability to meet its payment obligations is dependent on sufficient liquidity. Profitable operations with healthy cash flows are essential for good liquidity. Another key factor is access to operating credits and various long-term financing solutions. Should access to credits cease, this could have a negative impact on Orc's solvency and financial position.

CONDENSED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK THOUSANDS	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
System revenue	112,744	95,730	215,240	191,511
Professional Services	4,558	3,080	8,858	5,088
Other revenue	-	-	-	-
Operating revenue	117,302	98,810	224,098	196,599
Cost of goods sold	-5,117	-4,397	-9,951	-8,944
Other external expenses	-28,170	-20,137	-60,029	-37,893
Personnel costs	-65,769	-60,328	-149,605	-119,262
Work performed by the company for its own use and capitalized	19,971	21,337	40,178	42,029
Amortization, depreciation and impairment losses	-27,838	-29,236	-209,797	-57,807
Foreign exchange differences	-1,718	1,808	-2,800	1,820
Operating expenses	-108,641	-90,953	-392,004	-180,057
Operating income	8,661	7,857	-167,906	16,542
Financial income	4,184	62	17,988	248
Financial expenses	-13,267	-40,472	-26,602	-65,602
Net financial items	-9,083	-40,410	-8,614	-65,354
Income after financial items	-422	-32,553	-176,520	-48,812
Income tax	1,476	6,518	38,754	10,104
Income for the period	1,054	-26,035	-137,766	-38,708
Other comprehensive income that can be subsequently reclassified to the income statement				
Translation differences	-2,278	2,418	2,468	2,576
Other comprehensive income	-2,278	2,418	2,468	2,576
Comprehensive income for the period	-1,224	-23,617	-135,298	-36,132
Income for the period attributable to owners of the Parent Company	1,054	-26,035	-137,766	-38,708
Comprehensive income for the period attributable to owners of the Parent Company	-1,224	-23,617	-135,298	-36,132

CONSOLIDATED BALANCE SHEET

SEK THOUSANDS	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	1,280,547	1,094,181	1,094,181
Other intangible assets	616,856	579,056	539,022
Capitalized development costs	125,766	219,870	246,047
Property, plant and equipment			
Equipment	11,438	16,255	11,583
Financial assets	2,723	1,883	1,956
Deferred tax asset	6,949	1,172	393
Total non-current assets	2,044,279	1,912,417	1,893,182
Current assets			
Trade receivables	54,049	52,850	42,678
Prepaid tax	2,742	2,068	1,435
Other current assets	106,692	63,549	102,759
Cash and cash equivalents	117,728	72,260	100,131
Total current assets	281,211	190,727	247,003
TOTAL ASSETS	2,325,490	2,103,144	2,140,185
EQUITY AND LIABILITIES			
Equity			
Share capital	6,175	5,746	6,175
Other contributed capital	1,682,260	731,156	1,374,206
Reserves	2,198	-5,347	-270
Retained earnings	-123,395	-82,995	-82,995
Income for the period	-137,766	-38,707	-40,400
Total equity	1,429,577	609,853	1,256,716
Non-current liabilities			
Deferred tax liabilities	141,876	157,598	152,248
Non-current liabilities	543,665	1,164,951	559,651
Other appropriations	931	1,021	1,136
Total non-current liabilities	686,472	1,323,570	713,035
Current liabilities			
Trade payables	10,435	9,026	11,810
Tax liabilities	2,623	1,398	5,270
Other current liabilities	196,383	159,297	153,354
Total current liabilities	209,441	169,721	170,434
TOTAL EQUITY AND LIABILITIES	2,325,490	2,103,144	2,140,185
PLEGGED ASSETS AND CONTINGENT LIABILITIES			
Pledged assets	1,973,307	1,887,940	1,839,150
Contingent liabilities	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to owners of the Parent Company

SEK THOUSANDS	Share capital	Other contributed capital	Reserves	Retained earnings incl. income for the period	Total
Opening balance, January 1, 2015	6,175	1,374,206	-270	-123,395	1,256,716
Income for the period	-	-	-	-137,766	-137,766
Other comprehensive income	-	-	2,468	-	2,468
Comprehensive income for the year	-	-	2,468	-137,766	-135,298
Transactions with owners					
Shareholder contribution	-	308,159	-	-	308,159
Total transactions with owners	-	308,159	-	-	308,159
Closing balance, June 30, 2015	6,175	1,682,365	2,198	-261,161	1,429,577

Attributable to owners of the Parent Company

SEK THOUSANDS	Share capital	Other contributed capital	Reserves	Retained earnings incl. income for the period	Total
Opening balance, January 1, 2014	5,746	731,156	-7,923	-82,995	645,984
Income for the period	-	-	-	-38,707	-38,707
Other comprehensive income	-	-	2,576	-	2,576
Comprehensive income for the year	-	-	2,576	-38,707	-36,131
Transactions with owners					
Total transactions with owners	-	-	-	-	-
Closing balance, June 30, 2014	5,746	731,156	-5,347	-121,702	609,853

CONSOLIDATED CASH FLOW STATEMENT

SEK THOUSANDS	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
OPERATING ACTIVITIES		
Operating income	-167,907	16,542
Adjustments for non-cash items		
Amortization, depreciation and impairment losses	209,797	57,807
Capital loss on the sale of non-current assets	47	120
Other non-cash items	2,812	-1,616
Interest received	97	247
Interest paid	-24,593	-24,884
Income tax paid	-1,849	-4,515
Cash flow from operating activities before changes in working capital	18,404	43,701
CHANGES IN WORKING CAPITAL		
Change in trade receivables	-2,666	12,567
Change in other operating receivables	12,619	-221
Change in trade payables	-1,625	-5,853
Change in other operating liabilities	3,595	-5,358
Cash flow from operating activities	30,327	44,836
INVESTING ACTIVITIES		
Investments in intangible assets	-41,851	-42,029
Acquisition of subsidiaries	31,026	0
Disposal of subsidiaries	-	101
Investments in property, plant and equipment	-1,493	-508
Change in financial assets	-543	77
Cash flow from investing activities	-12,861	-42,359
FINANCING ACTIVITIES		
Amortization of loans	-	-
Cash flow from financing activities	0	0
Change in cash and cash equivalent	17,466	2,477
Cash and cash equivalents at beginning of period	100,131	69,305
Translation/foreign exchange different in cash and cash equivalents	131	478
Cash and cash equivalents at the end of period	117,728	72,26

THE GROUP'S SALES BY GEOGRAPHICAL AREA

SEK THOUSANDS	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
Sweden	11,324	6,995	21,851	14,611
EMEA (excl. Sweden)	62,292	54,219	124,841	106,396
Americas	19,963	16,695	38,073	33,878
APAC	25,931	20,901	48,981	41,714
Fair value adjustment acc. to PPA	-2,208	-	-9,648	-
Operating revenue	117,302	98,810	224,098	196,599

PARENT COMPANY INCOME STATEMENT

SEK THOUSANDS	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
Operating revenue	1,404	433	1,714	1,342
Operating expenses	-1,379	-826	-2,380	-2,328
Operating income	25	-393	-666	-986
Financial income	4,175	0	17,891	0
Financial expenses	-20,608	-47,078	-41,187	-78,881
Net financial items	-16,433	-47,078	-23,296	-78,881
Income after financial items	-16,408	-47,471	-23,962	-79,867
Income tax expense	3,610	10,444	5,272	17,569
Income for the period	-12,798	-37,027	-18,690	-62,298
Comprehensive income for the period	-12,798	-37,027	-18,690	-62,298
Income for the period attributable to owners of the Parent Company	-12,798	-37,027	-18,690	-62,298
Comprehensive income for the period attributable to owners of the Parent Company	-12,798	-37,027	-18,690	-62,298

PARENT COMPANY BALANCE SHEET

SEK THOUSANDS	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014
ASSETS			
Non-current assets			
Financial assets			
Shares in group companies	2,008,604	1,700,446	1,700,446
Long term receivable to parent company	76,590	39,805	78,590
Deferred tax asset	40,003	40,652	34,732
Total non-current assets	2,125,197	1,780,903	1,813,768
Current assets			
Other current assets	54,937	37,220	78,138
Cash and cash equivalents	2,154	842	1,773
Total current assets	57,091	38,062	79,911
TOTAL ASSETS	2,182,288	1,818,965	1,893,679
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	6,175	5,746	6,175
Non-restricted equity			
Share premium reserve	1,682,365	731,156	1,374,206
Retained earnings	-448,196	-406,846	-406,846
Income for the period	-18,690	-62,298	-41,350
Total equity	1,221,654	267,758	932,185
Non-current liabilities			
Non-current liabilities	950,366	1,541,086	950,857
Total non-current liabilities	950,366	1,541,086	950,857
Current liabilities			
Other current liabilities	10,268	10,121	10,637
Total current liabilities	10,268	10,121	10,637
TOTAL EQUITY AND LIABILITIES	2,182,288	1,818,965	1,893,679
PLEGGED ASSETS AND CONTINGENT LIABILITIES			
Pledged assets	2,008,604	1,700,446	1,700,446
Contingent liabilities	-	-	-

ACQUISITION OF SUBSIDIARIES

SEK THOUSANDS

Purchase consideration at January 15, 2015

Shareholder contribution from Cidron Delfi Intressenter Holding AB	308,159
Total purchase consideration	308,159

Carrying amount of identifiable assets acquired and liabilities assumed

Technology	79,400
Trademarks/brands	8,700
Customer relationships	34,100
Deferred tax assets	6,153
Property, plant and equipment	1,381
Deferred income (fair value adjustment)	13,800
Current receivables	11,012
Cash and cash equivalents	31,027
Deferred tax liabilities	-29,920
Current liabilities	-33,860
Total identifiable net assets	121,793
Goodwill	186,366

CONSOLIDATED KEY RATIOS

SEK THOUSANDS	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014
Operating revenue	117,302	98,810	224,098	196,599
Operating income	8,661	7,857	-167,906	16,542
Operating margin	7%	8%	-75%	8%
Net financial items	-9,083	-40,410	-8,614	-65,354
Income for the period	1,054	-26,035	-137,766	-38,708
Profit margin	1%	-26%	-61%	-20%
Total assets	2,325,490	2,103,144	2,325,490	2,103,144
Cash and cash equivalents	117,728	72,260	117,728	72,260
Interest-bearing liabilities	543,665	1,164,951	543,665	1,164,951
Equity	1,429,577	609,853	1,429,577	609,853
Net debt	425,937	1,092,691	425,937	1,092,691
Equity/assets ratio	61%	29%	61%	29%

STATEMENT OF ASSURANCE

The Board of Directors and the CEO give their assurance that the interim report for the period from January to June 2015 provides a true and fair picture of the business activities, financial position and results of operations of the Parent Company and the Group, and describes the significant risks and uncertainties to which the Parent Company and the Group are exposed.

This interim report has not been examined by the company's auditors.

Stockholm August 20, 2015
Orc Group Holding AB

PER E. LARSSON
Board Chairman

FREDRIK NÄSLUND
Board member

CHRISTIAN FRICK
Board member

TORBEN MUNCH
CEO

About Orc

Orc is the global market leader in electronic trading technology for listed derivatives. Successful trading desks depend on Orc to deliver unrivaled next-generation derivatives trading and electronic execution solutions, which they require to stay ahead of the competition.

Dedicated to long-term partnerships and continuous innovation that delivers results, Orc serves the needs of leading trading firms, market makers, banks and brokers worldwide. With 200 customer sites in more than 30 countries, access to over 150 trading venues and offices in each of the world's key financial centers, Orc offers true global capabilities.

Combining our technology and financial industry expertise, including a solid understanding of regulatory issues, Orc also provides expert advice and services that help reduce complexity and cost, while enabling clients to stay fully focused on their core trading activities.

Orc is owned by Orc Group Holding AB, which in turn is majority-owned by Nordic Capital Fund VII.

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STATUTORY DISCLOSURE

The information in this interim report is subject to the disclosure requirements of Orc Group Holding AB under the Swedish Securities Exchange and Clearing Operations Act and the Financial Instruments Trading Act. The information was released for publication on August 20, 2015, 8:00 a.m. CEST.

CONTACT INFORMATION

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A teleconference (in English) will be held on August 20, 2015, at 3:00 p.m. CEST.

For more information, see the invitation at orc-group.com, The Company, Press, News & press.

FINANCIAL INFORMATION

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All financial information is posted on orc-group.com immediately after publication.

FINANCIAL CALENDAR

November 12, 2015 Q3 2015 Interim report

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N.B. The English text is a translation of the Swedish text. In case of discrepancy between the Swedish and the English text the Swedish version shall prevail.