



ITIVITI

Interim report

Itiviti Group Holding AB
January 1 – June 30, 2016



STEADY EARNINGS GROWTH AND MOMENTUM FOR NEW REGULATORY SOLUTIONS

At the beginning of April, Itiviti Group Holding AB (formerly Orc Group Holding AB) announced that the merger with CameronTec Group had been completed. In order to simplify the new group's structure, the legal entities were combined by transferring CameronTec Intressenter Top Holding AB to Itiviti Group AB from the Parent Company Itiviti AB. In connection with the transaction in March 2016, the new group's financing arrangements were optimized through repayment of a bank loan. The loan was repaid with existing cash and bank overdraft facilities. The interim report presents the results for the combined new group, in which all historical data has been restated. The new group is referred to below as Itiviti.

	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
SEK THOUSANDS				
Operating revenue*	176,644	170,060	351,502	330,604
Operating expenses**	-88,071	-95,817	-175,200	-189,327
Adjusted EBITDA *	88,573	74,243	176,302	141,277
Adjusted CAPEX ***	-48,468	-41,745	-104,889	-86,508
EBITDA-CAPEX	40,105	32,498	71,413	54,769

*) 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 as well as an adjustment of the purchase price for LaSalleTech. See table on page 3.

**) 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 2016 was SEK 176,644k (170,060), an increase of 4% compared to the same quarter of 2015. Adjusted for foreign exchange effects, operating revenue rose by SEK 4,722k (3%), most of which is explained by the major sale of a perpetual license and continued positive development in the APAC region. Product sales are already being driven by products built on our new technology platforms (Tbricks, Catalys) while Itiviti classic products remain stable.
- Adjusted EBITDA was SEK 88,573k (74,243) and EBITDA-CAPEX was SEK 40,105k (32,498). Operating expenses and adjusted CAPEX, adjusted for one-off effects, were SEK 1,023k lower than the same period last year. Adjusted for foreign exchange effects, expenses were SEK 3,618k higher than the same period last year, up by 3%. Most of the increase is explained by higher personnel costs, which have risen primarily due to an increase in the number of employees by around 30 and higher costs for sales commissions. This is offset somewhat by the fact that 2015 was affected by costs for an internal conference that was held in April 2015. The development of Itiviti's new product offering to facilitate mandatory compliance with MiFID II and other regulations has resulted in higher development costs, which explains the increase in adjusted CAPEX.

Comments from CEO Torben Munch:

"The investment in our regulatory solutions offering is bearing fruit, as reflected in recent client wins for our market abuse product across Europe. As new regulations are introduced, we see market participants undertaking reviews of their legacy trading systems. As a global, proven and well-capitalized vendor, Itiviti is well positioned to meet the current and future requirements of existing and new customers. Our solutions are based on modern technology that is able to withstand and adapt to future challenges, both regulatory and commercial. To our clients, Itiviti thus offers confidence and certainty in these turbulent times, allowing a continued focus on their core business.

Increasingly, clients are discovering the benefits of our new advanced modular technology, and we continue to drive migrations towards the Tbricks by Itiviti/Catalys by Itiviti platforms. In particular, we have signed a number of multi-year contracts with key clients, most of which resulted in broader relationships and demonstrating Itiviti's commitment to long-term client partnerships.

We are also excited about the launch of our new Itiviti website in July. Fully updated in both design and content, it is a source of information about Itiviti and our numerous ongoing initiatives, as well as industry and regulatory trends. The video channel 'Itiviti Talks' enables us to effectively share our staff's wealth of knowledge with anyone interested in the forefront of our dynamic industry."

Adjusted EBITDA and CAPEX

	Apr 1, 2016	Apr 1, 2015	Jan 1, 2016	Jan 1, 2015
SEK THOUSANDS	- Jun 30, 2016	- Jun 30, 2015	- Jun 30, 2016	- Jun 30, 2015
Operating income	3,778	18,077	36,938	-147,889
Reversal of foreign exchange differences	-1,605	2,172	-3,714	1,506
Reversal of amortization, depreciation and impairment losses	56,373	39,907	101,537	232,221
Reversal of development costs not capitalized as work performed by the company for its own use	2,992	6,614	10,644	15,320
Reversal of items affecting comparability ¹	27,035	5,265	30,897	30,459
Reversal of fair value adjustment	-	2,208	-	9,660
Adjusted EBITDA	88,573	74,243	176,302	141,277
Specification of adjusted CAPEX				
Investments in intangible assets	-41,838	-34,118	-82,987	-68,237
Investments in property, plant and equipment	-3,638	-1,013	-11,258	-2,951
Reversal of development costs not capitalized as work performed by the company for its own use	-2,992	-6,614	-10,644	-15,320
Adjusted CAPEX	-48,468	-41,745	-104,889	-86,508

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.

>> In calculating adjusted EBITDA, the entire cost for Itiviti's product and development organization has been reversed, even 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 financial position".

¹ Items affecting comparability refer to material items and events related to changes in the Group's structure or industry that are relevant for understanding the Group's future development on a like-for-like basis. This line was previously called "Reversal of non-recurring items". See also page 16.

Earnings

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
System revenue	164,774	154,595	330,727	297,909
Professional Services	11,870	13,257	20,775	23,035
Operating revenue	176,644	167,852	351,502	320,944
Cost of goods sold	-4,730	-4,423	-8,552	-8,429
Other external expenses	-51,583	-45,183	-88,507	-91,727
Personnel costs	-96,917	-86,582	-189,491	-192,433
Work performed by the company for its own use and capitalized	35,132	28,492	69,809	57,483
Amortization, depreciation and impairment losses	-56,373	-39,907	-101,537	-232,221
Foreign exchange differences	1,605	-2,172	3,714	-1,506
Operating expenses	-172,866	-149,775	-314,564	-468,833
Operating income	3,778	18,077	36,938	-147,889
Financial income	55	17,598	2,560	36,048
Financial expenses	-23,194	-25,875	-58,955	-64,229
Net financial items	-23,139	-8,277	-56,395	-28,181
Income after financial items	-19,361	9,800	-19,457	-176,070
Income tax expense	4,287	-3,886	4,308	36,558
Income for the period	-15,074	5,914	-15,149	-139,512
Adjusted EBITDA	88,573	74,243	176,302	141,277

April 1 – June 30, 2016

Operating revenue for the period from April to June 2016 increased by SEK 8,792k compared to the same period last year and amounted to SEK 176,644k (167,852). Adjusted for the correction of SEK 2,208k in the fair value of the acquired revenue in Tbricks, the increase was SEK 6,584k, or 4%. Weakening of the Swedish krona, mainly against the US dollar, resulted in an increase in revenue of around SEK 1,900k arising from foreign exchange effects in the second quarter of 2016 compared to the same quarter last year. License revenue rose by SEK 5,758k, which is mainly attributable to the sale of a perpetual license to a European client, higher sales in the APAC region and increased sales of the Managed Services product Tbricks by Itiviti. Professional Services declined slightly compared to the same quarter last year and resulted in revenue of SEK 11,870k (13,257). Compared to the first quarter of the year, which tends to be somewhat weaker, revenue for Professional Services was up by SEK 2,965k.

Operating expenses for the period from April to June 2016 adjusted for amortization, depreciation and impairment losses, items affecting comparability and foreign exchange effects, amounted to SEK -91,066k (-102,432), a decrease of SEK 11,366k compared to the same quarter of last year. The decrease is mainly attributable to a higher degree of work performed by the company for its own use and capitalized, since a larger number of employed developers are working on the development of new offerings such as Itiviti Analyst, OMS, products for Foreign Exchange trading and Managed Connectivity Platform.

Aside from the eliminated exchange rate revaluations, operating expenses have been affected by changes in foreign exchange rates compared to the same period of last year. This has had a positive impact of SEK 4,600k, of which SEK 2,870k has affected the line personnel costs and the remainder has mainly affected other external expenses. As a result of this, other external expenses adjusted for one-off items and foreign exchange effects have decreased by SEK 6,744k. In April 2015 Itiviti also held an internal global conference, which explains why costs were approximately SEK 3,200k higher in the year-earlier quarter. Bad debt losses amounted to SEK -1,141k in the quarter, compared to SEK -2,822k in the second quarter of 2015.

Personnel costs excluding foreign exchange effects and one-off items were SEK 6,185k higher than in the same quarter of last year. The number of employees at June 30, 2016, was 378 (349), which explains most of the increase. By hiring mainly in St. Petersburg, it has been possible to minimize growth in costs. The increase in net sales, combined with a shift in variable salary components from financial targets to sales targets for the majority of employees, has resulted in somewhat higher costs for sales commissions.



Items affecting comparability amounted to SEK -27,035k (-5,265) and consisted mainly of one-off items in connection with the merger of the legal groups Orc and CameronTec into Itiviti, see also page 16. The previous year's one-off items consisted of restructuring costs for salaries and premises in connection with the acquisition of Tbricks.

The quarter's amortization, depreciation and impairment losses of SEK -56,373k (-39,907) refer to amortization of acquired client contracts and technology, capitalized work performed by the company for its own use pertaining to costs for Itiviti's software development and amortization of expenses for client acquisition. A significant part of the company's development costs are capitalized in the consolidated balance sheet and amortized over a period of 3 to 10 years. Adjusted for items affecting comparability, the increase amounts to SEK 6,523k and is explained mainly by the higher share of capitalized development costs and capitalized client acquisition costs.

Operating income including one-off items amounted to SEK 3,778k (18,077) and net financial items totaled SEK -23,139k (-8,277). Financial items include an unrealized foreign exchange effect on the note loan and bank loans of SEK -11,046k (12,676), since the loans were denominated in euros and US dollars and the reporting currency is SEK. Other financial expenses refer to interest and other expenses arising from Itiviti Group Holding AB's acquisition of Itiviti Group AB. The reported tax expense was SEK 4,287k (-3,886) and income for the period was SEK -15,074k (5,914).

January 1 – June 30, 2016

Operating revenue for the period from January to June 2016 increased by 30,558k compared to the same period of last year and amounted to SEK 351,502k (320,944). Adjusted for the correction of SEK 9,660k in the fair value of the acquired revenue in Tbricks, the increase was SEK 20,898k, or 6%. Weakening of the Swedish krona, mainly against the US dollar, resulted in an increase in revenue of SEK 11,400k arising from foreign exchange effects in the first half of 2016 compared to the same period of last year. The remainder of SEK 9,500k is explained by the above-mentioned perpetual license and higher sales of Tbricks by Itiviti, VeriFIX by Itiviti and Catalys by Itiviti. For Itiviti it is a strong signal that the new technology platforms are already driving new revenue and customers. We maintain a loyal and stable customer base for Itiviti classic, while we see a steady take-up from this customer base to move to our new platforms.

Operating expenses for the period from January to June 2016, adjusted for amortization, depreciation and impairment losses, one-off items and foreign exchange effects, amounted to SEK -185,845k (-204,648), down by SEK 18,803k compared to the same period of last year. The decrease is mainly attributable to a higher degree of capitalized development costs, lower bad debt losses and the above-mentioned conference. The increased number of employees together with an increase in sales resulted in higher personnel costs compared to the same period of last year. Changes in foreign exchange rates, aside from the eliminated exchange rate revaluation, have been favorable and reduced operating expenses by SEK 7,000k.

The period's amortization, depreciation and impairment losses amounted to SEK -101,537k (-232,221). The decrease is explained by the fact that the Group recorded an impairment loss of SEK 148,000k on the book value of the technology attributable to Itiviti's platform in the first quarter of 2015. The impairment loss was recognized in connection with the decision to primarily develop products based on Tbricks' trading platform.

Operating income including one-off items was SEK 36,938k (-147,889) and net financial items amounted to SEK -56,395k (-28,181). Financial items include an unrealized foreign exchange effect on the note loan and bank loans of SEK -16,660k (10,978), since the loans were denominated in euros and US dollars and the reporting currency is SEK. Other financial expenses refer to interest and other expenses arising from Itiviti Group Holding AB's acquisition of Itiviti Group AB. The reported tax expense was SEK 4,308k (36,558) and income for the period was SEK -15,149k (-139,512).

Balance sheet and financial position

SEK THOUSANDS	Jun 30, 2016	Jun 30, 2015	Dec 31, 2015
ASSETS			
Intangible assets	2,549,113	2,566,574	2,561,471
Property, plant and equipment	26,157	16,664	21,032
Financial assets	76,157	79,715	76,490
Deferred tax asset	35,552	33,057	35,064
Total non-current assets	2,686,979	2,696,010	2,694,057
Trade receivables	84,189	101,989	123,617
Prepaid tax	2,411	1,475	1,281
Other current assets	32,429	45,266	36,879
Cash and cash equivalents	73,982	178,389	225,237
Total current assets	193,011	327,119	387,014
TOTAL ASSETS	2,879,990	3,023,129	3,081,071
EQUITY AND LIABILITIES			
Equity	1,704,845	1,549,405	1,558,476
Deferred tax liability	212,955	206,137	215,723
Non-current liabilities	567,645	568,020	566,171
Other appropriations	2,073	5,190	6,432
Total non-current liabilities	782,673	779,347	788,326
Trade payables	11,879	13,558	15,218
Tax liabilities	3,202	3,472	8,365
Other current liabilities	377,391	677,347	710,686
Total current liabilities	392,472	694,377	734,269
TOTAL EQUITY AND LIABILITIES	2,879,990	3,023,129	3,081,071

Total assets at the end of the period amounted to SEK 2,879,990k (3,023,129), of which SEK 2,549,113k (2,566,574) consisted of intangible assets, primarily goodwill and other intangible assets arising in connection with Itiviti Group Holding AB's acquisition of Orc Group AB, LaSalle Tech and Greenline. Financial assets of SEK 76,157k (79,715) consist of a non-current receivable from the Parent Company Itiviti AB.

Cash and cash equivalents at June 30, 2016 amounted to SEK 73,982k (178,389) and decreased during the period by -151,255k after a substantial loan payment was made in March 2016. Over time, currency-adjusted EBITDA-CAPEX is a good indicator of the operating cash flow for the Group. During the period, currency-adjusted EBITDA-CAPEX January to June 2016 including one-off items amounted to SEK 40,516k. The difference between the actual change in cash and currency-adjusted EBITDA-CAPEX including one-off items refers mainly to interest payments of SEK -30,863k and repayment of bank loans for a total of SEK -232,924k. The remainder is attributable to paid tax of SEK -4,837k, an increase in bank overdraft of SEK 43,809k and a positive change of SEK 33,978k in working capital. The positive change in working capital is mainly explained by lower trade receivables after billing practices were improved. Accrued expenses have risen as the items affecting comparability that were charged to income for the second quarter have been mainly expensed. This has been offset partly by deferred income, which has decreased compared to year-end since the number of annual invoices is higher at year-end than in June.

Consolidated equity amounted to SEK 1,704,845k (1,549,405). The increase consists mainly of a shareholder contribution of SEK 161,342k that was used to redeem a loan to the Parent Company Itiviti AB. The equity/assets ratio at the end of the period was 59% (51).



Non-current liabilities consist mainly of the note loan of SEK 559,486k (543,665). Other current liabilities decreased by SEK 333,295k compared to December 31, 2015, which is mainly explained by the repayment of SEK -232,924k of the bank loan that existed at year-end 2015 and the above-mentioned redeemed loan to the Parent Company Itiviti AB.

Foreign exchange effects

Movements in foreign exchange rates affect Itiviti in several ways. Current assets (primarily 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 operating income. Revaluation of cash and non-current liabilities is recognized in net financial items.

Itiviti's policy is to not continuously hedge operating cash flows in foreign currency, although 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 and operating revenue currency.

Operating revenue and expenses are also affected by movements in foreign exchange rates. For the periods covered in this report, the net change that directly affects the income statement has been described above.

Of total operating revenue in the quarter, approximately 48% consists of US dollars, 35% of euros, 6% of Sterling pounds, 6% of Swedish kronor and the remaining 5% of other currencies. Operating expenses, excluding amortization, depreciation and impairment losses, consist of approximately 23% Swedish kronor, 21% US dollars, 15% Sterling pounds, 10% Hong Kong dollars, 9% euros, 5% rubels and 6% other currencies.

Financial instruments

Itiviti'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 have been reported after the closing date.

Parent company

The Parent Company Itiviti Group Holding AB (publ) (556873-5913) was established in 2011 and was registered with the Swedish Companies Registration Office for the first time on November 28, 2011. The company is owned by Itiviti AB (formerly Cidron Delfi Intressenter Holding AB) (556871-8141), which is in turn ultimately owned by Nordic Capital Fund VII and the management of the Itiviti Group.

Revenue in the Parent Company for the period from April to June 2016 was SEK 1,287k (1,404). The decrease refers to internal billing of services to other group companies. Operating income was SEK -832k (25), net financial items totaled SEK -23,829k (-16,433) and income after tax amounted to SEK -19,236k (-12,798). Net financial items and income for the second quarter consist mainly of interest expenses on the note loan, financial expenses payable to the bank and an unrealized foreign exchange loss of SEK -11,046k attributable to remeasurement of the note loan.

Investments in property, plant and equipment and intangible assets for the period from April to June 2016 amounted to SEK -k (-). At June 30, 2016, the Parent Company had cash and cash equivalents of SEK 2,458k (2,154). Non-restricted equity in the Parent Company on the same date was SEK 2,253,064k (1,215,479). The increase in equity of SEK 1,037,585k consists mainly of the shareholder contribution of SEK 1,028,279k from the Parent Company Itiviti AB. The shareholder contribution was received to settle a liability of SEK 431,203k to the subsidiary Itiviti Group AB and to send a shareholder contribution of SEK 597,075k to the same. Itiviti Group AB later acquired the shares in CameronTec Intressenter Top Holding AB for SEK 1,028,279k.



Itiviti Group Holding AB has no significant related party transactions other than transactions with group companies and board fees. All transactions with related parties are carried out on market-based terms. The nature and scope of related party transactions during the period are essentially the same as in 2015.

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.

On November 30, 2015, Itiviti AB acquired 100% of the shares in CameronTec Intressenter Top Holding AB from Cidron Delfi S.a.r.l. On March 30, 2016 Itiviti Group AB acquired CameronTec Intressenter Top Holding AB from Itiviti AB. From an accounting standpoint, this is a transaction under common control in which Itiviti Group AB has taken over CameronTec Intressenter Top Holding AB. IFRS 3 does not apply to transactions under common control and no revaluation of assets and liabilities in CameronTec Intressenter Top Holding AB has taken place. The comparative figures have been restated as if CameronTec Intressenter Top Holding AB had been part of the Group during the comparison period.

New and changed accounting standards in 2016

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, 2016, have had any significant 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 Itiviti's income statement and balance sheet. For more detailed information about Itiviti'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 on a straight-line basis over the quarter to which the billing refers, but at the exchange rates ruling on the billing date.

Taxes

For loss carryforwards with an unlimited life, a deferred tax asset is recognized if the loss carryforward is expected to be usable.

Goodwill

Because the useful life of goodwill is indefinite, the carrying amount of goodwill should be tested for impairment at least annually according to the principles described in the annual report. Itiviti determines the value of goodwill based on forecasted future cash flow for the cash-generating unit.

Capitalized development costs

Itiviti'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 3 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 3 to 10 years is based on an assessment of the useful lives of the products developed by Itiviti over the years.

Intangible assets

Itiviti's intangible assets other than goodwill or capitalized development costs are amortized over a period of 3 to 10 years, depending on the nature and estimated useful life of the asset.



The commissions that arise on the date of sale and are directly attributable to the acquisition of the client contract are recognized in intangible assets in the balance sheet. Contracts that are signed with clients have a fixed term (normally 12 months) and are amortized on a straight-line basis over this period. The investment in the form of paid commission compensation is recognized in investing activities in the cash flow statement.

Revenue by geographical area

Itiviti's operations are managed and measured in one segment and are divided into the geographical markets EMEA (incl. Sweden), Americas and APAC.

Significant risks and uncertainties

The most significant risks in Itiviti'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, the risk for bad debt losses and international economic sanctions that prevent the company from fulfilling its obligations to clients and employees.

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 Itiviti's clients and could therefore also affect staff reductions, new sales and credit risks.

Itiviti'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 Itiviti's solvency and financial position.



Condensed financial statements

Consolidated income statement and statement of comprehensive income

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
System revenue	164,774	154,595	330,727	297,909
Professional Services	11,870	13,257	20,775	23,035
Operating revenue	176,644	167,852	351,502	320,944
Cost of goods sold	-4,730	-4,423	-8,552	-8,429
Other external expenses	-51,583	-45,183	-88,507	-91,727
Personnel costs	-96,917	-86,582	-189,491	-192,433
Work performed by the company for its own use and capitalized	35,132	28,492	69,809	57,483
Amortization, depreciation and impairment losses	-56,373	-39,907	-101,537	-232,221
Foreign exchange differences	1,605	-2,172	3,714	-1,506
Operating expenses	-172,866	-149,775	-314,564	-468,833
Operating income	3,778	18,077	36,938	-147,889
Financial income	55	17,598	2,560	36,048
Financial expenses	-23,194	-25,875	-58,955	-64,229
Net financial items	-23,139	-8,277	-56,395	-28,181
Income after financial items	-19,361	9,800	-19,457	-176,070
Income tax	4,287	-3,886	4,308	36,558
Income for the period	-15,074	5,914	-15,149	-139,512

Other comprehensive income that can be subsequently reclassified to the income statement

Translation differences	-2,842	-6,554	176	12,171
Other comprehensive income	-2,842	-6,554	176	12,171
Comprehensive income for the period	-17,916	-640	-14,973	-127,341

Income for the period attributable to owners of the Parent Company

-15,074 5,914 -15,149 -139,512

Comprehensive income for the period attributable to owners of the Parent Company

-17,916 -640 -14,973 -127,341



Consolidated balance sheet

SEK THOUSANDS	Jun 30, 2016	Jun 30, 2015	Dec 31, 2015
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	1,532,062	1,532,403	1,532,304
Other intangible assets	712,373	828,800	770,166
Capitalized development costs	304,678	205,731	259,001
Property, plant and equipment			
Equipment	26,157	16,664	21,032
Financial assets	76,157	79,715	76,490
Deferred tax asset	35,552	33,057	35,064
Total non-current assets	2,686,979	2,696,010	2,694,057
Current assets			
Trade receivables	84,189	101,989	123,617
Prepaid tax	2,411	1,475	1,281
Other current assets	32,429	45,266	36,879
Cash and cash equivalents	73,982	178,389	225,237
Total current assets	193,011	327,119	387,014
TOTAL ASSETS	2,879,990	3,023,129	3,081,071
EQUITY AND LIABILITIES			
Equity			
Share capital	6,175	6,175	6,175
Other contributed capital	1,843,707	1,682,366	1,682,366
Reserves	34,858	41,698	34,682
Retained earnings	-164,746	-41,322	-41,322
Income for the period	-15,149	-139,512	-123,425
Total equity	1,704,845	1,549,405	1,558,476
Non-current liabilities			
Deferred tax liabilities	212,955	206,137	215,723
Non-current liabilities	567,645	568,020	566,171
Other appropriations	2,073	5,190	6,432
Total non-current liabilities	782,673	779,347	788,326
Current liabilities			
Trade payables	11,879	13,558	15,218
Tax liabilities	3,202	3,472	8,365
Other current liabilities	377,391	677,347	710,686
Total current liabilities	392,472	694,377	734,269
TOTAL EQUITY AND LIABILITIES	2,879,990	3,023,129	3,081,071
PLEGGED ASSETS AND CONTINGENT LIABILITIES			
Pledged assets	2,051,503	2,341,626	2,295,734
Contingent liabilities	-	-	-



Consolidated statement of changes in equity

Attributable to owners of the Parent Company

SEK THOUSANDS	Share	Other contributed capital	Reserves	Retained earnings incl. Income for the year	Total
Opening balance, Jan 1, 2016	6,175	1,682,366	34,682	-164,747	1,558,476
Income for the year	-	-	-	-15,149	-15,149
Other comprehensive income	-	-	176	-	176
Total comprehensive income for the year	-	-	176	-15,149	-14,973
Transactions with owners					
Shareholders contribution	-	161,342	-	-	161,342
Total transactions with owners	-	161,342	-	-	161,342
Closing balance, Jun 30, 2016	6,175	1,843,708	34,858	-179,896	1,704,845

Attributable to owners of the Parent Company

SEK THOUSANDS	Share	Other contributed capital	Reserves	Retained earnings incl. Income for the year	Total
Opening balance, Jan 1, 2015	6,175	1,374,207	29,527	-41,322	1,368,587
Income for the year	-	-	-	-139,512	-139,512
Other comprehensive income	-	-	12,171	-	12,171
Total comprehensive income for the year	-	-	12,171	-139,512	-127,341
Transactions with owners					
Shareholders contribution	-	308,159	-	-	308,159
Total transactions with owners	-	308,159	-	-	308,159
Closing balance, Jun 30, 2015	6,175	1,682,366	41,698	-180,834	1,549,405

Consolidated cash flow statement

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015
OPERATING ACTIVITIES		
Operating income	36,938	-147,888
Adjustments for non-cash items		
Amortization, depreciation and impairment losses	101,537	232,221
Capital loss on the sale of non-current assets	-	-
Other non-cash items	-5,492	-3 672
Interest received	148	217
Interest paid	-31,011	-30,904
Income tax paid	-4,837	-4,571
Cash flow from operating activities before changes in working capital	97,283	45,403
CHANGES IN WORKING CAPITAL		
Change in trade receivables	40,403	17,539
Change in other operating receivables	4,671	5,832
Change in trade payables	-2,544	-1,583
Change in other operating liabilities	-8,552	21,224
Cash flow from operating activities	131,261	88,415
INVESTING ACTIVITIES		
Investments in intangible assets	-82,987	-68,237
Acquisition of subsidiaries	-1,733	-289,232
Disposal of subsidiaries	-	-
Investments in property, plant and equipment	-11,258	-2,964
Change in financial assets	-	-
Cash flow from investing activities	-95,978	-360,433
FINANCING ACTIVITIES		
Change in overdraft facility	43,809	-
Amortization of debt	-232,924	-
Shareholder contribution	-	308,159
Cash flow from financing activities	-189,115	308,159
Change in cash and cash equivalents	-153,832	36,141
Cash and cash equivalents at beginning of period	225,237	143,194
Translation/foreign exchange different in cash and cash equivalents	2,576	-946
Cash and cash equivalents at the end of period	73,982	178,389



Revenue by geographical area

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
Sw eden	10,797	12,542	20,609	23,979
EMEA (excl Sw eden)	74,265	73,514	151,817	146,184
Americas	49,096	49,442	96,265	93,713
APAC	42,486	34,562	82,811	66,728
Fair value adjustment acc. to PPA	-	-2,208	-	-9,660
Operating revenue	176,644	167,852	351,502	320,944

Parent company income statement

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
Operating revenue	1,287	1,404	2,879	1,714
Operating expenses	-2,119	-1 379	-3,839	-2,380
Operating income	-832	25	-960	-666
Financial income	0	4,175	0	17,891
Financial expenses	-23,829	-20,608	-50,818	-41,187
Net financial items	-23,829	-16,433	-50,818	-23,296
Income after financial items	-24,661	-16,408	-51,778	-23,962
Income tax expense	5,425	3,610	11,391	5,272
Income for the period	-19,236	-12,798	-40,387	-18,690
Comprehensive income for the period	-19,236	-12,798	-40,387	-18,690

Income for the period attributable to owners of the Parent Company	-19,236	-12,798	-40,387	-18,690
Comprehensive income for the period attributable to owners of the Parent Company	-19,236	-12,798	-40,387	-18,690



Parent company balance sheet

SEK THOUSANDS	Jun 30, 2016	Jun 30, 2015	Dec 31, 2015
ASSETS			
Non-current assets			
Financial assets			
Shares in group companies	2,605,680	2,008,604	2,008,604
Long term receivable to parent company	72,837	76,590	72,838
Deferred tax asset	37,366	40,003	25,711
Total non-current assets	2,715,883	2,125,197	2,107,153
Current assets			
Other current assets	112,004	54,937	134,802
Cash and cash equivalents	2,458	2,154	3,534
Total current assets	114,462	57,091	138,336
TOTAL ASSETS	2,830,345	2,182,288	2,245,489
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	6,175	6,175	6,175
Non-restricted equity			
Share premium reserve	1,374,206	1,374,206	1,374,206
Retained earnings	919,245	-140,037	-140,037
Income for the period	-40,387	-18,690	30,740
Total equity	2,259,239	1,221,654	1,271,084
Non-current liabilities			
Non-current liabilities	559,486	950,366	963,554
Total non-current liabilities	559,486	950,366	963,554
Current liabilities			
Other current liabilities	11,621	10,268	10,852
Total current liabilities	11,621	10,268	10,852
TOTAL EQUITY AND LIABILITIES	2,830,345	2,182,288	2,245,489
PLEGDED ASSETS AND CONTINGENT LIABILITIES			
Pledged assets	2,605,680	2,008,604	2,008,604
Contingent liabilities	-	-	-



Items affecting comparability

Items affecting comparability refer to material items and events related to changes in the Group's structure or industry that are relevant for understanding the Group's development on a like-for-like basis. These items were previously called "non-recurring items".

The Group's EBITDA is adjusted for items affecting comparability in order to enable the management to monitor and analyze the underlying profitability adjusted for items that affect comparability between periods.

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
Items affecting comparability in Other external expenses				
Vacant premises following acquisition	-2,046	744	-2,048	-2,343
Marketing expenses following launch of Itiviti	-1,591	-	-1,807	-
Legal consultancy costs following Orc/CameronTec merger	-2,077	-	-3,452	-
Strategic review of market opportunities following the creation of Itiviti	-10,894	-	-11,076	-
Consultancy costs after Tbricks and LaSalle Tech acquisition	-	-1,826	-	-8,038
Start-up cost for new business in Japan	-	-1,260	-	-2,410
Total	-16,608	-2,342	-18,383	-12,791
Items affecting comparability in Personnel costs				
Redundancies following Orc/CameronTec merger	-10,427	-	-12,514	-
Redundancies following acquisitions	-	-2,923	-	-17,668
Total	-10,427	-2,923	-12,514	-17,668
Items affecting comparability in amortizations and depreciations				
Write-down of technology following Orc/CameronTec merger	-9,946	-	-9,943	-
Write-down of technology following Tbricks acquisition	-	-	-	-148,000
Total	-9,946	-	-9,943	-148,000
Total items affecting comparability	-36,981	-5,265	-40,840	-178,459



Consolidated key ratios

SEK THOUSANDS	Apr 1, 2016 - Jun 30, 2016	Apr 1, 2015 - Jun 30, 2015	Jan 1, 2016 - Jun 30, 2016	Jan 1, 2015 - Jun 30, 2015
Operating revenue	176,644	167,852	351,502	320,944
Operating income	3,778	18,077	36,938	-147,889
Operating margin	2%	11%	11%	-46%
Net financial items	-23,139	-8,277	-56,395	-28,181
Income for the period	-15,074	5,914	-15,149	-139,512
Profit margin	-9%	4%	-4%	-43%
Adjusted EBITDA	88,573	74,243	176,302	141,277
Adjusted EBITDA-margin	50%	44%	50%	44%
EBITDA-CAPEX	40,105	32,498	71,413	54,769
EBITDA-CAPEX-margin	23%	19%	20%	17%
Total assets	2,879,990	3,023,129	2,879,990	3,023,129
Cash and cash equivalents	73,982	178,389	73,982	178,389
Interest-bearing liabilities	603,295	772,525	603,295	772,525
Equity	1,704,845	1,549,405	1,704,845	1,549,405
Net debt	529,313	594,136	529,313	594,136
Equity/assets ratio	59%	51%	59%	51%

See Annual Report 2015 for definitions of key ratios and page 3.



Statement of assurance

The Board of Directors and the CEO give their assurance that the interim report for the period from January to June 2016 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 23, 2016
Itiviti Group Holding AB

PER E. LARSSON
Board Chairman

DANIEL BERGLUND
Board Member

SALLY DEWAR
Board Member

CHRISTIAN FRICK
Board Member

JÜRGEN INGELS
Board Member

FREDRIK NÅSLUND
Board Member

TORBEN MUNCH
CEO



About Itiviti

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

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

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

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

For more information visit: itiviti.com

Statutory disclosure

The information in this interim report is subject to the disclosure requirements of Itiviti 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 23, 2016, 8:00 a.m. CEST.

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A teleconference (in English) will be held on August 23, 2016, at 3:00 p.m. CEST.

For more information, see the invitation at itiviti.com

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All financial information is posted on itiviti.com immediately after publication.

Financial calendar

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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.