

NNIT full-year report 2015

27 January 2016

The NNIT Presenting Team



Per Ove Kogut

Chief Executive Officer



**Carsten Krogsgaard
Thomsen**

Chief Financial Officer



Søren Luplau-Pagh

SVP, Solutions Division



Jesper Wagener

Head of Investor Relations

Agenda

Highlights for 2015

Sales and backlog

Financial performance

Outlook for 2016

Forward looking statements

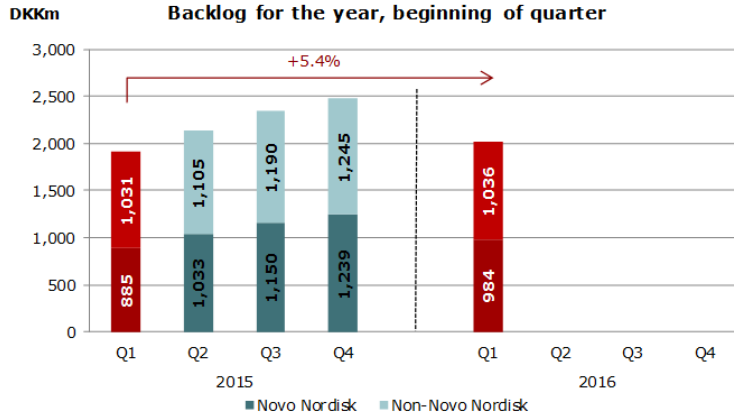
This presentation contains forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'outlook', 'guidance', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

2015 at a glance

	Constant currencies	Reported currencies	vs. 2014 (constant curr.)	vs. 2014 (reported curr.)
Revenue	DKK 2,579m	DKK 2,600m	+7.0%	+7.9%
Operating profits	DKK 300m	DKK 269m	+13.0%	+1.4%
Operating profit margin	11.6%	10.3%	+0.6pp	-0.7pp
Net profits		DKK 212m		+1.5%
Order backlog (2016)		DKK 2,020m		+5.4%
Free cash flow		DKK 212m		+DKK 59m

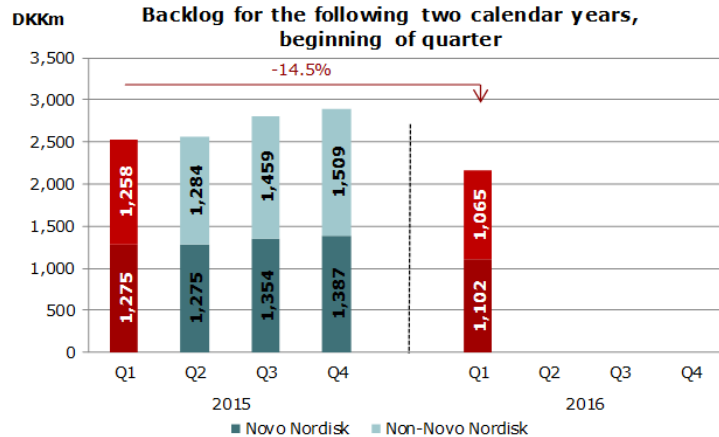
Dividends proposed **DKK 4.00 per share, 46% pay-out ratio of net profits**

Backlog development



Backlog for 2016 is DKK 2,020m, which is an increase of 5.4% compared to the start of 2015:

- New contracts with customers in the enterprise and finance customer groups
- Extension and expansion of infrastructure and support agreements with Novo Nordisk
- Partly countered by the expiring of contracts within the public customer group



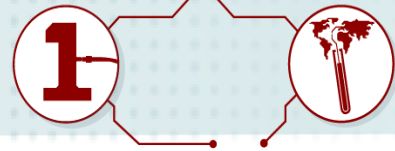
The backlog for 2017 and 2018 decreased 14.5% y-o-y to DKK 2,167m

- Outsourcing contracts expiring in 2017 and 2018 but not yet renegotiated
- Prolongation/re-winning of these contracts will increase the backlog as this takes place

NNIT Way



Positions



Go to market

Strategic focus areas



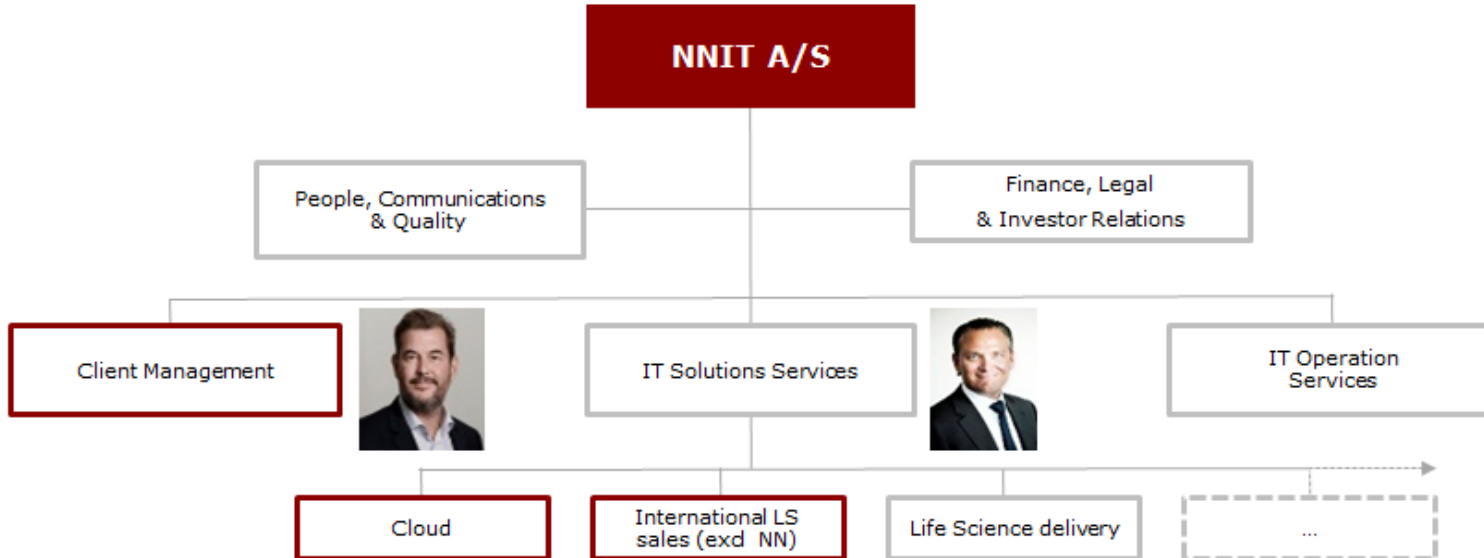
Strategic optimization

An organizational alignment to increase focus on Life Sciences

**Consolidate
International
Life Sciences**

Target: Increase Life Science focus to enable larger deals and at a faster pace.

Solution: Consolidate International LS sales (excl. NN) and Cloud offerings into IT Solutions



Financial statement

DKK million	2015 (reported)	2015 (constant*)	2014*	Pct/pp Change (reported)	Pct/pp Change (constant)
Revenue	2,600.3	2,579.0	2,410.4	7.9%	7.0%
Cost of goods sold	2,083.0	2,036.3	1,930.7	7.9%	5.5%
Gross profit	517.3	542.7	479.7	7.8%	13.1%
<i>Gross profit margin</i>	<i>19.9%</i>	<i>21.0%</i>	<i>19.9%</i>	<i>-0.2pp</i>	<i>1.1p</i>
Sales and marketing costs	129.6	127.5	111.9	15.8%	13.9%
Administrative expenses	118.6	115.3	102.5	15.7%	12.5%
Operating profit	269.1	299.9	265.3	1.4%	13.0%
<i>Operating profit margin</i>	<i>10.3%</i>	<i>11.6%</i>	<i>11.0%</i>	<i>-0.8pp</i>	<i>0.7pp</i>
Net financials	3.1	n.a.	2.4	n.a.	n.a.
Profit before tax	272.2	n.a.	267.7	1.7%	n.a.
Tax	59.8	n.a.	58.4	2.3%	n.a.
<i>Effective tax rate</i>	<i>22.0%</i>	<i>n.a.</i>	<i>21.8%</i>	<i>-1.9pp</i>	<i>n.a.</i>
Net profit	212.4	n.a.	209.3	1.5%	n.a.

*Constant currencies measured using average exchange rates for 2014

- Organic revenue growth of 7.0% in constant currencies and 7.9% in reported currencies
- Operating profit margin of 11.6% in constant currencies and 10.3% in reported currencies
- Net financials impacted positively by:
 - Currency hedging, although effect is diminishing, and net adjustment of long-term incentive program from previous years (NN share development diminishing financials) countered by fees of being a listed company
- Effective tax rate of 22.0% partly due to lowering of the Danish corporate tax rate to 23.5%
- Net Profit growth of 1.5%

Segment development

DKK m	Revenue 2015 (reported)	Revenue 2015 (constant*)	Revenue 2014*	Pct Change (reported)	Pct Change (constant)
Life Sciences	1,649.7	1,629.1	1,546.8	6.7%	5.3%
<i>Hereof Novo Nordisk Group</i>	<i>1,315.8</i>	<i>1,304.5</i>	<i>1,260.3</i>	<i>4.4%</i>	<i>3.5%</i>
<i>Hereof other Life Sciences</i>	<i>334.0</i>	<i>324.6</i>	<i>286.6</i>	<i>16.5%</i>	<i>13.3%</i>
Public	375.1	375.1	326.1	15.0%	15.0%
Enterprise	384.7	384.0	371.3	3.6%	3.4%
Finance	190.8	190.8	166.3	14.7%	14.7%
Total	2,600.3	2,579.0	2,410.4	7.9%	7.0%

* Constant currencies measured using average exchange rates for 2014

Revenue from Novo Nordisk is affected by discontinuation of re-invoicing of software licenses of around DKK 30m

- Adjusting for this, Novo Nordisk growth was 6.9% (reported) and 6.0% (constant)

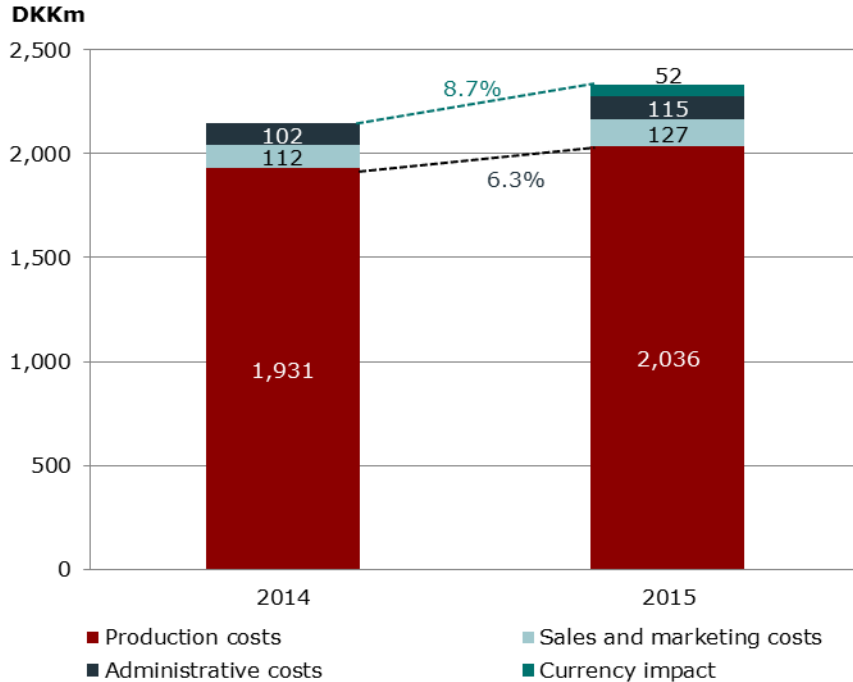
Growth in public is influenced by a reversal of revenue in 2014 of DKK 35m

- Adjusting for this, the growth in public was 3.9% in both reported and constant currencies

Growth in enterprise is influenced by a compensation of a terminated contract in 2014 of around DKK 7m

- Adjusting for this, the growth in public was 5.5%(reported) and 5.4% (constant)

Costs



Total costs DKK 2,331m (8.7%)

Currency headwinds influence costs of NNIT's offshore delivery centers

- 2015 impact DKK 52m

In constant currencies costs increased 6.3%

- Increased employee costs caused by revenue growth
- IPO launch program (starting March 2015)
- Expanded office facilities
- Strengthened international life sciences sale force

Impact from efficiency measure initiatives are limited in 2015.

Full effects in 2016

IT Solutions

DKK million	2015 (reported)	2015 (constant*)	2014*	Pct/pp Change (reported)	Pct/pp Change (constant*)
Revenue					
Novo Nordisk Group	425.9	424.3	393.1	8.3%	7.9%
Non-Novo Nordisk Group	434.0	425.9	350.1	23.9%	21.6%
Total	859.9	850.2	743.3	15.7%	14.4%
Costs	763.0	748.5	666.3	14.5%	12.3%
Operating profit	96.9	101.7	77.0	25.9%	32.2%
<i>Operating profit margin</i>	<i>11.3%</i>	<i>12.0%</i>	<i>10.4%</i>	<i>1.0pp</i>	<i>1.6pp</i>

* Constant currencies measured using average exchange rates for 2014

Revenue growth of 14.4% in constant currencies and 15.7% in reported currencies

- Partly influenced by 2014 events (reversal of revenue and compensation for a terminated contract)
- Growth net of these two items is 10.2% in constant currencies and 11.5% in reported currencies

Operating profit margins increase 1.6pp to 12.0% in constant currencies and 1.0pp to 11.3% in reported currencies

- 2014 operating profit margin was impacted by the two events described above
- Adjusted for the two above events, 2014 operating profit margin was 13.0%

IT Operations

DKK million	2015 (reported)	2015 (constant*)	2014*	Pct/pp Change (reported)	Pct/pp Change (constant*)
Revenue					
Novo Nordisk Group	889.9	880.2	867.1	2.6%	1.5%
Non-Novo Nordisk Group	850.5	848.6	800.0	6.3%	6.1%
Total	1,740.4	1,728.8	1,667.1	4.4%	3.7%
Costs	1,568.2	1,530.7	1,478.7	6.0%	3.5%
Operating profit	172.2	198.2	188.4	-8.6%	5.2%
<i>Operating profit margin</i>	<i>9.9%</i>	<i>11.5%</i>	<i>11.3%</i>	<i>-1.4pp</i>	<i>0.2pp</i>

* Constant currencies measured using average exchange rates for 2014

Revenue growth of 3.7% in constant currencies and 4.4% in reported currencies

- Revenue is influenced by discontinuation of re-invoicing of software licenses to Novo Nordisk
- Adjusted for this, the growth is 5.6% in constant currencies and 6.3% in reported currencies

Operating profit margins increase 0.2pp to 11.5% in constant currencies

while declining 1.4pp to 9.9% in reported currencies

- Effects from the efficiency initiatives undertaken in 2015 starting to positively impact costs
- Costs are impacted by IT Operations' share of costs related to the IPO incentive program, new functions related to being a listed company and one off costs related to the expansion of facilities in Denmark
- Reported currencies are further impacted by currency headwinds on deliveries from offshore delivery centers

Net Financials

Net financials DKKm	2015	2014	Change
Net gains on Novo Nordisk shares*	4.1	1.3	2.8
Dividends received from Novo Nordisk shares	0.7	1.1	-0.4
Total Novo Nordisk share related items	4.8	2.4	2.3
Currency hedge gains	6.8	3.9	2.8
Currency losses	-3.7	-3.1	-0.6
Total currency related items	3.1	0.9	2.3
Interests and bank charges**	-4.7	-0.9	-3.8
Total interests and bank charges	-4.7	-0.9	-3.8
Net financials	3.1	2.4	0.8

* Market value of Novo Nordisk shares less adjustment of obligation related to long-term incentive programs from previous years. Prior to IPO the regulation was not made on a quarterly basis.

** Includes fees to banks in relation to being a public listed company

Total Currency hedges DKKm	2015	2014	Change
Currency hedge gains in P&L	6.8	3.9	2.8
Currency hedge gains on Equity	-3.9	0.0	-3.9
Total currency hedge gains	2.9	3.9	-1.1

Net financials for 2015 are DKK 3.1m primarily due to:

- Net gains on Novo Nordisk shares held for management long-term incentive program of DKK 4.1m
 - For Q4 2015 the effect is DKK 0.2m
- Gains on currency hedges of DKK 6.8m
 - For Q4 2015 the P&L gain is DKK 0.8m
- Interest and bank charges of DKK -4.7m
 - Fees related to being a publicly listed company as well as guarantee and loan facilities

Currency hedging

- Realized gains on currency hedge contracts in 2015 are DKK 6.8m
- Unrealized gains for future periods on currency hedge contracts are DKK -3.9m

Currency development and hedging

vs. DKK	Avg. Rates				Spot rates				y-o-y change
	12M 2015	9M 2015	6M 2015	3M 2015	31 Dec '15	30 Sep '15	30 Jun '15	31 Mar '15	
CHF	698,88	702,66	706,19	705,44	690,08	683,44	716,45	713,92	13,9%
CNY	107,04	106,26	107,51	107,22	105,24	104,76	107,55	111,97	17,3%
CZK	27,35	27,27	27,11	26,99	27,61	27,44	27,37	27,13	1,0%
EUR	745,86	745,79	745,58	745,03	745,47	745,98	746,04	746,97	0,0%
PHP	14,77	14,86	15,01	15,16	12,65	14,25	14,78	15,54	18,7%
USD	672,69	669,73	668,84	670,40	561,90	665,88	666,76	694,27	22,1%
INR	10,49	10,54	10,65	10,64	10,29	10,15	10,48	11,10	14,6%

vs. DKK	Spot rate		Change
	20 Jan '16	31 Dec '15	
CHF	682.75	690.08	-1.1%
CNY	104.00	105.24	-1.2%
CZK	27.60	27.61	0.0%
EUR	746.38	746.25	0.0%
PHP	14.29	14.55	-1.8%
USD	684.31	683.00	0.2%
INR	10.06	10.29	-2.2%

Estimated annual impact on NNIT's operating profit of a 10% increase in the outlined currencies against DKK*		Hedging period (months)
EUR	DKK 20 million	-
CNY	DKK -19 million	14
CZK	DKK -6 million	14
PHP	DKK -4 million	14
USD	DKK 3 million	-
CHF	DKK -2 million	-

Hedging gains and losses do not impact operating profit as they are recognized under net

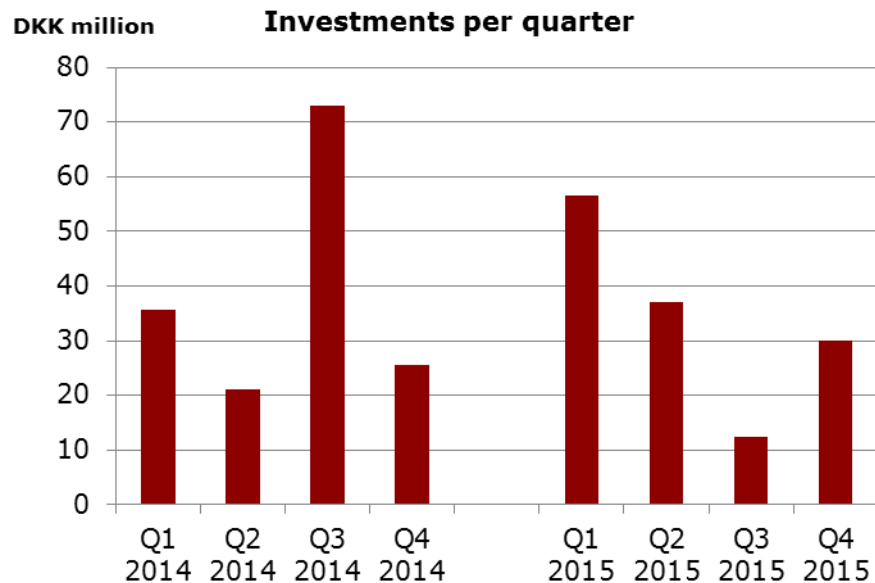
*The above sensitivities address hypothetical situations and are provided for illustrative purposes only. The sensitivities assume our business develops consistent with our current 2016 business plan.

Currencies that NNIT is exposed to are still significantly higher compared to same period last year.

The increases in the exposed currencies have primarily taken place Q3 2014 to Q1 2015, whereas the development in Q2 2015 and Q4 2015 has been somewhat stable.

We have seen a decrease in most exposed currencies after 31 December most noticeable the CNY.

Investments



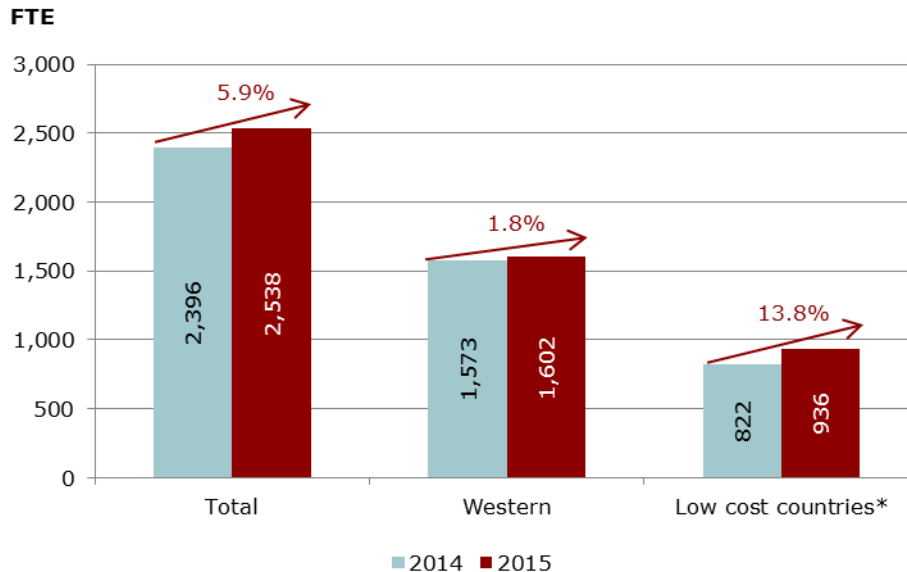
- Investments in 2015 were DKK 136.0m, which is DKK 19.2m lower than 2014
- Investments in 2015 were 5.2% of revenue

Data center

- Throughout 2015 NNIT has worked on optimizing the capacity utilization of our own data center as well as achieving the optimal split between our own and rented data center capacity
- Based on this, NNIT decided not to invest in a new data center in 2015
- A future decision on building a new data center will depend on the character and timing of new outsourcing contracts



Employee development



*Low cost countries: China, Philippines, Czech Republic

Number of employees increased by 6% to 2,538 FTE end of December 2015

- Since September 30, 2015 manning was unchanged, however manning in low cost countries increased net 21 FTE

Largest growth came in low cost countries

- Increase of 1114 FTE (13.8%) compared to end of December 2014

Number of employees in western countries grew 29 FTE (1.8%) based on demand from customers

Share of employees in low cost countries grew to 37% end of December 2015

- Increase of 3 percentage-points compared to December 2014

Balance sheet

Assets DKKm	2015	2014
Intangible assets	27.6	35.4
Tangible assets	402.2	401.3
Deferred tax	43.9	5.6
Other financial assets	28.3	22.3
Total non-current assets	502.0	464.6
Inventories	1.7	1.6
Trade receivables	489.5	430.4
Work in progress	84.4	134.2
Other receivables and pre-payments	76.8	85.5
Tax receivables	0.0	13.5
Shares	49.3	55.0
Derivative financial instruments	1.0	0.0
Cash and cash equivalents	131.0	97.6
Total non-current assets	833.8	817.8
Total assets	1,335.8	1,282.4

Equity and liabilities DKKm	2015	2014
Share capital	250.0	250.0
Treasury shares	-7.5	0.0
Retained earnings	396.0	344.7
Other reserves	5.4	5.8
Proposed dividends	97.0	83.7
Total equity	740.8	684.3
Deferred tax	0.0	4.1
Employee benefit obligation	39.1	31.7
Provisions	8.3	4.5
Total non-current liabilities	47.4	40.4
Prepayments received	60.5	41.1
Trade payables	73.0	110.9
Employee cost payable	267.5	259.6
Tax payables	11.3	2.6
Other current liabilities	105.7	113.0
Derivative financial instruments	5.3	0.0
Employee benefit obligation	18.6	21.8
Provisions	5.5	8.7
Total current liabilities	547.5	557.8
Total equity and liabilities	1,335.8	1,282.4

Cash flows

Cash flow DKKm	2015	2014
Net profit for the period	212.4	209.3
Reversal of non-cash items	235.2	197.9
Net interest and taxes paid	-80.5	-82.3
Changes in working capital	-10.4	-9.7
Cash flow from operating activities	356.7	315.2
Purchase of tangible assets	-136.0	-155.2
Change in trade payables related to investments	-4.7	4.3
Dividends received	0.7	1.1
Purchase of shares	0.0	-12.1
Payment of deposits	-5.9	-0.7
Cash flow from investing activities	-145.9	-162.5
Dividends paid	-83.7	-290.0
Purchase of treasury shares	-93.8	0.0
Cash flow from financing activities	-177.5	-290.0
Net cash flow	33.4	-137.3
Free cash flow	210.8	152.7

Net cash flow is DKK 33m, which is DKK 171m higher than 2014.

Cash flow from operating activities is DKK 357m, which is DKK 41m higher than 2014 due to higher net profits as well as a larger part of P&L income are from cash items.

Cash flow from investing activities is DKK 146m, which is DKK 17m below 2014 due to lower investments.

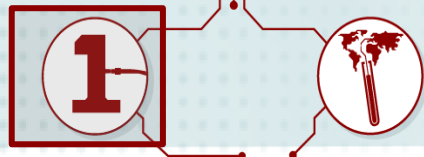
Cash flow from financing activities improved DKK 113m due to 2014 containing two dividend payments (ordinary of DKK 150m, extraordinary of DKK 140m).

Free cash flow was DKK 211m, which is DKK 58m higher than 2014.

NNIT Way

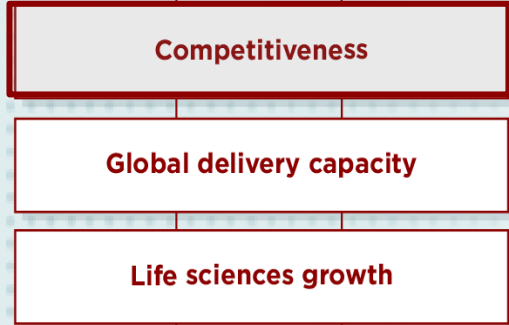


Positions



Go to market

Strategic focus areas



Operational Excellence

2015

- We have initiated several initiatives within IT Operations during 2015 as communicated in 6M Financial reporting in August 2015, and we are starting to see the effects in Q4 2015
- The delivery capacity is now calibrated to our 2016 expectations for IT Operations

IT Operations Q4 2015

DKK million	Q4 2015 (reported)	Q4 2015 (constant*)	Q4 2014*	Pct/pp Change (reported)	Pct/pp Change (constant*)
Revenue					
Novo Nordisk Group	270.9	267.9	260.2	4.1%	3.0%
Non-Novo Nordisk Group	219.8	219.5	205.2	7.1%	7.0%
Total	490.7	487.4	465.4	5.4%	4.7%
Costs	430.7	422.7	414.4	3.9%	2.0%
Operating profit	60.0	64.7	51.0	17.6%	27.0%
<i>Operating profit margin</i>	<i>12.2%</i>	<i>13.3%</i>	<i>11.0%</i>	<i>1.3pp</i>	<i>2.3pp</i>

* Constant currencies measured using average exchange rates for Q4 2014

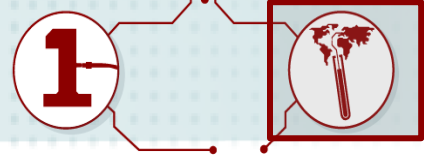
2016

- NNIT will initiate an Operational Excellence Program in 2016
- The aim of the program is to identify and implement cost reductions and to further implement lean processes, automation, tool optimization, organizational optimization, while still maintaining quality
- The operational excellence program and related costs are expected to be operating profit neutral in 2016

NNIT Way



Positions



Go to market

Strategic focus areas

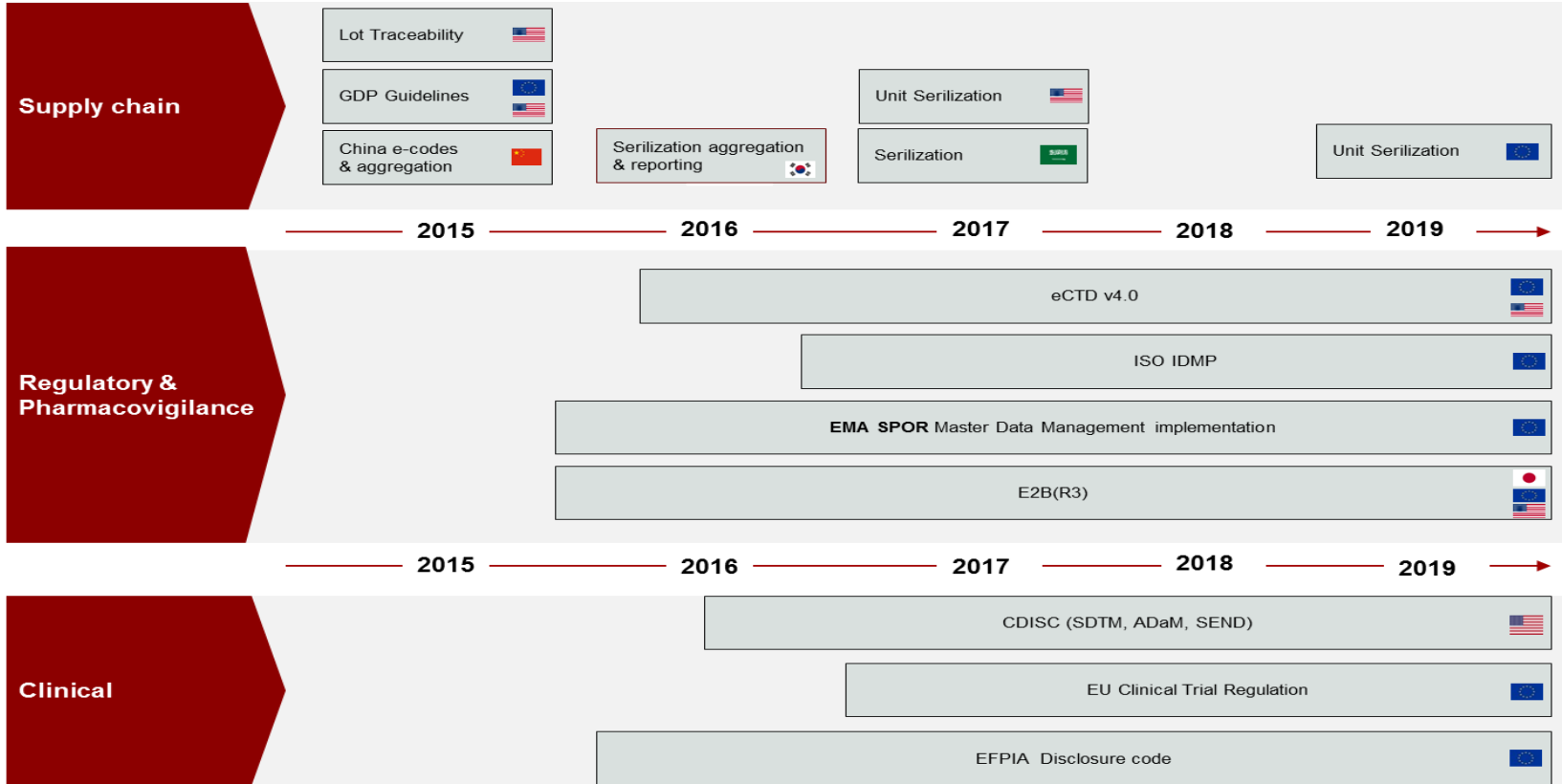


Three key areas will drive IT investments in the LS industry



- The "CFO" agenda is driving cost focus and focus on IT and business operational models
- Pressure on R&D output
- "The upgrading dilemma" is driving companies toward BPaaS and cloud solutions
- Increasing digitization, e.g. Big Data, mobility, social media
- Standardization and integration
- "Strong" regulatory pipeline, e.g. SPOR

Dynamic Regulatory Environment Drives Heavier IT Investments



Examples of regulatory driven offerings

Supply chain

- ATTP is SAP's solution for Serialization of the Pharmaceutical industry and was released September 15, 2015
- NNIT is qualified SAP ATTP implementation partner and have two Proof of Concept ongoing

2015 — 2016 — 2017 — 2018 — 2019 →

Regulatory & Pharmacovigilance

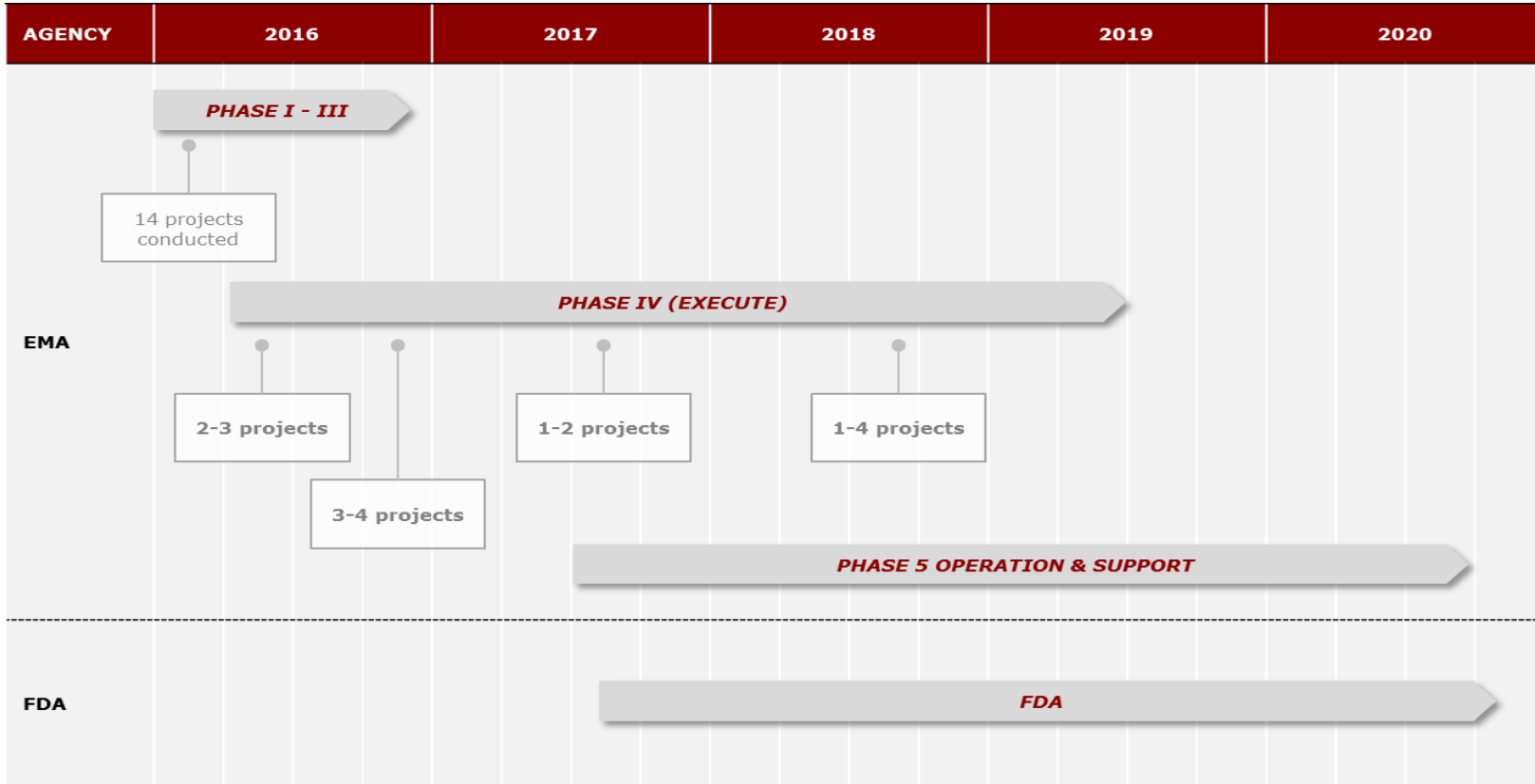
- NNIT is industry leading IDMP service provider. Industry will start to move to next phase: Implementation
- NNIT's eTMF offering is addressing the regulation enforced May 2016, where the scope of the TMF is increased as well as access to the entire TMF.

2015 — 2016 — 2017 — 2018 — 2019 →

Clinical

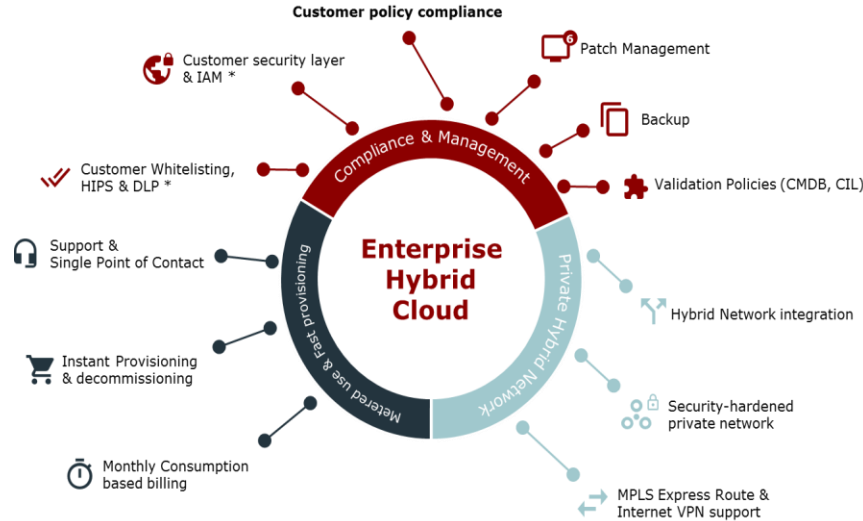
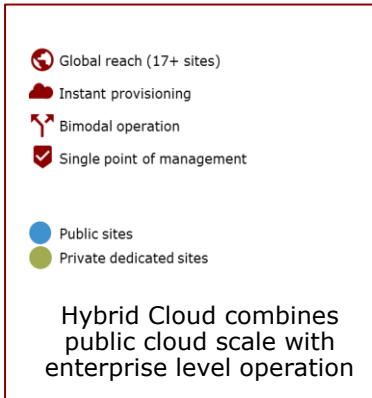
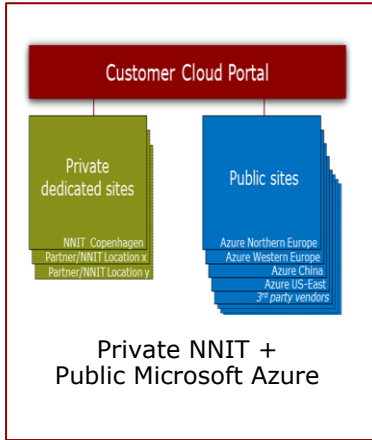
- NNIT ICE offering is addressing the FDA - Regulatory Submissions in Electronic Format.
- NNIT ICE is the out-of-the box full implementation, support and hosting of a Clinical Information Environment
- Two large projects ongoing

Examples of regulatory driven offerings



Enterprise Hybrid Cloud

Security, integration and orchestration



GxP Cloud

Existing
Private GxP Cloud
Launched 2012

Next version
Public GxP Cloud
Exp. Launch 2016



Awarded Microsoft Cloud Solution Provider status

Outlook

2016

Revenue growth

At least 5% in constant currencies
Around 0.0pp lower in reported currencies

Operating margin

10-11% in constant currencies
Around 0.3pp higher in reported currencies

Capex

5-6% of total net turnover

Long-term

Target average growth in revenue of at least 5% in constant currencies

Target average operating profit margin of at least 10% in constant currencies

Closing remarks

- Solid overall results in-line with guidance
- Revenue growth continued in 2015
- Strong operating profit margins despite currency headwinds
- Dividends proposed of DKK 4.00 per share
- In 2016 we expect revenue growth of at least 5% and 10-11% operating profit margin
- Continued strategic focus:
 - Maintain long-term competitiveness
 - International life sciences alignment maintain long-term competitiveness

Investor contact information

Upcoming events

- March 11, 2016: Annual General Meeting
- May 13, 2016: Financial statement for the first three months of 2016
- August 16, 2016: Financial statement for the first six months of 2016

Investor contact

NNIT A/S
Østmarken 3A
2860 Søborg
Denmark

Jesper Wagener
+45 3075 5392
jvwa@nnit.com