

Company announcement 8/2016 Søborg/Copenhagen, May 13, 2016

Financial report for Q1 2016

NNIT delivers organic revenue growth of 7.7% and an operating profit margin of 10.5% in Q1.

Based on a strong cash flow, NNIT expects to pay out an interim dividend in August 2016.

Performance highlights for Q1 2016

- Revenue increased by 7.7% in both reported and constant currencies to DKK 663m
- Operating profit margin was 10.5% in reported currencies and 10.3% in constant currencies compared with 10.3% in Q1 2015
- Operating profit increased by 10.2% to DKK 70m in reported currencies due to a strong development in IT Operation Services
- Net profit decreased by 11.8% to DKK 51m mainly due to a negative value adjustment of Novo Nordisk shares used for hedging of NNIT's long term incentive program for previous years
- Free cash flow increased by DKK 96m to DKK 131m mainly driven by a positive change in working capital
- Order backlog for 2016 at the beginning of Q2 2016 increased by DKK 137m to DKK 2,275m, corresponding to 6.4% compared with the order backlog for 2015 at the beginning of Q2 2015. However, since the start of Q2 2016 NNIT has won significant contracts with Danske Bank and a new customer outside the Life Sciences segment both representing a medium-size three-digit DKKm amount
- Outlook for 2016 in constant currencies:
 - Revenue in constant currencies is forecasted to grow 5-8% (previously at least 5%), and revenue growth in reported currencies is expected to be 0.3pp lower (previously 0.0pp lower) based on current exchange rates
 - Operating profit margin is forecasted to be 10-11% in constant currencies, whereas, operating profit margin in reported currencies is expected to be around 0.6pp higher (previously 0.3pp higher) based on current exchange rates
- Based on a strong cash flow NNIT expects to pay out an interim dividend in August 2016 of DKK 48.5m in cash equal to DKK 2 per share of a nominal value of DKK 10

Per Kogut, CEO at NNIT comments: "The results confirm that NNIT is a robust company that delivers according to expectations. In a mature market with modest growth and fierce global competition, it is particularly promising to see NNIT achieving a revenue growth of 7.7% in Q1 2016. I am very proud of recent contract announcements with market leading companies that document trust in our business model and a desire for quality services."

Financial Overview

DKK million	Q1 2016 (reported)	Q1 2016 (constant)*	Q1 2015*	Pct./pp Change (reported)	Pct./pp Change (constant)
Revenue	663	662	615	7.7%	7.7%
Gross margin	19.7%	19.5%	19.6%	0.1pp	-0.1pp
Operating profit	70	68	63	10.2%	7.9%
Operating profit margin	10.5%	10.3%	10.3%	0.2pp	0.0pp
Net profit	51	n.a.	58	-11.8%	n.a.
Investments	37	37	56	-34.4%	-34.4%
Free cash flow	131	n.a.	35	277.7%	n.a.

*Constant currencies measured using average exchange rates for Q1 2015

Guidance 2016

Based on the order backlog as per announcement date including expected revenue in 2016 from the two significant contract wins and expected revenue from the pipeline of potential orders, NNIT expects revenue in constant currencies of 5-8%.

As announced on May 3, 2016 the expected level of re-investments and new client investments in 2016 is revised from 5-6% to 7-8%, as NNIT has decided to expand its data center capacity by building an additional data center.

	Guidance for 2016	Previous guidance ¹	Long-term targets
Revenue growth			
In constant currencies*	5-8%	At least 5%	-
as reported**	Around 0.3pp lower	Around 0.0pp lower	≥ 5%
Operating profit margin			
In constant currencies*	10-11%	10-11%	-
as reported**	Around 0.6pp higher	Around 0.3pp higher	≥ 10%
Investments / Revenue***	7-8%	5-6%	

*Constant currencies measured using average exchange rates for 2015

**Based on exchange rates as of May 4, 2016 as illustrated under key currency assumptions on page 21

***Investments including new customer and data center investments are in the short-term expected to be 7-8 percent of total revenue. As NNIT has decided to build another data center to support growth NNIT expects total additional investments of around DKK 250m in 2016 to 2018

¹Guidance provided in the annual report 2015

About NNIT

NNIT A/S is one of Denmark's leading IT service providers and consultancies. NNIT A/S offers a wide range of IT services and solutions to its customers, primarily in the life sciences sector in Denmark and internationally and to customers in the public, enterprise and finance sectors in Denmark. As of March 31, 2016 NNIT A/S had 2,573 employees.

For more information please visit www.nnit.com.

Conference call details

NNIT will host a teleconference May 13, 2016 at 14:30 CET about the financial report for Q1 2016. Please visit the NNIT webpage at www.nnit.com to access the teleconference, which can be found under 'Investors – Downloads'. Presentation material will be available on the website approximately one hour prior to the start of the presentation.

Conference call details

Webcast link: <http://edge.media-server.com/m/p/pcnhvj82>

Participant telephone

Numbers: Confirmation code 1488941

Participants, Local - Copenhagen, Denmark:	+45 38 32 28 69
Participants, Local - London, United Kingdom:	+44(0)20 3427 1905
Participants, Local - Frankfurt, Germany:	+49(0)69 2222 10625
Participants, Local - Stockholm, Sweden:	+46(0)8 5033 6538
Participants, Local - Paris, France:	+33(0)1 76 77 22 29

Financial Calendar 2016

August 16, 2016	Financial statement for the first six months of 2016
October 26, 2016	Financial statement for the first nine months of 2016

Forward-looking statements

This announcement 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.

Please also refer to the overview of risk factors in the 'risk management' section on page 26-29 in the Annual Report 2015.

Contacts for further information

Investor relations:

Jesper Vesterbæk Wagener

Head of Investor Relations

Tel: +45 3075 5392

jywa@nnit.com

Media relations:

Rikke Dalager

Head of Communications

Tel: +45 3077 8080

rida@nnit.com

Financial figures and highlights

DKK million, reported currencies	Q1 2016	Q1 2015	Change	2015
Financial performance				
Revenue				
Life Sciences	392.6	378.2	3.8%	1,649.7
<i>Hereof Novo Nordisk Group</i>	310.7	296.6	4.8%	1,315.8
<i>Hereof other Life Sciences</i>	81.8	81.6	0.3%	334.0
Enterprise	109.6	90.4	21.2%	384.7
Public	100.7	101.1	-0.4%	375.1
Finance	59.8	45.6	31.1%	190.8
Revenue by customer group	662.6	615.3	7.7%	2,600.3
IT Operation Services	438.6	407.6	7.6%	1,740.4
IT Solution Services	224.0	207.8	7.8%	859.9
Revenue by business area	662.6	615.3	7.7%	2,600.3
EBITDA	105.3	97.7	7.7%	410.3
Depreciations and amortizations	35.4	34.4	3.1%	141.2
Operating profit (EBIT)	69.8	63.3	10.2%	269.1
Net financials	-4.3	10.2	n.a.	3.1
Net profit	51.3	58.1	-11.8%	212.4
Investments in tangible and intangible assets	37.1	56.5	-34.4%	136.0
Total assets	1,230.3	1,173.4	4.8%	1,335.8
Equity	698.6	579.2	20.6%	740.8
Dividends paid	97.0	83.7	15.9%	83.7
Free cash flow	131.3	34.8	277.7%	210.8
Earnings per share				
Earnings per share (DKK)	2.11	2.32	-9.2%	-
Diluted earnings per share (DKK)	2.06	2.40	-14.0%	-
Employees				
Average number of full-time employees	2,564	2,424	5.8%	2,494
Financial ratios				
Gross profit margin	19.7%	19.6%	0.1pp	19.9%
EBITDA margin	15.9%	15.9%	0pp	15.8%
Operating profit margin	10.5%	10.3%	0.2pp	10.3%
Effective tax rate	21.7%	21.0%	0.7pp	22.0%
Investments/Revenue	5.6%	9.2%	-3.6pp	5.2%
Return on equity (MAT)	32.2%	35.7%	-3.5pp	29.8%
Solvency ratio	56.8%	49.4%	7.4pp	55.5%
Long-term financial metrics				
Revenue growth	7.7%	11.5%	-3.8pp	7.9%
Operating profit margin	10.5%	10.3%	0.2pp	10.3%
Return on invested capital (ROIC) ¹	43.2%	40.6%	2.6pp	38.3%
Cash to earnings	149.5%	87.9%	61.6pp	99.2%
Cash to earnings (three-year average)	113.0%	60.6%	52.4pp	93.2%
Additional numbers²				
Order entry backlog for the current year	2,275.3	2,138.1	6.4%	-
Order entry backlog for the following years 2+3 ³	2,399.1	2,558.8	-6.2%	-

1) Net profit/Average invested capital.

2) Backlog represents anticipated revenue from contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.

3) Year 2+3 represents 2017 and 2018 in the 2016 column and 2016 and 2017 in the 2015 column etc.

Highlights

Below are the key highlights for Q1 2016 and the order backlog at the beginning of Q2 2016.

Sales

The order backlog for 2016 at the beginning of Q2 2016 increased by DKK 137m to DKK 2,275m corresponding to 6.4% compared with the order backlog for 2015 at the beginning of Q2 2015. Most of the order backlog increase came from existing customers either in the form of additional projects or extensions of existing contracts. New contracts have primarily been in the small to mid-size range.

At the beginning of Q2 2016 the order backlog for 2017 and 2018 was 6.2% lower than the order backlog for 2016 and 2017 at the beginning of Q2 2015. Compared with the negative growth of the backlog of 14.5% in the beginning of 2016, this is a significant improvement following among others the prolongation of the contract with DSB. The decrease is primarily due to expiration of several large infrastructure agreements in 2017 and 2018 where contracts are up for renegotiations or retendering. Prolongation or re-win of these contracts will increase the backlog for 2017 and 2018.

Key wins in Q1 2016:

- Two-year extension of the outsourcing contract covering support and maintenance of DSB's entire IT infrastructure representing a minor three-digit DKKm amount over a 2-year-period.
- New agreement on housing and operation of a supercomputer for massive data collection with an enterprise customer representing a medium double-digit DKKm amount over a 5-year-period
- Following a 24-month serialization program (Track&Trace of medicinal products), a Danish life sciences customer has decided to continue and has signed a contract with NNIT for implementing the SAP ATTP (Advanced Track&Trace) module across its business and production sites representing a minor-double-digit DKKm amount over a 1-year-period
- Network infrastructure project for the Novo Nordisk Group representing a minor-double-digit DKKm amount over a 1-year-period
- Contract extension and expansion with an international life science customer related to quality activities. The contract represent a minor-double-digit DKKm amount over a 6-month-period
- Continuation of a global roll-out for a Danish life science customer of its SAP HR module to China/Hong Kong as well as an extension of its TMLS (Test Management) Cloud offering representing a minor-double-digit DKKm amount over a 1-year-period

Below are key highlights after Q1 2016 which are not included in the order backlog at the beginning of Q2 2016:

- Operation outsourcing contract with a new customer outside the Life Sciences segment representing a medium-size three-digit DKKm amount over a 5-year period, with an option of a two-year extension
- Delivery of Tier III data center capacity to Danske Bank effective from Q1 2017. The contract represents a medium-size three-digit DKKm amount over a ten-year-period
- Application and infrastructure outsourcing with a new enterprise customer representing a medium double-digit DKKm amount over a 5-year-period
- Operation and development contract with a Danish life sciences customer representing medium double-digit DKKm amount over a 4-year-period

Distribution of interim dividend

Based on a strong cash flow NNIT expects to pay out an interim dividend for the calendar year 2016 in August 2016 of DKK 48.5m in cash equal to DKK 2 per share of a nominal value of DKK 10.

Performance overview

DKK million (reported currencies)	Q1 2016	Q1 2015	Change
Revenue	662.6	615.3	7.7%
Cost of goods sold	532.1	494.5	7.6%
Gross profit	130.5	120.8	8.0%
<i>Gross profit margin</i>	<i>19.7%</i>	<i>19.6%</i>	<i>0.1pp</i>
Sales and marketing costs	32.9	29.9	10.1%
Administrative expenses	27.7	27.6	0.6%
Operating profit	69.8	63.3	10.2%
<i>Operating profit margin</i>	<i>10.5%</i>	<i>10.3%</i>	<i>0.2pp</i>
Net financials	-4.3	10.2	-142.1%
Profit before tax	65.5	73.6	-10.9%
Tax	14.2	15.4	-7.8%
<i>Effective tax rate</i>	<i>21.7%</i>	<i>21.0%</i>	<i>0.7pp</i>
Net profit	51.3	58.1	-11.8%

Revenue in reported and constant currencies both grew by 7.7% while operating profit margin was 10.5% in reported currencies and 10.3% in constant currencies. In note 7, a detailed performance overview is given in both reported and constant currencies.

Comparisons in this report are hereafter based on reported currencies since NNIT's major currencies are almost unchanged compared with last year.

Revenue increased by 7.7% in Q1 2016 compared with Q1 2015 driven by a double digit growth in the enterprise and finance customer groups whereas growth in life sciences eased off. Revenue in the public customer group was unchanged.

Cost of goods sold increased by 7.6% in Q1 2016 compared with the same period last year. This led to a gross profit margin of 19.7% in Q1 2016 (19.6% in Q1 2015). The increase in cost of goods sold was mainly driven by revenue growth. Furthermore, the development reflects hardware costs related to infrastructure projects for a number of customers with corresponding revenue and a provision for loss on a project in the public customer group.

Sales and marketing costs increased by 10.1% in Q1 2016 primarily due to severance payments in connection with the organizational alignment announced in the Q4 2015 report.

Administrative expenses increased marginally by 0.6% in Q1 2016.

Performance in Q1 2016 reflects an increase in operating profit of 10.2% to DKK 69.8m corresponding to an operating profit margin of 10.5% compared with 10.3% in 2015. This improvement was driven by IT Operation Services reflecting the impact from the efficiency measures introduced last year.

Net financials decreased by DKK 14.5m to DKK -4.3m in Q1 2016 compared with Q1 2015. This was mainly due to a negative value adjustment of Novo Nordisk shares (covering the long-term incentive program for previous years) of DKK 2.2m compared with a gain of DKK 6.6m in Q1 2015. Furthermore, net financials were negatively impacted by a loss on cash flow hedges of DKK 1.7m in Q1 2016 compared with a gain of DKK 4.3m in Q1 2015.

The effective tax rate in Q1 2016 was 21.7% representing an increase of 0.7% compared with Q1 2015. The increase is caused by changes in the level of non-taxable adjustments from unrealized losses on Novo Nordisk shares in Q1 2016 compared with gains in Q1 2015. The effective tax rate for 2015 ended at 22%.

Net profit in Q1 2016 was DKK 51.3m corresponding to a decrease of 11.8% compared with Q1 2015 and was mainly impacted by the negative development in net financials.

Revenue

Revenue distribution:

DKKm (reported currencies)	Q1 2016	Q1 2015	Pct Change
Life Sciences	392.6	378.2	3.8%
<i>Hereof Novo Nordisk Group</i>	310.7	296.6	4.8%
<i>Hereof other Life Sciences</i>	81.8	81.6	0.3%
Enterprise	109.6	90.4	21.2%
Public	100.7	101.1	-0.4%
Finance	59.8	45.6	31.1%
Total	662.6	615.3	7.7%

Revenue growth in Q1 2016 of 7.7% was primarily driven by a double digit growth in the enterprise and finance customer groups whereas growth in life sciences eased off. Revenue in the public customer group was unchanged.

The share of NNIT's revenue from customers outside the Novo Nordisk Group in Q1 2016 reached 53.1% compared with 51.8% in Q1 2015.

Life sciences:

Revenue in Q1 2016 increased by DKK 14.4m corresponding to 3.8% compared with Q1 2015. The increase in Q1 2016 was driven by a growth of 4.8% from Novo Nordisk Group.

Revenue from non-Novo Nordisk Group life sciences customers in Q1 2016 was in line with the same period last year. A number of new contracts and customers increased revenue which was however countered by the finalization of non-recurring projects at both Danish and international customers.

Enterprise:

Revenue increased by DKK 19.2m corresponding to 21% in Q1 2016 compared with Q1 2015. Revenue growth was driven by increased revenue from existing operations customers.

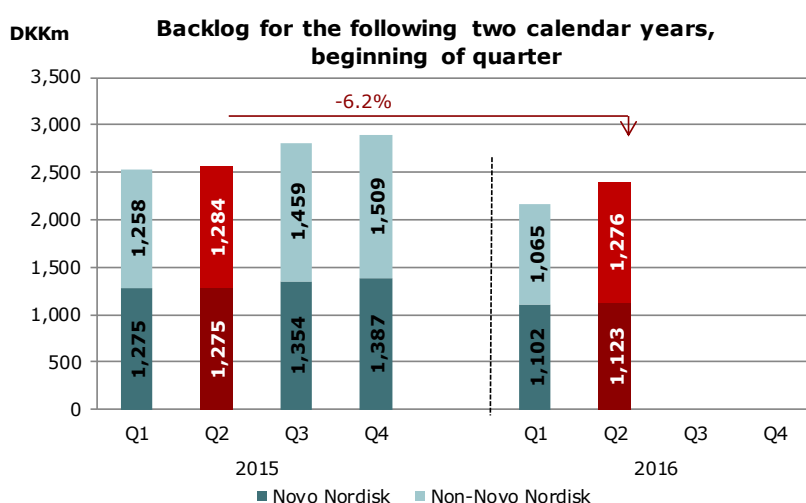
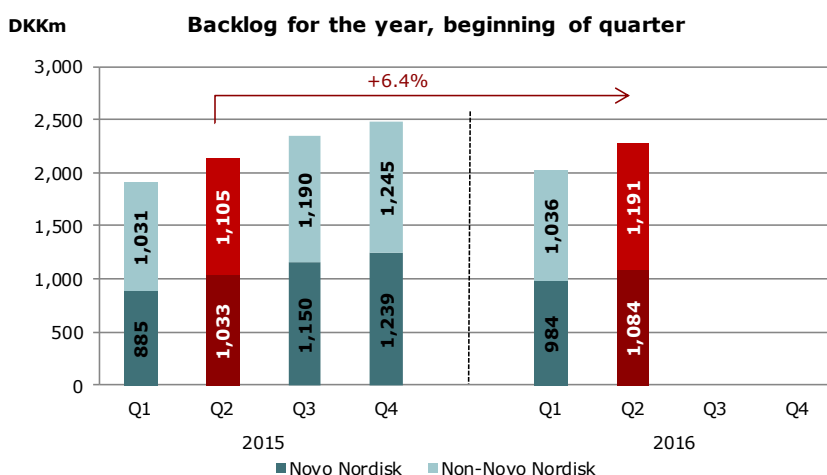
Public:

Revenue in Q1 2016 decreased by DKK 0.5m corresponding to 0.4% compared with Q1 2015 due to a decrease in a number of outsourcing contracts which was partly offset by increased project activity.

Finance:

Revenue in Q1 2016 increased by DKK 14.2m corresponding to 31% compared with Q1 2015 due to expansion of several existing customer contracts and new customers such as the insurance companies Købstædernes Forsikring and Popermo Forsikring as well as E-nettet.

Order backlog



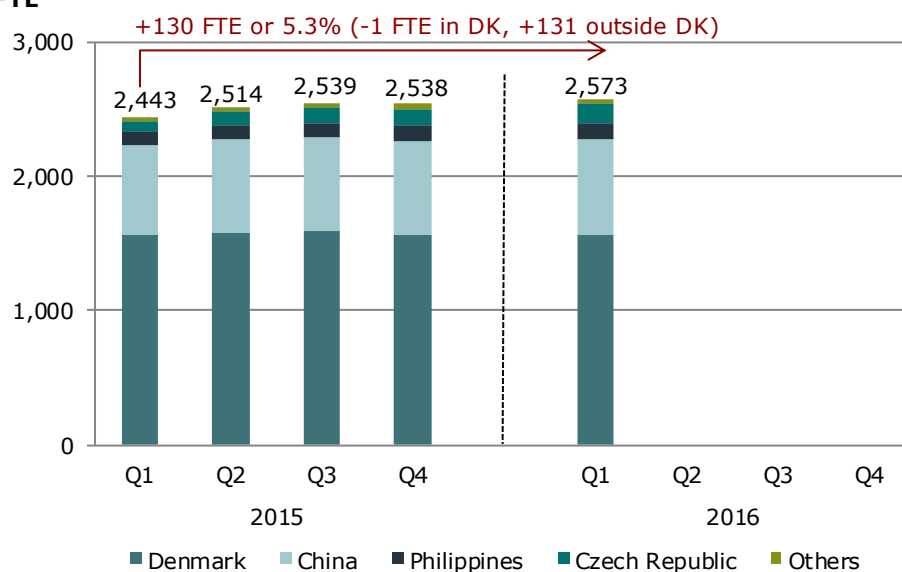
NNIT's order backlog for 2016 at the beginning of Q2 2016 amounted to DKK 2,275m which is an increase of 6.4% compared with the order backlog for 2015 at the same

time last year. The increase was primarily due to expansion of contracts with existing customers in the enterprise and finance customer groups and new customers in the finance customer group as well as extension and expansion of infrastructure and support contracts with the Novo Nordisk Group. This is partly countered by a lower backlog within the public customer group.

NNIT's order backlog for 2017 and 2018 at the beginning of Q2 2016 was 6.2% lower than the backlog for 2016 and 2017 at the same time last year. Compared with the decline in backlog for the following two calendar years of 14.5% at the beginning of 2016, this is a significant improvement following among others the prolongation of the contract with DSB.

Employees, end-of-period

FTE



In Q1 2016, the number of employees increased by 130 FTE corresponding to 5.3% compared with the same period last year. All of the net FTE growth was outside Denmark in line with the long-term offshoring strategy, primarily in Czech Republic (67 FTEs), China (38 FTEs) and the Philippines (27 FTEs).

Balance sheet

Total assets as of March 31, 2016 increased with DKK 56.9m to DKK 1,230.3m compared with DKK 1,173.4m as of March 31, 2015.

Net financial cash position as of March 31, 2016 increased by DKK 210.4m to a net cash position of DKK 165.4m compared with March 31, 2015. The increase was due to net profits from operating activities and a lower level of working capital partly countered by payment of ordinary dividend of DKK 97.0m in March 2016.

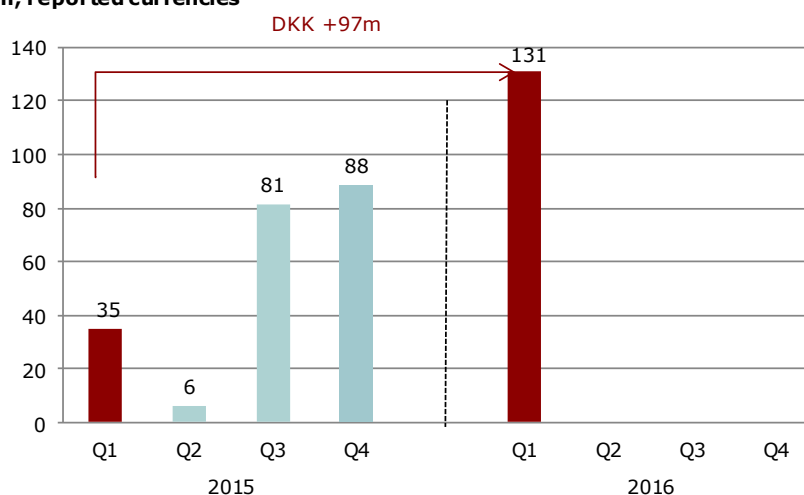
Equity as of March 31, 2016 was DKK 698.6m which was an increase of DKK 119.4m, compared with March 31, 2015. The increase in equity mainly relates to net profit for the past 12 months and provision for share-based incentive programs (DKK 24.8m), partly countered by payment of dividends (DKK 97.0m) and change in market value of cash flow hedges (DKK 12.6m).

Investments

Investments in Q1 2016 amounted to DKK 37.1m compared with DKK 56.5m in Q1 2015. The decrease in investments was mainly related to timing of hardware purchases in connection with outsourcing contracts.

Free cash flow

DKKm, reported currencies



Free cash flow in Q1 2016 was DKK 131.3m which was DKK 96.5m higher than in Q1 2015. The strong free cash flow of DKK 131.3 was driven by a positive change in working capital (DKK 107m) due to a significant change in trade receivables and other current liabilities. . The significantly lower trade receivables compared with Q4 2015 are mainly explained by project milestones and hardware contracts being invoiced in Q4 2015 and paid in Q1 2016. A similar development was only seen to a smaller extent in Q1 2015. The improvement in free cash flow in Q1 is to a large degree due to timing of payments and investments, and a corresponding improvement of full year cash flow is not expected. Based on a strong cash flow NNIT expects to pay out an interim dividend in August 2016.

Business areas

IT Operation Services

DKK million (reported currencies)	Q1 2016	Q1 2015	Change
Revenue			
Novo Nordisk Group	212.6	196.6	8.1%
Non-Novo Nordisk Group	226.0	210.9	7.1%
Total	438.6	407.6	7.6%
Costs	385.7	367.3	5.0%
Operating profit	53.0	40.3	31.4%
<i>Operating profit margin</i>	<i>12.1%</i>	<i>9.9%</i>	<i>2.2pp</i>

IT Operation Services revenue increased by 7.6% in Q1 2016 compared with Q1 2015. The increase was driven by the Novo Nordisk Group and a number of the large outsourcing customers outside the Novo Nordisk Group.

Operating profit in Q1 2016 showed a strong growth of 31% to DKK 53m. The efficiency measures implemented in 2015 are showing the expected positive impact on operating profits. Operating profit margin was 12.1% corresponding to an increase of 2.2pp compared with Q1 2015.

IT Solution Services

DKK million (reported currencies)	Q1 2016	Q1 2015	Change
Revenue			
Novo Nordisk Group	98.1	100.0	-1.9%
Non-Novo Nordisk Group	125.9	107.8	16.8%
Total	224.0	207.8	7.8%
Costs	207.1	184.7	12.1%
Operating profit	16.8	23.0	-26.9%
<i>Operating profit margin</i>	<i>7.5%</i>	<i>11.1%</i>	<i>-3.6pp</i>

Despite the Danish Easter holiday being placed in March in 2016 and April in 2015, IT Solution Services revenue increased by 7.8% in Q1 2016 compared with Q1 2015. The revenue increase in Q1 2016 was mainly due to increase in the finance and public customer groups related to new customers. Revenue from the Novo Nordisk Group decreased slightly due to a strong comparison base in 2015 with non-recurring projects being finalized.

The timing of the Danish Easter holiday impacts the revenue growth with around 3pp.

Operating profit in Q1 2016 decreased by 27% to DKK 16.8m due to the timing of the Danish Easter holiday and an increase in costs of 12.1% primarily caused by increased complexity of a fixed price project in the public customer group which resulted in a provision for loss. Operating profit margin was 7.5%, a decrease of 3.6pp due to above mentioned reasons.

Events after balance sheet date

As mentioned under the highlights NNIT has won two significant contracts after the balance sheet date, which do not impact Q1 results. Besides these contracts there have been no events after the balance sheet date with significant impact on the assessment of NNIT's financial position as of March 31, 2016.

Outlook for 2016

Based on the order backlog as per today including expected revenue in 2016 from the recent contract wins and expected revenue from the pipeline of potential orders, NNIT expects revenue growth in constant currencies of 5-8%.

The expectations are based on a number of important assumptions, including that relevant macroeconomic trends will not significantly change business conditions for NNIT during 2016, that business performance, customer and competitor actions will remain stable and that currency exchange rates, especially the Chinese yuan, Euro, Czech koruna, Philippine peso, US dollar and the Swiss franc, will remain at the current levels versus Danish kroner (as of May 4, 2016). To mitigate volatility in exchange rates NNIT has entered into hedge contracts as illustrated in the notes on page 21.

As announced on May 3, 2016 the expected level of investments including new client investments in 2016 is revised from 5-6% to 7-8%, as NNIT has decided to expand its data center capacity by building an additional data center.

The current expectations summarized:

	Guidance for 2016	Previous guidance¹	Long-term targets
Revenue growth			
In constant currencies*	5-8%	At least 5%	-
as reported**	Around 0.3pp lower	Around 0.0pp lower	≥ 5%
Operating profit margin			
In constant currencies*	10-11%	10-11%	-
as reported**	Around 0.6pp higher	Around 0.3pp higher	≥ 10%
Investments / Revenue***	7-8%	5-6%	

*Constant currencies measured using average exchange rates for 2015

**Based on exchange rates as of May 4, 2016 as illustrated under key currency assumptions on page 21

*** Investments including new customer and data center investments are in the short-term expected to be 7-8 percent of total revenue. As NNIT has decided to build another data center to support growth NNIT expects total additional investments of around DKK 250m in 2016 to 2018

¹Guidance provided in the annual report 2015

Management statement

Statement by the Board of Directors and the Executive Management on the unaudited interim consolidated financial statements of NNIT A/S as at and for the three months ended March 31, 2016

The Board of Directors and Executive Management ("Management") have reviewed and approved the interim consolidated financial statements of NNIT A/S (NNIT A/S, together with its subsidiaries, the "Group") for the first three months of 2016 with comparative figures for the first three months of 2015. The interim consolidated financial statements have not been audited or reviewed by the company's independent auditors.

The interim consolidated financial statements for the first three months of 2016 have been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the European Union and accounting policies set out in the annual report for 2015 of NNIT A/S. Furthermore, the interim consolidated financial statement for the first three months of 2016 and Management's review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the accounting policies used are appropriate and the overall presentation of the interim consolidated financial statements for the first three months of 2016 are adequate and give a true and fair view of the Group's assets, liabilities and financial position as at March 31, 2016 and of the results of the Group's operations and cash flow for the three months ended March 31, 2016. Furthermore, in our opinion, Management's review includes a true and fair account of the development in the operations and financial circumstances, of the results for the period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group in accordance with Danish disclosure requirements for listed companies.

Besides what has been disclosed in the interim consolidated financial statements and Management's review for the first three months of 2016, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the Annual Report for 2015 of NNIT A/S.

Søborg, May 13, 2016

Executive management

Per Kogut
CEO

Carsten Krogsgaard Thomsen
CFO

Jess Julin Ibsen
*Executive Vice President,
IT Operations Services*

Board of Directors

Jesper Brandgaard
Chairman

Carsten Dilling
Deputy Chairman

Anne Broeng

Eivind Kolding

John Beck

René Stockner

Anders Vidstrup

Alex Steninge Jacobsen

Consolidated financial statements

Income statement and Statement of comprehensive income

	Note	Q1 2016 DKK '000	Q1 2015 DKK '000	2015 DKK '000
Income statement				
	1			
Revenue	2	662,621	615,334	2,600,287
Cost of goods sold		532,140	494,537	2,083,027
Gross profit		130,481	120,797	517,260
Sales and marketing costs		32,932	29,899	129,604
Administrative expenses		27,733	27,556	118,551
Operating profit		69,816	63,342	269,105
Financial income		1,854	22,003	28,756
Financial expenses		6,155	11,784	25,628
Profit before income taxes		65,515	73,561	272,233
Income taxes		14,244	15,448	59,792
Net profit for the period		51,271	58,113	212,441

Earnings per share¹

	DKK	DKK	DKK
Earnings per share	2.11	2.32	8.76
Diluted earnings per share	2.06	2.32	8.54

Statement of comprehensive income

	DKK '000	DKK '000	DKK '000
Net profit for the period	51,271	58,113	212,441
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to the Income statement:</i>			
Remeasurement related to pension obligations	0	2,768	-293
Tax on other comprehensive income	-945	732	343
<i>Items that will be reclassified subsequently to the Income statement, when specific conditions are met:</i>			
Currency revaluation related to subsidiaries (net)	-1,437	3,574	2,168
Recycled to financial items	-1,699	1,329	3,754
Unrealized value adjustments	240	5,862	-7,655
Cash flow hedges	-1,459	7,191	-3,901
Tax on other comprehensive income related to cash flow hedges	1,179	-1,690	916
Other comprehensive income, net of tax	-2,662	12,575	-767
Total comprehensive income	48,609	70,688	211,674

Balance sheet

	Note	March 31, 2016	March 31, 2015	Dec, 31, 2015
		DKK '000	DKK '000	DKK '000
Intangible assets		25,612	33,451	27,571
Tangible assets		404,489	426,047	402,186
Deferred tax		51,120	24,123	43,939
Other financial assets		28,363	28,334	28,313
Total non-current assets		509,584	511,955	502,009
Inventories		2,425	1,690	1,730
Trade receivables	3	331,103	320,350	489,465
Work in progress	3	95,236	159,138	84,443
Other receivables and pre-payments		99,062	92,508	76,771
Tax receivables		0	8	0
Shares		27,125	49,941	49,315
Derivative financial instruments		363	7,998	1,022
Cash and cash equivalents		165,374	29,852	131,026
Total current assets		720,688	661,485	833,772
Total assets		1,230,272	1,173,440	1,335,781

Equity and liabilities

		March 31, 2016	March 31, 2015	Dec, 31, 2015
		DKK '000	DKK '000	DKK '000
Share capital		250,000	250,000	250,000
Treasury shares		-7,500	-7,500	-7,500
Retained earnings		452,144	321,076	395,969
Other reserves		3,991	15,630	5,349
Proposed dividends		0	0	97,000
Total equity		698,635	579,206	740,818
Deferred tax		46	1,708	46
Employee benefit obligation		27,253	25,230	39,054
Provisions		9,068	6,775	8,339
Total non-current liabilities		36,367	33,713	47,439
Prepayments received	3	90,538	55,623	60,499
Trade payables		50,521	100,718	72,978
Employee cost payable		220,190	214,189	267,518
Bank debt		0	74,893	0
Tax payables		1,101	11,459	11,338
Other current liabilities	3	112,277	77,836	105,738
Derivative financial instruments		6,626	0	5,330
Employee benefit obligation		9,068	17,897	18,629
Provisions		4,949	7,906	5,494
Total current liabilities		495,270	560,521	547,524
Total equity and liabilities		1,230,272	1,173,440	1,335,781
Contingent liabilities and legal proceedings	4			
Currency hedging	5			

Statement of cash flow

	Q1 2016	Q1 2015	2015
	DKK '000	DKK '000	DKK '000
Net profit for the period	51,271	58,113	212,441
Reversal of non-cash items	57,274	50,682	235,180
Interest received	11	9	1,015
Interest paid	-567	-204	-5,711
Income taxes paid	-31,401	-14,050	-75,767
Cash flow before change in working capital	76,588	94,550	367,158
Changes in working capital	100,130	-7,230	-14,018
Cash flow from operating activities	176,718	87,320	353,140
Purchase of tangible assets	-37,058	-56,497	-136,041
Change in trade payables related to investments	-8,754	9,344	-4,651
Dividends received	491	671	671
Sale/(purchase) of shares (net)	0	0	3,573
Payment of deposits	-49	-6,065	-5,851
Cash flow from investing activities	-45,370	-52,547	-142,299
Dividends paid	-97,000	-83,713	-83,713
Purchase of treasury shares	0	-93,750	-93,750
Cash flow from financing activities	-97,000	-177,463	-177,463
Net cash flow	34,348	-142,690	33,378
Cash and cash equivalents at the beginning of the period	131,026	97,648	97,648
Cash and cash equivalents at the end of the period	165,374	-45,042	131,026
Additional information¹:			
Cash and cash equivalents at the end of the period	165,374	-45,042	131,026
Undrawn committed credit facilities	400,000	332,131	400,000
Financial resources at the end of the period	565,374	287,089	531,026
Cash flow from operating activities	176,718	87,320	353,140
Cash flow from investing activities	-45,370	-52,547	-142,299
Free cash flow	131,348	34,773	210,841

¹ Additional non-IFRS measures. 'Financial resources at the end of the period' is defined as the sum of cash and cash equivalents at the end of the period and undrawn committed credit facilities. Free cash flow is defined as 'cash flow from operating activities' less 'cash flow from investing activities'.

Statement of changes in equity

DKK '000	Share capital	Treasury shares	Retained earnings	Other reserves			Total other reserves	Proposed dividends	Total
				Currency revaluation	Cash flow hedges	Tax			
31 March 2016									
Balance at the beginning of the period	250,000	-7,500	395,969	5,964	-3,901	3,286	5,349	97,000	740,818
Net profit for the period	0	0	51,271	0	0	0	0	0	51,271
Other comprehensive income for the period	0	0	0	-1,437	-1,459	234	-2,662	0	-2,662
Total comprehensive income for the period	0	0	51,271	-1,437	-1,459	234	-2,662	0	48,609
Transactions with owners:									
Share-based payments	0	0	6,208	0	0	0	0	0	6,208
Dividends paid	0	0	0	0	0	0	0	-97,000	-97,000
Balance at the end of the period	250,000	-7,500	453,448	4,527	-5,360	3,520	2,687	0	698,635

DKK '000	Share capital	Treasury shares	Retained earnings	Other reserves			Total other reserves	Proposed dividends	Total
				Currency revaluation	Cash flow hedges	Tax			
March 31, 2015									
Balance at the beginning of the period	250,000	0	344,716	3,796	0	2,027	5,823	83,713	684,252
Net profit for the period	0	0	58,113	0	0	0	0	0	58,113
Other comprehensive income for the period	0	0	2,768	3,574	7,191	-958	9,807	0	12,575
Total comprehensive income for the period	0	0	60,881	3,574	7,191	-958	9,807	0	70,688
Purchase of treasury shares	0	-7,500	-86,250	0	0	0	0	0	-93,750
Share-based payments	0	0	1,729	0	0	0	0	0	1,729
Dividends paid	0	0	0	0	0	0	0	-83,713	-83,713
Balance at the end of the period	250,000	-7,500	321,076	7,370	7,191	1,069	15,630	83,713	579,206

DKK '000	Share capital	Treasury shares	Retained earnings	Other reserves			Total other reserves	Proposed dividends	Total
				Currency revaluation	Cash flow hedges	Tax			
December 31, 2015									
Balance at the beginning of the period	250,000	0	344,716	3,796	0	2,027	5,823	83,713	684,252
Net profit for the period	0	0	212,441	0	0	0	0	0	212,441
Other comprehensive income for the period	0	0	-293	2,168	-3,901	1,259	-474	0	-767
Total comprehensive income for the period	0	0	212,148	2,168	-3,901	1,259	-474	0	211,674
Purchase of treasury shares	0	-7,500	-86,250	0	0	0	0	0	-93,750
Share-based payments	0	0	20,290	0	0	0	0	0	20,290
Deferred tax on share-based payments	0	0	2,065	0	0	0	0	0	2,065
Dividends paid	0	0	0	0	0	0	0	-83,713	-83,713
Proposed dividend for 2015	0	0	-97,000	0	0	0	0	97,000	0
Balance at the end of the period	250,000	-7,500	395,969	5,964	-3,901	3,286	5,349	97,000	740,818

Notes

Note 1

Accounting policies

The consolidated financial statements for the first three months of 2016 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and on the basis of the same accounting policies as were applied in the Annual Report 2015.

As stated in the annual report 2015 long-term incentive program (LTIP) and employee launch incentive program (ELI) are in Q4 2015 disclosed as employee benefit obligations in non-current and current liabilities. Further unrealized gain on shares and value adjustment of long-term incentive programs in Novo Nordisk shares in financial income and expenses are shown gross instead of net. Comparative figures for Q1 2015 have been changed.

Further, a reclassification of an accrual regarding the administrative collection of payment for licenses within the Novo Nordisk Group has been made to net the balance with Novo Nordisk. These are in Q1 2016 offset in trade receivables. Comparative figures for Q1 2015 have been changed.

The financial reporting including the consolidated financial statements for the first three months of 2016 and Management's review have been prepared in accordance with additional Danish disclosure requirements for interim report of listed companies. See pages 63 to 69 of the Annual Report 2015 for a comprehensive description of the accounting policies applied.

Note 2

Quarterly numbers

DKK '000	2016	2015			
	Q1	Q4	Q3	Q2	Q1
Revenue	662,621	722,909	632,988	629,056	615,334
Cost of goods sold	532,140	564,588	505,796	518,107	494,536
Gross profit	130,481	158,321	127,192	110,949	120,798
Sales and marketing costs	32,932	35,178	32,288	32,239	29,899
Administrative expenses	27,733	30,630	32,550	27,814	27,556
Operating profit	69,816	92,513	62,354	50,896	63,343
Net financials	-4,301	-505	-819	-5,767	10,219
Profit before income taxes	65,515	92,008	61,535	45,129	73,562
Income taxes	14,244	23,828	11,048	9,468	15,448
Net profit for the period	51,271	68,180	50,487	35,662	58,114

Segment disclosures

DKK '000	2016		2015		
	Q1	Q4	Q3	Q2	Q1
Revenue by business area					
Operations	438,626	490,704	426,268	415,852	407,580
<i>hereof Novo Nordisk Group</i>	212,635	270,895	215,950	206,402	196,630
<i>hereof non-Novo Nordisk Group</i>	225,991	219,809	210,318	209,450	210,950
Solutions	223,995	232,205	206,720	213,204	207,754
<i>hereof Novo Nordisk Group</i>	98,076	120,989	103,804	101,141	99,954
<i>hereof non-Novo Nordisk Group</i>	125,919	111,216	102,916	112,063	107,800
Total revenue	662,621	722,909	632,988	629,056	615,334
Revenue by customer group					
Life Sciences	392,550	479,402	400,071	392,108	378,159
<i>hereof Novo Nordisk Group</i>	310,711	391,884	319,754	307,543	296,584
Public	100,695	92,057	89,485	92,425	101,146
Enterprise	109,559	97,903	97,067	99,313	90,386
Finance	59,817	53,547	46,365	45,210	45,643
Total revenue	662,621	722,909	632,988	629,056	615,334
Operating profit by business area					
Operations	52,968	59,968	44,531	27,428	40,304
Solutions	16,848	32,545	17,823	23,468	23,038
Total operating profit	69,816	92,513	62,354	50,896	63,342
Ammortization, depreciation and impairment losses					
Operations	34,758	36,413	34,611	34,122	33,737
Solutions	679	411	654	621	648
Total ammortization, depreciation and impairment losses	35,437	36,824	35,265	34,744	34,385

The Danish operations generated 95.1% of NNIT's revenue in 2016 and 94.9% in 2015 based on the location of customer purchase orders. As a consequence of the predominantly Danish revenue, we will not disclose a geographical revenue split.

Note 3

Related party transactions

DKK'000	March 31, 2016	March 31, 2015	Dec 31, 2015
Assets			
Receivables from related parties	87,592	169,926	241,814
Work in progress related parties	21,512	31,259	18,829
Liabilities			
Liabilities to related parties	423	1,810	8,535
Prepayments from related parties	28,932	75,970	20,514

Note 4

Contingent liabilities and legal proceeding

Contingent liabilities

In 2014 the Court of Justice of the European Union passed a preliminary ruling (C-464/12) rejecting the Danish VAT practice previously applied by the Danish Tax Authorities, which required VAT to be charged on the provision of administration services to pension companies, in a case involving ATP PensionService A/S.

As a result of the preliminary ruling, two pension companies in 2014 requested that NNIT refunds VAT collected on IT services provided by NNIT. Since NNIT has paid forward the VAT to the Danish Tax Authorities, NNIT has requested the Danish Tax Authorities to suspend the limitation period and reassess the VAT returns.

On November 25, 2015, the Danish Tax Authorities published administrative guidelines (in Danish "styresignaler") based on the ATP Pension Services preliminary ruling. The guidelines however, do not clarify whether all or parts of the IT services provided by NNIT to the two pension companies are to be regarded as administration services and hence VAT exempted.

NNIT does not expect the requests to have any material effect on the financial position and operating results of NNIT A/S as the terms of the customer contracts with the two pension companies allow NNIT to pass on the net effects of any new or amended taxes in respect of the IT services provided to the two customers. Consequently, no provision has been made.

Legal proceeding

NNIT is currently involved in a legal dispute with a customer in our public customer group regarding the delivery of a supply and logistics IT system. The parties disagree as to which party is responsible for the delay. In April 2014, the customer terminated the agreement, alleging material breach as a particular delivery milestone was delayed and claiming that the solution was defective. NNIT disagrees with the basis for the customer's termination of the contract and believes they were not entitled to do so under the terms of the contract. In June 2014, the customer initiated arbitration proceedings in Copenhagen, Denmark. The arbitration dispute in question is still in its preparatory stages and therefore NNIT cannot reliably predict the potential outcome of the arbitration dispute and/or the time frame for the resolution of the arbitration dispute.

NNIT estimates that in the event that the arbitration award is granted entirely in favor of the counterparty, it would reduce NNIT's operating profit by approximately DKK 87m (a cash outflow of DKK 74m) plus costs of arbitration incurred and/or interest.

In the event that the arbitration award is granted entirely in NNIT's favor based on the revised pleadings, NNIT estimates that this would increase the operating profit by approximately DKK 54.9m (a cash inflow of DKK 68m), excluding any costs of arbitration incurred and/or interest awarded to NNIT. NNIT currently expects a final ruling by the arbitration tribunal earliest at the end of 2016.

Note 5

Currency hedging

NNIT's objective is at any time to limit the company's financial risks.

NNIT is exposed to exchange rate risks in the countries where NNIT has its main activities. The majority of NNIT's sales are in DKK and EUR, implying limited foreign exchange risk, due to the parent company's functional currency being DKK and Denmark's fixed-rate policy towards EUR. NNIT's foreign exchange risk therefore primarily stems from transactions carried out in the currencies of other countries in which NNIT mainly operates: primarily the Chinese yuan, and, to a lesser extent, the Czech koruna, the Philippine peso and the Swiss franc.

At present, NNIT's revenue in these countries is not sufficiently large to balance these currency risks. To manage the foreign exchange rate risks, NNIT has entered into derivative financial instruments with a number of external banks to hedge up to 90% of the major foreign currency net exposure in Chinese yuan (CNY hedged via CNH), Philippine peso (PHP proxy hedged via USD) and Czech Koruna for the coming 14 months. From April 2016 the proxy hedging of PHP via USD will be terminated since the PHP and USD exposure now balance each other.

NNIT uses forward exchange contracts to hedge forecasted cash outflows. None of the derivative financial instruments are held for trading. NNIT does not hedge assets and liabilities in foreign currencies as the risk is considered to be limited.

Cumulative loss on derivative financial instruments regarding future cash flow per March 31, 2016 is recognized in Equity (Other comprehensive income) with an amount of DKK -5.4m before tax (DKK -4.2m after tax).

Note 6

Currency sensitivity and development

Currency sensitivities

	Estimated annual impact on NNIT's operating profit of a 10% increase in the outlined currencies against DKK*	Hedging period (months)
CNY	DKK -19 million	14
EUR	DKK 19 million	-
CZK	DKK -7 million	14
PHP	DKK -4 million	14
CHF	DKK -2 million	-
USD	DKK 3 million	

Hedging gains and losses do not impact operating profit as they are recognized under net financials. For further details on hedging, please see note 5 on page 20.

* 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.

Key currency assumptions

DKK per 100	2014 average exchange rates	2015 average exchange rates	YTD 2016 average exchange rates at May 4, 2016	Current exchange rates at May 4, 2016
CNY	91.24	107.04	102.84	99.49
EUR	745.47	745.86	745.57	744.04
CZK	27.07	27.35	27.58	27.53
PHP	12.65	14.77	14.27	13.69
CHF	613.78	698.88	680.66	676.83
USD	561.90	672.69	671.14	646.71

Currency development

NNIT has a net cost exposure in the Chinese yuan, the Philippine peso and the Swiss franc and therefore the depreciating of these currencies versus Danish kroner in Q1 2016 had a positive impact on reported operating profit.



NNIT has hedged 90% of its net exposure in Chinese yuan (CNY hedged with CNH (CNY offshore)), Philippine peso (PHP proxy hedged with USD) and Czech koruna (CZK) for the coming 14 months. From April 2016 the proxy hedging of PHP via USD will be terminated since the PHP and USD exposure now balance each other.

Note 7

Performance in constant and reported currencies

Performance overview

DKK million (reported currencies)	Q1 2016	2016 (constant*)	Q1 2015	Change	Change (constant)
Revenue	662.6	662.5	615.3	7.7%	7.7%
Cost of goods sold	532.1	533.3	494.5	7.6%	7.8%
Gross profit	130.5	129.2	120.8	8.0%	7.0%
<i>Gross profit margin</i>	<i>19.7%</i>	<i>19.5%</i>	<i>19.6%</i>	<i>0.1pp</i>	<i>-0.1pp</i>
Sales and marketing costs	32.9	33.0	29.9	10.1%	10.3%
Administrative expenses	27.7	27.9	27.6	0.6%	1.1%
Operating profit	69.8	68.4	63.3	10.2%	7.9%
<i>Operating profit margin</i>	<i>10.5%</i>	<i>10.3%</i>	<i>10.3%</i>	<i>0.2pp</i>	<i>0.0pp</i>
Net financials	-4.3	n.a.	10.2	-142.1%	n.a.
Profit before tax	65.5	n.a.	73.6	-10.9%	n.a.
Tax	14.2	n.a.	15.4	-7.8%	n.a.
<i>Effective tax rate</i>	<i>21.7%</i>	<i>n.a.</i>	<i>21.0%</i>	<i>0.7pp</i>	<i>n.a.</i>
Net profit	51.3	n.a.	58.1	-11.8%	n.a.

* Constant currencies measured using average exchange rates for Q1 2015.

Revenue distribution

DKKm	2016 (reported)	2016 (constant*)	2015*	Pct Change (reported)	Pct Change (constant)
Q1 2016					
Life Sciences	392.6	392.4	378.2	3.8%	3.8%
<i>Hereof Novo Nordisk Group</i>	<i>310.7</i>	<i>310.6</i>	<i>296.6</i>	<i>4.8%</i>	<i>4.7%</i>
<i>Hereof other Life Sciences</i>	<i>81.8</i>	<i>81.8</i>	<i>81.6</i>	<i>0.3%</i>	<i>0.3%</i>
Enterprise	109.6	109.6	90.4	21.2%	21.2%
Public	100.7	100.7	101.1	-0.4%	-0.4%
Finance	59.8	59.8	45.6	31.1%	31.1%
Total	662.6	662.5	615.3	7.7%	7.7%

*Constant currencies measured using average exchange rates for Q1 2015.