



# Interim Report Q3/2011

Janne Mielck, CEO

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# This is Dovre Group



## Project Personnel

- Global project management resourcing

## Consulting

- Management and project management consulting services

## Software

- Powerful software for major projects

**Project Professionals for energy industry**

**Integrated Service Portfolio for Project Management**



# Global Presence

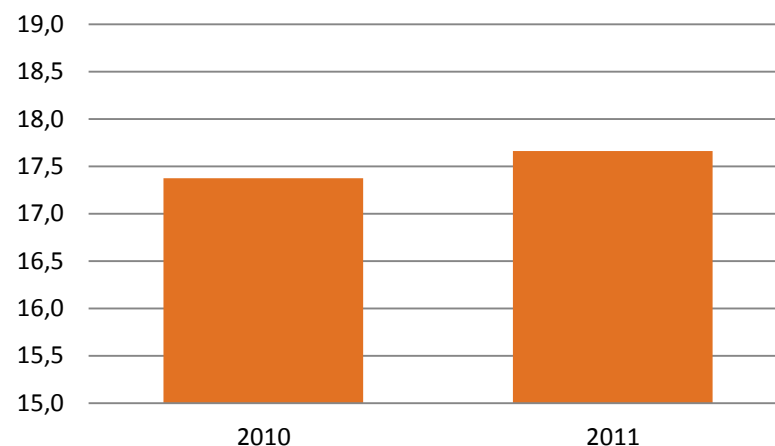




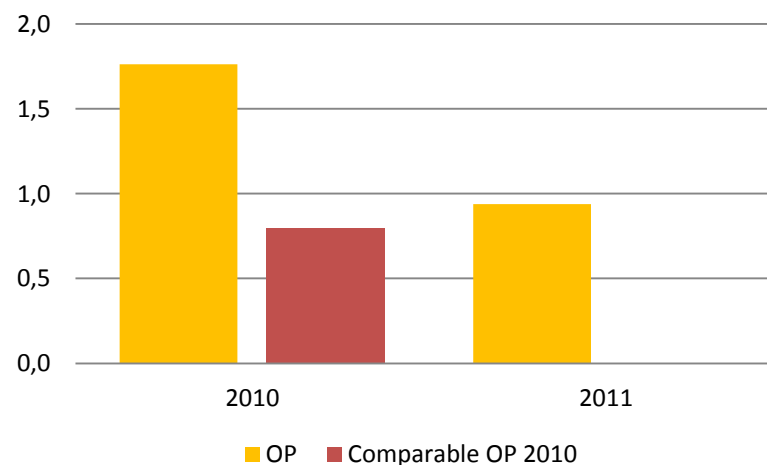
# Dovre Group – Results in Q3/2011

- **Net sales EUR 17.7 (17.4) million** – growth 1.7%
- **Operating result EUR 0.9 (1.8) million**
  - Comparable operating result EUR 0.8 million in 2010
- **Operating result 5.3 (10.1) % of net sales**
  - Comparable operating result 5.3 (4.6) % of net sales
- **Result EUR 0.8 (1.2) million**
- Net cash flow from operating activities EUR 0.6 (-0.3) million
- Earnings per share EUR 0.01 (0.02)

Net Sales



Operating Result





## Business Divisions – Results in Q3/2011

	Project Personnel			Consulting			Software		
(EUR million)	Q3/11	Q3/10	Change	Q3/11	Q3/10	Change	Q3/11	Q3/10	Change
Net sales	15.4	15.4	-0.4%	1.4	1.2	20.7%	0.9	0.8	15.3%
Operating result	0.9	0.7	22.2%	0.1	0.1	57.2%	0.1	0.1	-6.5%

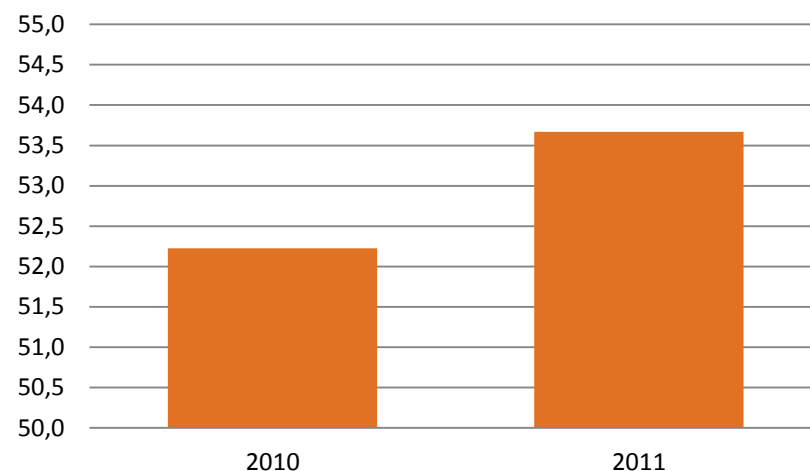
- Project Personnel 87% (89%) of Group's net sales
- Consulting 8% (7%) of Group's net sales
- Software 5% (4%) of Group's net sales



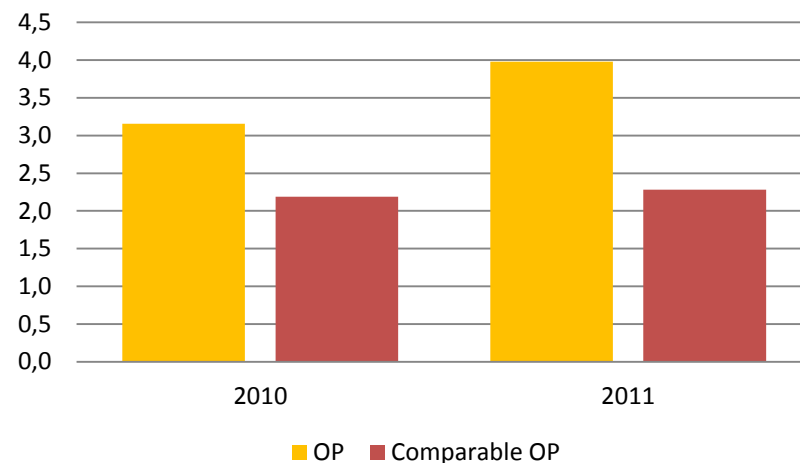
# Dovre Group – Results in Q1-Q3/2011

- **Net sales EUR 53.7 (52.2) million**  
– growth 2.8%
- **Operating result EUR 4.0 (3.2) million**
  - Comparable operating result increased by EUR 0.1 million
- **Operating result 7.4 (6.0) % of net sales**
  - Comparable operating result 4.3 (4.2) % of net sales
- **Result EUR 2.5 (2.2) million**
- Net cash flow from operating activities EUR 0.2 (1.9) million
- Earnings per share EUR 0.04 (0.04)

### Net Sales



### Operating Result



# Business Divisions – Results in Q1-Q3/2011

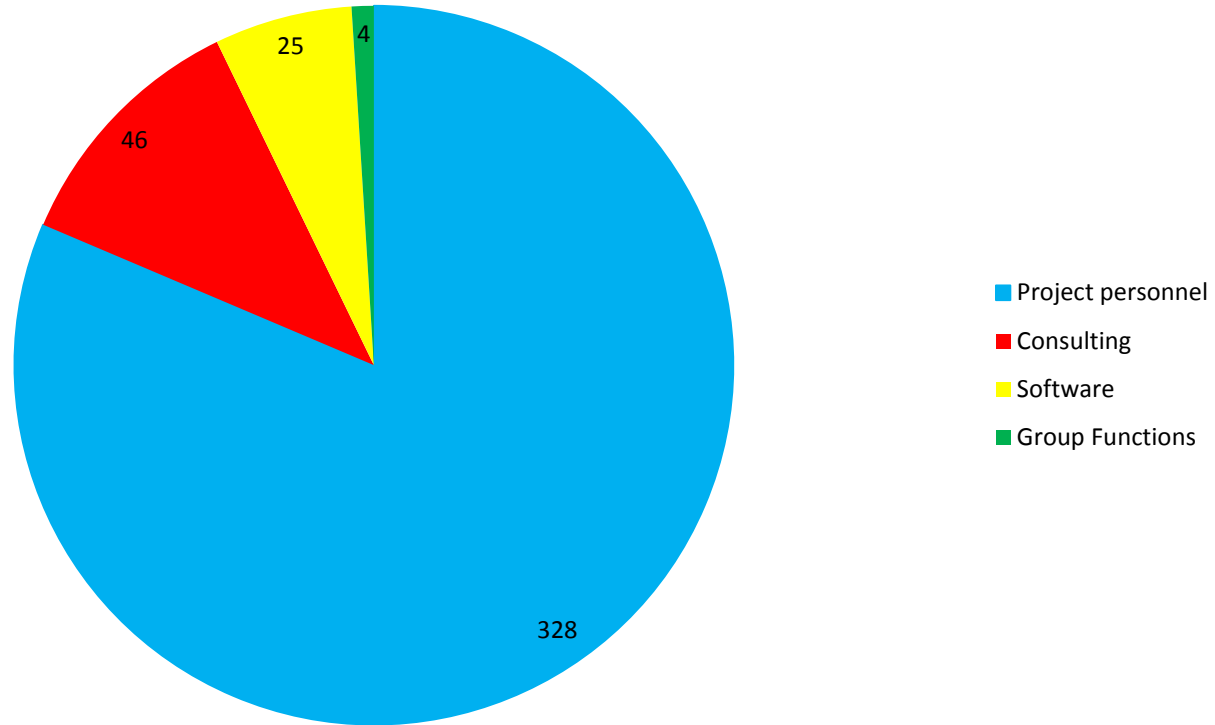
(EUR million)	Project Personnel			Consulting			Software		
	Q1-Q3/11	Q1-Q3/10	Change	Q1-Q3/11	Q1-Q3/10	Change	Q1-Q3/11	Q1-Q3/10	Change
Net sales	46.1	45.4	1.6%	4.9	4.3	12.2%	2.9	2.7	7.0%
Operating result	3.9 2.2 *)	2.2	76.7%	0.5	0.3	46.9%	0.3	0.4	-16.2%

- Project Personnel 86% (87%) of Group's net sales
- Consulting 9% (8%) of Group's net sales
- Software 5% (5%) of Group's net sales

\*) Excluding the gain of closing the benefit based pension plan in Norway



# Headcount on Sept. 30, 2011



Total headcount: 403 (416)



## CEO comments for Q3 Group Results

- Result on the targeted level, net sales grew less than expected from 2010
- Project Personnel division performed well in Europe and in Asia
- Number of consultants down in North America, net sales also affected by unfavorable exchange rate fluctuations
- Consulting and Software divisions performed well – net sales increased by 21% and 15% respectively from 2010
- Operating result EUR 0.9 (1.8) million – without gain on disposal of investment in ProCountor EUR 0.9 (0.8) million
- Net cash flow from operating activities EUR 0.6 (-0.3) million



## Comments on Project Personnel

- Demand for services remained stable
- Key challenges:
  - North America: recruitment and retention of personnel
- Business in Norway developed according to plan
  - Delivery of technical consultancy to Statoil started
  - Frame agreement with a new customer involved in developing a new offshore oil field in the North Sea



## Comments on Consulting

- Net sales increased by 21% in Q3/2011
- Business units both in Norway and Finland continued their growth
- In Norway, customer demand high
  - Several long-term frame agreements within the Norwegian public sector
- Customers in Finland and Sweden include major Nordic companies
- Market outlook positive, although economic instability in Europe may affect customers' investment levels in 2012



## Comments on Software



- Net sales increased by 15% from Q3/2010
- Operating result decreased in Q3/2011 – lower license sales
- Safran actively seeking market expansion both in Norway and abroad



## Future outlook

- General economic insecurity has not affected investment levels in the Oil & Gas industry.
- We expect demand for Project Personnel division's services to remain stable in key market areas.
- Current market outlook in the Nordic countries, an important market for the Group's Consulting and Software divisions, is positive.
  - However, economic instability in Europe may affect customers' investment levels in 2012.
- We will continue developing the Group in accordance with our strategy and long-term goals.



## Future outlook – Guidance

- Net sales and operating result in 2011 expected to grow from 2010

*Guidance has not been changed*



## Future outlook – Long-term objectives

- Annual growth of more than 10% from operations and continuous improvement in the operating result to the level of EBIT 5-10%



## Short-term risks and uncertainties

1. Success of the Project Personnel division influenced by the energy sector market and investment levels in the oil and gas industry
2. Project Personnel expands its business to new markets
3. Oil & Gas industry is risk intensive, and single projects may experience delays or accidents. These may affect the net sales of the Project Personnel division. However, Dovre Group responsible for work of the individuals, no overall project responsibilities
4. Current market outlook in the Nordic countries, an important market for the Group's Consulting and Software divisions, is positive. However, economic instability may affect customers' investment levels in 2012. Risks involved in project delivery are due to both customers and the Group's own personnel
5. Dovre Group has two major customers, each >10% of the Group's net sales. The Group is dependent on the long-term frame agreements with its key customers.
6. Currencies have risk exposure. The Group has started hedging its currency positions.



Thank You!