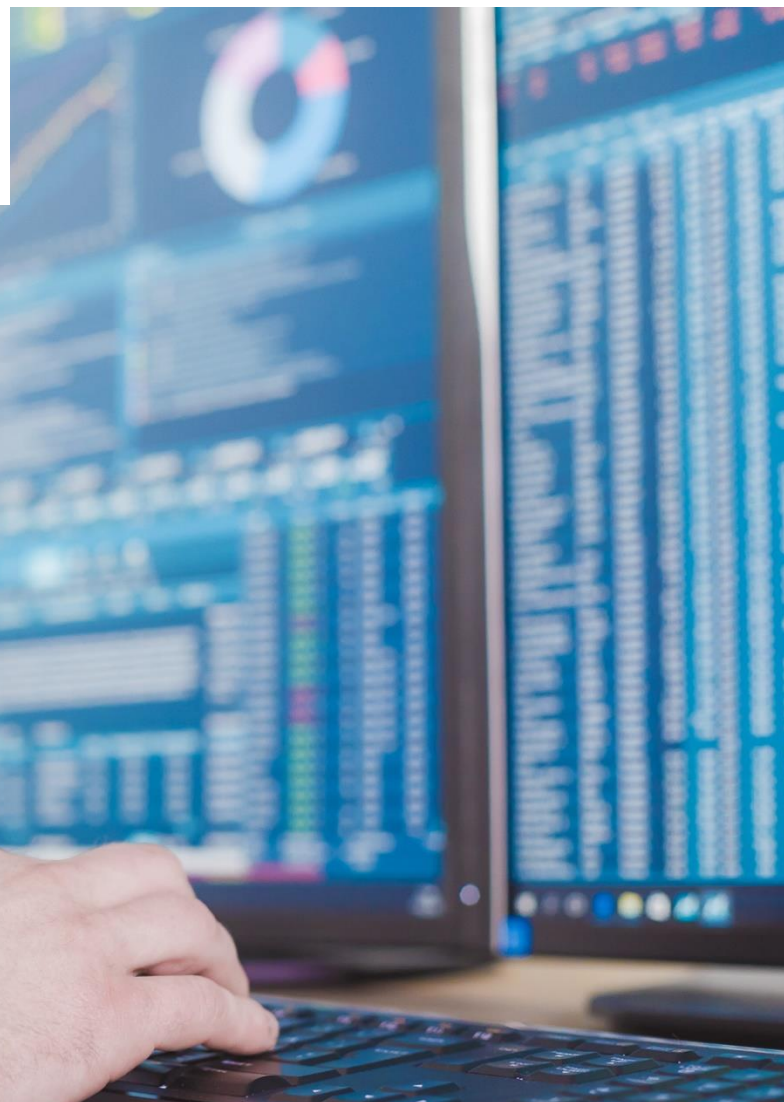


Q2 2017

Infront ASA – interim report





Q2 was a strong quarter for Infront with an increase in revenue of 19% to NOK 63.5 million (NOK 53.5 million) fueled by strategic alliances and acquisitions in the past quarters. As part of the partnership with SIX Financial Information, we welcomed a substantial base of new customers this quarter. Users have reported a smooth transition from SIX Edge and Starweb to Infront and added product value. I am proud of the team who has gone the extra mile to deliver individual training and support to these users and made sure they are welcomed in the best way possible. We started to see some revenue impact from this agreement and the acquisitions of SIX News, TDN Finans and Inquiry Financial. We expect further revenue impact in the coming quarters. In addition to a strong sales quarter for our flagship product, the Infront Professional terminal, we closed a contract with Nordnet, to offer their retail investors the new trading application Web Trader. This will replace Nordnet's Wintrade, with its 4 000 users in Norway, Sweden, Denmark and Finland. After having landed yet another contract for our web based retail solution we have experienced an increased interest for our web products and consider this as a growth area in the coming quarters.

- Kristian Nesbak, CEO and Founder

Q2 2017 SUMMARY

- Revenue increased by 19 % to NOK 63.5 million (NOK 53.5 million), mainly due to positive contributions from the acquisitions of TDN Finans, Inquiry Financial Europe AB and SIX News and migration of SIX Edge customers.
- Adjusted EBITDA increased by 10 % to NOK 12.4 million (NOK 11.3 million), driven by higher revenues across all segments.
- Net income was negative NOK 1.5 million (NOK 5.0 million)
- Earnings per share amounted to negative NOK 0.65 (NOK 2.35)

KEY FIGURES

| <i>(NOK million)</i> | Q2 2017 | Q2 2016 |
|----------------------|---------|---------|
| Revenues | 63.5 | 53.5 |
| Gross profit | 44.0 | 36.3 |
| EBITDA | 4.0 | 11.3 |
| EBITDA adjusted | 12.4 | 11.3 |



OPERATIONAL REVIEW

Infront provides a unique combination of real-time global market data, news, analytics and trading tools to private and institutional investors. These proven solutions have been developed by industry experts over the past 20 years delivering technology that keeps Infront’s clients ahead of the game. The Infront terminal has become the most intuitive and flexible financial data terminal available, helping institutions reduce costs, adapt to fast changing market requirements and work more effectively with increasing amounts of information. Infront is located in London, Paris, Cape Town, Johannesburg, Stockholm, Copenhagen and Oslo.

Terminals and Solutions

Q2 2017 Terminals and Solutions revenue from external customers was NOK 46.4 million, representing 15% growth from Q2 2016.

In Q2 2017, focus was on continued migration of SIX Edge users to the Infront platform. As of 30 June 2017, roughly 59 % of the SIX Edge and Starweb net revenues had been migrated to Infront.

News

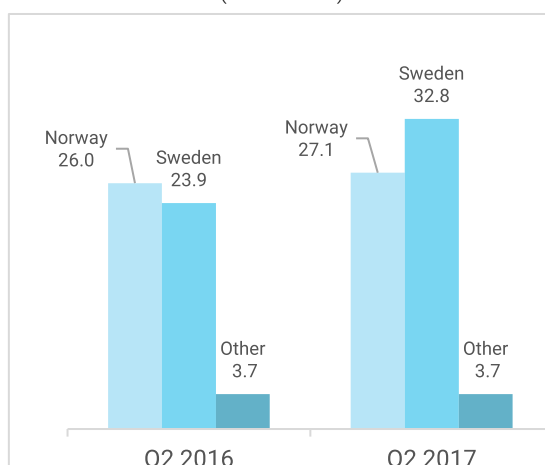
Q2 2017 News revenue from external customers was NOK 11.4 million, representing 35 % growth from Q2 2016. Growth was mainly driven by acquisitions of TDN Finans in Q2 2016 and SIX News in Q4 2016. The acquisitions have been successfully integrated and we expect continued strong performance.

Analytics and Other

Q2 2017 Analytics and Other revenue from external customers was NOK 6.0 million, representing 19 % growth from Q2 2016.

REVENUE PER REGION

(NOK million)



REVENUE PER SEGMENT

(NOK million)





FINANCIAL REVIEW

Operating Revenues

Consolidated operating revenues for Q2 2017 amounted to NOK 63.5 million (NOK 53.5 million), an increase of NOK 10.0 million, or 18.7 %. The increase reflects increased sales and prices across the Group, the inclusion of external revenues from TDN Finans AS, the effect of the acquisition of Inquiry Financial Europe AB, as well as initial impact from the SIX transaction.

Cost of Services Rendered

Consolidated cost of services rendered for the period amounted to NOK 19.5 million (NOK 17.2 million), an increase of NOK 2.3 million, or 13.4 %. The increase reflects the net effect of improved exchange rates and reclassification of purchases from TDN Finans AS as intercompany costs and higher activity.

Employee Benefit Expenses

Consolidated expenses for employee benefits amounted to NOK 22.6 million (NOK 17.2 million), an increase of NOK 5.5 million, or 31.7 %. The increase is primarily due to inclusion of TDN Finans AS and Inquiry Financial Europe AB as well as increased staff levels in Group in connection with expansion in UK and South Africa, and general salary increases. The Group employed 118 FTEs at the end of Q2 2017 (95).

Other Operating Expenses

Consolidated other operating expenses amounted to NOK 17.4 million in Q2 2017 (NOK 7.9 million), an increase of NOK 9.5 million, or 120.5 %. The increase is primarily due to increased use of external consultants and advisors as part of the IPO process and M&A activity of NOK 8.3 million during the quarter. Adjusted for these costs, other operating expenses increased to NOK 9.0 million (NOK 7.9 million).

EBITDA

The Q2 2017 EBITDA was NOK 4.0 million, compared to NOK 11.3 million in Q2 2016. EBITDA adjusted for Q2 2017 was NOK 12.4 million (11.3 million), an increase of NOK 1.1 million, or 9.9 %.

Net Financial Income

Consolidated net financial expenses amounted to NOK 0.7 million in Q2 2017 (net financial expenses of NOK 1.4 million), a decrease of NOK 0.8 million. This movement is primarily a result of foreign exchange transactions and translations.



Income Tax Expenses

Income tax expenses for the period was NOK -0.3 million (NOK 1.6 million), a decrease of NOK 1.8 million, or 118.7%.

Profit for the Period

Due to the effects discussed above, consolidated loss for the period amounted to NOK 1.5 million (profit of NOK 5.0 million), a decrease of NOK 6.5 million, or 130.0%.

Earnings per Share

This represents a Q2 2017 earnings of NOK -0.65 per share, compared to earnings of NOK 2.35 per share in Q2 2016.

Total Assets

Total assets at the end of Q2 2017 amounted to NOK 189.3 million, compared to NOK 181.3 million at the end of Q4 2016, an increase of NOK 8.0 million, or 4.4 %. The increase is due to an increase of non-current assets. Total equity decreased during the period, due to the fair value estimate of option related to payment for remaining stake in Inquiry Financial Europe AB.

Intangible Assets and Property, Plant and Equipment

Intangible assets and Equipment and fixtures increased to NOK 128.9 million (NOK 117.5 million), an increase of NOK 11.4 million, or 9.7%. The increase is primarily due to the acquisition of Inquiry Financial Europe AB and an investment in IT hardware.

Trade and other Receivables

Trade and other receivables amounted to NOK 29.5 million at the end of Q2 2017, compared to NOK 24.9 million at the end of Q4 2016, an increase of NOK 4.6 million, or 18.6%.

Cash and Cash Equivalents

The Q2 2017 cash position was NOK 29.6 million, compared to NOK 37.6 million at the end of Q4 2016. The decrease was primarily due to cash outflows related to the acquisition of 77.2 % of Inquiry Financial Europe AB and payment to SIX Financial Information related to takeover of operations of SIX News (the Nordic operations).

Total Non-Current Liabilities

Total non-current liabilities at the end of Q2 2017 were NOK 55.2 million, compared to NOK 45.5 million at the end of Q4 2016. The increase was primarily due to the fair value estimate of option related to payment for remaining stake in Inquiry Financial Europe AB.



Total Current Liabilities

Total current liabilities at the end of Q2 2017 were NOK 97.9 million, compared to NOK 95.1 million at the end of Q4 2016.

Cash Flow from Operating Activities

Consolidated net cash flow from operational activities amounted to NOK 13.7 million in 1H 2017 (NOK 11.6 million), an increase of NOK 2.1 million, or 17.7%. The underlying operations represented by EBITDA of NOK 10.3 million in H1 2017 (NOK 18.1 million) were lower and overall negatively impacted by IPO-related costs. However, changes in net working capital more than compensated for this reduction, as it had a positive effect in H1 2017 of NOK 6.5 million (negative NOK 3.6 million). This was primarily due to an increase in trade and other payables as well as a positive contribution from deferred revenues.

Cash Flow from Investing Activities

Consolidated net cash flow from investing activities was negative at NOK 28.5 million in H1 2017 (negative NOK 25.0 million), a decrease of NOK 3.5 million, or 14.1%. The decrease was driven by the acquisition of 77.22% of Inquiry Financial Europe AB, payment to SIX Financial Information related to takeover of operations of SIX News (the Nordic operations) and investment in IT hardware. Investments in software development stayed relatively flat at NOK 5.1 million in H1 2017 (NOK 5.5 million).

Cash Flow from Financing Activities

Net cash flow from financing activities was positive at NOK 5.6 million (NOK 0.0 million). This reflects the draw on the revolving credit facility per 30.06.2017.



INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Consolidated income statement

| (NOK 1.000) | Note | Q2 2017 | Q2 2016 | YTD 2017 | YTD 2016 |
|--|------|---------------|---------------|----------------|----------------|
| Revenues | 2 | 63 546 | 53 527 | 120 336 | 105 308 |
| Total operating revenues | | 63 546 | 53 527 | 120 336 | 105 308 |
| Cost of services rendered | | 19 502 | 17 195 | 38 058 | 37 391 |
| Salary and personnel expenses | 3 | 22 644 | 17 193 | 44 530 | 34 488 |
| Other operating expenses | 6 | 17 351 | 7 868 | 27 466 | 14 903 |
| Depreciation and amortisation | | 5 187 | 3 271 | 10 240 | 6 462 |
| Total operating expenses | | 64 684 | 45 527 | 120 293 | 93 644 |
| Operating profit | | -1 139 | 8 000 | 43 | 11 664 |
| Financial income | | 583 | 657 | 1 091 | 1 452 |
| Financial expenses | | -1 243 | -2 070 | -2 107 | -2 860 |
| Financial income/(expenses) - net | | -660 | -1 414 | -1 016 | -1 408 |
| Profit before income tax | | -1 799 | 6 586 | -972 | 10 256 |
| Income tax expense | | 290 | -1 551 | 53 | -2 449 |
| Profit for the period | | -1 509 | 5 035 | -919 | 7 807 |
| Profit is attributable to: | | | | | |
| Owners of Infront AS | | -1 409 | 5 035 | -858 | 7 807 |
| Non-controlling interests | | -100 | 0 | -61 | 0 |
| | | -1 509 | 5 035 | -919 | 7 807 |
| Earnings per share | | | | | |
| Basic and diluted earnings per share | | -0.65 | 2.35 | -0.40 | 3.64 |



Statement of comprehensive income

| (NOK 1.000) | Note | Q2 2017 | Q2 2016 | YTD 2017 | YTD 2016 |
|---|------|---------------|--------------|-------------|--------------|
| Profit for the period | | -1 509 | 5 035 | -919 | 7 807 |
| Other comprehensive income (net of tax): | | | | | |
| Exchange differences on translation of foreign operations | | 1 042 | -259 | 1 366 | -397 |
| Total comprehensive income for the period | | -467 | 4 776 | 447 | 7 410 |

Total comprehensive income is attributable to:

| | | | | | |
|---------------------------|--|-------------|--------------|------------|--------------|
| Owners of Infront AS | | -442 | 4 776 | 433 | 7 410 |
| Non-controlling interests | | -25 | 0 | 14 | 0 |
| | | -467 | 4 776 | 447 | 7 410 |



Consolidated statement of financial position

| (NOK 1.000) | Note | 30.06.2017 | 31.12.2016 |
|---------------------------------|------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Equipment and fixtures | | 2 515 | 1 387 |
| Intangible assets | | 126 388 | 116 161 |
| Deferred tax asset | | 658 | 654 |
| Pension assets | | 287 | 314 |
| Receivables | | 301 | 302 |
| Total non-current assets | | 130 148 | 118 818 |
| Current assets | | | |
| Trade and other receivables | | 29 541 | 24 919 |
| Cash and cash equivalents | | 29 604 | 37 569 |
| Total current assets | | 59 145 | 62 487 |
| TOTAL ASSETS | | 189 293 | 181 306 |

| (NOK 1.000) | Note | 30.06.2017 | 31.12.2016 |
|--|------|----------------|----------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | | 217 | 217 |
| Share premium | | 7 863 | 7 863 |
| Treasury shares | | 0 | 0 |
| Other equity | | 25 401 | 32 690 |
| Total equity attributable to owners of the parent | | 33 481 | 40 769 |
| Non-controlling interests | | 2 643 | 0 |
| Total equity | | 36 124 | 40 769 |
| Non-current liabilities | | | |
| Pension liabilities | | 505 | 485 |
| Deferred tax liabilities | | 885 | 857 |
| Other non-current financial liabilities | | 53 835 | 44 118 |
| Total non-current liabilities | | 55 225 | 45 460 |
| Current liabilities | | | |
| Borrowings | | 7 699 | 1 704 |
| Trade and other payables | | 52 295 | 56 863 |
| Other current financial liabilities | | 16 910 | 16 739 |
| Deferred revenue | | 18 307 | 14 897 |
| Current tax liabilities | | 2 733 | 4 874 |
| Total current liabilities | | 97 944 | 95 077 |
| Total liabilities | | 153 169 | 140 537 |
| TOTAL EQUITY AND LIABILITIES | | 189 293 | 181 306 |



Consolidated statement of cash flows

| (NOK 1.000) | Note | YTD 2017 | YTD 2016 |
|---|------|----------------|----------------|
| Cash flows from operating activities | | | |
| Profit (loss) before tax | | -972 | 10 255 |
| <i>Adjustments for</i> | | | |
| Taxes paid | | -2 141 | -1 404 |
| Depreciation, amortisation and net impairment losses | | 10 240 | 6 462 |
| Pension expense without cash effect | | 39 | -16 |
| Change in operating assets and liabilities, net of effects from purchase of controlled entities | | | |
| Change in trade receivable and other receivables | | -2 214 | 2 014 |
| Change in derivative financial instruments | | 221 | 0 |
| Change in deferred revenue | | 1 140 | 1 098 |
| Change in trade and other payables | | 7 398 | -6 761 |
| Net cash inflow from operating activities | | 13 711 | 11 648 |
| Cash flows from investing activities | | | |
| Payment for acquisitions of subsidiary, net of cash acquired | 5 | -8 661 | -18 960 |
| Payment for intangible assets | | -13 247 | 0 |
| Payment for property, plant and equipment | | -1 553 | -598 |
| Payment for software development costs | | -5 085 | -5 470 |
| Net cash (outflow) from investing activities | | -28 546 | -25 028 |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 5 593 | 82 |
| Net cash (outflow) from financing activities | | 5 593 | 82 |
| Net increase/(decrease) in cash and cash equivalents | | -9 242 | -13 298 |
| Cash and cash equivalents 1 January | | 37 569 | 36 418 |
| Effects of exchange rate changes on cash and cash equivalents | | 1 277 | -1 366 |
| Cash and cash equivalents 30 June | | 29 604 | 21 755 |



Consolidated statement of changes in equity

| (NOK 1.000) | Attributable to the owners of the parent | | | | | | Non-controlling interest | Total equity |
|--|--|---------------|-----------------|-------------------------|-------------------|---------------|--------------------------|---------------|
| | Share capital | Share premium | Treasury shares | Translation differences | Retained earnings | Total | | |
| Balance at 31 December 2015 | 214 | 6 156 | -1 | 1 645 | 19 578 | 27 593 | 0 | 27 593 |
| Profit/loss for 1 January to 30 June 2016 | | | | | 7 807 | 7 807 | 0 | 7 807 |
| Currency translation differences | | | | -397 | | -397 | | -397 |
| Capital increase | | | | | | | | 0 |
| Balance at 30 June 2016 | 214 | 6 156 | -1 | 1 248 | 27 385 | 35 003 | 0 | 35 003 |
| Balance at 31 December 2016 | 217 | 7 863 | 0 | -50 | 32 740 | 40 769 | 0 | 40 769 |
| Profit/loss for 1 January to 30 June 2017 | | | | | -858 | -858 | -61 | -919 |
| Currency translation differences | | | | 1 291 | | 1 291 | 75 | 1 366 |
| Non-controlling interests on acquisition of subsidiary | | | | | | 0 | 2 629 | 2 629 |
| Preliminary estimate of fair value of put option – acquisition of subsidiary | | | | | -7 719 | -7 719 | | -7 719 |
| Balance at 30 June 2017 | 217 | 7 863 | 0 | 1 240 | 24 162 | 33 482 | 2 643 | 36 125 |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Accounting principles

General Information

Infront ASA, the parent company of the Infront group (the group) is a limited liability company incorporated and domiciled in Norway, with its head office in Fjordalléen 16, 0250 Oslo.

The Group is a leading market data and trading solution provider in the Nordics. The Infront terminal is an intuitive and flexible terminal within the financial markets offering global real-time market data, trading, news and analytics covering key markets. In addition, the group comprise the leading financial news agencies in Sweden and Norway.

These consolidated financial statements have been approved for issuance by the Board of Directors on 21 August 2017. The figures in the statements have been limited audited.

Basis of Preparation

The interim consolidated financial statements for the second quarter 2017, ending 30 June 2017, were prepared in accordance with IAS 34 Interim Financial Reporting. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the group's annual report for 2016.

The accounting policies adopted in the interim financial statements are consistent with the standards and interpretations followed in the preparation of the group's annual financial statements for the year ended 31 December 2016.

The standards and interpretations effective from 1 January 2017 do not have a significant impact on the group's consolidated interim financial statements.



Note 2. Segment information

Revenue per region 30.06.2017

| | Norway | Sweden | Other | Eliminations | Consolidated |
|-------------------------------|---------|--------|--------|--------------|--------------|
| Revenue | | | | | |
| External customers | 52 699 | 60 070 | 7 568 | 0 | 120 336 |
| Inter-segment | 25 210 | 6 811 | 3 091 | -35 111 | 0 |
| Total revenue | 77 908 | 66 881 | 10 659 | -35 111 | 120 336 |
| EBITDA | -5 527 | 16 420 | -610 | 0 | 10 283 |
| Total assets | 131 364 | 74 197 | 22 435 | -38 702 | 189 293 |
| Total liabilities | 82 531 | 52 532 | 17 186 | 921 | 153 169 |
| Depreciation and amortisation | 6 543 | 3 661 | 36 | 0 | 10 240 |

Revenue per region 30.06.2016

| | Norway | Sweden | Other | Eliminations | Consolidated |
|-------------------------------|---------|--------|--------|--------------|--------------|
| Revenue | | | | | |
| External customers | 50 188 | 47 857 | 7 262 | 0 | 105 308 |
| Inter-segment | 22 184 | 6 675 | 2 048 | -30 908 | 0 |
| Total revenue | 72 372 | 54 533 | 9 310 | -30 908 | 105 308 |
| EBITDA | 10 343 | 9 081 | -1 297 | 0 | 18 126 |
| Total assets | 100 761 | 37 651 | 21 704 | -71 561 | 88 554 |
| Total liabilities | 53 948 | 28 928 | 15 121 | -44 445 | 53 552 |
| Depreciation and amortisation | 6 200 | 211 | 51 | 0 | 6 462 |



Revenue per segment 30.06.2017

| | Terminals and Solutions | News | Analytics and other | Eliminations | Consolidated |
|----------------------------------|-------------------------------|--------|---------------------------|--------------|--------------|
| Revenue | | | | | |
| External customers | 86 377 | 22 436 | 11 523 | 0 | 120 336 |
| Inter-segment | 23 052 | 8 546 | 3 513 | -35 111 | 0 |
| Total revenue | 109 429 | 30 982 | 15 036 | -35 111 | 120 336 |
| EBITDA | -99 | 7 448 | 2 935 | 0 | 10 283 |
| Total assets | 160 253 | 40 631 | 27 111 | -38 702 | 189 293 |
| Total liabilities | 111 404 | 28 604 | 12 241 | 921 | 153 169 |
| Depreciation and amortisation | 9 679 | 220 | 341 | 0 | 10 240 |

Revenue per segment 30 June 2016

| | Terminals and Solutions | News | Analytics and other | Eliminations | Consolidated |
|----------------------------------|----------------------------|--------|---------------------------|--------------|--------------|
| Revenue | | | | | |
| External customers | 79 817 | 16 012 | 9 478 | 0 | 105 308 |
| Inter-segment | 21 966 | 6 894 | 2 048 | -30 908 | 0 |
| Total revenue | 101 783 | 22 906 | 11 526 | -30 908 | 105 308 |
| EBITDA | 14 420 | 3 464 | 245 | 0 | 18 126 |
| Total assets | 116 486 | 20 212 | 23 417 | -71 561 | 88 554 |
| Total liabilities | 66 593 | 16 740 | 14 664 | -44 445 | 53 552 |
| Depreciation and amortisation | 6 242 | 169 | 51 | 0 | 6 462 |



Note 3. Number of employees

Number of employees (full-time equivalents) at the end of the second quarter was 118 in 2017 compared to 95 in 2016.

Note 4. Investment in subsidiaries

30.06.2017

| Company | Date of acquisition | Consolidated (yes/no) | Registered office | Voting share | Ownership share |
|-----------------------------------|----------------------------|------------------------------|--------------------------|---------------------|------------------------|
| The Online Trader Sweden AB | 14.03.2007 | yes | Stockholm | 100 % | 100 % |
| Nyhetsbyrån Direkt AB | 01.12.2008 | yes | Stockholm | 100 % | 100 % |
| CatalystOne AS | 30.10.2009 | yes | Oslo | 100 % | 100 % |
| Infinancials SA* | 04.06.2012 | yes | Paris | 100 % | 100 % |
| Infront Financial Information Ltd | 03.07.2015 | yes | London | 100 % | 100 % |
| TDN Finans AS | 22.04.2016 | yes | Oslo | 100 % | 100 % |
| Infront SA (Pty) Ltd | 05.10.2016 | yes | Johannesburg | 100 % | 100 % |
| Inquiry Financial Europe AB | 07.03.2017 | yes | Stockholm | 77 % | 77 % |

*4 shares of 636 155 (0 %) is held by executive Management in Norway.



Note 5. Business combination

The Infront Group effected two acquisitions in 2016. Refer to the financial statement for 2016 for further information. In March 2017 the acquisition of Inquiry Financial Europe AB was effected. Refer to the Q1 2017-report for further information.

Note 6. IPO and M&A related expenses

Expenses as at 30 June 2017:

| | External expenses | Internal expenses | Total |
|--|------------------------------|------------------------------|--------------|
| Cost of services rendered | | | |
| Salary and personnel costs | | | |
| Other operating and financial expenses | 9 628 | | 9 628 |
| Sum | 9 628 | | 9 628 |

Infront AS

Headquarter

Fjordalléen 16
0250 Oslo

Website

infrontfinance.com

E-mail

ir@infrontfinance.com

Twitter

[@infrontfinance](https://twitter.com/infrontfinance)



Infront
Discover. Analyze. Trade.

