Interim report Q4 2016

AQUALIS

HIGHLIGHTS AND KEY FIGURES
Q4 2016

HIGHLIGHTS

- Revenues of USD 6.2 million in Q4 2016, down 29% from Q4 2015
- Operating loss (EBIT) of USD 1.0 million and adjusted operating loss of USD 0.5 million
- Results impacted by goodwill impairments, downsizing related costs and weak market conditions in the oil and gas market
- Billing ratio for technical staff of 76 % in Q4 2016, up from 73% in Q3 2016
- Cost efficiency measures took effect throughout the quarter, but still behind the “curve”
- Offshore wind market is strong and new contracts have been secured
- Weak results for ADLER Solar as phase in of cost measures and new services continues
- Order backlog at USD 6.7 million
- Pipeline and bidding activity increasing over the past months
- Cash balance of USD 9.9 million at the end of Q4 2016
- Continued solid HSE performance and no lost time incidents (LTIs) during the quarter

“Whilst the oil and gas market remains weak, we have seen signs of increased tender activity and there are indications that we have either reached or are near the bottom of this recession. Contract visibility remains short term forcing us to take further cost and operational measures to ensure profitability. These will continue to be phased in throughout H1 2017.

We expect 2017 to remain challenging for the oil and gas industry and we need to remain alert and adapting quickly to the opportunities that the market presents to us.” says Mr David Wells, CEO of Aqualis ASA.

KEY FIGURES

Amount in USD thousands (except shares, backlog, employees)	**Q4 16**	**Q4 15**	**FY 2016**	**FY 2015**
FINANCIAL				
Total revenues	6,184	8,755	27,564	40,998
Operating profit (loss) (EBIT)	(1,049)	(1,979)	(4,055)	(2,908)
Operating profit (EBIT) adjusted (1)	(470)	(558)	(3,476)	(1,487)
Profit (loss) after taxes	(251)	(1,729)	(3,874)	(2,198)
Profit (loss) after taxes adjusted (1)	328	(308)	(3,295)	(777)
Basic earnings per share (USD)	(0.01)	(0.04)	(0.09)	(0.05)
Average number of outstanding shares (thousands)	42,293	43,506	42,492	43,338
Cash and cash equivalents at the end of the period	9,910	14,864	9,910	14,864
OPERATIONAL				
Order backlog at the end of the period (USD million) (1)	6.7	10.7	6.7	10.7
Employees at the end of the period	151	220	151	220
Billing ratio (2)	76%	73%	73%	73%

(1) See note 2 for definition and note 9 for reconciliation of Alternative Performance Measures

(2) Billing ratio for technical staff including subcontractors on 100% basis. Excludes management, business development, admin support staff and temporary redundancies. Figure calculated as billable hours / net hours available. Net hours available excludes paid absence and unpaid absence. Figures excluding Adler Solar.

FOURTH QUARTER GROUP REVIEW

(Figures in brackets represent same period prior year or balance sheet date 2015. Certain comparative figures have been reclassified to conform to the presentation adopted for the current period.)

Group results

Total operating revenues decreased by 29% to USD 6.2 million in Q4 2016 (USD 8.8 million in Q4 2015). The decrease in revenues is due to further weakening of market conditions in the oil and gas sector – in particular in the North Sea and reduced portfolio of long term construction monitoring contracts in the Far East.

Operating expenses decreased by 33% to USD 7.1 million in Q4 2016 (USD 10.5 million in Q4 2015). The reduction in operating expenses were mainly due to the lower activity levels, impairment charges and the phase in of measures implemented to align the cost base with weaker market conditions.

EBIT amounted to a loss of USD 1.0 million in Q4 2016 (loss of USD 2.0 million in Q4 2015). The results for Q4 2016 were impacted by goodwill impairment (USD 0.6 million), bad debt provision (USD 0.2 million), a loss in ADLER Solar (USD 0.2 million) and weak market conditions in North Europe.

The billing ratio for technical staff (including subcontractors) was 76% in Q4 2016, up from 73% in Q3 2016. Most regions, excluding in Europe and the Middle East, improved their billing ratios.

Aqualis has taken significant measures during 2016 to adapt to the weaker market conditions. The phase in of new and previously implemented cost measures continued throughout the quarter and into 2017. The phase in of implemented cost measures is expected to be completed during 1H 2017.

Results from associated companies amounted to a loss of USD 0.2 million in Q4 2016 and relates to the investment in ADLER Solar. ADLER Solar is gradually moving a larger share of its resources to new services launched at the start of 2016. A cost reduction program commenced in mid 2016 which is expected to lower the quarterly operating costs with around USD 0.5 million once fully phased in at the end of Q2 2017. The results in Q4 2016 were impacted by phase in of cost measures, provision for bad debt and weather conditions. Aqualis has provided ADLER Solar a loan of USD 0.4 million in Q4 2016 to strengthen its working capital and liquidity position.

Net currency gain of USD 0.6 million in Q4 2016 (USD 0.7 million in Q4 2015) mainly represents unrealised gains on revaluation of USD bank accounts.

Loss after taxes for Q4 2016 of USD 0.3 million (loss of USD 1.7 million in Q4 2015).

Financial position and liquidity

At 31 December 2016, cash and cash equivalents amounted to USD 9.9 million. This compares with USD 11.1 million as of 30 September 2016. The decrease in the cash and cash equivalents is mainly due the loan provided to ADLER Solar, operating loss in the period and increase in net working capital. Aqualis does not have any interest bearing debt.

Order backlog

The order backlog at the end of Q4 2016 was USD 6.7 million compared with USD 8.5 million at the end of Q3 2016. Services are now primarily shifting towards “call out contracts” which are driven by day-to-day operational requirements. An estimate for backlog on “call out contacts” are only included in the order backlog when reliable estimates are available. Aqualis has won some larger marine and engineering contract awards covering both engineering, design and marine operations during Q4 2016.

Organisational development

At end of Q4 2016, Aqualis had 151 employees (full time equivalents, including contractors on 100% equivalent basis), down from 161 at the end of Q3 2016. The decrease in staff levels in Q4 2016 is related to reduction in specialist technical staff, administrative staff and the use of subcontractors.

Resource availability is no longer an issue in the current market with a surplus of experienced people actively seeking work.

Health, safety, environment and quality

Aqualis’ HSEQ management system provides the framework to manage all aspects of our business. The management system is designed to ensure compliance with regulatory requirements, identify and manage risks and to drive continuous improvement in HSEQ performance. Aqualis has now exceeded 1.0 million man-hours without a lost time incident (LTI) since its incorporation.

Market update

Oil and gas market

The activity level in the O&G market is weak and very competitive. The industry continues to be under pressure to reduce costs and be more efficient. The gradual increase in rigs / vessels being stacked and off-contract continues. Until the oil companies resume new infrastructure investment, the oil service industry will have a reduced momentum. Visibility is short term.

The overall activity level in Q4 2016 was slightly lower than in the previous quarter due to weak market conditions in Europe in particular. The activity level in Middle East and China remain relative strong with good prospects. Brazil had a strong performance as projects were completed.

Towards the end of the quarter more opportunities manifested themselves with increased bidding levels and tender pipeline.

Focus remains on supporting our clients with their day-to-day offshore operations, since capex related opportunities remain weak. Some success has been achieved into expansion into other market niches and the group's organisational structure is becoming leaner and gradually more flexible.

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Renewables

Offshore Wind Consultants (OWC) had lower activity level in Q4 2016 as a major project was finalized at the start of the quarter. The staff have had high billing ratios in the quarter. New important contract wins secured in the quarter and additional staff have been retained. Rate pressures and low margins are manifesting themselves as the industry is becoming competitive with new players. OWC continues to build and expand its client base with a number of good market opportunities. During the quarter consultancy work was secured in emerging markets.

The demand for ADLER Solar's services in the solar market have remained strong in Q4 2016, but skewed towards smaller projects with higher competition and lower margins. There have been increased interest from the market for the new services launched by ADLER Solar at the start of 2016.

Outlook

Aqualis financial performance is driven primarily by activity within the European renewables sector and the global oil and gas markets.

The activity in the offshore renewables market remains high and Northern Europe has a reasonable project pipeline predicted through to 2020. Offshore wind has improved its competitiveness towards other energy sources as the levelized cost of energy for offshore wind has fallen significantly throughout 2016. Global offshore wind investment was USD 30 billion in 2016, up 40% from 2015 according to industry analysts. Developers in Europe and China took advantage of bigger turbines and improved economics. OWC has strengthened is market position in Europe over the past quarters and is also exploring growth opportunities in other emerging offshore wind market such as China, Taiwan, and the US.

Germany is a mature market with 41 GW cumulative solar capacity at the end of 2016. The installed volume was 1.2 GW in 2016 versus the federal government's target of 2.5 GW. The demand for ADLER Solar's services is expected to grow as the installed solar plants age and new solar plants are installed. The results for ADLER Solar will be impacted negatively by the winter weather conditions. The gradual phase in of new services, combined with the ongoing cost reduction program, is expected to improve the profitability of ADLER Solar.

The demand in the core oil and gas business segment serviced by Aqualis is estimated by management to be down by about 40% from the peak in 2014. The activity level and demand visibility remains short term across the oil and gas market. The oil and gas market is expected to remain subdued in 2017 in spite of more stable oil price and that substantial cost efficiencies have been achieved across the industry. The overall activity is currently leveling off and in some regions it appears to be slightly increasing. There are reasons therefore to believe that the industry is at the bottom or close to the bottom of this cycle.

The board of directors in Aqualis is of the opinion that the industry needs consolidation to improve cost efficiency even further and regain critical mass in several smaller oil and gas regions. The industry is oversupplied and too fragmented to likely give a reasonable return to stakeholders in the near to medium term. Aqualis intends to be proactive in the expected M&A activity in our industry.

Strong project execution, adaptability to market changes and demand, responsiveness and a continued broadening of the client base provides the foundation for developing Aqualis going forward. Aqualis' greatest long term growth potential lies with its' ability to widen and strengthen the global client portfolio and client loyalty. A more flexible business model with ability to quickly adapt to market demand fluctuations will be important to ensure consistent profitability.

Assuming the oil price stays above USD 50 for most of 2017, we expect the combination of more stable revenues and the phase in of cost measures during first half of 2017 to result in break even in EBIT in 1H 2017.

Oslo, 17 February 2017

The Board of Directors of
Aqualis ASA

Condensed interim Financial Statements
Q4 2016

Consolidated Statement of Income

Amounts in USD thousands	Note	Q4 16	Q4 15	FY 2016	FY 2015
Revenues	5	6,184	8,755	27,564	40,998
Total revenues		**6,184**	**8,755**	**27,564**	**40,998**
Payroll and payroll related expenses		(4,115)	(5,123)	(19,303)	(23,717)
Depreciation, amortisation and impairment	6	(616)	(1,501)	(794)	(2,027)
Other operating expenses		(2,325)	(3,913)	(11,016)	(17,965)
Total operating expenses		**(7,056)**	**(10,537)**	**(31,113)**	**(43,709)**
Share of net profit (loss) from associates	7	(177)	(197)	(506)	(197)
Operating profit (loss) (EBIT)	5	**(1,049)**	**(1,979)**	**(4,055)**	**(2,908)**
Finance income		30	9	47	28
Finance expenses		3	(52)	-	(45)
Net foreign exchange gain (loss)	4	566	735	(10)	1,419
Profit (loss) before taxes		**(450)**	**(1,287)**	**(4,018)**	**(1,506)**
Income tax expenses		199	(442)	144	(692)
Profit (loss) after taxes		**(251)**	**(1,729)**	**(3,874)**	**(2,198)**

Consolidated Statement of other Comprehensive Income

Amounts in USD thousands	Note	Q4 16	Q4 15	FY 2016	FY 2015
Profit (loss) after taxes		**(251)**	**(1,729)**	**(3,874)**	**(2,198)**
Other comprehensive income					
Currency translation differences		(1,682)	1,182	(516)	(4,543)
Income tax effect		66	-	66	(587)
Total comprehensive income		**(1,867)**	**(547)**	**(4,324)**	**(7,328)**
Attributtable to:					
Equity holders of the parent company		(1,867)	(547)	(4,324)	(7,328)
Non-controlling interests		-	-	-	-
Earnings per share (USD): basic and diluted		**(0.01)**	**(0.04)**	**(0.09)**	**(0.05)**

Condensed interim Financial Statements
Q4 2016

Consolidated Statement of Financial Position

Amounts in USD thousands	Note	31.12.2016	31.12.2015
ASSETS			
Non-current assets			
Equipment		184	371
Investment in associates	7	2,853	3,283
Loan to associates		289	-
Deferred tax assets		122	14
Intangible assets	6	16,257	17,119
Total non-current assets		**19,705**	**20,787**
Current assets			
Trade receivables	8	5,475	7,667
Other receivables		2,734	2,876
Loan to associates		81	-
Cash and cash equivalents	4	9,910	14,864
Total current assets		**18,200**	**25,407**
Total assets		**37,905**	**46,194**
EQUITY AND LIABILITIES			
Equity			
Share capital		690	705
Share premium		47,344	47,344
Other paid in capital		543	432
Retained earnings		(15,496)	(10,819)
Total equity		**33,081**	**37,662**
Non-current liabilities			
Deferred tax liabilities		425	587
Total non-current liabilities		**425**	**587**
Current liabilities			
Trade payables		1,093	1,128
Income tax payable		-	586
Other current liabilities		3,306	6,231
Total current liabilities		**4,399**	**7,945**
Total liabilities		**4,824**	**8,532**
Total equity and liabilities		**37,905**	**46,194**

Condensed interim Financial Statements Q4 2016

Consolidated Cash Flow Statement

Amounts in USD thousands	Note	Q4 16	Q4 15	FY 2016	FY 2015
Cash flow from operating activities					
Profit (loss) before taxes		(450)	(1,287)	(4,018)	(1,506)
Non-cash adjustment to reconcile profit before tax to cash flow:					
Estimated value of employee share options		14	39	111	254
Depreciation, amortisation and impairment		616	1,501	794	2,027
Share of net loss from associates	7	177	197	506	197
Changes in working capital:					
Changes in trade receivables and trade creditors		(228)	(592)	2,157	(2,537)
Changes in other receivables and other current liabilities		(105)	225	(2,783)	693
Proceeds on realisation of customer contract		-	-	-	421
Interest received		-	(3)	(4)	(16)
Income tax paid		(42)	36	(691)	(142)
Effects related to currency unrealised		(575)	(170)	(199)	(1,646)
Cash flow (used in)/from operating activities		**(593)**	**(54)**	**(4,127)**	**(2,255)**
Cash flow from investing activities					
Loan to associate		(370)	-	(370)	-
Purchase of equipment		(8)	(6)	(16)	(293)
Acquisition of associate		-	(3,480)	-	(3,480)
Interest received		-	3	4	16
Cash flow (used in)/from investing activities		**(378)**	**(3,483)**	**(382)**	**(3,757)**
Cash flow from financing activities					
Buy back of shares		-	-	(368)	-
Proceeds from share issue		-	-	-	289
Cash flow (used in)/from financing activities		**-**	**-**	**(368)**	**289**
Net change in cash and cash equivalents		(971)	(3,537)	(4,877)	(5,723)
Cash and cash equivalents beginning period		11,091	18,611	14,864	21,790
Effect of movements in exchange rates		(210)	(210)	(77)	(1,203)
Cash and cash equivalents end period	4	**9,910**	**14,864**	**9,910**	**14,864**

Condensed interim Financial Statements
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Consolidated Statement of Changes in Equity

Amounts in USD thousands	Share capital	Share premium	Other paid in capital	Retained earnings	Foreign currency translation reserve	Total equity
Equity at 01.01.2016	705	47,344	432	3,145	(13,964)	37,662
Profit (loss) after taxes	-	-	-	(3,874)	-	(3,874)
Foreign currency translation reserve	-	-	-	-	(450)	(450)
Shares buy-back	(15)	-	-	(353)	-	(368)
Share-based payment	-	-	111	-	-	111
Equity at 31.12.2016	**690**	**47,344**	**543**	**(1,082)**	**(14,414)**	**33,081**

Condensed interim Financial Statements Q4 2016

Notes to the interim Financial Statements

Note 1: General information

Aqualis ASA ("the Company") is a Norwegian public limited liability company. The Company was established when the owners of Weifa ASA established it as a fully owned subsidiary and transferred the offshore business from Weifa ASA to this new company. The transfer of business within the group did not result in any change of economic substance and it is therefore not considered a business combination. Accordingly, the consolidated interim financial statements of Aqualis ASA are a continuation of the group values transferred from Weifa ASA in the spin-off of the marine and offshore business.

Weifa ASA transferred 100 percent of the shares in the subsidiaries Aqualis Offshore Ltd, Tristein AS and Offshore Wind Consultants Ltd to Aqualis ASA on the 24 July 2014. The ownership of the subsidiaries and the related excess values from the acquisitions of the subsidiaries are consequently continued in the group interim financial statement of Aqualis ASA.

The shares of the Company were listed on Oslo Stock Exchange on 13 August 2014. The Company and its subsidiaries (together the Aqualis Group/the Group) is a public company that offers energy consultancy services to the oil and gas, wind and solar sectors globally. The group, including associates employs experienced consultants across 21 offices in 15 countries worldwide.

Note 2: Basis of preparations and statements

Basis for preparation

The financial statements are presented in USD, rounded to the nearest thousand, unless otherwise stated. As a result of rounding adjustments, the figures in one or more row or column included in the financial statements and notes may not add up to the total of that row or column.

Statements and accounting policies:

The financial information is prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"), and according to the group accounting principles as described in this report. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for the year ended 31 December 2015.

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures ("APMs") that came into force on 3 July 2016. The Company has defined and explained the purpose of the following APMs:

Operating profit adjusted
Management believes that "Operating profit adjusted" which excludes impairments of goodwill and other charges/(income) is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between reported operating profit/(loss) and operating profit adjusted is shown in note 9.

Profit (loss) after taxes adjusted
Management believes that "Profit (loss) after taxes adjusted" which excludes impairments of goodwill and other charges/(income) is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between profit (loss) after taxes adjusted and profit (loss) after taxes is shown in note 9

Order backlog
Order backlog is defined as the aggregate value of future work on signed customer contracts or letters of award. Aqualis' services are shifting towards "call out contracts" which are driven by day-to-day operational requirements. An estimate for backlog on "call out contacts" are only included in the order backlog when reliably estimates are available. Management believes that the order backlog figure is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

Note 3: Critical accounting estimates and judgements in terms of accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The most significant items affected by estimates in the consolidated group accounts includes intangible assets, investments in associates and assessment of value of trade receivables.

Note 4: Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents are comprised of the following:

Amounts in USD thousands	**31.12.2016**	**31.12.2015**
Cash at banks	9,910	14,864
Total	**9,910**	**14,864**

Distributed in the following currency:

Amounts in thousands	Local Currency	USD	Local Currency	USD
US Dollars (USD)	8,423	8,423	11,442	11,442
Norwegian Krone (NOK)	6,010	697	17,235	1,957
Other currencies		790		1,465
Total		**9,910**		**14,864**

Note 5: Segment information

Aqualis has one operating segment, which services the marine and offshore sector. This is the only business segment used for internal reporting. The table below shows operating revenues and profit for entities in different geographical areas.

Amounts in USD thousands	**Q4 16**	**Q4 15**	**FY 2016**	**FY 2015**
Revenues				
Middle East	2,382	2,947	10,867	12,953
Far East	1,616	2,741	6,725	13,298
Europe	1,515	2,694	7,658	12,030
Americas	911	928	4,081	5,662
Eliminations	(240)	(555)	(1,767)	(2,945)
Total revenues	**6,184**	**8,755**	**27,564**	**40,998**
Operating profit (loss)				
Middle East	(83)	68	(524)	(404)
Far East	(12)	(293)	(146)	709
Europe	(146)	80	(1,010)	768
Americas	39	(205)	(226)	(719)
Share of net income from associates	(177)	(197)	(506)	(197)
Corporate group costs	(134)	(36)	(952)	(933)
Eliminations	(536)	(1,396)	(691)	(2,132)
Total operating profit (loss)	**(1,049)**	**(1,979)**	**(4,055)**	**(2,908)**

Note 6: Intangible assets

Amounts in USD thousands	Customer contracts	Goodwill	Total
Cost			
At 01.01.2016	547	18,540	19,087
Additions	-	-	-
Effect of movements in exchange rates	-	(146)	(146)
At 31.12.2016	**547**	**18,394**	**18,941**
Amortisation and impariment			
At 01.01.2016	547	1,421	1,968
Impairment charge for the period	-	579	579
Effect of movements in exchange rates	-	137	137
At 31.12.2016	**547**	**2,137**	**2,684**
Net book value at 31.12.2016	**-**	**16,257**	**16,257**
Net book value at 31.12.2015	**-**	**17,119**	**17,119**

Goodwill is tested for impairment at least annually, or when there are indications of impairment. Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculations requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculated present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The impairment test was performed by the management in connection with the reporting of the results for the fourth quarter of 2016. The impairment test indicates a requirement to write down the goodwill related to our operations in Singapore and Norway with a total of USD 0.6 million in Q4 2016.

Note 7: Investment in associates

Aqualis acquired a 49.9% share in ADLER Solar Services GmbH (“ADLER Solar”) on 29 October 2015. The investment is classified as an associate in which Aqualis has significant influence. The investment is accounted for through the equity method in the group financial statements.

In order to conclude on the classification of the investment, management has considered the relevant facts and circumstances including the ownership of shares, the composition of remaining shareholders, options to acquire further shares, composition of the Board of Directors and the decision-making processes related to relevant activities. Aqualis has an option right to acquire an additional 10.1% in ADLER Solar during the period 1 April 2017 through 31 March 2019. Following are ADLER Solar's consolidated financial position at 31 December and date of acquisition and statement of income for the respective periods.

Amounts in USD thousands (100%)	31.12.2016	31.12.2015	29.10.2015
Current assets	2,800	1,972	3,650
Non-current assets	1,096	1,003	958
Current liabilities	(3,482)	(1,350)	(2,452)
Non-current liabilities	-	(305)	(439)
Net assets	**414**	**1,320**	**1,717**

Amounts in USD thousands (100%)	Q4 16	FY 2016	29.10.15 to 31.12.15
Revenue	3,267	13,355	1,481
Profit (loss) after taxes	(330)	(900)	(378)

Amounts in USD thousands (49.9%)	31.12.2016	31.12.2015	29.10.2015
Proportion of the Group's ownership interest in ADLER Solar	207	659	857
Goodwill	2,241	2,466	2,488
Deferred tax	(35)	(45)	(47)
Customer related assets	220	287	300
Effect of movements in exchange rates	220	(84)	-
Carrying amount of Group investment in ADLER Solar	**2,853**	**3,283**	**3,598**

Note 8: Trade receivables

The ageing analysis of unimpaired trade receivables at the reporting date is as follows:

Amounts in USD thousands	**31.12.2016**	**31.12.2015**
Not overdue	1,934	3,608
Overdue 1-30	1,364	1,756
Overdue 31-60	368	648
Overdue 61-90	312	396
More than 90 days	1,497	1,259
Total	**5,475**	**7,667**

As at 31 December 2016, trade receivables of USD 151 thousands (2015 - USD 165 thousands) were impaired and was included in other operating expenses.

Note 9: Reconciliation of selected Alternative Performance Measures

Amounts in USD thousands	**Q4 16**	**Q4 15**	**FY 2016**	**FY 2015**
Operating profit (loss) (EBIT)	(1,049)	(1,979)	(4,055)	(2,908)
Goodwill impairment	579	1,421	579	1,421
Operating profit (loss) adjusted	**(470)**	**(558)**	**(3,476)**	**(1,487)**

Amounts in USD thousands	**Q4 16**	**Q4 15**	**FY 2016**	**FY 2015**
Profit (loss) after taxes	(251)	(1,729)	(3,874)	(2,198)
Goodwill impairment	579	1,421	579	1,421
Profit (loss) after taxes adjusted	**328**	**(308)**	**(3,295)**	**(777)**

Note 10: Subsequent events

There are no significant events after balance sheet date.

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