

NextGenTel Holding ASA

# Q4 2016 Financial report



## NextGenTel Holding ASA – 4<sup>th</sup> Quarter 2016

### Key figures

(Figures in NOK million)	Q4 2016	Q4 2015
Revenues	330.0	347.1
Gross profit	154.4	172.9
Gross margin	46.8%	49.8%
EBITDA	53.9	52.9

### Group financials Q4 2016 (2015 figures in brackets)

Revenues in Q4 were NOK 330.0 million (347.1). Gross profit was NOK 154.4 million – 46.8% (172.9 – 49.8%). EBITDA was NOK 53.9 million – 16.3 % (52.9 – 15.3%).

Operating profit was NOK 10.0 million in Q4 (10.1). Lower revenues and reduced gross margin affects gross profit negatively compared to Q3. Opex is positively affected by reduction in accruals for variable salaries/bonuses at year-end.

The Q4 2016 financial results include NOK 12.1 million in amortization cost related to business combinations. Profit after tax was NOK 6.7 million (NOK 10.1 million). (Tax expense in Q4 2015 was positively affected by tax-loss carryforward from Kvantel.)

Cash and cash equivalents were NOK 66.6 million at 31 December 2016 (excluding a NOK 50 million overdraft facility).

EPS was NOK 0.29 in Q4 2016 (NOK 1.41 YTD) and equity ratio was 19.68% at 31 December.

### Capital expenditures

Capital expenditures in Q4 2016 were NOK 28.7 million (31.9). For details, see notes 6 and 7 to the financial statements. Capex /sales ratio was 8.7% in Q4 (9.2%).

### Financial debt

Total interest-bearing debt was NOK 324.5 million (including financial lease). Net interest-bearing debt was NOK 257.9 million as of 31 December 2016 (see note 9 to the financial statements). Total interest-bearing debt at 31 December 2015 was NOK 375.9.

\*) Revenue generating units (RGU, not unique customers)

### Related party transactions

There have been no transactions by related parties that have had a material effect on the Group's financial position or results in the period.

### Customer base development

The total customer base in Norway was 278,000\*) at the end of Q4 2016, a decrease from 284,000 at the end of Q3. The consumer segment had a decrease of 7,000 and the business segment increased by 1,000 to 45,000 RGUs.

The customer base in the international markets declined by 5,800 customers in Q4, mainly driven by reduction of white label customers in the Netherlands.

### Consumer segment Norway

The company has continued its activities to sign up new customers within the housing cooperatives segment. In Q4, 4 new cooperatives have signed an agreement with NextGenTel representing 201 households (total number of units is 104 and 4,717 households at the end of Q4).

The total number of subscribers on fiber access has increased from 18,300 to 19,500 during Q4.

The consumer mobile subscriber base counted 40,000 subscribers at the end of Q4.

### Corporate segment Norway

The corporate customer base had an increase of mobile subscriptions, only partly offset by a small decline for Datacom and VoIP. The mobile subscriber base counted 16,400 subscribers at the end of Q4 2016 (compared to 10,900 a year ago).

Earlier this year, the company launched a new communication platform, integrating IP and mobile telephony with next generation mobile switchboard (IN/Bedriftsnett), and enabling unified communication. This service will strengthen the company's competitiveness in the market.

### Kvantel

The restructuring of Kvantel has been completed during 2016. Initiatives for reduction in CoGS have been implemented. The financial results are according to plan for 2016 except for higher than planned capex due to higher capitalization of development expenses and capex related to new customer contracts.

Kvantel has signed significant contracts lately. The Kvantel business is developing very positively and the company is positioned to generate significant growth in 2017.

#### Shareholder information

The total number of registered shares outstanding at the end of Q4 2016 was 23,283,180 out of which 299,201 shares were owned by NextGenTel Holding ASA.

The total number of shareholders was 554 and 30.1% of the shares were registered abroad.

Total outstanding options at the end of Q4 2016 were 473,500 of which 461,000 have a dilutive effect with a weighted average strike price of NOK 14.48.

#### Modernization of the copper network

Negotiations between xDSL operators are still ongoing (Telenor, Broadnet and NextGenTel). The company expects that an agreement will be reached and formally signed by the end of Q1 2017.

#### Tax issue

On 23 January 2017, the company sent a stock exchange notice informing the market about a report from a tax audit performed by Norwegian tax authorities (Skatt øst). A meeting with the tax authorities was held on 7 February to present the company's view. The company has aimed at paying sufficient tax in Switzerland in order to not be regarded as a low tax jurisdiction. A key and principal matter for the tax authorities is if Telio SA should be considered being in a low tax jurisdiction due to the general effective tax rate for comparable companies (which is significantly lower than the effective tax rate for Telio SA).

It is the company's assessment that, in the event of a final outcome where NextGenTel Holding ASA has to pay 28% tax on dividends received for the relevant period, a tax credit will be given for the tax paid in Switzerland. 28% tax equals approximately NOK 56 million and the credit deduction is approximately NOK 45 million. In such a scenario the net risk amounts to NOK 11 million.

It is the company's view that no additional tax should be imposed and hence no additional tax expense has been accounted for in the Q4 2016 financial accounts.

#### Events after quarter-end

In January 2017, the company announced the following significant contracts:

- Renewal and expansion of a 3-year contract with Telia (annual revenues NOK 75 million)
- Kvantel signed 3-year agreement with Nordic Choice Hotels
- Framework agreement with Oslo S Utvikling AS (housing project)
- Kvantel signed agreement with Phonet (annual revenues NOK 60 million)

For further details, reference is made to the relevant stock exchange notices ([www.newsweb.no](http://www.newsweb.no)).

#### Dividend

The board has decided to distribute a dividend of NOK 0.50 per share. The share will be traded ex dividend from 20 February 2017 and the dividend will be settled on 8 March 2017. Future dividend distribution will depend on the prevailing investment plans, financial covenants and necessary financial flexibility.

Oslo, 14 February 2017  
Board of Directors  
NextGenTel Holding ASA

Ellen Hanetho  
(sign.)

Audun W. Iversen  
Chairman of the Board  
(sign.)

Aril Resen  
(sign.)

Silje Veen  
(sign.)

Snorre Kjesbu  
(sign.)

Eirik Lunde  
CEO  
(sign.)

## Condensed consolidated interim balance sheet (unaudited)

(Figures in NOK 1000)

	Note	31.12.2016	31.12.2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	194 690	217 478
Intangible assets	7	185 847	206 299
Goodwill	7	132 672	132 672
Deferred tax assets		22 698	27 279
		<u>535 907</u>	<u>583 728</u>
<b>Current assets</b>			
Inventories		-	-
Trade and other receivables		203 779	222 374
Cash and cash equivalents		66 593	47 401
		<u>270 373</u>	<u>269 775</u>
<b>Total assets</b>		<b><u>806 280</u></b>	<b><u>853 503</u></b>
<b>EQUITY</b>			
Share capital reduced for treasury shares		2 298	2 298
Premium paid-in capital		121 325	121 325
Other reserves		-3 710	-1 557
Retained earnings		38 770	6 367
<b>Total equity</b>		<b><u>158 681</u></b>	<b><u>128 433</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term interest-bearing debt	9	230 146	290 359
Deferred tax liabilities		21 360	34 408
		<u>251 505</u>	<u>324 767</u>
<b>Current liabilities</b>			
Trade and other payables		206 195	241 089
Current income tax liabilities		17 336	5 048
Short-term interest-bearing debt	9	94 309	85 516
Deferred income/revenue		78 254	68 650
		<u>396 094</u>	<u>400 303</u>
<b>Total liabilities</b>		<b><u>647 599</u></b>	<b><u>725 070</u></b>
<b>Total equity and liabilities</b>		<b><u>806 280</u></b>	<b><u>853 503</u></b>

Oslo, 14 February 2017  
 Board of Directors  
 NextGenTel Holding ASA

Ellen Hanetho  
 (sign.)

Audun W. Iversen  
 Chairman of the Board  
 (sign.)

Aril Resen  
 (sign.)

Silje Veen  
 (sign.)

Snorre Kjesbu  
 (sign.)

Eirik Lunde  
 CEO  
 (sign.)

## Condensed consolidated interim income statement (unaudited)

(Figures in NOK 1000)

	Note	Q4 2016	Q4 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Total revenues</b>		<b>330 021</b>	<b>347 089</b>	<b>1 358 632</b>	<b>1 279 190</b>
Cost of connection and traffic charges		-175 659	-174 172	-718 559	-632 525
Salaries and personnel costs		-60 442	-66 785	-246 018	-246 645
Selling and marketing costs		-12 487	-14 185	-50 622	-52 026
Other costs		-27 546	-39 005	-117 658	-111 842
Depreciation and amortization	6, 7	-43 852	-42 889	-170 526	-156 340
<b>Operating profit</b>		<b>10 035</b>	<b>10 053</b>	<b>55 249</b>	<b>79 812</b>
Finance	8	-1 317	-5 071	-13 372	-11 520
<b>Profit before income tax</b>		<b>8 718</b>	<b>4 981</b>	<b>41 877</b>	<b>68 292</b>
Income tax		-1 986	5 110	-9 475	-9 755
<b>Profit</b>		<b>6 732</b>	<b>10 091</b>	<b>32 402</b>	<b>58 537</b>
<b>Attributable to:</b>					
Equity holders of the parent company		6 732	10 091	32 402	58 537
<b>Other comprehensive income</b>		<b>Q4 2016</b>	<b>Q4 2015</b>	<b>Jan-Dec 2016</b>	<b>Jan-Dec 2015</b>
Translation differences		462	-2 761	-2 154	-76
Other income and expenses during the period (after tax)		462	-2 761	-2 154	-76
<b>Comprehensive profit for the period</b>		<b>7 194</b>	<b>7 330</b>	<b>30 248</b>	<b>58 461</b>
<b>Profit attributable to:</b>					
Equity holders of the parent company		7 194	7 330	30 248	58 461
<b>Earnings per share</b>					
Earnings per share		0.29	0.62	1.41	2.55
Diluted earnings per share		0.29	0.61	1.40	2.52

## Condensed consolidated interim statement of changes in equity (unaudited)

(Figures in NOK 1000)

	Share capital	Treasury shares	Premium paid-in equity	Translation differences	Retained earnings	Total equity
<b>Equity as at 1 January 2015</b>	2 328	-30	121 325	-1 481	39 680	161 821
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	58 537	58 537
<b>Other income and expenses</b>						
Translation differences	-	-	-	-76	-	-76
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-76</b>	<b>58 537</b>	<b>58 461</b>
<b>Transactions with owners, recognized directly against equity</b>						
<b>Contributions by and distributions to owners of the Company</b>						
Dividends paid in April 2015	-	-	-	-	-28 723	-28 723
Dividends paid in July 2015	-	-	-	-	-28 723	-28 723
Dividends paid in September 2015	-	-	-	-	-17 234	-17 234
Dividends paid in December 2015	-	-	-	-	-17 234	-17 234
Share options exercised	-	-	-	-	67	67
Total contributions by and distributions to owners of the Company	-	0	0	-	-91 849	-91 849
<b>Equity as at 31 December 2015</b>	<b>2 328</b>	<b>-30</b>	<b>121 325</b>	<b>-1 557</b>	<b>6 368</b>	<b>128 433</b>
<b>Equity as at 1 January 2016</b>	2 328	-30	121 325	-1 557	6 368	128 433
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	32 402	32 402
<b>Other income and expenses</b>						
Translation differences	-	-	-	-2 154	-	-2 154
Total other revenues and expenses	-	-	-	-2 154	-	-2 154
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2 154</b>	<b>32 402</b>	<b>30 248</b>
<b>Transactions with owners, recognized directly against equity</b>						
<b>Contributions by and distributions to owners of the Company</b>						
Dividends to owners	-	-	-	-	-	-
Share-based payment transactions	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-
Total contributions by and distributions to owners of the Company	-	-	-	-	-	-
<b>Equity as at 31 December 2016</b>	<b>2 328</b>	<b>-30</b>	<b>121 325</b>	<b>-3 710</b>	<b>38 770</b>	<b>158 681</b>

## Condensed consolidated interim statement of cash flows (unaudited)

<b>Cash flows from operations</b>	<b>Q4 2016</b>	<b>Q4 2015</b>	<b>Jan-Dec 2016</b>	<b>Jan-Dec 2015</b>
Profit/loss for the year before tax	8 718	4 981	41 877	68 292
Taxes paid	-4 762	-13 391	-5 703	-27 466
Net profit/loss from sale of fixed assets	-	-11	-	-11
Depreciation and amortization	43 852	42 889	170 526	156 340
Net change in current liabilities	20 071	-98 764	14 617	-116 262
Net change in receivables	-29 395	88 476	-21 306	68 823
<b>Net cash flow from operations</b>	<b>38 484</b>	<b>24 181</b>	<b>200 011</b>	<b>149 716</b>
<b>Cash flows from investment activities</b>				
Investments in fixed assets	-13 455	-2 366	-51 506	-14 291
Investments in intangible assets	-13 246	-16 586	-36 065	-33 304
New subsidiaries, net of cash	-	-97 952	-	-97 952
<b>Net cash flows used in investment activities</b>	<b>-26 700</b>	<b>-116 905</b>	<b>-87 571</b>	<b>-145 547</b>
<b>Cash flows from financing activities</b>				
New financial debt	2 503	140 260	4 370	140 260
Repayment of debt	-129	-509	-75 000	-50 509
Payment of financial lease obligations	-6 259	-23 161	-20 815	-23 161
Payment of dividend	-	-17 236	-	-91 916
Equity changes	-	68	-	68
<b>Net cash flows used in financing activities</b>	<b>-3 884</b>	<b>99 422</b>	<b>-91 445</b>	<b>-25 258</b>
<b>Change in cash and cash equivalents</b>	<b>7 900</b>	<b>6 698</b>	<b>20 995</b>	<b>-21 089</b>
Cash and cash equivalents and credit facilities utilised as at beginning of period	57 767	40 563	47 401	68 005
Effect of exchange rate fluctuations on cash and cash equivalents	926	140	-1 803	485
<b>Cash and cash equivalents as at end of period</b>	<b>66 593</b>	<b>47 401</b>	<b>66 593</b>	<b>47 401</b>

## NextGenTel Holding ASA

### Notes to the condensed consolidated interim financial statements (unaudited)

#### **Note 1: Reporting entity**

NextGenTel Holding ASA (the “Company”) is a company domiciled in Oslo, Norway. These December 2016 condensed consolidated interim financial statements of NextGenTel Holding ASA and its subsidiaries (together “the Group”) are for the twelve months ended 31 December 2016.

The consolidated financial statements of the Group as at and for the year ended 31 December 2015 are available at [www.nextgentelholding.com/investor\\_relations](http://www.nextgentelholding.com/investor_relations).

#### **Note 2: Statement of compliance**

These condensed consolidated interim financial statements of NextGenTel Holding ASA Group have been prepared in accordance with rules and regulations from Oslo Stock Exchange and International Financial Reporting Standard (IFRS) IAS 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2015.

These condensed consolidated interim financial statements were approved by the Board of Directors on 14 February 2017.

#### **Note 3: Significant accounting policies**

These condensed consolidated interim financial statements have been prepared under the historical cost convention. They have been prepared under the same accounting principles as those set out in the consolidated financial statements of the Group as at and for the year ended 31 December 2015.

#### **Note 4: Estimates**

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2015.



## Note 5: Segment information

The group has defined and presented operating segments based on information that is provided to the Board of Directors and CEO, which collectively represent the group's highest decision-making body. The operating segments are defined based on where the customers are domiciled. The following four operating segments have been defined: Norway, Denmark, Switzerland and the Netherlands. The risk and return are influenced by the geographic location of the operations, in addition to the market. Transactions between the segments are eliminated.

### Geographical segments

(Figures in NOK 1000)

	Q4 2016					
<u>Profit and loss by segment</u>	Norway	Denmark	Netherlands	Switzerland	Other <sup>1)</sup>	Group
Total revenues	329 358	5 877	3 288	3 713	1 193	343 429
Intra-group revenues	-12 215	0	0	0	-1 193	-13 408
Net revenues	317 142	5 877	3 288	3 713	0	330 020
Total costs of sales	-176 015	-2 429	-2 016	-1 964	0	-182 424
Intra-group cost of sales	5 111	0	1 654	0	0	6 765
Net cost of sales	-170 903	-2 429	-362	-1 964	0	-175 659
Gross profit/loss	146 239	3 448	2 926	1 749	0	154 362
Gross margin	46 %	59 %	89 %	47 %	0 %	47 %
Total operating expenses	-133 989	-2 125	-524	-749	-13 623	-151 009
Intra-group operating expenses	5 680	678	0	324	0	6 682
Net operating expenses	-128 308	-1 447	-524	-424	-13 623	-144 327
<b>Operating profit/loss</b>	<b>17 930</b>	<b>2 002</b>	<b>2 402</b>	<b>1 324</b>	<b>-13 623</b>	<b>10 035</b>

	Q4 2015					
<u>Profit and loss by segment</u>	Norway	Denmark	Netherlands	Switzerland	Other <sup>1)</sup>	Group
Total revenues	304 171	7 576	3 212	5 026	1 352	321 337
Intra-group revenues	27 104	0	0	0	-1 352	25 752
Net revenues	331 275	7 576	3 212	5 026	0	347 089
Total costs of sales	-156 679	-3 096	5 069	-2 273	0	-156 980
Intra-group cost of sales	-11 267	0	-5 925	0	0	-17 192
Net cost of sales	-167 946	-3 096	-856	-2 273	0	-174 172
Gross profit/loss	163 329	4 480	2 356	2 753	0	172 918
Gross margin	49 %	59 %	73 %	55 %	0 %	50 %
Total operating expenses	-151 229	-2 438	-111	-1 546	-15 158	-170 481
Intra-group operating expenses	7 088	375	0	225	-73	7 615
Net operating expenses	-144 141	-2 063	-111	-1 320	-15 231	-162 866
<b>Operating profit/loss</b>	<b>19 188</b>	<b>2 417</b>	<b>2 245</b>	<b>1 432</b>	<b>-15 231</b>	<b>10 052</b>

	Jan-Dec 2016					
<u>Profit and loss by segment</u>	Norway	Denmark	Netherlands	Switzerland	Other <sup>1)</sup>	Group
Total revenues	1 333 782	26 022	14 655	16 962	4 162	1 395 582
Intra-group revenues	-32 789	0	0	0	-4 162	-36 951
Net revenues	1 300 993	26 022	14 655	16 962	0	1 358 632
Total costs of sales	-715 838	-11 440	-9 181	-8 387	0	-744 847
Intra-group cost of sales	19 341	0	6 947	0	0	26 288
Net cost of sales	-696 497	-11 440	-2 234	-8 387	0	-718 559
Gross profit/loss	604 496	14 582	12 421	8 575	0	640 073
Gross margin	46 %	56 %	85 %	51 %	0 %	47 %
Total operating expenses	-525 695	-8 224	-2 147	-5 242	-53 658	-594 966
Intra-group operating expenses	5 680	3 127	0	1 335	0	10 142
Net operating expenses	-520 015	-5 097	-2 147	-3 907	-53 658	-584 824
<b>Operating profit/loss</b>	<b>84 481</b>	<b>9 484</b>	<b>10 274</b>	<b>4 668</b>	<b>-53 658</b>	<b>55 249</b>

**Jan-Dec 2015**

<i>Profit and loss by segment</i>	<u>Norway</u>	<u>Denmark</u>	<u>Netherlands</u>	<u>Switzerland</u>	<u>Other <sup>1)</sup></u>	<u>Group</u>
Total revenues	1 228 807	29 744	22 371	21 798	10 555	1 313 276
Intra-group revenues	-23 531	0	0	0	-10 555	-34 086
<b>Net revenues</b>	<b>1 205 277</b>	<b>29 744</b>	<b>22 371</b>	<b>21 798</b>	<b>0</b>	<b>1 279 190</b>
Total costs of sales	-611 686	-12 730	-16 857	-10 738	0	-652 011
Intra-group cost of sales	9 896	0	9 591	0	0	19 487
<b>Net cost of sales</b>	<b>-601 791</b>	<b>-12 730</b>	<b>-7 266</b>	<b>-10 738</b>	<b>0</b>	<b>-632 525</b>
Gross profit/loss	603 486	17 015	15 105	11 060	0	646 666
Gross margin	50 %	57 %	68 %	51 %	0 %	51 %
Total operating expenses	-508 902	-9 562	-1 127	-6 073	-54 945	-580 610
Intra-group operating expenses	9 992	2 648	0	1 189	-73	13 756
<b>Net operating expenses <sup>2)</sup></b>	<b>-498 910</b>	<b>-6 914</b>	<b>-1 127</b>	<b>-4 884</b>	<b>-55 018</b>	<b>-566 854</b>
<b>Operating profit/loss</b>	<b>104 576</b>	<b>10 101</b>	<b>13 977</b>	<b>6 176</b>	<b>-55 018</b>	<b>79 812</b>

**31.12.2016**

<i>Balance sheet</i>	<u>Norway</u>	<u>Denmark</u>	<u>Netherlands</u>	<u>Switzerland</u>	<u>Other <sup>1)</sup></u>	<u>Group</u>
Assets	707 033	21 693	16 746	8 199	52 609	806 280
Liabilities	425 060	3 016	818	14 544	204 160	647 599
Equity capital	281 973	18 676	15 928	-6 346	-151 551	158 681

**31.12.2015**

<i>Balance sheet</i>	<u>Norway</u>	<u>Denmark</u>	<u>Netherlands</u>	<u>Switzerland</u>	<u>Other <sup>1)</sup></u>	<u>Group</u>
Assets	821 962	38 141	14 229	7 349	-28 178	853 503
Liabilities	488 827	7 228	-118	17 118	212 015	725 069
Equity capital	333 135	30 913	14 348	-9 769	-240 193	128 434

<sup>1)</sup> Other items include the parent company NextGenTel Holding ASA and Group adjustments (Q4 2016 includes amortization of NOK 12.1 million related to the acquisition of NextGenTel AS, Kvantel AS and Kvantel Voice AS. FY 2016: NOK 48.4 million).

**Secondary segment - revenue by product**

	Q4 2016	FY 2016	FY 2015
VoIP	47 987	211 345	222 235
Mobile	49 657	185 429	145 270
Broadband (incl TV)	222 050	919 723	861 982
Wholesale	3 376	14 746	21 957
Other	6 950	27 388	27 746
<b>Total</b>	<b>330 021</b>	<b>1 358 632</b>	<b>1 279 190</b>

**Tertiary segment - revenue by customer segment**

	Q4 2016	FY 2016	FY 2015
Consumers	213 390	892 738	834 180
Businesses	116 631	465 894	445 010
<b>Total</b>	<b>330 021</b>	<b>1 358 632</b>	<b>1 279 190</b>

## Note 6: Property, plant and equipment

(Figures in NOK 1000)

	Q4 2016	Q4 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Equipment</b>				
Book value beg. of period	213 499	178 835	217 478	174 386
Additions from business combinations	-	43 967	-	43 967
Additions	7 756	21 621	80 994	91 581
Depreciation	-26 565	-26 945	-103 782	-92 456
<b>Property, plant and equipment</b>	<b>194 690</b>	<b>217 478</b>	<b>194 690</b>	<b>217 478</b>

## Note 7: Intangible assets and goodwill

(Figures in NOK 1000)

	Q4 2016	Q4 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Intangible assets</b>				
Book value beg. of period	176 887	172 112	206 299	203 333
Additions from business combinations	-	39 850	-	39 850
Additions	26 248	10 281	46 293	26 999
Amortization	-17 288	-15 944	-66 745	-63 883
Impairment loss	-	-	-	-
<b>Book value end of period</b>	<b>185 847</b>	<b>206 299</b>	<b>185 847</b>	<b>206 299</b>
<b>Goodwill</b>				
Book value beg. of period	132 672	67 100	132 672	67 100
Additions from business combinations	-	65 572	-	65 572
Revaluation	-	-	-	-
<b>Book value end of period</b>	<b>132 672</b>	<b>132 672</b>	<b>132 672</b>	<b>132 672</b>
<b>Intangible assets and goodwill</b>	<b>318 519</b>	<b>338 971</b>	<b>318 519</b>	<b>338 971</b>

Amortization of intangible assets include amortization of excess values related to the acquisition of NextGenTel AS, Kvantel AS and Kvantel Voice AS (Q4 16: NOK 12.1 million, YTD: NOK 48.4 million).

## Note 8: Finance

	Q4 2016	Q4 2015	Jan-Dec 2016	Jan-Dec 2015
Interest income	258	743	1 039	1 696
Interest expense	-2 071	-4 204	-13 306	-11 869
Foreign currency gain/(loss)	940	-1 035	157	-1 734
Other financial income/(expenses)	-444	-576	-1 262	386
<b>Net finance</b>	<b>-1 317</b>	<b>-5 071</b>	<b>-13 372</b>	<b>-11 520</b>

## Note 9: Interest-bearing debt

	31.12.2016	31.12.2015
Term loan bank	175 000	245 000
Long term financial lease	55 146	45 359
<b>Total long-term debt</b>	<b>230 146</b>	<b>290 359</b>
Current part of term loan bank	70 000	70 000
Short term financial lease	24 309	15 516
<b>Total short-term debt</b>	<b>94 309</b>	<b>85 516</b>
<b>Total interest-bearing debt</b>	<b>324 455</b>	<b>375 875</b>
Cash	66 593	47 401
<b>Net interest-bearing debt</b>	<b>257 862</b>	<b>328 474</b>

## Company Facts

NextGenTel Holding ASA  
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Telephone: +47 2167 3500  
Homepage: [www.nextgentelholding.com](http://www.nextgentelholding.com)

Company reg. number: 985 968 098  
Founded: 12 August 2003

### Board of Directors

Audun Wickstrand Iversen (Chairman)  
Aril Resen  
Ellen Hanetho  
Silje Veen  
Snorre Kjesbu

### Group Management

Eirik Lunde, Chief Executive Officer  
Tom Nøttveit, Chief Financial Officer  
Sven Ole Skrivervik, Chief Technology Officer  
Roy Børsheim, Director Consumer

### Investor Relations

Tom Nøttveit, Chief Financial Officer  
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Web: <http://www.nextgentelholding.com>

### Financial Calendar

4<sup>th</sup> quarter 2016: 15 February at 9:00  
1<sup>st</sup> quarter 2017: 4 May at 09:00  
2<sup>nd</sup> quarter 2017: 16 August at 09:00  
3<sup>rd</sup> quarter 2017: 27 October at 09:00  
Annual general meeting: 20 April at 15:00

### Equity Research Coverage

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