

Interim report Ordina N.V.

H1 2017

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About Ordina

Ordina is the largest independent IT services provider in de Benelux, with around 2,700 employees. We devise, build and manage IT applications in the public sector, financial services, industry and the healthcare sector. Our goal is IT that helps people. IT that matters and that has been developed without wasting any resources. We do this by working with our clients in partnerships for sustainable innovation.

Ordina was founded in 1973. The company's shares have been listed on NYSE Euronext Amsterdam since 1987 and are included in the Small Cap Index (AScX). In 2016, Ordina recorded turnover of EUR 344 million. You will find additional information on our corporate website: www.ordina.com.

Statement from the Management Board

This document comprises the 2017 interim report and the condensed consolidated interim financial statements of Ordina N.V. This interim report has been prepared in accordance with IAS 34, 'Interim Financial Reporting'. This interim report does not contain all the information required for financial statements. It should therefore be read in conjunction with the consolidated financial statements for the full year 2016. These interim financial statements are unaudited.

The Management Board hereby declares, in accordance with Section 5:25d (2) (c) of the Dutch Financial Supervision Act, that to the best of their knowledge:

- the interim financial statements give a true and fair view of the assets and liabilities, and the financial position as at 30 June 2017 and the results for the first six months of 2017 of Ordina N.V. and its consolidated companies; and that
- the Interim report of the Management Board incorporated in this interim report for 2017 gives a true and fair view of the information required pursuant to Sections 5:25d(8) and, insofar as applicable, (9) of the Dutch Financial Supervision Act, subject to the disclaimer regarding forward looking statements included at the bottom of page 14.

Nieuwegein, 23 August 2017

J. Maes, CEO

J.W. den Otter, CFO

KEY FIGURES ORDINA N.V.

	H1 2016	H1 2017	Change H1 2017 on H1 2016
<i>(in thousands of euros, unless indicated otherwise)</i>			
Revenue the Netherlands	133,555	126,693	-5.1%
Revenue Belgium / Luxembourg	44,197	46,216	4.6%
Total Revenue	177,752	172,909	-2.7%
Recurring	3,125	1,900	
EBITDA Margin the Netherlands	2.3%	1.5%	
EBITDA Belgium / Luxembourg	5,198	5,053	
EBITDA Margin Belgium / Luxembourg	11.8%	10.9%	
EBITDA	8,323	6,953	1,370-
EBITDA margin	4.7%	4.0%	-0.7%
Redundancy costs	3,441	3,286	
Net profit	2,954	1,034	1,920-
Shareholders' equity ¹	144,987	145,580	
Capital asset ratio	60	62	
Intangible fixed assets ¹	135,593	133,330	-1.7%
Tangible fixed assets	5,863	5,093	-13.1%
Total assets	243,273	235,076	-3.4%
Days Sales Outstanding (DSO)	57	54	
Days Payables Outstanding (DPO)	61	61	
Net cash position	72	2,159	
Leverage ratio ¹	-0.0	-0.1	
Average number of staff (FTE)	2,756	2,597	
Average number of direct staff (FTE)	2,431	2,286	
Average number of indirect staff (FTE)	326	311	
Number of staff at end of reporting period (FTE)	2,751	2,605	
Number of direct staff at end of reporting period (FTE)	2,426	2,288	
Number of indirect staff at end of reporting period (FTE)	325	317	
Number of shares outstanding at end of reporting period (in thousands)	93,082	93,256	0.2%
Per-share information (based on average number of issued shares) in euros			
Shareholders' equity	1.56	1.56	
Cash generated from operating activities	0.01	0.06	
Earnings	0.03	0.01	
Earnings - diluted	0.03	0.01	

¹ Net debt to adjusted EBITDA

First half result under pressure

Growth in public sector

Nieuwegein, 24 August 2017

Highlights H1 2017

- Net result EUR 1.0 million (H1 2016: EUR 3.0 million);
- EBITDA EUR 7.0 million (H1 2016: EUR 8.3 million);
- EBITDA margin 4.0% (H1 2016: 4.7%);
- One-off items with a positive impact of EUR 3.1 million;
- Revenue down 2.7% at EUR 172.9 million (H1 2016: EUR 177.8 million);
 - Revenue in the Netherlands down 5.1%;
 - Revenue in Belgium/Luxembourg up 4.6%;
- Overhead reduction in the Netherlands almost complete;
- Lieven Verhaevert appointed CEO Ordina Belgium/Luxembourg.

Highlights Q2 2017

- EBITDA EUR 2.7 million (Q2 2016: EUR 3.7 million);
- EBITDA margin 3.2% (Q2 2016: 4.2%);
- Revenue down 3.6% at EUR 84.7 million (Q2 2016: EUR 87.9 million);
 - Revenue in the Netherlands down 5.2%;
 - Revenue in Belgium/Luxembourg up 1.0%;
- Net cash position improved to EUR 2.2 million (net cash position at end-Q2 2016: EUR 0.1 million);
- Score of 96% on the Garte outsourcing recommendation index.

Jo Maes, CEO Ordina, about the results

"The market demand for IT expertise and solutions remains high. The pressure on revenue in the second quarter was largely due to a reduction in the number of employees when compared to the same period last year. Ordina once again recorded growth in the public sector for the first time since 2014, both in the Netherlands and in Belgium/Luxembourg. Revenue growth levelled off somewhat in Belgium/Luxembourg in the second quarter due to a temporary increase in availability. The operation continues to record a healthy return.

Productivity declined in the first half compared to the same period of 2016. The streamlining of the management of our company has resulted in improvements in recent months. In addition, we are continuously training and retraining our employees, so we can provide the expertise that is in high demand in the market. Our recruitment campaign 'Do you look beyond the code?' has resulted in an increase in the influx of new employees in the Netherlands of more than 20% compared to 2016. The recruitment and retention of professionals are our top priorities for 2017 in view of our ambition to grow with our own employees.

To respond more effectively to market demands, we have focused our market strategy on five core propositions. Our 'High performance teams' concept has been well-received by our clients. Ordina is ahead of the market with this concept. In the coming period, we will also launch and upscale the remaining four propositions."

Management agenda

Market positioning

Ordina has combined its services in five core propositions to increase our brand recognition and the added value we create for our clients: High performance teams, Intelligent Data-Driven Organisations (IDDO), Digital Acceleration, Business Platforms and Security & Privacy.

We will continue to upscale the successful launch of the High performance teams to make it one of Ordina's main spearheads in the period ahead.

We have combined our expertise in business analytics, data platforms, Internet of Things, GEO IT and artificial intelligence in the IDDO concept. We will upscale Security & Privacy in the period ahead to help our clients to comply with European privacy directives. We plan to launch the Digital Acceleration and Business Platforms propositions in the autumn of this year.

Growth with direct employees

Ordina wants to grow with its own direct employees, so recruitment and retention have been key priorities for our management since the start of this year. The campaign 'Do you look beyond the code?' paid off and resulted in an increase of 20% in the influx of new employees in the Netherlands compared to 2016. To intensify our recruitment campaign even further, we have initiated additional actions in the second half of the year.

While employee turnover has declined, it is not yet at the desired level. Working in teams (high performance teams) is a key factor in the retention of employees and in the recruitment of new talents.

We have boosted efforts to make sure that our know-how and skills remain up-to-date. For instance, we have had a number of successful retraining projects in recent months. Groups of employees are retrained to add in-demand expertise, such as in the field of Low-Code Platforms. This approach creates a sustainable increase in the deployability of our employees.

Effectiveness and efficiency

In the period under review, we have focused very strongly on raising productivity. We have streamlined the management of our company and shortened our core processes. We have eliminated administrative 'intermediate stations' and combined separate departments in a logical manner. As a result we can now process and follow up on requests from our clients more quickly.

The effective management of overhead costs is a constant priority. The overhead reduction announced on 11 July of this year is now almost complete. Our aim to achieve an effective and efficient organisation remains a key topic in the management agenda.

**Revenue
Q2 2017**

Developments Q2 2017

Revenue declined by 3.6% to EUR 84.7 million in the second quarter of 2017 (Q2 2016: EUR 87.9 million). The number of workable days was 61 in both the Netherlands and in Belgium/Luxembourg (Q2 2016: 62). The impact on revenue of one working day is around EUR 1.0 million in the Netherlands and around EUR 0.3 million in Belgium/Luxembourg.

Revenue per division

	Q2 2016 ¹	Q2 2017	Change Q2 2017 on Q2 2016 ¹
<i>(in thousands of euros)</i>			
the Netherlands	65,416	61,996	-5.2%
Delivery	60,478	57,057	-5.7%
Innovation Cluster	4,938	4,939	0.0%
Belgium/Luxembourg	22,485	22,703	1.0%
TOTAL	87,901	84,699	-3.6%

¹ Q2 2016 figures have been adjusted to reflect the current organisational structure for comparison purposes.

**Recurring
EBITDA
Q2 2017**

EBITDA (after redundancy costs) declined to EUR 2.7 million in the second quarter (Q2 2016: EUR 3.7 million). Redundancy costs came in at EUR 2.4 million in Q2 2017 (Q2 2016: EUR 1.5 million). A number of one-off items totalling EUR 3.1 million had a net positive impact on the result. The result corrected for these items was EUR 0.4 million negative.

The one-off items included the release of a provision for vacant office space (positive impact EUR 3.8 million) on the back of a new lease agreement for the head office in Nieuwegein. In addition, the number of internal projects have been rationalised in the context of the effectiveness & efficiency programme. This resulted in a number of one-off items that had a negative impact of EUR 0.7 million.

**Revenue
H1 2017**

Developments H1 2017

Revenue declined by 2.7% to EUR 172.9 million in the first half of 2017 (H1 2016: EUR 177.8 million). The number of workable days was 126 in the Netherlands (H1 2016: 125). The number of workable days in Belgium/Luxembourg was 125 (H1 2016: 125).

Revenue per division

	H1 2016 ¹	H1 2017	Change H1 2017 on H1 2016 ¹
<i>(in thousands of euros)</i>			
the Netherlands	133,555	126,693	-5.1%
Delivery	123,558	116,661	-5.6%
Innovation Cluster	9,997	10,032	0.4%
Belgium/Luxembourg	44,197	46,216	4.6%
TOTAL	177,752	172,909	-2.7%

¹ H1 2016 figures have been adjusted to reflect the current organisational structure for comparison purposes.

Overview working days	2016		2017	
	NL	B	NL	B
Q1	63	63	65	64
Q2	62	62	61	61
Q3	66	64	65	63
Q4	64	62	63	62
Total	255	251	254	250

EBITDA H1 2017

EBITDA (after redundancy costs) declined to EUR 7.0 million in the first half of 2017 (H1 2016: EUR 8.3 million). Redundancy costs came in at EUR 3.3 million (H1 2016: EUR 3.4 million). The EBITDA margin declined to 4.0% (H1 2016: 4.7%).

EBITDA per division

	H1 2016 ¹		H1 2017	
<i>(in thousands of euros)</i>				
the Netherlands	3,125	2.3%	1,900	1.5%
Delivery	4,802	3.9%	2,301	2.0%
Innovation Cluster	-1,677	-16.8%	-401	-4.0%
Belgium/Luxembourg	5,198	11.8%	5,053	10.9%
TOTAL	8,323	4.7%	6,953	4.0%

¹ H1 2016 figures have been adjusted to reflect the current organisational structure for comparison purposes.

Netherlands

In the Netherlands, we recognise the segments Delivery and innovation cluster.

Revenue at Delivery fell by 5.6% to EUR 116.7 million in H1 2017. The EBITDA margin declined to 2.0% (H1 2016: 3.9%), as a result of lagging productivity and a reduced number of direct FTEs.

Revenue at the innovation cluster rose slightly by 0.4% to EUR 10.0 million. The EBITDA improved to EUR 0.4 million negative (H1 2016: EUR 1.7 million negative).

Productivity declined in the second quarter, particularly in April. The streamlining of the management of our company has resulted in improvements in recent months. In addition, we are constantly training and retraining our employees so we can respond more effectively to the demand for the expertise the market requires.

Belgium/ Luxembourg

In Belgium/Luxembourg, revenue increased by 4.6% to EUR 46.2 million (H1 2016: EUR 44.2 million). The EBITDA margin fell to 10.9% (H1 2016: 11.8%). The shortage in the labour market is also increasing in Belgium and Luxembourg, which has made recruiting new employees more challenging. As a result, the number of direct employees has increased less rapidly. In addition to this, productivity was lower, especially in April. The Belgium/Luxembourg operation is still recording healthy returns.

Market developments

Revenue Q2 2017

Revenue declined by 3.6% to EUR 84.7 million in the second quarter of 2017 (Q2 2016: EUR 87.9 million).

Revenue per market segment

	Q2 2016 ¹	Q2 2017	Change Q2 2017 on Q2 2016 ¹
<i>(in thousands of euros)</i>			
Public	29,213	31,010	6.2%
Financial services	26,276	22,632	-13.9%
Industry	26,101	25,347	-2.9%
Healthcare	6,311	5,710	-9.5%
TOTAL	87,901	84,699	-3.6%

¹ Q2 2016 figures have been adjusted for comparison purposes in connection with the reclassification of a number of clients.

Revenue H1 2017

Revenue declined by 2.7% to EUR 172.9 million in the first half of 2017 (H1 2016: EUR 177.8 million).

Revenue per market segment

	H1 2016 ¹	H1 2017	Change H1 2017 on H1 2016 ¹
<i>(in thousands of euros)</i>			
Public	59,707	62,135	4.1%
Financial services	54,204	46,673	-13.9%
Industry	51,460	52,235	1.5%
Healthcare	12,381	11,866	-4.2%
TOTAL	177,752	172,909	-2.7%

¹ H1 2016 figures have been adjusted for comparison purposes in connection with the reclassification of a number of clients.

Public

Revenue in the public sector increased by 4.1% to EUR 62.1 million in the first half of 2017 (H1 2016: EUR 59.7 million). Revenue in the public sector increased in both the Netherlands and in Belgium/Luxembourg. The increase was largely driven by the successful implementation of the framework agreements for IT hiring that Ordina won in 2016.

Financial services

Revenue in the financial services sector was down 13.9% at EUR 46.7 million (H1 2016: EUR 54.2 million). This was largely due to a reduced number of direct employees and increasing demand for expertise that is in short supply. In addition, there is continued reluctance on the external hiring front, due to the reorganisations currently taking place at various financial institutions.

Industry

Revenue in the industry sector was up 1.5% at EUR 52.2 million (H1 2016: EUR 51.5 million). This increase was largely due to growth at logistics clients. We continue to see a decline in demand and reluctance to invest among a number of specific clients in the telecoms and energy sectors in the Netherlands due to reorganisations.

Healthcare

Revenue in the healthcare market segment was down 4.2% at EUR 11.9 million (H1 2016: 12.4 million). Revenue declined in the field of compliance consultancy in the pharmaceutical sector in Belgium.

Employees

The number of direct employees declined by 94 FTEs in the first half of 2017. The labour market campaign 'Do you look beyond the code?' has increased the influx of new employees in the Netherlands by 20%. The number of indirect employees was up by 10 FTEs. The number of indirect FTEs will decline in H2 2017 on the back of the overhead reduction. At the end of H1 2017, the total number of employees stood at 2,605 FTEs (year-end 2016: 2,689 FTEs).

Attrition employees

	FTE ultimo 2016	In	Out	FTE H1 2017
Direct FTE	2,382	212	306	2,288
Indirect FTE	307	41	31	317
TOTAL	2,689	253	337	2,605

The turnover percentage among direct employees is around 26% on an annual basis, both in the Netherlands and in Belgium/Luxembourg. Ordina has taken additional measures in the field of retention & recruitment and to further boost employee engagement. It is still our ambition remains to recruit 500 employees in the Netherlands and 200 in Belgium/Luxembourg in 2017.

Ordina will continue its programme for Young Professionals; a total of 70 YPs started work at Ordina in the first half of 2017 (H1 2016: 63).

Financial developments

Revenue development

Revenue declined by 2.7% to EUR 172.9 million in the first half of 2017 (H1 2016: 177.8 million). The number of workable days was 126 in the Netherlands (H1 2016: 125) and 125 in Belgium/Luxembourg (H1 2016: 125).

EBITDA

EBITDA (after redundancy costs) was EUR 7.0 million in the first half of the year (H1 2016: EUR 8.3 million). Redundancy costs came in at EUR 3.3 million (H1 2016: EUR 3.4 million).

From EBITDA to net profit

	H1 2016	H1 2017
<i>(in thousands of euros)</i>		
EBITDA	8,323	6,953
Depreciation & amortisation	2,663	4,178
EBIT	5,660	2,775
Finance costs - net	-317	-247
Earnings before taxes	5,343	2,528
Taxes	-2,389	-1,494
Net profit	2,954	1,034

Acquisitions and disposals

Ordina made no acquisitions or disposals in the first half of 2017.

Depreciation

Total depreciations amounted to EUR 4.2 million (H1 2016: EUR 2.7 million). The increase in depreciations was partly due to the fact that we decommissioned a part of our ERP application. The streamlining of our processes prompted us to opt for a simplified IT landscape. As a result, we have accelerated the depreciation of part of the ERP application.

Net profit & EPS	The net profit was EUR 1.0 million in the first half of 2017 (H1 2016: EUR 3.0 million). Net earnings per share (EPS) came in at EUR 0.01 (H1 2016: EUR 0.03).
Productivity / availability	Productivity averaged 68.8% during the first half of 2017 (H1 2016: 70.2%). Availability came in at an average of 9.7% in the first half of 2017 (H1 2016: 9.1%).
Net debt and cash flow	At the end of Q2 2017, the cash position stood at EUR 2.2 million (end-Q2 2016: EUR 0.1 million). This improvement was largely driven by tight working capital management.

The net cash position declined by EUR 0.5 million compared to the end of 2016 (year-end 2016: net positive cash position of EUR 2.7 million). The movements in the net cash position in the first half of the year were as follows:

(rounded up, in EUR millions)

Year-end 2016	2.7-
Net result	1.0-
Depreciation	4.2-
Working capital, provisions & other	1.5
Interest & income taxes	0.4
Net investments	1.9
Dividend payments	1.9
at 30 June 2017	2.2-

The leverage ratio, as formulated in the financing agreement, stood at -0.1 at 30 June 2017 and was therefore below the maximum of 2.5 agreed with the financiers. The Interest Cover Ratio stood at 43.1 at 30 June 2017. This was therefore above the minimum of 5.0 agreed with the financiers.

The financing facility agreed in May 2015 has a term of five (5) years, with an initial term of three (3) years and an option for two extensions of one (1) year each. The second one (1) year extension through May 2020 was agreed on the same terms in April of 2017.

The following is an overview of the ratios compared with the covenants agreed with the banks:

Maximum Leverage Ratio

	Norm	Actual
Ratio up to last two quarters before end of agreement ¹	2.5	-0.1
Ratio during last two quarters of agreement ¹	2.0	

Minimum Interest Cover Ratio

	Norm	Actual
Ratio	5.0	43.1

¹ The financing facility has a term of five years, with an initial term of three years and an option for two extensions of one year each, both of which have since been agreed.

Risk Management

In the 2016 Annual report (pages 71 and onwards), Ordina describes the main objectives and procedures of its risk management and control systems, as well as any mitigating measures. Ordina has evaluated the identified risks and determined that the main risks identified remain the same in the second half of 2017. The main risks are:

- There is a shortage of highly-qualified IT professionals. This is partly due to the limited supply on the labour market and partly due to reduced retention (retaining employees with expertise and experience), partly due to the recovering economy.
- We are increasingly seeing small specialist companies appear in the market, both as competitors for our services and in the labour market. The reason for this is the declining demand for all-encompassing projects and clients demanding specific part-solutions. These companies are also going to great lengths to be an attractive employer for employees.
- Economic fluctuations combined with a relatively fixed cost structure have a direct impact on our result.
- The rates for professional services in commodity services may come under increasing pressure from self-employed IT specialists and brokers.
- Ordina's scale in relation to a client or a contract is sometimes a cause for concern or doubt among (potential) clients. On the other hand, Ordina can quickly become dependent on a specific client as the revenue from that client increases.
- Data security is vital in the current digital age. Sensitive information can fall into the wrong hands as a result of cyber-crime or the failure of IT systems.
- Acts or threats of terrorism may lead to travel restrictions being imposed, specific locations being unreachable for longer periods of time or client operations being halted temporarily. This has implications for our services.
- Market conditions may necessitate the impairment of goodwill related to acquisitions. The development of results at the Dutch activities in the first half of 2017 prompted Ordina to conduct an interim impairment test. This test did not result in any impairment.

For more details on this subject, we refer to Ordina's 2016 annual report on our corporate website: www.ordina.com.

We monitor the risks we have identified on a continuous basis. Nevertheless, it is possible that new or previously unidentified risks emerge that are not yet known and that could potentially have a material impact on our business operations, targets and results. We will continuously monitor any known and new risks and take control measures and initiate mitigating actions whenever this is deemed necessary.

Additional information

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Financial calendar

11 October 2017	Shareholder event
1 November 2017	Trading update Q3
16 February 2018	Publication 2017 annual results
26 April 2018	Trading update Q1
26 April 2018	Annual General Meeting of Shareholders

Media call and analyst presentation

09:00 hrs CET – Media call

Ordina will explain its results on Thursday, 24 August 2016, at 09:00 hrs CET during a media call (call number +31 20 531 5870).

10:30 hrs CET – Analyst presentation

Ordina will present its results on Thursday, 18 August at 10:30 hrs CET at an analyst meeting at the Wyndham Apollo Hotel in Amsterdam. You can follow this presentation via a webcast. You can follow the webcast via the link you will find on our corporate website: www.ordina.com.

The presentation will be available on our website following the webcast.

This document contains forward looking statements regarding the financial performance of Ordina N.V. and outlines certain plans, targets and ambitions based on current insights. Such forecasts are obviously not without risk and entail a certain degree of uncertainty since there are no guarantees regarding future circumstances. There are multiple factors that could potentially result in the actual results and outcomes differing from those outlined in this document. Such factors include: general economic trends, the pace of globalisation of the markets for solutions, IT and consulting, increased performance commitments, scarcity on the labour market, and future acquisitions and disposals.

Condensed consolidated interim financial statements

Ordina N.V.

H1 2017

Unaudited

CONSOLIDATED BALANCE SHEET ORDINA N.V.

	30 June 2016	31 Dec 2016	30 June 2017
<i>(in thousands of euros)</i>			
Assets			
Intangible fixed assets	135,593	136,162	133,330
Tangible fixed assets	5,863	4,677	5,093
Investments in associates	442	397	397
Deferred income tax assets	18,080	17,859	18,429
Total fixed assets	159,978	159,095	157,249
Transition costs	847	585	341
Trade and other debtors	72,376	68,891	66,859
Cash & cash equivalents	10,072	2,691	10,627
Total current assets	83,295	72,167	77,827
Total assets	243,273	231,262	235,076
Equity and liabilities			
Issued capital	9,308	9,326	9,326
Share premium reserve	135,986	136,219	136,119
Retained earnings	-3,261	-3,179	-899
Profit for the reporting period	2,954	5,038	1,034
Shareholders' equity	144,987	147,404	145,580
Employee related provisions	971	868	883
Other provisions	4,399	3,889	-
Non-current liabilities	5,370	4,757	883
Borrowings / cash & cash equivalents	-	-	2,468
Borrowings / revolver	10,000	-	6,000
Other provisions	3,659	1,501	989
Trade and other payables	74,939	71,927	73,461
Current tax payable	4,318	5,673	5,695
Total current liabilities	92,916	79,101	88,613
Total liabilities	98,286	83,858	89,496
Total equity and liabilities	243,273	231,262	235,076

The notes on pages 21 through 29 are an integral part of these condensed interim financial statements.

CONSOLIDATED PROFIT AND LOSS ACCOUNT ORDINA N.V.

	H1 2016	FY 2016	H1 2017
<i>(in thousands of euros)</i>			
Revenue (net)	177,752	343,575	172,909
Cost of hardware, software and other direct costs	4,341	6,474	3,264
Work contracted out (hired staff)	39,171	77,276	43,836
Personnel expenses	117,314	228,327	113,865
Amortisation	1,349	2,794	3,206
Depreciation	1,314	2,607	972
Other operating expenses	8,603	16,365	4,991
Total operating expenses	172,092	333,843	170,134
Operating profit (EBIT)	5,660	9,732	2,775
Finance costs - net	-317	-627	-247
Share of profit of associates	-	-45	-
Profit before income tax	5,343	9,060	2,528
Income tax	-2,389	-4,022	-1,494
Net profit	2,954	5,038	1,034
<i>Net profit is attributable to:</i>			
Shareholders of Ordina	2,954	5,038	1,034
Net profit	2,954	5,038	1,034
<i>(in euros, unless indicated otherwise)</i>			
Earnings per share - basic	0.03	0.05	0.01
Earnings per share - diluted	0.03	0.05	0.01
Number of shares outstanding at end of reporting period (in thousands)	93,082	93,256	93,256

The notes on pages 21 through 29 are an integral part of these condensed interim financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	H1 2016	FY 2016	H1 2017
<i>(in thousands of euros)</i>			
Net profit	2,954	5,038	1,034
Items not to be reclassified to profit or loss in subsequent periods			
Actuarial gains and losses on defined benefit plans	-	-51	-
Tax on items taken directly to or transferred from equity	-	13	-
Other comprehensive income, net of tax	-	-38	-
Total comprehensive income	2,954	5,000	1,034

The notes on pages 21 through 29 are an integral part of these condensed interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Share premium reserve	Retained earnings	Net profit for the reporting period	Total equity
<i>(in thousands of euros)</i>					
At 1 January 2016	9,296	135,855	-224	-3,168	141,759
<i>Changes in H1 2016</i>					
Net profit for the reporting period	-	-	-	2,954	2,954
Other comprehensive income:					
Actuarial gains and losses	-	-	-	-	-
Total comprehensive income for the reporting period	-	-	-	2,954	2,954
Transactions with owners:					
Appropriation of profit previous year	-	-	-3,168	3,168	-
Issue related to share-based payments	12	131	-143	-	-
Other movements regarding to share-based payments	-	-	274	-	-
Total transactions with owners	12	131	-3,037	3,168	274
At 30 June 2016	9,308	135,986	-3,261	2,954	144,987
<i>Changes in H2 2016</i>					
Net profit for the reporting period	-	-	-	2,084	2,084
Other comprehensive income:					
Actuarial gains and losses	-	-	-38	-	-38
Total comprehensive income for the reporting period	-	-	-38	2,084	2,046
Transactions with owners:					
Appropriation of profit previous year	-	-	-	-	-
Issue related to share-based payments	18	233	-251	-	-
Other movements regarding to share-based payments	-	-	371	-	371
Total transactions with owners	18	233	120	-	371
At 31 December 2016	9,326	136,219	-3,179	5,038	147,404
At 1 January 2017	9,326	136,219	-3,179	5,038	147,404
<i>Changes in H1 2017</i>					
Net profit for the reporting period	-	-	-	1,034	1,034
Other comprehensive income:					
Actuarial gains and losses	-	-	-	-	-
Total comprehensive income for the reporting period	-	-	-	1,034	1,034
Transactions with owners:					
Appropriation of profit previous year	-	-	5,038	-5,038	-
Dividend distribution	-	-	-1,865	-	-1,865
Issue related to share-based payments	-	-	-	-	-
Other movements regarding to share-based payments	-	-100	-893	-	-993
Total transactions with owners	-	-100	2,280	-5,038	-2,858
At 30 June 2017	9,326	136,119	-899	1,034	145,580

The notes on pages 21 through 29 are an integral part of these condensed interim financial statements.

CONSOLIDATED CASH FLOW STATEMENT ORDINA N.V.

	H1 2016	H1 2017
<i>(in thousands of euros)</i>		
Cash flow from operating activities		
Net profit for the reporting period	2,954	1,034
Adjustments for:		
Finance costs - net	317	247
Income tax expense	2,389	1,494
	2,706	1,741
Operating profit	5,660	2,775
Adjustments for:		
Amortisation	1,349	3,206
Depreciation	1,314	972
Share-based payments	274	-993
	2,937	3,185
Operating profit before changes in working capital and provisions	8,597	5,960
Movements in transition costs	323	244
Movements in trade and other receivables	-4,453	2,032
Movements in current liabilities	-3,551	1,021
Movements in provisions (long-term)	-103	-3,874
	-7,784	-577
Cash generated from operations	813	5,383
Interest paid	-196	-121
Income taxes paid	-1,736	-2,041
Net cash from operating activities	-1,119	3,221
Cash flow from investing activities		
Additions to intangible fixed assets	-2,634	-374
Additions to tangible fixed assets	-713	-1,514
Net cash used in investing activities	-3,347	-1,888
Cash flow from financing activities		
Drawings of borrowings (Revolver)	5,000	6,000
Dividends paid	-	-1,865
Net cash used in financing activities	5,000	4,135
Net movements in cash and cash equivalents	534	5,468
Movements in cash	534	5,468
Cash and cash equivalents at beginning of the reporting period	9,538	2,691
Cash and cash equivalents at the end of the reporting period / net	10,072	8,159

The notes on pages 21 through 29 are an integral part of these condensed interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

General information

Ordina N.V. has its registered office in Nieuwegein, the Netherlands. These condensed consolidated interim financial statements for the six months ended 30 June 2017 comprise the financial information of Ordina N.V. and all its subsidiaries ('the group').

Ordina is the largest independent IT services provider in the Benelux, with around 2,700 employees. We devise, build and manage IT solutions for organisations in the public sector, in the financial services sector, the industrial sector and in the healthcare sector. We aim for IT that helps people. IT that matters and that has been developed without wasting any resources. And we do so by working with our clients in partnerships for sustainable innovation.

Ordina was founded in 1973. Its shares have been listed on the NYSE Euronext Amsterdam stock exchange since 1987 and are included in the Small Cap Index (AScX).

Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34, 'Interim Financial Reporting', as adopted for use within the European Union. They do not contain all the information that is required for a full set of financial statements, and should therefore be read in conjunction with the Ordina N.V. consolidated financial statements for the full year 2016. The 2016 Annual Report (including the consolidated financial statements for the financial year 2016) is available online at: www.ordina.com.

The condensed consolidated interim financial statements were prepared by the Management Board and approved for publication by the Supervisory Board on 23 August 2017. The condensed consolidated interim financial statements are unaudited.

Ordina's condensed consolidated interim financial statements have been drawn up in Dutch and in English, with the Dutch text prevailing.

Key standards for financial reporting

For an explanation of the accounting policies for the valuation, determination of results and statement of cash flows, we refer you to the consolidated financial statements for the full year 2016. The consolidated financial statements for the full year 2016 were drawn up in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. The accounting standards have been applied consistently for all subsidiaries and across all periods as presented in these condensed consolidated interim financial statements. The same accounting standards have been applied to the interim report, with the exception of the new standards, amendments to standards and interpretations outlined below, which have been included and found relevant for Ordina. The group's reporting currency is the euro.

New standards, amendments and interpretations

Insofar as applicable, the group has applied all published IFRS standards, amendments and interpretations that came into effect on 1 January 2017. These standards and interpretations had no material impact on the group. No published IFRS standards and interpretations that were not yet applicable for reporting periods that commence on 1 January 2017 have been applied early.

IFRS 9, 'Financial instruments'. This standard explains the classification, measurement and reporting of financial fixed assets and liabilities. This standard comes into force on 1 January 2018. Ordina does not expect the application to have a material impact on the company's consolidated financial statements.

IFRS 15, 'Revenues from contracts with customers'. The standard provides standards for the reporting of the scope and timing of revenues to be recognised. The standard comes into force on 1 January 2018. The standard follows a five-step model. The premise is that revenue recognised corresponds to the amount the entity expects to receive in exchange for the services and goods delivered. Ordina does not expect the application to have a material impact on the company's consolidated financial statements. Ordina is currently assessing the adjustment of systems, valuation policies and procedures required to enable the company to apply the new standard.

IFRS 16 'Leases'. Based on this standard, virtually all lease contracts that are currently qualified as operational leases will be qualified as financial leases. The standard comes into force on 1 January 2019. In view of the fact that Ordina has a large number of operational rental and lease contracts, the application is expected to have a significant impact on Ordina's

consolidated financial statements. The application of the new standard will result in a sharp increase in total assets and liabilities. In addition to this, EBITDA will increase as a result of a shift of the operational lease costs from operating expenses to depreciation and interest expenses. Under the new standard, lease contracts will have an impact on results due to the fact that the financing component within the contract term is greater at the commencement of the contract term than at the end of the contract term (so-called front loading). At this point in time, it is not possible to give a reliable estimate of the financial impact of the introduction of this standard. Ordina expects to complete the full assessment of the impact of IFRS 16 by the end of 2017 / in early 2018.

Critical accounting estimates and assumptions

The preparation of the consolidated interim financial statements requires management to make estimates and assumptions that have an impact on the valuation of assets and liabilities, on the determination of results, as well as on the reported contingent assets and liabilities. Actual results may differ from these estimates and assumptions.

The assumptions and estimates are based on historical experience and various other factors that can be deemed reasonable under the circumstances. Said assumptions and estimates are continually evaluated. For a list of the most critical assumptions and estimates, we refer you to section 5 of the notes to the consolidated financial statements for 2016, as included in the 2016 annual report. There were no significant changes in said assumptions and estimates in the first half of 2017, with the exception of the impact from the renewal of the lease contract for the head office in Nieuwegein related to the provision for vacant office space (see note on page 26).

Financial risk management

In its 2016 annual report (page 75 and onwards), Ordina described in detail the critical risks identified and its risk management and control systems. Ordina has evaluated the risks identified and determined that the main risks identified remain applicable in the second half of 2017.

Segment information

The organisation is structured in line with Ordina's services. The information reported on a monthly basis to the Management Board, in its capacity as chief operating decision maker, is in line with this structure. Ordina's results are divided to reflect the company's various segments. The Management Board's decision-making is based on this information. Ordina discloses segment information on the basis of how the internal governance, reporting lines and decision-making is organised within the company. Ordina recognises the segments Delivery the Netherlands, the innovation cluster and Belgium/Luxembourg.

The Management Board's financial assessment of the segments focuses primarily on revenue and EBITDA. Finance results are not attributed to the individual segments, as cash resources are managed by the central treasury department. Segment results do not include interest income or interest expenses, corporate income tax, or the results from associates.

Segment information is provided for the segments Delivery the Netherlands, the innovation cluster and Ordina Belgium/Luxembourg. Segment results, assets and liabilities consist of items that are directly or reasonably attributable to the segment in question. The prices and terms of inter-segment transactions are determined on an arm's length, objective basis. Segment-related capital expenditure is the total amount of costs incurred during the reporting period to acquire assets for the segment that are expected to be used for more than one reporting period.

Management information related to balance sheet positions and the analysis of same is aggregated at the level of Ordina the Netherlands (Delivery the Netherlands and the innovation cluster together) and Ordina Belgium/Luxembourg.

SEGMENT INFORMATION

H1 2017	Nederland			België / Luxemburg	Totaal
	Delivery	Innovation cluster	subtotaal Nederland		
<i>(in thousands of euros, unless indicated otherwise)</i>					
Total revenue per segment	120,227	11,670	131,897	47,066	178,963
Inter-segment revenue	-3,566	-1,638	-5,204	-850	-6,054
Revenue	116,661	10,032	126,693	46,216	172,909
EBITDA	2,301	-401	1,900	5,053	6,953
Amortisation			-3,206	-	-3,206
Depreciation			-722	-250	-972
Operating profit (EBIT)			-2,028	4,803	2,775
Finance costs - net			-245	-2	-247
Share of profit of associates			-	-	-
Profit before income tax			-2,273	4,801	2,528
Income tax			570	-2,064	-1,494
Net profit			-1,703	2,737	1,034
EBITDA margin	2.0%	-4.0%	1.5%	10.9%	4.0%

H1 2016	Nederland			België / Luxemburg	Totaal
	Delivery	Innovation cluster	subtotaal Nederland		
<i>(in thousands of euros, unless indicated otherwise)</i>					
Total revenue per segment	127,079	11,435	138,514	45,406	183,920
Inter-segment revenue	-3,521	-1,438	-4,959	-1,209	-6,168
Revenue	123,558	9,997	133,555	44,197	177,752
EBITDA	4,802	-1,677	3,125	5,198	8,323
Amortisation			-1,335	-14	-1,349
Depreciation			-1,065	-249	-1,314
Operating profit (EBIT)			725	4,935	5,660
Finance costs - net			-314	-3	-317
Share of profit of associates			-	-	-
Profit before income tax			411	4,932	5,343
Income tax			-232	-2,157	-2,389
Net profit			179	2,775	2,954
EBITDA margin	3.9%	-16.8%	2.3%	11.8%	4.7%

SEGMENT INFORMATION (CONTINUED)

30 June 2017	the Netherlands	Belgium/ Luxembourg	Total
<i>(in thousands of euros, unless indicated otherwise)</i>			
Intangible fixed assets	116,188	17,142	133,330
Tangible fixed assets	4,064	1,029	5,093
Financial fixed assets	18,701	125	18,826
Total assets	189,221	45,855	235,076
Investments in intangible fixed assets	374	-	374
Investments in tangible fixed assets	1,213	175	1,388
Amortisation	3,206	-	3,206
Depreciation	722	250	972
Number of staff at end of reporting period (FTEs)	1,937	668	2,605
Average number of staff (FTEs)	1,921	676	2,597

30 June 2016	the Netherlands	Belgium/ Luxembourg	Total
<i>(in thousands of euros, unless indicated otherwise)</i>			
Intangible fixed assets	118,446	17,147	135,593
Tangible fixed assets	4,798	1,065	5,863
Financial fixed assets	18,366	156	18,522
Total assets	194,134	49,139	243,273
Investments in intangible fixed assets	2,634	-	2,634
Investments in tangible fixed assets	411	236	647
Amortisation	1,335	14	1,349
Depreciation	1,065	249	1,314
Number of staff at end of reporting period (FTEs)	2,118	633	2,751
Average number of staff (FTEs)	2,136	621	2,756

Intangible fixed assets

Movements in intangible fixed assets in the first half of 2017 can be specified as follows:

	Goodwill	Software	PPA related	Total
<i>(in thousands of euro's)</i>				
Carrying amount at year-end 2016	124,495	10,762	905	136,162
Investments	-	374	0	374
Depreciations	-	-2,754	-452	-3,206
Carrying amount at 30 June 2017	124,495	8,382	453	133,330

The investments of EUR 0.4 million in software in the first half of 2017 (first half of 2016: EUR 2.6 million) are primarily related to the ERP package at Ordina the Netherlands. The software for this investment was partly produced in-house. The ERP application was taken into use on 1 January 2015. The ERP application will be amortised over a period of seven years. In the first half of 2017, Ordina decided to no longer use a part of the functionality within the ERP application, which consequently

resulted in a change in the estimated life of this part of the application. An amount of around EUR 1.7 million of the amortisation costs for the first half of 2017 was related to the decommissioning of this part of the application.

Goodwill is monitored at the level of a group of cash-generating units within Ordina. These groups of cash-generating units are the same as the recognised segments. Ordina recognises the segments Delivery the Netherlands, the innovation cluster and Belgium/Luxembourg. Ordina conducts impairment tests on the goodwill at least once a year, on the basis of the relevant (groups of) cash-generating units. Goodwill is monitored at the level of and attributed to the segments Delivery the Netherlands and Belgium/Luxembourg.

The annual impairment test is conducted in the fourth quarter of each calendar year. In the first six months of 2017, Ordina assessed whether there were any indications for an impairment of goodwill or other fixed assets. The development of results at Ordina's Dutch operations in the first half of 2017 prompted Ordina to conduct an interim impairment test. Ordina based this interim impairment test on forward growth of 1.0% (year-end 2016: 1.0%) and a discount rate of 9.2% for Delivery/the Netherlands (year-end 2016: 9.2%) and 9.9% for Belgium/Luxembourg (year-end 2016: 9.9%). The interim impairment test did not result in an impairment for any of the segments as at 30 June 2017.

In addition to the valuation, Ordina conducted sensitivity analyses based on a lower EBITDA-margin and a lower continuous growth in combination with a higher discount rate. For the segment Delivery the Netherlands, the sensitivity analysis resulted in a potential impairment that varied between EUR 3.2 million and (when forward growth was reduced to 0.0% from 1.0% in combination with an increase in the discount rate to 9.7% from 9.2%) and EUR 13.7 million (when the forward growth was reduced to 0.0% from 1.0% in combination with an increase in the discount rate to 10.7% from 9.2%).

The table below shows goodwill specified per segment:

	30 June 2017
<i>(in thousands of euro's)</i>	
Delivery Nederland	107,353
Belgium/Luxembourg	17,142
Carrying amount at 30 June 2017	124,495

Tangible assets

Movements in tangible fixed assets in the first half of 2017 can be specified as follows

	Total
<i>(in thousands of euro's)</i>	
Carrying amount at year-end 2016	4,677
Investments	1,388
Depreciations	972-
Carrying amount at 30 June 2017	5,093

The investments of EUR 1.4 million in the first half of 2017 (first half 2016: EUR 0.6 million) are largely related to replacement investments for computer equipment.

Outstanding shares

Movements in paid-up and called-up share capital can be specified as follows:

	2016	2017
<i>(in thousands)</i>		
At 1 January	92,959	93,256
Issue related to share-based payment	123	-
At 30 June	93,082	93,256

As per 30 June 2017, Ordina has one (1) paid-up priority share and 93,255,934 ordinary shares (year-end 2016: one (1) priority share and 92,255,934 ordinary shares). No shares were issued in the first half of 2017. For the settlement of the variable long-term bonus for the period 2014-2016, which took place in the first half of 2017, Ordina purchased a total of 137,114 treasury shares and subsequently disbursed said shares. Ordina acquired these shares at a price of EUR 2.025 per share. At 30 June 2017, Ordina had no treasury shares in its possession.

In 2016, Ordina issued a total of 297,262 shares, with 123,480 shares issued in the first half of 2016. The share issues in 2016 were all related to share-based bonuses in connection with the variable long-term bonus schemes of the members of the Management Board.

Other provisions – long-term

Movements in the other long-term provisions in the first half of 2017 can be specified as follows:

	Total
<i>(in thousands of euro's)</i>	
Carrying amount at year-end 2016	3,889
Used amounts during the reporting period	121-
Release due to due to the renewal of the lease contract	3,768-
Carrying amount at 30 June 2017	-

The other long-term provision pertains to the vacant office space at the Ordina head office in Nieuwegein, for which there is a contractual lease obligation. The release due to the renewal of the lease contract pertains to the change in the contractual lease obligation related to the head office in Nieuwegein.

On 5 April 2017, Ordina agreed a new lease contract with the same lessor. The new contract pertains to the extension (at different terms) of the lease for the head office in Nieuwegein, which now excludes the C tower from the lease contract. The signing of the new lease contract effectively terminated the existing / old contract prematurely. Ordina has recognised a vacant office space provision for the vacant C tower since 2013. As said the C tower is no longer a part of the new lease contract, the provision has been released (EUR 3.8 million) and the related deferred tax asset has been written down (EUR 0.9 million). On balance, the release of the vacant office space provision will have a one-off positive net impact of EUR 2.9 million in 2017.

Ordina does not recognise a termination payment related to the prematurely terminated lease contract. Neither the termination agreement related to the old lease contract, nor the new lease contract itself includes such a payment. However, it is possible that the settlement of the old contract has in some way been discounted in the new agreement. The transaction involves the termination of the lease for the C tower and the extension of the lease for the other spaces, with the price of the extended lease reduced with immediate effect and the inclusion of a rent-free period. On this basis, it is not yet possible to make a reliable estimate of any termination payment that has possibly been included in the new contract as a lease-incentive. Moreover, Ordina has limited insight into the business rationale of the lessor. On the basis of external market research and its own analyses, Ordina considers the new lease contract as in line with current market levels. The agreed rent-free periods have been recognised as a lease-incentive liability.

Net debt position

Ordina's net debt stood at EUR 2.2 million negative at 30 June 2017 (end-June 2016: EUR 0.1 million negative). Net debt can be specified as follows:

	30 June 2016	30 June 2017
<i>(in thousands of euro's)</i>		
Cash and cash equivalents	10,072	10,627
Bank credit	-	2,468-
	10,072	8,159
Bank Credit / Revolver	10,000-	6,000-
Net cash position	72	2,159

Financing facility

In May 2015, Ordina agreed a new financing facility with ABN Amro Bank and ING. This new financing facility is for the amount of EUR 30 million, is fully committed and is a revolving facility of EUR 20.0 million and a current account credit facility of EUR 10.0 million. The new financing agreement has a maximum term of five (5) years, with an initial term of three (3) years and an option to extend twice by one (1) year. Following the first extension in 2016, Ordina and its banks agreed a second extension of one (1) year in the first half of 2017. As a consequence of this second extension, the term of the financing agreement ends in May 2020.

As at 30 June 2017, Ordina had taken up an amount of EUR 6.0 million from the revolving facility, which is recognised under the short-term bank debt (as at 30 June 2016: EUR 10.0 million).

The key elements regarding the covenants included in the financing facility are a maximum leverage ratio (determined on the basis of the total net debt/ adjusted EBITDA ratio) and an Interest Cover Ratio (determined on the basis of (adjusted) EBITDA / total interest ratio, as defined in the financing agreement). The leverage ratio has been set at a maximum of 2.5, and 2.0 for the final two quarters of the (possibly extended) term. The Interest Cover Ratio has been set at a minimum of 5.0. The covenants are based on the consolidated (interim) financial statements as drawn up in accordance with IFRS. The adjustment to the EBITDA for one-off expenses and reorganisation costs was set at a maximum of EUR 5.0 million for the year 2015 and a maximum of EUR 3.0 million for 2016 and subsequent years.

The table below outlines the applicable covenants and the compliance with same at end-June 2017:

	Realisation 2017 H1	Finance agreement
Leverage ratio	-0.1	$\leq 2,5$
Interest Cover Ratio	43.1	$\geq 5,0$
Guarantor Cover Ratio	84%	$\geq 80\%$
Security Cover Ratio	86%	$\geq 70\%$

The interest on the financing facility is set on the basis of the prevailing base rate (EURIBOR) plus a surcharge of 1.0%. The base rate depends on the interest period to be determined by Ordina, which can in principle vary from one to six months.

Earnings per share

Earnings per share are calculated by dividing the profit after taxes by the average number of outstanding shares. The diluted earnings per share takes into account the shares that are expected to be issued in connection with the share-based bonuses. The earnings per share were calculated on the basis of the following information:

	H1 2016	H1 2017
<i>(in thousands of euros, unless indicated otherwise)</i>		
Profit for the period	2,954	1,034
Average number of outstanding shares (in thousands)	93,049	93,256
Impact of potential dilution		
Conditionally granted shares	1,379	421
Average number of outstanding shares diluted (in thousands)	94,428	93,677

Taxes on the results

Current taxes for the half-year period under review have been calculated on the basis of the estimated effective annual tax rate applied to pre-tax profit. The effective tax rate for the first six months of 2017 was 59.1% (44.4% for the full-year 2016, and 44.7% for the first half of 2016). The discrepancy between the nominal tax rate of 25.0% and the effective tax rate is largely due to the composition of the taxable amounts across the various countries, in combination with tax rate differences abroad, as well as the impact of non-deductible amounts.

Deferred taxes are valued in line with the expected method of settlement or realisation. The deferred tax asset pertains primarily to recognised tax losses, as well as temporary differences in valuation related to tangible fixed assets and liabilities. An amount of around EUR 9.7 million of the total of EUR 18.4 million in recognised tax losses is related to the valuation of recognised tax losses.

Share-based remuneration

The long-term component of the performance-related remuneration of the members of the Management Board comprises a payment in Ordina N.V. shares, with a term of three years for each current scheme. This performance-related long-term remuneration is explained in detail in the 2016 annual report. In connection with the performance-related long-term bonus for the members of the Management Board, Ordina recognised an expense of approximately EUR 102,000 in the personnel expenses for the first half of 2017 (first half of 2016: EUR 170,000).

Related parties

The remuneration of the members of the Management Board is determined annually by the Supervisory Board. For an explanation of the remuneration policy pertaining to the members of the Management Board, we refer you to the Report of the Supervisory Board as included in the 2016 annual report. The total remuneration for the Management Board amounted to EUR 769,000 in the first half of 2017, compared with EUR 704,000 in the first half of 2016.

The total remuneration for the members of the Supervisory Board amounted to EUR 112,000 in the first half of 2017, compared with EUR 111,000 in the first half of 2016.

Seasonal influences

Ordina's revenue and profit are subject to a limited degree of seasonal influences. The seasonal influences pertain primarily to employees taking their holidays, the emphasis of which is in the second half of the year. The movement in working capital is partly influenced by the settlement of obligations related to items such as holiday pay, bonus payments and pension premiums in the first half of the year.

Off-balance sheet liabilities

The nature and scale of off-balance sheet liabilities as per 30 June 2017 were materially unchanged from those reported in note 29 to the consolidated financial statements for the financial year 2016, with the exception of the committed bank guarantees and financial obligations related to lease contracts. By virtue of the new lease contract closed in the second quarter of 2017 related to the head office in Nieuwegein, which runs to 31 March 2028, the committed bank guarantees were around EUR 0.5 million lower and the financial lease liability for the period after 1 July 2017 increased by around EUR 9.9 million.

Estimating fair value

On the basis of IFRS13 'Fair value measurement', the interim financial statements are supposed to include disclosures on how fair value is measured. The book value of the current assets, payables and other debts are close to their fair value due to the short-term nature of these instruments. Trade receivables are also close to their fair value, as any potential downward valuation has already been taken into account via a provision for bad debts.

Post-balance sheet date events

There have been no events since 30 June 2017 that might have a material impact on or that might require adjustments to the balance sheet positions as at 30 June 2017, as presented in these interim financial statements.