HITACHI Vantara A/S

Vedbæk Strandvej 350
2950 Vedbæk

Annual report
1 April 2017 - 31 March 2018

The annual report has been presented and approved on the company's general meeting the

26/06/2018

Ulrik Laustsen
Chairman of general meeting

Content

Company information

Reporting company	HITACHI Vantara A/S Vedbæk Strandvej 350 2950 Vedbæk	
	Phone number:	45581000
	e-mail:	bjarke.qvist@hitachivantara.com
	CVR-nr:	87455718
	Reporting period:	01/04/2017 - 31/03/2018
Main financial institution	Citibank International PLC	
	H.C. Andersens Boulevard 12 1553 København V DK Danmark	
Auditor	ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB Osvald Helmuths Vej 4 2000 Frederiksberg DK Danmark	
	CVR-nr:	30700228
	P-number:	1013415044

Statement by Management

Today, management has discussed and approved the annual report of Hitachi Vantara A/S for the financial year 1 April 2017 - 31 March 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 March 2018 and of the results of the company's operations and cash flow for the financial year 1 April 2017 – 31 March 2018.

Further, in our opinion, the management's review includes a fair review of the matters dealt with in the management's review.

We recommend the adoption of the annual report at the general meeting.

Vedbæk, the 18/06/2018

Management

Merete Søby

Board of directors

Martinus Bernhard Theodorus Paddenburg

Donald James Hughes

Richard John Gadd

The independent auditor's report on financial statements

To the shareholders of Hitachi Vantara A/S

Opinion

We have audited the financial statements of Hitachi Vantara A/S for the financial year 1 April 2017 - 31 March 2018, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2018 and of the results of the Company's operations as well as cash flows for the financial year 1 April 2017 - 31 March 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

• Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

København, 18/06/2018

Lars Hansen , mne24828
State Authorised Public Accountant
ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB
CVR: 30700228

Management’s Review

Business activities and mission
The company’s principal activities comprise sale and marketing of IT solutions in Denmark, related technical services as well as consulting services.

Business review
The Company’s income statement for the year ended 31 March 2018 shows a net profit of DKK 4.596 thousand, and the balance sheet at 31 March 2018 shows shareholders’ equity of DKK 39.775 thousand.

Revenue and Net profit was lower than the companys expectations as expressed in the financial statements for the year ended March 2017. Management considers the result for the year as satisfactory.

Outlook
In the financial year 1 April 2018 – 31 March 2019 the company expects a small increase in revenue and net profit at the same level.

Intellectual capital
Hitachi Vantara A/S consciously strive to recruit highly qualified employees and are continuously maintaining and improving the skills and qualifications for the employees through global educations programs and specialized courses.

Key figures and Financial Ratios

	2017/18	**2016/17**	**2015/16**	**2014/15**	**2013/14**
	kr.	**kr.**	**kr.**	**kr.**	**kr.**
Key figures					
Revenue	323.434	446.738	494.146	363.331	348.014
Gross profit	84.183	87.489	81.436	79.168	71.325
Profit before net financials (EBIT)	7.270	8.446	10.287	9.902	6.764
Net financials	-1.256	-567	0	29	5
Net profit for the year	4.596	6.004	7.518	7.393	4.792
Total assets	213.149	305.792	278.103	237.640	237.948
Investment in the year	297	638	7.496	2.152	1.153
Shareholder's equity at year-end	**39.775**	**35.179**	**36.675**	**36.458**	**29.065**

Financial ratios

EBIT margin	2,2 %	1,9 %	2,1 %	2,7 %	1,9 %
Current ratio	207,0 %	171,6 %	201,1 %	207,3 %	178,8 %
Gross margin	26,0 %	19,6 %	16,5 %	21,8 %	20,5 %
Return on assets	2,8 %	2,9 %	4,0 %	4,2 %	3,3 %
Equity ratio	18,7 %	11,5 %	13,2 %	15,3 %	12,2 %
Return on equity	12,3 %	16,7 %	20,6 %	22,6 %	16,2 %
Average number of employees	**63**	**60**	**47**	**46**	**45**

Definition of financial ratios:
Gross margin: Gross profit / Net revenue * 100
EBIT margin: Profit/loss before net financials (EBIT) / Net revenue * 100
Return on assets: Profit/loss before net financials / Average, total assets * 100
Current ratio: Current assets / Short-term liabilities * 100
Equity ratio: Shareholders' equity / Total assets * 100
Return on equity: Net profit/loss for the year / Average shareholders' equity in the year * 100

Statement regarding social responsibility

The Company has no local policies for CSR, including human rights, climate or the environment.

Responsibility factors such as human rights, social responsibility and anti-corruption are integral parts of the

Danish labour market and Danish corporate culture and they are incorporated at the Company. This is reflected in the Company's trading with all customers.

The Company are following the Hitachi Global guidelines for CSR and the company obligations and activities are included in the global Hitachi Group Sustainability Report. At the time of publishing the Danish annual report the Hitachi Group Sustainability Report 2018 are not yet published.

The Sustainability Report are published once a year and can be found on www.hitachi.com/csr/download.

Statement regarding the gender composition of the management

Hitachi Vantara A/S believes that employee diversity, including gender balance, have a positive working environment and strengthens the company's performance and competitiveness.

Hitachi Vantara A/S are working to increase the number of female managers in the company and have therefore set specific targets for the proportion of the underrepresented sex and implemented policies to ensure this.

Hitachi Vantara A/S have set a target at 33% of the shareholder-elected board members (equivalent to 1 member) must be a woman. For other managers, the objective is that 33% of company managers should be a woman.

For the financial year 2017/18 the Board consists of 0% woman and 33% in management positions.
The reason for not meeting the target at Board level are caused no changes in the Board during the year.

In order to achieve the above objective of more women in the board and improve the ratio in the company management positions, Hitachi has launched a number of initiatives to promote the development and support around the development of women leaders.

Among other things, Hitachi Group has implemented internal training programs for managers, which focuses on Hitachi's global diversity program (Diversity Management) and a female network named “WIN’s network”. Hitachi has launched "The European Diversity Project ", which aim is to attract more women to Hitachi as well as to enhance their career opportunities. E-learning is available to all employees to support the Diversity Project.

Hitachi Vantara A/S has a goal of having at least one woman in the board and 4 female managers in the company within a 3-year period (financial year 2018/19).

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class C, large enterprise.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency
The Annual Report is presented in Danish kroner.

Foreign currency translation
Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the date of the transaction.

Monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

Income statement
Revenue
When entering into sales contracts that consist of several separate components, the contract amount is allocated by the individual components based on the relative fair value approach. The separate components are recognised as revenue when the criteria applicable to sale og goods and services have been met.

A contract is allocated by individual components when the fair value of these individual components can be reliably measured and when each component represents a separate value to the buyer. Sales components are deemed to represent a separate value to the buyer when the component is individually identifiable and is normally sold separately.

Revenue is measured at the fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Revenue from sale of goods
Income from the sale of finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery.
Income from sale of goods where installation is required in order that significant risks may be considered to have been transferred to the buyer is recognised in revenue when the installation has been carried out.

Revenue from sale of services
Income from the sale of services, comprising service contracts, is recognised in revenue on a straight-line basis as delivered as the services are delivered in the form of an indefinite number of actions over a specific period of time.

Cost of sales
Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, lease payments under operating leases, etc.

Employee expenses

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social secutity contributions, ect. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation/depreciation and write-downs
The item includes amortisation/depreciation and write-downs of plant and equipment.
Amortisation/depreciation is provided using the straight-line method on the basis of the cost and the below assessments of the useful life and residual value of the assets.

Property, plant and equipment are depreciated on a straight-line basis to the residual value, based on the cost, measured by reference to the following assessment of the useful life and the residual value:

Other fixtures and fittings, tools and equipment, usefull life 2-5 years. The scrap value of fixed assets valued at DKK 0.

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains or losses on the sale of fixed assets are recognised in the income statement under ‘Amortisation/depreciation’.

Net financials
Financial income and expenses are recognised in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, realised and unrealised capital and exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax
Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments less the share of the tax for the year that concerns changes in equity.

Current and deferred taxes related to items recognised directly in equity are taken directly to equity.

The parent and all Danish group enterprises are jointly taxed. The Danish income tax charge is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowance, and jointly taxed companies having paid too little tax pay, as minimum, a surcharge according to the current rates applicable to interest surcharge to the management company.

Balance sheet
Property, plant and equipment
Property, plant and equipment comprise leased equipment, leasehold improvements and other fixtures, fittings, tools and equipment. Property, plant and equipment are measured at cost less accumulated depreciation and write-downs.

An impairment test is made for property, plant and equipment if there are indications of decreases in value. The impairment test is made for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Inventories
Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realisable

value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables
Receivables are measured at amortised cost, which usually corresponds to the nominal value. The value is reduced by write-downs for bad debt.

Prepayments
Prepayments recognised under ‘Assets’ comprise prepaid expenses regarding subsequent reporting years.

Cash and cash equivalents
Cash comprises cash balances and bank balances.

Shareholders’ equity
Dividends proposed for the reporting period are presented as a separate item under ‘Shareholders’ equity’.

Income taxes
Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years´ taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all deferred temporary differences between carrying amounts and tax vaules, with the exception of temporary differences occuring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

As mangagement company for all the entities in the joint taxation arrangement, the parent is liable for the subsidaries´income taxes vis-á-vis the tax authorities as the subsidaries pay their joint taxation contributions.

Joint taxation contributions payable or receivables are recognised in the balance sheet as income tax receivable or payable.

Provisions
Provisions are recognised at the balance sheet date when, the enterprise has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions expected to be settled after more than one year after the balance sheet date are measured at the net present value of the expected payments.

Provisions comprise expected expenses relating to warranties. Warranties comprise obligations to make any defects within the warranty period. Provisions for warranties are measured and recognized based on experiences of the Hitachi Vantara Group.

Other payables
Other payables are measured at amortised cost, which, essentially, corresponds to the fair value.

Deferred income
Deferred income recognised as a liability comprises payments received concerning income in subsequent

reporting years.

Cash flow statement
The cash flow statement shows the enterprise’s net cash flows, the year’s changes in cash and cash equivalents and the enterprise’s cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are presented using the indirect method and are made up as the net profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid financial and extraordinary expenses and paid income taxes.

Cash flows from investing activities comprise payments related to additions and disposals of fixed assets, securities related to investing activities and dividends received from associates.

Cash flows from financing activities comprise dividends paid to shareholders, capital increases and reductions, borrowings and repayments of interest-bearing debt.

Cash and cash equivalents comprise cash and short-term securities in respect of which the risk of changes in value is insignificant.

Segment information
Information is disclosed by activities (and geographical market). Segment information is based on the Company's accounting policies, risks and internal financial management.
Assets in the segment comprises the assets that are used directly in the revenue-generating activity of the segment.
Segment liabilities comprise liabilities resulting from the activities of the segment, including trade and other payables.

Income statement 1 Apr 2017 - 31 Mar 2018

	Disclosure	2017/18 kr.	2016/17 kr.
Revenue	1	323,434,000	446,738,000
Cost of sales		-225,306,000	-343,907,000
Other external expenses		-13,945,000	-15,342,000
Gross Result		**84,183,000**	**87,489,000**
Employee expense	2	-76,060,000	-77,293,000
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	3	-853,000	-1,750,000
Profit (loss) from ordinary operating activities		**7,270,000**	**8,446,000**
Other finance income		0	33,000
Other finance expenses		-1,256,000	-600,000
Profit (loss) from ordinary activities before tax		**6,014,000**	**7,879,000**
Tax expense	4	-1,418,000	-1,875,000
Profit (loss)		**4,596,000**	**6,004,000**

Balance sheet 31 March 2018

Assets

	Disclosure	2017/18 kr.	2016/17 kr.
Fixtures, fittings, tools and equipment		1,063,000	1,619,000
Property, plant and equipment	**5**	**1,063,000**	**1,619,000**
Other receivables		662,000	636,000
Investments	**6**	**662,000**	**636,000**
Total non-current assets		**1,725,000**	**2,255,000**
Manufactured goods and goods for resale		2,582,000	9,297,000
Inventories		**2,582,000**	**9,297,000**
Trade receivables		49,863,000	112,957,000
Receivables from group enterprises		24,000	16,000
Current deferred tax assets		2,820,000	2,128,000
Tax receivables		2,803,000	2,515,000
Other receivables	7	5,506,000	4,494,000
Deferred income assets		7,994,000	10,699,000
Receivables		**69,010,000**	**132,809,000**
Cash and cash equivalents	8	139,832,000	161,431,000
Current assets		**211,424,000**	**303,537,000**
Total assets		**213,149,000**	**305,792,000**

Balance sheet 31 March 2018

Liabilities and equity

	Disclosure	2017/18 kr.	2016/17 kr.
Contributed capital	9	7,000,000	7,000,000
Retained earnings		25,275,000	28,179,000
Proposed dividend		7,500,000	0
Total equity		**39,775,000**	**35,179,000**
Other provisions	10	18,493,000	15,108,000
Provisions, gross		**18,493,000**	**15,108,000**
Deferred income		52,721,000	78,584,000
Long-term liabilities other than provisions, gross	**11**	**52,721,000**	**78,584,000**
Trade payables		1,877,000	755,000
Payables to group enterprises		17,488,000	83,497,000
Other payables, including tax payables, liabilities other than provisions		25,068,000	41,864,000
Deferred income		57,727,000	50,805,000
Short-term liabilities other than provisions, gross		**102,160,000**	**176,921,000**
Liabilities other than provisions, gross		**154,881,000**	**255,505,000**
Liabilities and equity, gross		**213,149,000**	**305,792,000**

Statement of changes in equity 1 Apr 2017 - 31 Mar 2018

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
	kr.	kr.	kr.	kr.
Equity, beginning balance	7,000,000	28,179,000	0	35,179,000
Dividend paid			0	0
Profit (Loss)		-2,904,000	7,500,000	4,596,000
Equity, ending balance	7,000,000	25,275,000	7,500,000	39,775,000

Cash flow

	2017/18 kr.	2016/17 kr.
Profit (loss)	4,596,000	6,004,000
Adjustments		
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	853,000	1,750,000
Interest received and similar income	0	-34,000
Interest payable and similar charges	1,256,000	600,000
Tax expense	1,418,000	1,875,000
Decrease (increase) in other provisions	3,385,000	-7,342,000
Adjustments for decrease (increase) in working capital		
Decrease (increase) in inventories	6,715,000	-2,388,000
Decrease (increase) in receivables	64,753,000	-10,577,000
Decrease (increase) in trade payables	1,122,000	-2,974,000
Other adjustments for decrease (increase) in working capital	-35,729,000	-6,333,000
Cash flow from operating activities before finance income (expenses)	*48,369,000*	*-19,419,000*
Short-term debt to banks	0	34,000
Interest paid, classified as operating activities	-1,256,000	-600,000
Cash flow from ordinary operating activities	*47,113,000*	*-19,985,000*
Income taxes paid	-2,398,000	-1,470,000
Cash flows from operating activities	**44,715,000**	**-21,455,000**
Purchase of property, plant and equipment, classified as investing activities	-297,000	-638,000
Sales of property, plant and equipment	0	4,836,000
Cash flows from investing activities	**-297,000**	**4,198,000**
Incurrence of debt to group enterprises	-66,017,000	45,835,000
Dividend paid	0	-7,500,000
Cash flows from financing activities	**-66,017,000**	**38,335,000**
Net increase (decrease) in cash and cash equivalents	**-21,599,000**	**21,078,000**
Cash and cash equivalents (beginning balance)	161,431,000	140,353,000
Cash and cash (beginning balance)	**161,431,000**	**140,353,000**
Cash and cash (ending balance)	**139,832,000**	**161,431,000**

Specification of cash and cash equivalents ending period

Cash and cash equivalents (ending balance)	139,832,000	161,431,000
Cash and cash (ending balance)	**139,832,000**	**161,431,000**

Disclosures

1. Revenue

	2017/18 kr.	2016/17 kr.
By business segment		
Product sales (hardware and software)	192.377.000	287.561.000
Installation, maintenance and consulting	131.057.000	159.177.000
	323.434.000	446.738.000

The Company carries out nearly all of its transactions in Denmark.

2. Employee expense

	2017/18 kr.	2016/17 kr.
Wages and salaries	70.974.000	72.490.000
Pension costs	4.275.000	3.804.000
Other social security cost	393.000	318.000
Other staff costs	418.000	681.000
	76.060.000	77.293.000
Average number of employees	63	60

Pursuant to section 98b, Section 3 of the Financial Statements Act, remuneration to the Executive board is not disclosed seperately.

3. Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets

	2017/18 kr.	2016/17 kr.
Other fixtures and fittings, tools and equipment	853.000	1.725.000
Profit/loss on the sale of property, plant and equipment	0	25.000
	853.000	1.750.000

4. Tax expense

	2017/18 kr.	2016/17 kr.
Income tax charge	2.051.000	127.000
Tax adjustment relating to previous year	59.000	53.000
Change in deferred tax	-692.000	1.695.000
	1.418.000	1.875.000

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment kr.
Balance at 1/4 2017	5.352.000
Additions in the year	297.000
Disposals in the year	-632.000
Balance at 31/3 2018	**5.017.000**
Depreciation and write-downs, balance 1/4 2017	-3.733.000
Depreciation in the year	-853.000
Depreciation and write-downs of disposals and scrapped assets	632.000
Depreciation and write-downs, balance 31/3 2018	**-3.954.000**
Carrying amount at 31/3 2018	**1.063.000**

6. Investments

	Deposit kr.
Balance at 1/4 2017	636.000
Additions in the year	26.000
Disposals in the year	0
Balance at 31/3 2018	**662.000**
Carrying amount 31/3 2018	**622.000**

7. Other receivables

	2017/18 kr.	2016/17 kr.
Short term part of other receivables	1.767.000	1.417.000
Long term part of other receivables	3.739.000	3.077.000
	5.506.000	4.494.000

Other receivables consists of loan to employees and consultancy work in progress.

Deferred income assets

	2017/18 kr.	2016/17 kr.
Short term part of deferred income assets	6.233.000	6.806.000
Long term part of deferred income assets	1.762.000	3.893.000
	7.995.000	10.699.000

Deferred income assets contains prepaid maintenance that relates to subsequent years.

8. Cash and cash equivalents

	2017/18 kr.	2016/17 kr.
Cash in bank	8.000.000	9.295.000
EMEA Intercompany cash pooling	131.832.000	152.136.000
	139.832.000	161.431.000

9. Contributed capital

The share capital of DKK 7,000 thousand consists of 700 A-share of DKK 10,000 thousand.

The share capital has remained DKK 7,000 thousand in the past 5 years.

10. Other provisions

	2017/18 kr.	2016/17 kr.
Warranty on products	18.493.000	15.108.000
	18.493.000	15.108.000

DKK 8,514 thousand of the warranty provision is expected to have maturity between 0 - 1 year and DKK 9,979 thousand of the warranty provision is expected to have maturity between 1 - 5 years after the balance date.

11. Long-term liabilities other than provisions, gross

	2017/18 kr.	2016/17 kr.
Deferred income under 1 year	57.727.000	50.805.000
Deferred income over 1 year	52.721.000	78.580.000
	110.448.000	129.385.000

Long-term liabilities other than provisions contains of deferred maintenance revenue from deals where the company have received pre-paid maintenance.

12. Disclosure of contingent liabilities

The company’s contractual lease obligation in respect of rental agreement with a termination period longer than 12 months amounts to DKK 2,363 thousand. The company has provided warranties and options regarding IT equipment and upgrading to customers. Management believes that the warranties and options will not cause losses for the company

The company’s contractual lease obligation regarding operation leases amounts to DKK 18 thousand.

As management company, the company is jointly taxated with other Danish group entities and is jointly and severally with other jointly group entities responsible for payment of income taxes for

the income year 2014 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment.

13. Disclosure of ownership

Related parties

Related parties having a controlling interest include the parent company and the supervisory Executive Boards.

No futher transactions have been carried out with the supervisory and Executive Board except for remuneration and emoluments.

Internal purchases that is included in Cost of goods sold, is primarily related to Group companies.

Information about related parties with a controlling interest

Parent company

Hitachi Data Systems Europa BV, Wich Camp 31 5301LX Zaltbommel, Netherlands,
Participating interest

The financial statements for Hitachi Vantara A/S are included in the consolidated financial statements of Hitachi Data Systems Europa BV and may be obtained from the company.

Ultimate parent company

Hitachi, Ltd. (Japan)

The consolidated financial statements for Hitachi, Ltd. can be obtained from www.hitachi.com

14. Disclosure of deferred tax assets and liabilities

	2017/18 kr.	2016/17 kr.
Deferred tax 1 April 2017	2.128.000	3.823.000
Adjustment to deferred tax	692.000	-1.695.000
Deferred tax 31 March 2018	2.820.000	2.128.000
Deferred tax is specified as follows:		
Tangible assets	255.000	233.000
Provisions	2.530.000	1.891.000
Trade receivables	1.000	4.000
Prepayments	34.000	0
	2.820.000	2.128.000

Deferred tax is recorded at value as expected to be utilized. The assessment takes place on the company's own earnings, but also on the basis of income from jointly taxed companies.

15. Information on auditors fees

	2017/18 kr.	2016/17 kr.
Statutory audit	78.000	78.000
Tax advisory services	111.000	40.000
Other services	25.000	25.000
	214.000	143.000

16. Information on transactions with related parties made on an arm's length basis

	2017/18 kr.	2016/17 kr.
Purchase of goods, administration, ect. from related parties	221.492.000	337.737.000
Sales of goods, administration, ect. to related parties	12.107.000	20.347.000

With regards to the amount of outstanding and the return on these, refer to the income statement and balance sheet

17. Proposed distribution of results

	2017/18	2016/17
	kr.	kr.
Proposed dividend recognised in equity	7,500,000	0
Retained earnings	-2,904,000	6,004,000
Proposed distribution of profit (loss)	**4,596,000**	**6,004,000**