



Q2

QUARTERLY
REPORT

2017

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Double-Digit Revenue Growth and an Additional Four Cloud/SaaS Acquisitions

HIGHLIGHTS, SECOND QUARTER 2017

- Revenue of NOK 2 217 million, an increase of 11,3%
- EBITDA of NOK 481 million, an increase of 7,9%
- Annual Repeatable Revenue from SaaS Software continued to deliver as the future growth engine of Visma and grew by 27%, year-on-year in the quarter
- Monthly e-invoicing rate reached 6,6 million invoices, a year-on-year growth of 39%
- First six months after-tax cash flow growth of 18.3% vs. H1 2016
- Additionally, four new SaaS/Cloud businesses were acquired during the quarter

Visma had another strong quarter with excellent top-line revenue and profit growth. Total revenue growth was 11,3% while EBITDA improved with 7,9% over Q2 2016 to reach NOK 481 million, yielding a very strong EBITDA margin of 21,7%.

Revenues in each of Visma's three largest divisions (representing 93% of EBITDA) grew by over 10% year on year. The SMB Division grew revenues by 10,5%, Enterprise grew by an impressive 16,9% and Custom Solutions had the highest growth with 19,2% growth compared to the second quarter a year ago. SaaS and SaaS transactions continue to be the strongest driver of organic growth in Visma and Software SaaS Solutions annualized repeatable revenue grew by 27,3% during the quarter.

Visma continues its proactive and high tempo acquisitions activity completing four additional transactions during the quarter. All the acquisitions have a strong Cloud/SaaS product focus. NYCE Solutions (Swedish SaaS warehouse management systems), Comenius (Swedish/Norwegian SaaS HRM), Megaflex (Finnish Cloud Infrastructure services), and Infrastone (Finnish leading Qlik-based Custom Solution business). All of these businesses are Cloud businesses that are growing with double-digit growth and fit well with the Visma ecosystem.

KEY FIGURES

Continuing operations (NOK in millions)	2nd quarter			1st half year			Year
	2017	2016	Growth	2017	2016	Growth	2016
	Actual	Actual		Actual	Actual		Actual
Revenue	2 217	1 991	11,3 %	4 318	3 862	11,8 %	7 855
EBITDA	481	446	7,9 %	949	844	12,4 %	1 908
<i>EBITDA margin</i>	<i>21,7 %</i>	<i>22,4 %</i>		<i>22,0 %</i>	<i>21,9 %</i>		<i>24,3 %</i>
EBITA	456	419	9,0 %	900	790	13,8 %	1 798
EBIT	262	263	-0,6 %	529	494	7,1 %	1 156
Net profit	150	137	9,5 %	325	242	34,2 %	690
Operational cash flow (after tax)	(65)	(71)	-8,7 %	1 189	1 005	18,3 %	1 804

FINANCIAL REVIEW – GROUP (SECOND QUARTER 2016 IN BRACKETS)

Revenue amounted to NOK 2 217 million (1 991) and EBITDA to NOK 481 million (446) in the second quarter of 2017. Revenue increased 11,3% over Q2 2016.

Group EBIT amounted to NOK 262 million in the second quarter (263), whereas net gain from associated companies amounted to NOK -20.7 million (-2.7). Net financial items were NOK -40,6 million (-61.0). Consequently, profit before taxes was NOK 201 million (200). Taxes amounted to NOK 50,9 million (62.9), and net income from continuing operations resulted in NOK 150 million (137) in the second quarter.

Cash flow from continuing operations after tax amounted to NOK 1 189 million (1 005) in the second quarter 2017. Cash outflow from investments was NOK -497 million (-884) in the quarter, which is fixed assets and software R&D and investments in acquired businesses. At the end of the first quarter, the cash position of Visma was NOK 4 849 million (3 271).

Equity amounted to NOK 7 004 million at the end of the quarter (4 442), corresponding to an equity ratio of 40,1% (43,2%). Long term interest bearing debt amounted to NOK 5 886 million (5 288). The debt-facilities have maturity dates in the 4th quarter 2019.

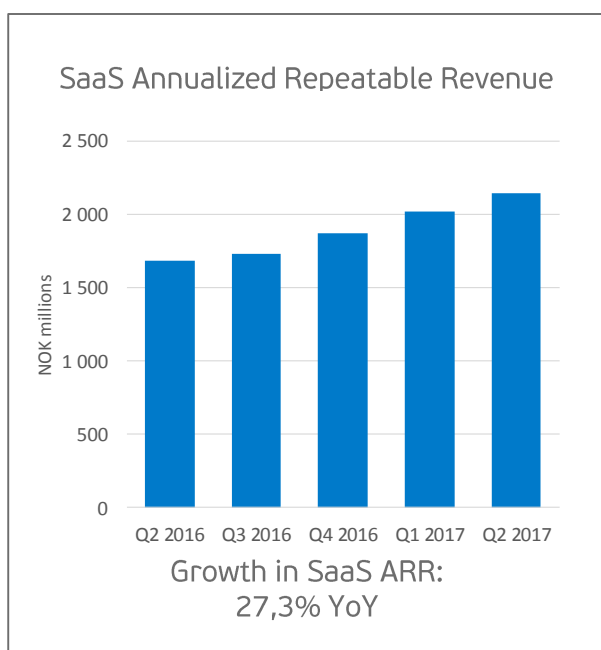


COMMENTS ON SELECTED KPIS

Visma is experiencing good traction on the SaaS product portfolio.

It is impressive that SaaS Annualized Repeatable Revenue (ARR) has grown by 27% year-on-year in Q2. Now, 75% of our ARR is indeed from true SaaS solutions. Also SaaS customer contracts have seen a strong high-growth development. Visma has over 650 000 customer contracts, of which 400 000 are for SaaS products. The group's fastest growth is also on the SaaS contracts, which grew by 17,7% year-on-year.

At the end of Q2, 6,6 million monthly e-invoices were transported through Visma's e-invoicing hubs (39% y-on-y growth). The ultimate objective for Visma's software products and solutions is to make the traditional paper invoice redundant. All Nordic countries are eager to do more SaaS invoicing and we have launched an e-invoicing service for our e-economic customers in Denmark.



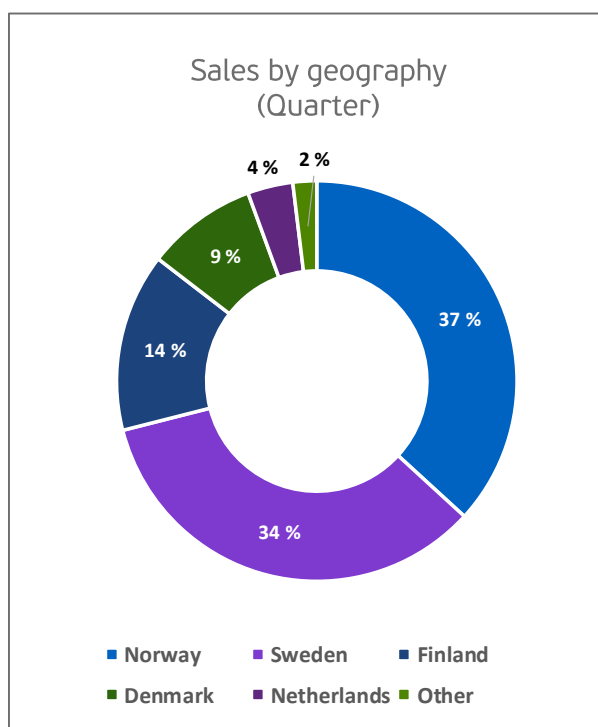
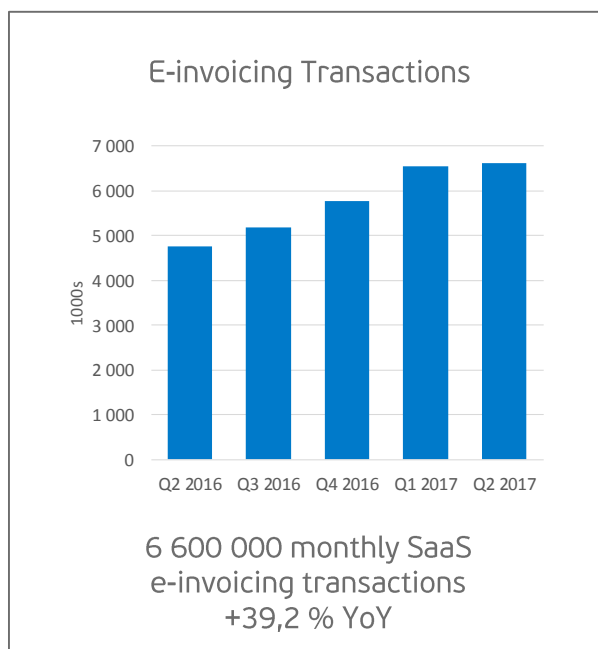
MARKET OUTLOOK

The Nordic markets, where Visma has 98% of revenues, continue to be stable and have above average growth rates compared to Europe overall. The public finances in the markets where Visma operates are in good shape. Norway and Sweden (71% of Visma revenue) have very strong public finances. Norway has stabilized and recovered from the oil sector volatility and Sweden continues its strong growth. Denmark and Finland are also feeling general upswing in the economy. Regardless of the macroeconomic environment there are plenty of opportunities that will allow Visma to continue to achieve good organic growth. Visma's core businesses in these markets generally continue to take market shares and show solid growth.

The demand for SaaS services is steadily increasing. Visma continues to invest considerably in SaaS and to lead the transition to SaaS in Visma's core SMB Software products and services. Visma is steadily launching new SaaS products. Services like procurement, accounting, payroll, debt collection and software consultancy are increasingly based on SaaS, and Visma is in the middle of a process of moving all our activities to a SaaS model. Our customers increasingly prefer subscription type of cost-models vs. large up-front investments.

Visma's R&D focus and acquisition strategies are concentrated on SaaS. Visma continues its strategy of organic and acquisitive growth and Visma expects to continue the high acquisition pace the coming quarters.

Visma Software SMB is the largest business area, contributing 49% of the Revenue and 63% of the EBITDA in the second quarter of 2017.



OWNERSHIP

Visma is currently jointly owned by three leading international private equity groups. HgCapital 36,5%, KKR 28,6%, and Cinven 28,6%. A broad management group holds approximately 6% of the shareholder equity in Visma. In addition to the stability of the main owners, the main owners have co-investors comprised of some larger Nordic and international pension funds. This constellation contributes to a stable ownership situation.

On June 28th, KKR agreed to sell its entire remaining stake in Visma, together with a smaller stake from Cinven, to a consortium including HGCaptial, GIC, Montagu and ICG. HGCaptial will be the lead investor and will continue to be the largest Visma shareholder with 41% in the new transaction structure. The new ownership structure is expected to take effect in October when the transaction will close.

RISKS

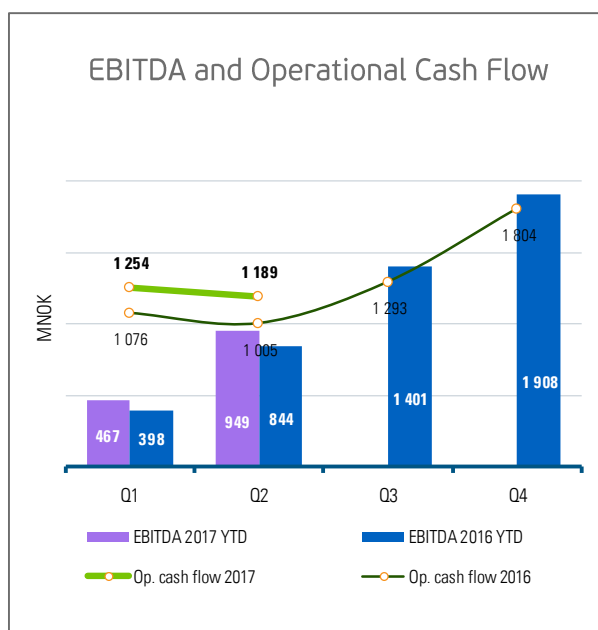
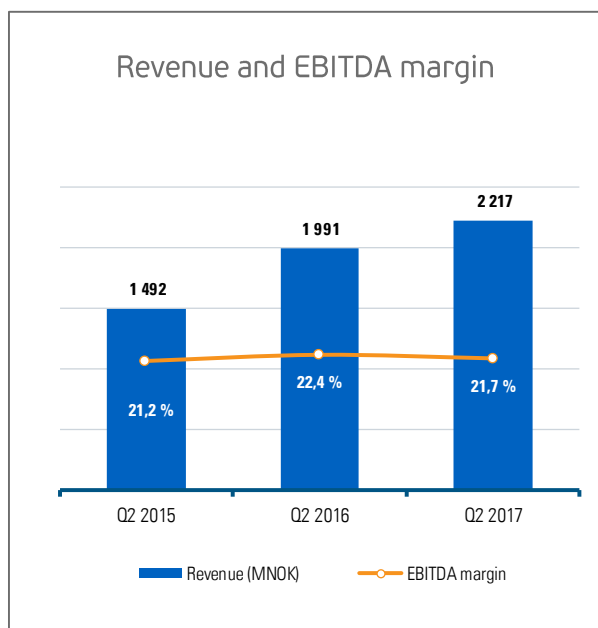
Visma is exposed to the general economic climate in the countries where the company operates. However, the business risk is limited by the company's diversified customer base and a reasonably priced, high-quality portfolio of products and services. Although Visma is also involved in some very large IT projects, Visma believes associated risk is well counter-balanced as around 50 % of total Visma revenue is generated in the well-diversified SMB segment.

DISCLAIMER

This report contains forward-looking statements that reflect management's current views with respect to future events. All such statements are subject to inherent risks and uncertainties, and many factors can lead to developments deviating from what has been expressed or implied in such statements.

Oslo, July 10, 2017

The Board of Directors of VISMA AS



SMB

Comments on the second quarter

Visma's transition to the cloud continues with 54% of revenue in Q2 coming from cloud solutions. Visma SMB passed 410 000 SaaS contracts in Q2, and over 63% of all customer contracts in the unit are now SaaS. This further solidifies Visma's position in the key SaaS SMB segments in the Nordics.

The Visma entry-level SaaS solutions, including Visma eAccounting, Tripletex, e-economic, SpeedLedger and Dinero reached 265 000 contracts in the quarter, increasing with 9 500 net new contracts. The pure SaaS mid-range ERP offering and hybrid automation services in the Visma.net product line continues to grow in terms of customers and users, with a solid pipeline for Visma.net Financials and Logistics.

e-Invoicing in the Nordic markets surpassed 19 million transactions (up 5 million from 2016) and the debt collection ERP-add-on "AutoCollect" continues to drive growth within cloud connected accounts receivable management.

Product development in Q2 has been focused on expanding the features and quality of our core segment SaaS solutions in all markets, and delivering upgrades for the large on-premises customer bases, expanding their solutions with automation and SaaS benefits. Investments in SaaS development outpace on-premises investments, and improved delivery capability, support quality, and margins are leveraged through the expansion of Visma's sourcing locations in central Europe and the Baltics.

Major trends in the segment are machine learning and AI automation such as the recently launched Visma AutoSuggest, enablement of our customers employees through mobile services and apps, the transition to SaaS solutions by accounting offices and their clients, HRM online solutions and integrating e-invoicing and payment apps with ERP.

Segment at a glance

Target market:

- Small & medium sized businesses
- Accounting Offices

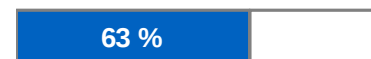
Management:

- Eivind Gundersen, Director SMB Division
- Eilert G. Hanoa, Managing Director Entry level and mid-range

Share of Group



Operating revenue



EBITDA

Quarterly Key Figures

Revenue	1 095 MNOK
Growth, YoY	10,5 %
EBITDA	305 MNOK
EBITDA margin	27,9 %
FTE	2 762
Headcount	2 922

Products and services:

- Cloud-based financial solutions
- ERP and financial systems
- CRM
- Cloud-based expense management
- Cloud-based invoicing and payment solutions
- Invoicing, dunning and debt collection services
- HRM and payroll administration systems
- Solutions for artisans and other industries
- Cloud-based project management
- Non-strategic and administrative purchases
- Training
- Customer collaboration for accounting practices
- Practice management for accounting practices
- Business automation for accounting practices

Enterprise

Comments on the second quarter

Transition to cloud services are a prioritized area for Enterprise. Currently, 34% of the CMRR is on true cloud services, and 56% of the R&D resources are working on cloud services.

Visma is delivering 5.3 million payslips every month on multiple Visma payroll solutions as per June 2017. Our true international payroll cloud solution, Visma.net Payroll, is in production with customers in the Netherlands, Norway and Sweden. The first Visma.net HRM package was launched for small customers in Norway in January 2017. There are currently 550 000 users on different services within the Visma.net HRM portfolio.

Visma will embed Comenius Talent Management from newly acquired Comenius AB as Visma.net Talent Management. In addition to offering this as a part of future Visma.net HRM packages, we see good demand for this module from our existing OnPrem customers.

Visma has the leading product offering in the market for School Administrative solutions in Ireland, Finland and Norway. The planning for entering Sweden has started, and Visma participated at two large School fairs in Sweden this spring with good feedback. Visma is winning most of the public tenders on School in Norway and gaining market shares throughout 2017.

The migration of users to the modernized procurement service Proceedo 9 has started. During 2017 75% of the users will be migrated. Commerce AB has signed a frame agreement with the Swedish State (ESV) on Proceedo and TendSign. The migration of customers from OnPrem Avantra to TendSign has started.

Segment at a glance

Target market:

- Central and local government, institutions and organizations providing education, welfare services and healthcare services. Non-profit and non-government organizations.
- Large enterprises

Management:

- Jan Ivar Borgersen, Division Director Enterprise

Share of Group

22 %

Operating revenue

22 %

EBITDA

Quarterly Key Figures

Revenue	487 MNOK
Growth, YoY	16,6 %
EBITDA	104 MNOK
EBITDA margin	21,3 %
FTE	1 331
Headcount	1 373

Products and services:

- HRM and payroll cloud solutions
- ERP and financial management
- Procurement administration and notification
- Cloud Solutions for schools, childcare and welfare
- Business intelligence and dashboards for municipalities and large accounts
- Internet of Things for access control systems

Custom Solutions

Comments on the second quarter

Custom Solutions delivered yet another quarter with strong performance. Compared to last year, Custom Solutions had very strong growth and improvements of results in Q2. Revenue was 284 MNOK and EBITDA 36 MNOK with a margin of 12,8 %. Taking the full week of Easter holiday in April this year into account, the result is very good. Q2 revenue grew with 19,2 % YoY

Overall the division has performed very well - especially Finland and Norway had very strong results and high growth in Q2, Lithuania and Denmark were close to target whilst growth in Sweden is somewhat slower, impacted by integration efforts for newly acquired Optivasys.

The division signed two new acquisitions at the very end of the quarter - nearU in Sweden (a Episerver premium partner) and Infrastone in Finland, a BI-consulting company based on Qlik which together with the other BI-companies in the division makes Visma the largest Qlik partner in the Nordic region.

The division closed several important deals during Q2 with a potential value well above 800 MNOK, highlighted by self service solutions to City of Stockholm, an exclusive application management contract with the 21 County Administrative Boards. In Norway, we closed new frame agreements with the Tax Administration, the Ministry of Foreign Affairs, and the Norwegian Directorate for Education and Training. In Denmark, we signed an important contract for the development for the new Debt Collection system with The Ministry of Taxation. In Finland, we signed contracts with Universities of applied science and the city of Espoo/Finland for providing services in the areas of BI/reporting, integrations, and managing their software development environments.

Segment at a glance

Target market:

- Central and local government, institutions and organizations
- Large enterprises

Management:

- Carsten B. Møller, Division Director Custom Solutions

Share of Group



Operating revenue



EBITDA

Quarterly Key Figures

Revenue	284 MNOK
Growth, YoY	19,2 %
EBITDA	36 MNOK
EBITDA margin	12,8 %
FTE	878
Headcount	892

Products and services:

- System development and integration
- Application management
- E-government solutions
- Case and document management
- E-commerce solutions
- Information management & business intelligence
- Fishery control solutions

Retail

Comments on the second quarter

Q2 began with the acquisition of Nyce Solutions and the product Nyce Logic which is a modern warehouse management system for companies with business critical logistics. The media coverage was larger than expected giving us positive PR in both industry specific publications, as well as, local news and the Swedish financial newspaper Dagens Industri.

Our pipeline is growing stronger with interesting business opportunities, especially for our international sales team working on the markets outside the Nordics. Also, our strong value propositions have now also lead to collaborations with some of the larger management consultancy firms and sourcing advisors.

A highlight in Q2 is that one of the international grocery chains have signed a preferred supplier agreement with Visma Retail. This gives us access to and business opportunities with a large number of franchisees and stores throughout Europe and worldwide.

In May, we attended one of Europe's leading event for the retail industry "The Retail Business Technology Expo" in London, attracting more than 15.000 visitors. We exhibited our complete range of solutions (including Abalon and Nyce) in a Visma-branded stand.

Segment at a glance

Target market:

- Retail chains in Grocery, Convenience, Pharma and Specialized trade in the Nordics and rest of Europe.

Management:

- Peter Fischer, Division Director Retail

Share of Group



Operating revenue



EBITDA

Quarterly Key Figures

Revenue	269 MNOK
Growth, YoY	1,1 %
EBITDA	17 MNOK
EBITDA margin	6,5 %
FTE	690
Headcount	705

Products and services:

- Retail HQ and back office software
- Retail POS and self-service solutions (self-checkout, self-scanning, self-service-stations)
- Retail mobile solutions (mobile POS, mobile back office, apps)
- Retail hardware and IT infrastructure services
- Customer insights solutions and loyalty systems
- E-commerce solutions
- Warehouse management systems

IT & Hosting

Comments on the second quarter

Hosting

Visma Hosting is offering domain and web hosting services to more than 330 000 customers in several European countries under the brands Loopia and Active 24. The international trend with market consolidation continues in 2017. We want to lead this change in our regions and are actively searching for interesting acquisition opportunities supporting our growth strategy. In Q2 we continued our intensive sales and marketing activities, which in combination with our friendly support organization delivered good new sales in Q2, and H2 looks promising. Following the launch of SSL certificates in Q1, we also launched our new advantageous partner program for our several thousand re-sellers in Sweden and Norway during Q2. We will increase our focus on SME's and launch additional services during H2-2017.

IT Operations

Our business is growing in all areas - with increased engagement in both on-premises operations and as a cloud broker. Our new, high-availability data center in Växjö, Sweden is hosting an increasing number of Swedish municipalities and enterprise level customers. Visma IT are engaging in an increasing number of projects doing automation in both private and public sector. We have designed an infrastructure for hosting machine learning algorithms and are providing machine learning projects from start to live production - we call this Business Process Automation as a Service.

Our focus on security throughout the organization - as well as claiming the relevant certifications of good security processes - has proven to be a good prioritization of time and resources. During the second quarter of 2017 numerous ransomware attacks (WannaCry, Petya, PetWrap, etc.) were launched globally - and many big companies experienced business outage and large financial losses. We were well prepared for these attacks and encountered no harm or loss to our business. Security is and will be a continuous focus area in Visma.

Segment at a glance

Target market:

- Small and middle sized companies and individuals

Management:

- Espen Håkonsen, Director Visma IT & communications
- John Hugosson, Director Hosting

Share of Group

3 %

Operating revenue

4 %

EBITDA

Quarterly Key Figures

Revenue	77 MNOK
Growth, YoY	2,0 %
EBITDA	18 MNOK
EBITDA margin	23,7 %
FTE	202
Headcount	209

Products and services:

- Server hosting and operations
- Desktop virtualization and virtual servers
- Cloud broker services
- Security services
- Web centric services: domain names, e-mail, etc.
- Contract and license management
- Application management
- Domains and e-mail solutions
- Web hosting, web site builders and e-commerce solutions

CONDENSED INTERIM FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF INCOME

(NOK in thousands)	2nd quarter 2017		1st half year 2017		Year 2016
	2016		2016		
CONTINUING OPERATIONS					
OPERATING REVENUE					
Sales revenue	2 217 175	1 991 385	4 318 473	3 861 922	7 855 248
Total operating revenue	2 217 175	1 991 385	4 318 473	3 861 922	7 855 248
OPERATING EXPENSES					
Sales and distribution costs (COGS)	390 666	350 825	736 220	679 110	1 383 931
Gross profit	1 826 509	1 640 560	3 582 253	3 182 812	6 471 317
Payroll and personnel expenses	1 061 771	934 735	2 072 249	1 838 850	3 558 574
Bad debts	3 990	4 035	7 519	5 677	12 699
Other operating expenses	277 425	248 177	549 888	484 614	975 950
Total operating expenses	1 343 185	1 186 948	2 629 656	2 329 141	4 547 222
EBITDA before M&A expenses	483 323	453 613	952 597	853 671	1 924 095
M&A expenses	1 905	7 470	3 896	9 296	15 935
EBITDA	481 418	446 143	948 701	844 375	1 908 160
Depreciation tangible assets and capitalised R&D	25 210	27 630	49 169	54 031	109 759
EBITA	456 208	418 513	899 533	790 343	1 798 401
Amortisation intangible assets	194 307	155 085	370 244	295 974	642 544
Operating profit EBIT	261 902	263 427	529 289	494 370	1 155 857
Result from associated companies	(20 680)	(2 730)	(19 463)	(1 468)	(3 111)
FINANCIAL ITEMS					
Financial income	45 295	9 303	52 066	13 584	22 330
Financial expenses	(85 944)	(70 348)	(134 331)	(150 327)	(280 811)
Net financial items	(40 649)	(61 045)	(82 266)	(136 743)	(258 481)
Profit before taxes from continuing operations	200 572	199 653	427 561	356 158	897 066
Taxes	50 888	62 897	102 815	114 101	207 546
Net income from continuing operations	149 684	136 756	324 745	242 057	689 520
DISCONTINUED OPERATIONS					
Net income from discontinued operations	0	71 116	9 034	142 439	3 511 600
Net income from continuing and discontinued operations	149 684	207 872	333 779	384 496	4 201 120
ATTRIBUTABLE TO:					
Equity holders of Visma AS	149 291	208 367	333 342	385 542	4 200 757
Non-controlling interests	393	(495)	437	(1 046)	363
EARNINGS PR SHARE					
Basic earnings per share (NOK in thousands)	149 291	208 367	333 342	385 542	4 200 757
Diluted earnings per share (NOK in thousands)	149 291	208 367	333 342	385 542	4 200 757
EBITDA margin	21,7 %	22,4 %	22,0 %	21,9 %	24,3 %

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK in thousands)	2nd quarter		1st half year		Year
	2017	2016	2017	2016	2016
Net income from continuing and discontinued operations	149 684	207 872	333 779	384 496	4 201 120
Net gain (loss) on financial hedging instruments, net of tax	5 249	1 161	14 123	28 296	23 112
Exchange differences on translation of foreign operations, net of tax	148 951	(16 235)	180 901	(76 743)	(91 643)
Net gain (loss) on defined benefit plan, net of tax	(169)	2 358	(226)	2 567	2 940
Other comprehensive income (loss) for the period, net of tax	154 030	(12 715)	194 797	(45 880)	(65 591)
Total comprehensive income for the period	303 715	195 157	528 576	338 616	4 135 529
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of Visma AS	303 322	195 652	528 139	339 662	4 135 166
Non-controlling interests	393	(495)	437	(1 046)	363

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(NOK in thousands)	30 June 2017	30 June 2016	31 March 2 017	31 December 2016
ASSETS				
Deferred tax assets	59 372	91 706	58 909	61 686
Patents and other intangible assets	1 701 799	1 524 351	1 607 521	1 531 124
Capitalised R&D cost own software	299 416	263 322	290 190	264 999
Contracts and customer relationships	1 580 199	1 419 300	1 495 744	1 389 124
Goodwill	6 914 496	6 703 821	6 402 148	6 100 589
Property, land and buildings	21 335	21 168	21 335	21 151
Machinery and equipment	98 618	133 220	92 638	94 189
Financial assets/Shares	43 441	43 824	39 295	39 675
Investment in associated companies	64 454	82 759	85 134	83 917
Other long-term receivables	431 774	16 261	415 643	418 808
Total non-current assets	11 214 904	10 299 733	10 508 556	10 005 262
Inventory	55 148	45 134	39 308	38 650
Accounts receivables	939 700	1 064 355	961 958	1 102 192
Other current receivables	386 263	356 530	410 198	536 501
Cash and cash equivalents	4 849 163	3 271 184	4 611 514	5 866 935
Total current assets	6 230 274	4 737 203	6 022 979	7 544 278
TOTAL ASSETS	17 445 178	15 036 936	16 531 534	17 549 539
EQUITY AND LIABILITIES				
Paid-in capital	627 952	1 991 726	533 952	1 991 726
Other reserves	340 722	165 636	186 692	145 925
Retained earnings	6 018 998	2 280 248	5 869 707	6 092 291
Equity attributable to equity holders of Visma AS	6 987 672	4 437 611	6 590 350	8 229 942
Non-controlling interests	16 376	4 507	21 581	21 971
Total equity	7 004 048	4 442 118	6 611 932	8 251 913
Pension liabilities	(9 987)	(8 045)	(9 457)	(9 327)
Deferred tax liability	977 090	956 390	860 014	888 089
Financial hedging Instruments	100 818	154 563	107 635	119 160
Long-term interest bearing bank loans	5 785 807	5 187 617	4 852 271	4 995 903
Accrued funding fees	(20 118)	(21 029)	(16 522)	(18 025)
Other long-term non interest bearing liabilities	250 688	229 276	282 142	276 557
Long-term liabilities to group companies	0	0	0	0
Total non-current liabilities	7 084 297	6 498 773	6 076 082	6 252 358
Bank overdraft	(0)	746 187	165 029	163 553
Short-term interest bearing bank loans	100 000	100 000	100 275	100 000
Trade creditors	349 759	338 579	352 485	425 319
Public duties payable	308 679	414 596	524 039	340 370
Tax payable	(27 886)	(19 197)	6 348	36 615
Deferred revenue	1 504 636	1 374 689	1 842 222	1 084 335
Other current liabilities	1 121 643	1 141 190	853 121	895 075
Total current liabilities	3 356 831	4 096 044	3 843 520	3 045 267
Total liabilities	10 441 129	10 594 817	9 919 602	9 297 626
TOTAL EQUITY AND LIABILITIES	17 445 177	15 036 935	16 531 534	17 549 539

CONSOLIDATED STATEMENT OF CASH FLOWS

(NOK in thousands)	2nd quarter		1st half year		Year
	2017	2016	2017	2016	2016
Ordinary profit before tax from continuing and discontinued operations	200 572	274 378	427 561	506 379	1 122 128
Depreciation tangible assets	11 840	17 836	23 632	34 723	69 463
Depreciation capitalised R&D cost	13 370	13 040	25 537	25 850	52 750
Amortisation patents and other intangible assets	90 389	71 549	171 076	132 912	303 476
Amortisation contracts and customer relationships	103 917	84 519	199 167	164 904	345 459
Amortisation Goodwill	0	0	0	0	0
Tax paid	(49 640)	(53 396)	(97 010)	(93 419)	(107 070)
Changes in debtors	22 258	25 984	162 492	43 652	5 815
Changes in inventory and trade creditors	(18 565)	49 841	(92 057)	15 006	108 230
Changes in public duties payable	(215 360)	(210 405)	(31 691)	(23 776)	(98 002)
Changes in deferred revenue	(337 586)	(347 314)	420 301	278 923	(11 431)
Changes in other accruals	113 551	102 345	(20 155)	87 884	248 376
Net cash flow from continuing and discontinued operations	(65 253)	28 377	1 188 853	1 173 039	2 039 195
Net cash flow from continuing operations	(65 253)	(71 475)	1 188 853	1 004 532	1 803 584
Net cash flow from discontinued operations	0	99 852	0	168 507	235 611
Sale of (investment in) tangible fixed assets	(14 762)	(8 814)	(20 908)	(27 142)	(57 265)
Sale of (investment in) R&D own software	(18 013)	(18 936)	(32 217)	(38 638)	(71 913)
Net cash flow from investments	(32 775)	(27 750)	(53 125)	(65 779)	(129 179)
Investment in tangible fixed assets related to business combinations	(863)	(4 439)	(4 196)	(6 658)	(10 865)
Investment in R&D software related to business combinations	(1 163)	(7 062)	(9 114)	(7 441)	(26 281)
Sale of (investment in) businesses	(458 369)	(844 670)	(917 174)	(1 164 597)	(1 779 303)
Sale of (investment in) shares	(4 146)	(76)	(3 766)	186	4 336
Net proceeds from divestiture of discontinued operations	0	0	274 248	0	3 302 521
Net cash flow from investments related to business combinations	(464 541)	(856 247)	(660 002)	(1 178 510)	1 490 408
Repayments of interest bearing loans	0	0	(184 011)	(174 010)	(224 010)
Net proceeds from interest bearing loans	744 375	0	744 375	738 664	738 664
Changes in bank overdraft	(164 444)	743 966	(164 444)	235 558	(332 017)
Changes in long term receivables/payables	55	1 183	3 220	991	(1 556)
Payment of Group contribution	0	0	(2 042 179)	(403 027)	(403 027)
Cash inflow from dividends	23 400	4 000	23 400	4 000	4 000
Net cash flow from share issues	94 000	215 697	94 000	215 697	215 697
Cash inflow from interest	8 042	5 966	14 813	10 875	21 233
Cash outflow from interest and fees	(18 561)	(3 625)	(125 418)	(155 402)	(286 572)
Net cash flow from financing activities	686 866	967 187	(1 636 245)	473 345	(267 587)
Net cash flow	124 296	111 567	(1 160 518)	402 095	3 132 837
Cash and cash equivalents, beginning of period	4 611 514	3 183 773	5 866 935	2 915 318	2 915 318
Net foreign exchange differences	113 352	(24 156)	142 746	(46 230)	(181 221)
Cash and cash equivalents, end of period	4 849 163	3 271 184	4 849 163	3 271 184	5 866 935
EBITDA to net cash flow from operations	-13,6 %	-16,0 %	125,3 %	119,0 %	94,5 %

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(NOK in thousands)	Attributable to equity holders of Visma AS				Non-controlling interests	Total equity
	Paid-in share capital	Other reserves	Retained earnings	Majority's share of equity		
Equity as at 01.01.2016	1 776 029	211 516	2 170 287	4 157 832	6 049	4 163 880
Issue of share capital	215 697		0	215 697		215 697
Profit for the period			4 200 757	4 200 757	363	4 201 120
Net gain (loss) on financial hedging instruments, net of tax		23 112		23 112		23 112
Exchange differences on translation of foreign operations, net of tax		(91 643)		(91 643)		(91 643)
Net gain (loss) on defined benefit plan, net of tax		2 940		2 940		2 940
Total comprehensive income for the period		(65 591)	4 200 757	4 135 166	363	4 135 529
Group contribution			(275 580)	(275 580)		
Changes to non-controlling interest; acquisition and arising on business combination			(3 173)	(3 173)	15 560	12 387
Equity at end of period	1 991 726	145 925	6 092 291	8 229 942	21 971	8 251 913
Equity as at 01.01.2017	1 991 726	145 925	6 092 291	8 229 942	21 971	8 251 913
Issue of share capital	94 000		0	94 000		94 000
Profit for the period			333 342	333 342	437	333 779
Net gain (loss) on financial hedging instruments, net of tax		14 123		14 123		14 123
Exchange differences on translation of foreign operations, net of tax		180 901		180 901		180 901
Net gain (loss) on defined benefit plan, net of tax		(226)		(226)		(226)
Total comprehensive income for the period		194 797	333 342	528 139	437	528 576
Group contribution	(1 457 774)		(406 635)	(1 864 409)		(1 864 409)
Changes to non-controlling interest; acquisition and arising on business combination			0	0	(6 032)	(6 032)
Equity at end of period	627 952	340 722	6 018 998	6 987 672	16 376	7 004 048

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

NOTE 1 – ORGANISATION AND BASIS OF PREPARATION

General information and organisation

Visma (the Group) consists of Visma AS (the Company) and its subsidiaries. Visma AS is a limited liability company, incorporated in Norway. The address of its registered office is Karenslyst allé 56, N-0214 Oslo, Norway.

The Visma Group's business consist principally of the Small and Medium, the Government and Large Accounts and the Business Process Outsourcing Business.

Visma's condensed interim financial statements for the second quarter of 2017 were authorised for issue by the board of directors on July 10th 2017.

Basis of preparation

These condensed interim financial statements are prepared in accordance with International Reporting Standard IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The condensed interim financial statements do not include all the information and disclosures required by Financial Reporting Standards (IFRSs) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the Visma annual financial statements. A description of the significant accounting policies applied is included in the Visma annual financial statements for 2016 and applies to these condensed interim financial statements, except for the adoption of new standards and interpretations as of January 1, 2017.

The condensed interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the dates and interim periods presented. Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. Certain amounts in the comparable periods have been restated to conform to current period presentation.

The condensed interim financial statements are unaudited.

Changes to significant accounting policies in the current period

There have been no significant changes to accounting policies in 2016 compared to the annual financial statements for 2016.

Use of estimates

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis, considering the current and expected future market conditions. A change in an accounting estimates is recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTE 2 — SEGMENT INFORMATION

Visma reports its business through five reporting segments, Small and Medium Business (SMB), Enterprise, Retail, Custom Solutions and IT & Hosting. These aggregations has its basis in similar economic characteristics, the nature of products, services and the type and class of customers and the market their customer operates in.

Transfer prices between segments are set at an arm's length basis in a manner similar to transactions with third parties. Visma AS and national holding companies are disclosed under Group HQ.

NOTE 2 — SEGMENT INFORMATION continued

Segment data for the second quarter of 2017 and 2016 are presented below. The measurement basis of segments profit is Net operating income. Deferred tax assets, pension assets and non-current financial assets are not allocated to the segments.

OPERATING SEGMENTS

2nd quarter	2017							2016						
(NOK in thousands)	SMB	Enterprise	Custom Solutions	Retail	IT & Hosting	Group HQ	TOTAL	SMB	Enterprise	Custom Solutions	Retail	IT & Hosting	Group HQ	TOTAL
Revenue														
Total segment revenue	1 288 976	651 340	320 496	346 149	115 529	40 239	2 762 729	1 195 837	549 382	273 543	349 114	108 943	39 010	2 515 830
Internal revenue	193 996	164 409	36 231	76 788	38 229	35 902	545 554	204 994	131 707	35 120	82 647	33 149	36 829	524 445
External revenue on each group of similar products and services														
On-premises software	462 754	271 310	188 252	94 723	0	0	1 017 038	486 761	242 051	135 882	103 949	511	0	969 155
Cloud Computing	606 163	192 177	87 809	129 723	77 295	0	1 093 167	467 917	147 130	97 141	104 954	64 367	0	881 509
Other	26 063	23 444	8 204	44 916	5	4 338	106 969	36 165	28 494	5 401	57 564	10 917	2 181	140 721
External revenue	1 094 980	486 932	284 264	269 361	77 300	4 338	2 217 175	990 843	417 675	238 424	266 467	75 795	2 181	1 991 385
Actual growth (external) %	10,5 %	16,6 %	19,2 %	1,1 %	2,0 %		11,3 %							
EBITDA	305 450	103 667	36 461	17 428	18 309	104	481 418	300 452	79 240	39 210	16 673	12 192	(1 624)	446 143
EBITDA margin	27,9 %	21,3 %	12,8 %	6,5 %	23,7 %		21,7 %	30,3 %	19,0 %	16,4 %	6,3 %	16,1 %		22,4 %

1st half year	2017							2016						
(NOK in thousands)	SMB	Enterprise	Custom Solutions	Retail	IT & Hosting	Group HQ	TOTAL	SMB	Enterprise	Custom Solutions	Retail	IT & Hosting	Group HQ	TOTAL
Revenue														
Total segment revenue	2 511 012	1 263 025	632 284	690 762	224 186	80 088	5 401 359	2 338 196	1 069 815	516 374	667 959	218 968	78 325	4 889 637
Internal revenue	377 775	320 944	78 137	161 619	72 819	71 592	1 082 886	402 048	259 455	69 260	157 738	65 359	73 854	1 027 715
External revenue on each group of similar products and services														
On-premises software	917 575	536 686	359 523	184 884	1	0	1 998 669	966 338	478 296	255 536	202 924	1 260	0	1 904 355
Cloud Computing	1 166 102	359 665	183 319	255 441	151 359	0	2 115 885	898 445	275 009	183 356	204 126	130 676	0	1 691 613
Other	49 560	45 729	11 306	88 819	8	8 496	203 919	71 364	57 056	8 221	103 170	21 673	4 472	265 954
External revenue	2 133 237	942 081	554 147	529 143	151 368	8 496	4 318 473	1 936 148	810 360	447 114	510 220	153 609	4 472	3 861 922
Actual growth (external) %	10,2 %	16,3 %	23,9 %	3,7 %	-1,5 %		11,8 %							
EBITDA	601 757	204 554	83 976	29 706	31 014	(2 305)	948 701	580 399	145 579	70 241	27 156	21 725	(726)	844 375
EBITDA margin	28,2 %	21,7 %	15,2 %	5,6 %	20,5 %		22,0 %	30,0 %	18,0 %	15,7 %	5,3 %	14,1 %		21,9 %

Reconciliation	2nd quarter		1st half year	
	2017	2016	2017	2016
Profit before taxes	200 572	199 653	427 561	356 158
Net financial items	40 649	61 045	82 266	136 743
Result from associated companies	20 680	2 730	19 463	1 468
Depreciations and amortisations	219 516	182 715	419 412	350 005
EBITDA	481 418	446 143	948 701	844 375
EBITDA in operating segments	481 418	446 143	948 701	844 375

GEOGRAPHICAL AREAS

(NOK in thousands)	2017			2016		
	Net sales	%	Long lived assets	Net sales	%	Long lived assets
Norway	1 708 031	39,6 %	3 061 245	1 540 400	39,9 %	3 771 821
Sweden	1 494 629	34,6 %	2 627 376	1 452 237	37,6 %	2 294 442
Denmark	365 408	8,5 %	1 935 512	315 917	8,2 %	1 821 539
Finland	593 565	13,7 %	2 038 415	404 476	10,5 %	1 210 623
Netherlands	156 840	3,6 %	833 362	148 892	3,9 %	812 368
Total	4 318 473	100,0 %	10 495 909	3 861 922	100 %	9 910 794

NOTE 3 — BUSINESS COMBINATION

During the second quarter of 2017, Visma had a net cash flow from investment of NOK 917,2m

Enterprise

On May 18th, Visma made its first acquisition in Internet of Things (IoT) Cloud Solutions through the acquisition of Finnish Megaflex Oy, Megaflex provides IoT cloud solutions for access and work time management. On June 9th, Visma acquired Comenius Svenska AB, a Swedish provider of SaaS Talent Management Software.

Custom Solutions

On June 28th, Visma acquired Infrastone Oy, a Finnish Qlik and BI consulting company. The acquisition further strengthen Visma's position as the leading provider of BI consulting and Qlik based solutions in the Nordics.

Retail

On April 6th, Visma acquired NYCE Solutions AB, a Swedish provider of complex storage and logistics software solutions. Through the acquisitions, Visma strengthen the focus on Warehouse Management Software.

The fair value of the identifiable assets and liabilities as at the date of acquisition were:

	NYCE Solutions AB	Megaflex Oy	Comenius Svenska AB	Infrastone Oy
(NOK in thousands)	06.04.17	18.05.17	09.06.17	28.06.17
Deferred tax assets			1 107	
Shares		4 398		
Other intangible assets		1 163		
Machinery and equipment	256	142	117	389
Property				
Other long-term receivables			104	
Inventories		13 074	15	
Trade receivables	3 017	4 444	7 451	3 706
Other short term receivables	1 781	1 202	1 860	1 362
Cash and cash equivalents	2 070	9 323	16 261	3 922
Assets	7 124	33 746	26 914	9 379
Other long-term liabilities		6 557		
Deferred tax liability	474		3 242	
Bank overdraft				
Trade creditors	515	7 284	1 573	1 120
Public duties payable	1 359	1 808	1 613	180
Tax payable	662	598	237	899
Other current liabilities	1 784	2 946	9 340	3 143
Liabilities	4 794	19 192	16 005	5 342
Fair value of net assets	2 330	14 554	10 910	4 037
Non-controlling interests				
Goodwill arising on acquisition	39 661	146 214	73 568	10 616
Other intangible assets	17 210	66 987	36 987	6 541
Contracts and customer relationship arising on acquisition	17 210	66 987	44 384	7 850
Deferred tax liability	(7 572)	(26 795)	(17 902)	(2 878)
Total acquisition cost	68 839	267 946	147 948	26 165
Net cash acquired with the subsidiary	(2 070)	(9 323)	(16 261)	(3 922)
Cash paid	33 368	118 328	147 948	26 165
Net cash outflow	31 298	109 005	131 687	22 243
Deferred payment	35 471	149 618	0	0

ALTERNATIVE PERFORMANCE MEASSURES

General information

Visma Group's condensed interim financial statements are prepared in accordance with International Reporting Standard IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). Additionally, selected alternative performance measures are provided by the management in this report to allow the reader to gain a better understanding of the Group's underlying performance. The alternative performance measures provided may be defined or calculated differently than for other companies.

EBITDA / EBITA / EBIT

EBITDA is defined as Earnings Before Interests, Tax, Depreciation and Amortization and is an indicator of the performance of the underlying operations in Visma Group. EBITDA margin is presented as EBITDA as a percentage of Operating Revenues. In addition to EBITDA, management also present EBITA which is defined as EBITDA less Depreciation as well as EBIT / operating profit defined as EBITA less amortization.

EBITDA growth is presented for the current quarter, defined as the percentage growth over EBITDA in the same quarter last year. EBITDA growth is also presented on a year-to-date basis, defined as the percentage growth over EBITDA for the corresponding period last year.

SaaS Annualized Repeatable Revenue (SaaS ARR)

Software-as-a-Service ("SaaS") solutions are an important growth area for Visma. Unlike traditional on-premises solutions that are locally installed, SaaS Solutions are centrally installed in datacentres run by either Visma or third party providers, and made accessible to the customer through a "thin client" such as a web browser or mobile app.

SaaS ARR measures the full monthly value of committed recurring and repeatable revenue base from the existing SaaS customer base. It is a forward looking indicator of future repeatable revenue from the existing customer base. ARR is always measured at full monthly value, which is multiplied by 12 to arrive at an annualized value.

Customer Contracts

The number of customers that have a support, subscription or maintenance agreement. A customer may be counted several times between licensing systems, due to acquisitions.

Number of e-invoicing transactions

The number of e-invoicing transactions processed through Visma's e-invoicing hubs. SaaS e-invoices is an important growth area for Visma.

On-premises software

Revenue from On-premises software is revenue related to software installed on the customers premises, typically windows based software and similar. Revenue from consulting and implementation of on-premises software is also included here.

Cloud Computing

Revenue from cloud computing is revenue derived from SaaS and SaaS related services, such as for instance consulting on SaaS solutions or cloud infrastructure services. Unlike traditional on-premises solutions that are locally installed, SaaS Solutions are centrally installed in datacentres run by either Visma or third party providers, and made accessible to the customer through a "thin client" such as a web browser or mobile app.

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