ANNUAL REPORT 2014

LEADING TOWARDS TRUE NORTH

VISMA

CONTENT

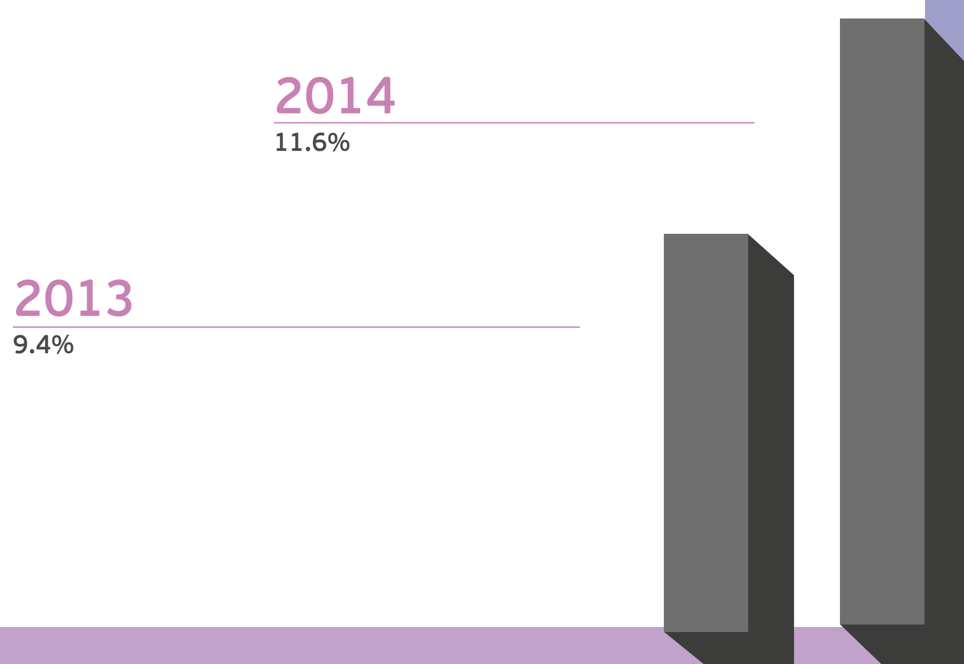
KEY FIGURES

KEY FIGURES

(NOK 1 000)	2014 IFRS	2013 IFRS	2012 IFRS	2011 IFRS	2010 IFRS
Operating revenues	7 119 405	6 452 354	5 748 523	5 141 908	4 167 689
Growth	10%	12%	12%	23%	23%
EBITDA	1 475 633	1 325 145	1 114 343	934 104	815 103
Profit/(loss) after minority interests	476 699	564 207	414 264	307 519	374 405
Earnings per share	-	-	-	-	-
No. of shares	1	1	1	1	1
Total assets	10 220 146	9 009 628	7 820 090	7 570 315	5 663 295
Current liabilities	2 677 865	2 134 658	1 770 997	1 884 110	1 328 543
Long-term liabilities	5 226 396	4 918 163	4 570 500	4 412 101	3 164 445
Equity	2 315 886	1 956 807	1 478 592	1 274 104	1 170 307

Visma's SaaS business matured considerably during 2014. SaaS revenues grew 37% to NOK 828 million and accounted for 11.6% of total revenues in 2014 vs 9.4% in 2013. This was driven by the macro-trend for companies to utilise cloud computing and mobility for almost any applications, including ERP, HR and Payroll.

SAAS REVENUE OF TOTAL REVENUE



NUMBER OF EMPLOYEES & REVENUE

2001
REVENUE
NOK 831 299

EMPLOYEES
1 570

2014
REVENUE
NOK 7 119 405

EMPLOYEES
6 300

2013
REVENUE
NOK 6 452 354

EMPLOYEES
5 648

2012
REVENUE
NOK 5 748 523

EMPLOYEES
5 385

2011
REVENUE
NOK 5 141 908

EMPLOYEES
4 501

2010
REVENUE
NOK 4 167 689

EMPLOYEES
4 442

2009
REVENUE
NOK 3 381 357

EMPLOYEES
3 758

2002
REVENUE
NOK 1 151 840
EMPLOYEES
1 570

2003
REVENUE
NOK 1 340 364
EMPLOYEES
1 749

2004
REVENUE
NOK 1 665 578
EMPLOYEES
2 097

2005
REVENUE
NOK 1 906 614
EMPLOYEES
2 347

2006
REVENUE
NOK 2 305 616
EMPLOYEES
2 512

2007
REVENUE
NOK 2 723 213
EMPLOYEES
2 843

2008
REVENUE
NOK 3 045 613
EMPLOYEES
3 092

PROFITABLE GROWTH NEW OPPORTUNITIES

2014 was a prosperous year for Visma, with good and profitable growth. Revenues increased by 10.3% and EBITDA grew by 11.4%, and the EBITDA-margin improved from 20.5% to 20.7%. We saw strong growth in new business areas like SaaS ERP and electronic invoicing. SaaS revenue grew 37%. At the same time we continued to strengthen our position through acquisitions. The Nordic market growth was moderate, but steady. All in all we have good reasons to be optimistic about 2015.

2014 saw substantial political turmoil and changes. The Russian aggression towards Ukraine had some indirect effects on the markets where Visma operates. The EU restrictions towards Russia lead to counteraction with trade embargoes effecting especially Norway and Finland. However, after initial worries, it seemed like products found new routes into Russia, or new markets absorbed the surplus. For the Norwegian economy the dramatic fall in crude-oil prices created worries and the NOK depreciated substantially. However, natural gas is a larger export than oil, and all kind of oil related services and engineering is an even larger export. The weaker NOK lead to better competitiveness and thus it seems that the Norwegian trade-surplus is holding up pretty well. The Hellas crisis concerned EU and the Euro-zone, but the real impact from the Greek economy is probably too small to be significant.

While there are uncertainties at the beginning of 2015, in general there is a more optimistic mood than mid-year 2014. It seems GDP in Finland will grow for the first time in several years. The Norwegian economy seems quite resilient as other industries are taking up the slack from less oil related activities, Denmark seems to have good growth, the parliamentary situation in Sweden is more clear, and the Dutch economy is benefiting from better growth in the EU at large. The Baltic region, including Latvia where Visma is the leading ERP software company, is among the fastest growing regions in Europe. The combination of a well educated work-force, relatively low cost level and vicinity to the high-cost Northern European region will drive high growth in the coming years as well.

SUCCESS IN MANY AREAS

Visma's SaaS business matured considerably during 2014. SaaS revenues grew 37% to NOK 828 million and accounted for 11.6% of total revenues in 2014 vs 9.4% in 2013. This was driven by the macro-trend for companies to utilise cloud computing and mobility for almost any applications, including ERP, HR and Payroll.

The Visma eAccounting entry-level ERP system passed 25,000 customers by the end of 2014 and the number is expected to double during 2015. During 2014 Visma introduced a whole range of new cloud and mobile solutions, like International Payroll and HR, a new generation of Travel Expense, Visma.net Financial ERP for larger customers. Through Netvisor and Severa Visma has a strong position in Finland on SaaS ERP-systems, and this was further strengthened through the acquisition of the Finvalli cloud ERP solution and Logium travel expense solution.

Visma BPO is in a major transition as most customers will use Internet to access their accounting reports. Also, they may approve invoices, issue their own invoices, submit travel expense forms and view their pay-slips online. Continuing into 2015, Visma BPO will strengthen its position as a cloud-enabled provider for outsourcing services within accounting and payroll. This cloud strategy builds a foundation for more attractive and competitive services.

Visma Retail experienced that the whole retail industry is under hard pressure from e-commerce, and successful retailers will have to embrace an omni-channel strategy, combining physical stores with e-commerce. Through the acquisition of Wallmob, and in-house product development, Visma has the solutions enabling retailers at combining traditional stores with mobile and cloud-based e-commerce. For the traditional stores self-checkout, iPAD point of sales solutions and mobile payment reduces expenses and improve the shopping experience for their customers.

In all our markets governments are moving fast towards digital solutions and away from legacy solutions. There is extensive investments in e-government solutions, and during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2014 Visma achieved a strong position in Finland as well in the Scandinavian markets. Around 20% of the total revenue in Visma is towards governments, central or local, and Visma see it as one of our missions to help make the public services and government more modern and efficient.

CONSIDERABLE GROWTH POTENTIAL IN EXISTING MARKETS

Visma has concentrated its operations to the Nordic, Baltic and the Dutch markets. This priority has made it possible to achieve strong market positions, high brand awareness, operational efficiencies and competitiveness. Visma´s ambition is to be the national and regional leader in its product categories, an advantage versus global competitors. Rather than overextending resources, Visma intends to be the strongest and most profitable supplier in the markets where we operate. There are still multiple growth opportunities. When Visma will expand to new geographies, most likely this will be through acquisition of market leading local companies, and we remain loyal to the strategy about being a strong and sizeable player in each market, rather than spreading thin globally.

WE NEED TO INVEST IN THE FUTURE

Investments in product development and innovation are key success factors for Visma. Investments in these areas will continue. Visma has maintained development at high levels throughout 2014, and R&D expenses amounted to approximately 12% of revenues. More than half of R&D investments are related to SaaS projects. Visma will continue developing Intellectual Properties based on both Java/Open source and Microsoft .Net.

OFF-SHORING – A KEY TO SUCCESS

Visma is competing with larger global and regional companies and we are dependent on our off-shoring capacity. The Nordic cost level combined with insufficient access to competent human resources have been the drivers behind the build-up of our off-shoring activities, which today comprise operations in Romania, Lithuania, Latvia, Poland, Ireland and Spain. At the end of 2014 we had 681 full time employees in these locations, and the plan is to increase this to around 1000 FTE by the end of 2015. Most resources are within software development and accounting/payroll outsourcing. The offshoring operations are necessary to facilitate development of new SaaS solutions, to win larger consulting contracts and to be able to be competitive on outsourcing business.

NEW OPPORTUNITIES AHEAD

There are plenty of reasons to be enthusiastic about 2015. This will probably be a very active year for Visma. The growth in SaaS is expected to continue and Visma will further launch innovative products. We also see several larger acquisition opportunities.

The economies in which Visma operates are in relatively good shape, and we will act on growth opportunities while simultaneously controlling costs. Customer satisfaction and retention, Cloud computing and building an even more competent and enthusiastic organisation are key priorities.

> **"Visma´s ambition is to be the national and regional leader in its product categories, and this is a competitive advantage versus global competitors. Rather than overextending resources, Visma intends to be the strongest and most profitable supplier in the markets where we operate.**

Øystein Moan

CEO - Visma

LEADING OUR CUSTOMERS TOWARDS TRUE NORTH

Businesses in Northern Europe need to find new ways to stay ahead. As their traditional advantages are eroded by emerging markets and a sterner financial climate, they need to improve the efficiency of their admin and production processes to retain the upper hand.

True North is the direction along the earth's surface towards the geographic North Pole – the precise most northern point of the globe. The difference between the magnetic North Pole – the one your compass points to – and True North is only slight, and most of the time we are able to make do with knowing roughly what direction north is.

However, what if the margins for error became so small that just a fraction of a degree would set you off on the wrong course, leading you further and further away from your goal?

For many businesses in Northern Europe, this is the reality.

The Nordic countries are famous for being among the best places in the world to live – and they offer great conditions for entrepreneurs to start, run, and grow businesses.

Corruption is close to non-existent compared to other parts of the world. The education level of the population are among the highest in the world, and, as a consequence of work-life balance having such a strong standing in the region, North-Europeans are highly efficient during working hours. Additionally, risks attached to starting a business are mitigated by a generous and well-run social security system.

The flipside, of course, is that these advantages come at a price. Taxes are high, as are the wages.

With low-cost countries now able to compete in terms of skills, Nordic businesses have their work cut out for them. They cannot compete on labor-cost. Hence, they need other means to boost productivity.

This constitutes the backdrop for Visma's raison d'être and mission; to provide our customers with solutions and services that enable them to be world leading in terms of efficiency.

They have to ensure that every aspect of their business – every cog in their machinery – is tuned to perfection. They need to aim for True North.

INTEGRATION AND AUTOMATION OF BUSINESS PROCESSES

Through fully integrated solutions, Visma customers diminish manual data entry and are able to automate routine tasks, such as filing expense claims and managing accounts receivable and payable. This sets them up with a strong competitive advantage, as they are able to refocus resources to business development, customer care, and product development.

CLOUD IS THE NEW NORM

We don't have to go back more than a couple of years to find that "cloud" or "web-based" were touted as a key differentiator. Today, customers expect nothing less from new solutions. If you launch an on-premise solution in 2015, you need a very good reason and the ability to counter disappointed customers.

Whereas it used to be that the apps and services we used privately far surpassed those at work, Visma's business cloud solutions combine the flexibility that modern professionals desire with the performance previously reserved for on-premise software. They can access their work anytime and anywhere, and they are assured that information and data is updated in real-time and synced across the board.

What is perhaps most striking is the design and usability, which offers a substantial lift in both efficiency and enjoyment.

VALUE-ADDING SERVICES

Having a large outsourcing operation allows us to practice what we preach. By automating key processes, such as incoming and outgoing invoices, credit control, payments and expense claims, our accountants free up 40-60% of their time. No more manually punching dockets. Instead, they provide our clients with value-adding services, taking on roles as financial advisors and project manager.

VISMA LEADING THE WAY

At Visma, our goal is to make our customers the champions of their industries. In order to do so, we have to be their guiding star, leading them onwards and upwards to the True North.

SOFTWARE SOLUTIONS FOR SMALL & MEDIUM SIZED BUSINESSES

Visma Software SMB are driving the development of cloud solutions for both small and complex businesses. Those looking for a more cautious approach may opt for a hybrid solution with cloud services added to their existing on-premise core systems.

Businesses are forced to respond faster to customer needs and requirements in order to increase and sustain profitability and growth. This means focus on innovation, cost control, internal efficiency and customer satisfaction.

CLOUD COMPUTING GAINING TRACTION

We offer small and medium sized businesses unique solutions within ERP, HRM, payroll, debt collection, electronic invoicing, and web hosting along with other related products and services. With solutions from Visma, businesses are able to meet current and future requirements from their customers.

Cloud computing is a game changer with its compelling capabilities regarding process efficiency and interaction between employees, partners, and customers.

Visma leads the way in the transition to cloud technology. Our solutions are available on multiple platforms allowing managers and employees to access their ERP or HRM solution anywhere from their smartphones, tablets or computers. Employees also receive payslips, manage expense claims, fill out time reports, and perform other tasks on the go.

HYBRID CLOUD SOLUTIONS

The majority of businesses still run traditional, locally installed solutions. For larger organisations, migration to cloud based solutions is not yet a viable option due to the complexity and cost involved. In order to benefit from the cloud environment, Visma has developed a number of add-on cloud services, such as Visma.net Expense and Visma.net Approval, which are possible to integrate with the current on-premise solutions (see next page).

Other integrated cloud services that support the increasing demand for automation and efficiency is Visma AutoInvoice, Visma AutoPay and Visma AutoCollect, which enables customers to send and receive electronic invoices, perform electronic payments, and fully automate their debt collection.

HIGH EXPECTATIONS TO 2015

The accelerating speed of cloud technology will continue throughout 2015, and Visma will launch new solutions, new functionality and new integrated services. This way, we will continue to support businesses and organisations in making faster and better business decisions – and to make work processes less manual.

Software SMB products and services

- ERP and financial solutions
- CRM
- Invoicing and payment solutions
- Dunning and debt collection services
- HRM and payroll administration systems
- Solutions for artisans and other industries
- Project management and professional service automation (PSA)
- Procurement administration and notification
- Procurement pooling for administrative purchases
- Training and staffing
- Web hosting, communication and collaboration solutions
- Solutions for accounting practices

One to watch

VISMA.NET EXPENSE

Visma.net Expense has radically simplified the process of filling out and managing travel and expense reimbursements.

Expense claims are a pet peeve for many professionals; collecting and keeping track of receipts while on the road and going through the tedious paperwork that follows when they get back. With this backdrop, there is little wonder Visma.net Expense has been given such a warm reception in the market.

With Visma.net Expense, the paperwork is gone. Expenses are filled out on the road, and the entire process is reduced to just a few keystrokes.

TAKE A PICTURE OF YOUR RECEIPTS

The app Visma Attach lets users take a picture of their receipts and send them directly to the solution. All expenses, receipts and mileages will be available in the solution after a trip. All that is left to do is to connect the expenses and receipts that belong together.

UPLOAD ELECTRONIC RECEIPTS AND EXPENSE REPORTS

With their credit card linked to the solution, the users' transactions are automatically imported into the solution for them to validate.

IMPORT MILEAGE DIRECTLY INTO THE SOLUTION

A separate route-tracking app tracks mileage and send all the information directly into the solution. The company can set its own standard for mileage reimbursement in the app, and it even shows how much the user has paid in tolls.

APPROVE EXPENSE CLAIMS ON THE GO

With the app Visma Mobile Manager, managers can approve expense claims on the go on their mobile or tablet.

Visma.net Expense can be used as a stand-alone solution, or it can be integrated with Visma Payroll or other payroll systems. The integration ensures that all eligible travel expenses will be added to the payroll system quickly and easily.

TAKING THE HASSLE OUT OF BUSINESS TRAVEL

Visma.net Expense has simplified every step of the expense reimbursement process and killed off a string of manual tasks. It is all cloud based, it is fully automated, and it is innovation with an impact. Now, that is efficiency.

SOFTWARE SOLUTIONS FOR GOVERNMENT & LARGE ACCOUNTS

Delivering software and IT solutions for the public sector, large enterprises, and the retail industry.

Visma provides the public and non-profit sector with e-government solutions for improving work processes, reducing superfluous bureaucracy, and simplifying collaboration.

To private enterprises, Visma offers turn-key solutions to streamline end-to-end admin processes within their business. Through our vast range of offerings, our customers have the freedom to build their own service combinations.

CLOUD SOLUTIONS FOR LARGE ENTERPRISES

Transition to cloud is our most important growth enabler in the years ahead, and we experience good progress on our Visma.net products. At present, most large enterprises find it unfeasible to replace their core systems with cloud services. However, there is great demand for adding cloud services to existing on-premise systems. This hybrid state is a natural step in the cloud evolution.

Visma.net Expense and Visma.net Payroll are examples of such add-on cloud services. The former is available in Norway, Finland, and soon in Sweden, while the latter has launched in the Netherlands with good sales so far.

NATIONWIDE SCHOOL ADMIN SOLUTION

Visma is a major player in the public sector with a strong foothold within healthcare, assistive technology, finance, and education. Visma has secured its biggest contract to date; developing and implementing a new cloud based admin solution for Norwegian schools. The project, named Vigo, will play an important role in modernizing Norwegian schools and will have more than one million users when launching.

SOFTWARE CONSULTING AND DEVELOPMENT

Visma's IT consultants help government organizations and large private companies to automate their business processes, develop integrations between IT systems, and capture, organize, store, analyze, and visualize large amounts of information.

We create self-service solutions for users of public services, and through our cloud technology, our customers are able to stay open and serve their clients 24-7, all year. We provide both customized and standard solutions along with efficient maintenance and continuous development and enhancement of our customers' IT solutions.

Software GLA products and services

- HRM and payroll administration systems
- Travel expense management systems
- Procurement administration and notification
- ERP and financial systems
- Mobile and cloud solutions for schools, childcare and welfare
- System development and integration
- Application management
- E-government solutions and 24/7 self service
- Case & Document Management
- E-commerce solution
- Information Management & business intelligence
- Fishery Control solutions
- Retail HQ and back office software
- Retail POS and self-service solutions (self-checkout, self-scanning, service stations)
- Retail mobile solutions (mobile POS, mobile back office, apps)
- Retail hardware and IT infrastructure services

One to watch

OMNI-CHANNEL POINT OF SALE

In this new era of consumer shopping, enterprises need to embrace omni-channel retailing to deliver a seamless customer experience and improve the bottom line.

Modern retail is about selling through different channels in one united process and handling them from a single point of sale (POS) system that is easy to use. With Wallmob, retailers can integrate their web shop with their physical store, and manage it from any POS terminal in their business. The automated administration functions for sales, storage and accounting help save time and deliver extended service options for customers.

THE FUTURE OF RETAIL IS CLOUD-BASED

Wallmob is the link between the past and the future of retail. We use innovative tablet POS technologies to make the point of sale mobile with full integration of backend systems and enterprise-friendly features.

Our mobile and tablet POS provide vendors with the freedom to meet the customers on the floor.

The iPad- and iPhone-based solutions handle both credit card and cash payments in a certified and secure way.

INTELLIGENT BACK OFFICE

The back office solutions make the daily running of a retail business more efficient than ever. The close proximity to the dashboard allows retailers to monitor any part of their business and check out its performance in real-time without having to crunch numbers. Drilling down into the numbers, calculating margin per product, and monitoring KPIs are done with only a few keystrokes.

With Wallmob, Visma offers retail business of all sizes a truly value-adding solution through cutting edge technology. The product perfectly encapsulates our virtues of innovation, cloud, and efficiency.

BUSINESS PROCESS OUTSOURCING

Visma is the Nordic region's largest provider of accounting and payroll services. The Business Process Outsourcing (BPO) division's service portfolio also includes temp services and financial advisory.

The BPO industry is going through dramatic changes in terms of how services are provided, with cloud technology and automation of transactions being the major drivers. Visma are in a strong position in terms of market share, technology, and strategy – and we are aiming to increase our market share even further in 2015.

CLOUD SERVICES BOOSTING COLLABORATION

Our online portal for users of accounting and payroll services, MyVisma, has had a breakthrough year. Visma is alone in offering a solution that covers both payroll and accounting, and with more than 64,000 daily users it is among the company's most popular services. MyVisma is the communication hub between Visma's consultants and their customers. Users can access reports and dashboards as well as uploading information, register hours, and invoice their customers.

AUTOMATION OPENING FOR NEW SERVICES

By automating resource-draining tasks, such as incoming and outgoing invoices, payments, credit control and expense claims, our accountants will be able to add further value to their customers. Instead of basic bookkeeping, they will take on the roles as financial advisors, with which our customers can discuss budget models, annual accounts, pricing structures, and financing.

PAYROLL SERVICES ON THE RISE

The payroll outsourcing market as a whole is experiencing strong growth. More and more businesses are realizing that it does not make much sense to keep this expertise in-house. It is a rapidly developing field, and many companies find it demanding to keep staff up to date on rules, regulation and technological advances.

Visma has a strong position within the payroll outsourcing market. Not least due to our ability to offer international companies services from across the Nordic region through a single point of contact.

MARKET VARIATIONS

Visma is a major player in all the Nordic markets, but our focus remains local. In Norway, local competition is high, with new players entering the market, while in Sweden the market is more clearly divided with price being a main differentiator. The Danish market is dominated by global accounting houses, and the Finnish market is the most mature in terms of technology.

BPO services

- Accounting services
- Payroll services
- Financial advisory
- Online accounting services
- Staffing, recruiting and temp services

One to watch

ONLINE ACCOUNTING SERVICES

Most small businesses and start-ups cannot afford an in-house accountant. In an attempt to save money, many try to do their own accounting. However, quite a few discover that they miss the expertise of accounting professionals, and that bookkeeping takes valuable time and focus away from developing their business.

Visma SmartAccounting is an online accounting service designed to help small businesses that want to save money by performing the routine tasks themselves, but leave the heavy lifting to a professional accountant. Using cloud solutions for invoicing, bookkeeping, sending receipts, and accessing reports, small business owners get to decide how much of the bookkeeping they want to perform in-house. Their online accountant does the rest.

Being able to seek advice from a professional accountant can be highly valuable to small business owners and entrepreneurs. Our accountants have the experience and know-how to get them over the hurdles and help them prosper. By keeping the contact strictly online, and having the customers perform routine tasks themselves, each accountant are able to serve more customers while at the same time deliver the service at an affordable price.

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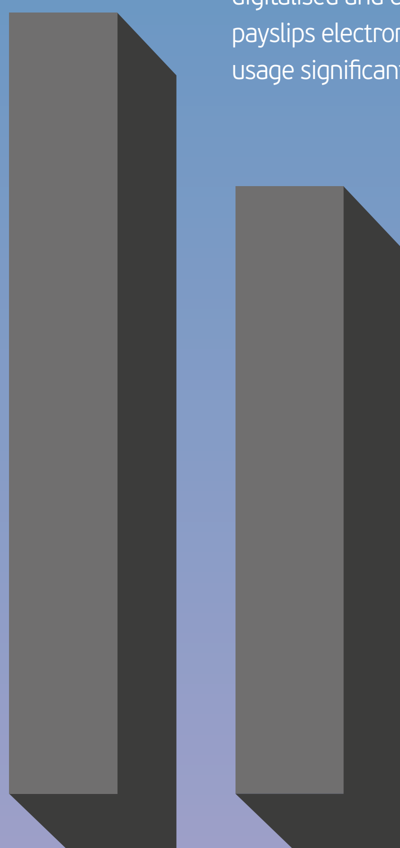
21 535 000 E-INVOICES
With our solutions, time sheet system are digitalised and employees receive their payslips electronically, which reduces paper usage significantly.



02

10 169 000 ELECTRONIC PAY SLIPS
More than half of Norway's municipalities use our financial software solutions to send electronic invoices. This means that our solutions for electronic document flow reduce printing and copying as well as internal mailing.

CORPORATE ENVIRONMENTAL SOCIAL GOVERNANCE

SUSTAINABILITY AND RESPONSIBILITY
Visma's aim is to help to maintain the competitive edge of Northern European companies and government bodies through the automation of administrative processes.

Visma defines its responsibility as the way the company's business objectives are, fulfilled; this includes ethical operations and respect for the environment as well as a commitment to positive social impact.

Visma continuously develops its operations through innovation in technology and associated skill sets. The company's main objective is to provide its customers with the best skills available. Visma's core purpose is to secure and manage its customers' everyday business processes.

Visma has additionally established policies to ensure that managers and employees across the Group work against corruption in all its forms, including extortion and bribery.

We work towards:
- Providing IT solutions that keep our customers one-step ahead of their competition

We are here to:
- Promote competitiveness and contribute to the creation of growth and effectiveness for our customers

BUILDING AWARENESS
Building awareness and breaking down barriers for progress is an important priority. Visma has established an innovation room for assistive technology at our HQ. Here we invite senior politicians, R&D establishments, universities, school classes and various interest organizations for open debate and discussions. Visma engage in, and encourage, an open debate in order to make the necessary progress in this important area where challenges are mounting.

ASSISTIVE TECHNOLOGY IN ELDERLY CARE
Visma believe that new innovation in assistive technology is likely to make an important contribution to the care of elderly people in institutions and at home. Mobile solutions, remote health monitoring, electronic sensors and equipment such as fall detectors, door monitors, bed alerts, pressure mats and smoke and heat alarms can improve older people's safety, security and ability to cope at home.

Care at home is often preferable to patients and is usually less expensive for care providers than institutional alternatives. These solutions assist the elderly in their day-to-day lives, and, what is perhaps more important, help individuals maintain an independent lifestyle in their home. New technology will also enable care workers to perform their work more effectively.

Visma has already a strong position in technology for elderly care. Together with forward thinking municipalities and various partners, we are now developing and testing cutting-edge technology for elderly care.

Visma Enterprise Solutions is a "Miljøfyrtårn" – a Norwegian certification for businesses who take environmental responsibility into practice.

ABOUT OUR CODE OF CONDUCT
Visma's Code of Conduct works as a basis for all staff members and provides guidelines for conduct in relation to the outside world as well as within the organisation. The Code of Conduct also applies to those who take on assignments and act on behalf of Visma, including members of the Board, auditors, resellers, partners, consultants and other incidental and more widely varying contractors. All actions and decisions at Visma must be consistent with the Code of Conduct. In cases where normal rules not can be applied all actions and decisions must fulfil the highest possible standards for ethical conduct.

For more information about our Code of Conduct visit our website www.visma.com.

GREEN FOOTPRINT
Green IT and sustainability have always been at the core of Visma's philosophy. We are keenly aware of our social responsibility towards our surroundings. One of the greatest environmental contributions we make is through our software solutions and outsourcing services that enable our customers to reduce their environmental footprints.

REDUCING ENERGY CONSUMPTION, PAPER WASTE, AND EMISSIONS
Visma creates green footprints. Our focus on environmental and social responsibility comes down to making our own contribution as well as providing our customers with environmentally friendly products, services and technologies.

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The main priorities of Visma's efforts for sustainability and green footprint include:

- Improved workflow efficiency with efficient solutions
- Green IT and energy saving
- Reduce carbon footprint

Web-based data capture is growing in many areas in both private and public enterprises. With our solutions, time sheet system are digitalised and employees receive their payslips electronically, which reduces paper usage significantly.

More than half of Norway's municipalities use our financial software solutions to send electronic invoices. This means that our solutions for electronic document flow reduce printing and copying as well as internal mailing. We concentrate on improving the efficiency of internal processes and procedures in the same way as we do for our external customers.

"MILJØFYRTÅRN" (ENVIRONMENTAL LIGHTHOUSE)

Being a "Miljøfyrtårn" is Norway's most used certificate for businesses that want to document their environmental performance and demonstrate social responsibility.

Being "Miljøfyrtårn" involves systematic work on environmental measures in daily life. Businesses meet the requirements and implementing measures for a more environmentally friendly operation and good working environment.

"Miljøfyrtårn" have custom requirements for different industries, and certificates are awarded by an independent appraisal. The company has to produce annual environmental reports, and every third year the business needs to be recertified. The certificate is recognized by the authorities in public procurement.

CONSTRUCTION OF GREEN OFFICES

From 2009 - 2014 we have built new, modern and energy-efficient office buildings in Stockholm, Malmö, Copenhagen, Helsinki, Trondheim, Stavanger and Oslo. The offices are to support processes that are sustainable for the environment. Our buildings are built to conserve the environment through:

- Efficient use of energy, water and other resources
- Protecting users' health and improving employee productivity
- Reducing waste, pollution and environmental wear
- The green profile also includes energy-saving light sensors in all meeting rooms
- Purified tap water to save on energy inefficient bottled drinking water

We have initiated a project to introduce a technology that makes it necessary to be physically present to get prints-outs. This project is expected to reduce paper-waste.

MORE ENVIRONMENTALLY FRIENDLY COMMUTING

Visma has become partner with GoMore, Scandinavia's largest commuting and carpooling service. Together we have developed coordination groups for the major cities in Norway where Visma is located, making it possible for our staff to get in touch with colleagues who commute to the office. Fewer cars on the road means fewer accidents, less CO2 emissions and less strain on the road network. We are quick to encourage coordination, as the current use of cars in Norway is not sustainable.

GREENMOBILE

We have entered into an agreement with GreenMobile, Norway's leading operator in the recycling of mobile phone technology. GreenMobile purchases, repairs and restores mobiles and smartphones for reuse in countries in Africa and Asia where subsidised mobile offerings are not available and used equipment is in great demand. GreenMobile's business philosophy closely aligns to Visma's vision of social responsibility and a more environmentally friendly future.

BELLONA.ORG

The Bellona Foundation is an independent non-profit organization that aims to meet and fight the climate challenges, through identifying and implementing sustainable environmental solutions. We work towards reaching a greater ecological understanding, protection of nature, the environment and health. Bellona is engaged in a broad specter of current national and international environmental questions and issues around the world.

Visma supports Bellona by contributing with new technologies and industrial solutions, which are vital to solve the global climate and environmental challenges.

FOCUS ON YOUTH
Visma will help to strengthen the interaction between education and industry through a three-year partnership with Junior Achievement.

We see the value of teaming up with young people. It allows us to build knowledge for the future and facilitate creative zest. When students are allowed to use modern tools, collaborate with the industry, and realize their own ambitions, it gives their experience a dimension they do not get in the classroom.

PICTUREAID.COM
Today there are approximately 70 million children around the world without access to education. This is a direct consequence of education not being a priority in the budgets of so many developing countries, as it often thought of as too expensive and too long term. With a lasting low level of general knowledge in many developing countries, its resources are never tapped to the benefit of the people.

Schools are vital in protecting children and supporting their emotional and social development by giving them comfort, security and opportunity. The routine of school develops a sense of normality and the environment is one in which children are allowed to be children.

Visma supports PictureAid and our contribution ensures that 35 orphans in Le Sotho are able to go to school every day. We hope to create a movement that can sustain itself by giving an option with the most powerful tool of all; education.

AHEAD
With our presence in Romania in the city of Sibiu, Visma has contributed to establish safe, modern work places for local citizens. We recruit our employees from high-level Romanian schools and the present subsidiaries are owned and controlled by Norwegian HQ without the risk of any corruption. The salaries are by that on a competitive level, which secures that our employees are in the best hands working for Visma. For us, the offshoring to Romania have been a success.

In 2015, Visma will aim to find the best organisations in Romania to help children raise their competence and education level, and consequently, their quality of life. We hope that we can contribute further with our local presence.

VISMA MANAGEMENT

Øystein Moan
CEO and Division Director, Visma Software GLA
Since taking the reins in 1997, Moan has led Visma to become one of the most innovative companies in the Nordic region. He has taken the company from 300 to more than 5 600 employees, and increased revenue from EUR 30 million to EUR 900 million.

Tore Bjerkan
Chief Financial Officer
As CFO, Bjerkan has steadily led Visma through healthy and continuous financial growth. The former founder of Multisoft (a part of the merger on which Visma was established) is involved in all decisions that could possibly affect Visma's financial results.

Eivind Gundersen
Division Director, Visma Software SMB
As Director of the Software SMB Division, Gundersen is in charge of providing our small to medium sized customers with efficient and easy to use business admin solutions. The migration to the cloud is well underway, new business models awaits both Visma and our customers – and Eivind Gundersen has both the experience and ability to lead the division through these exciting times.

Roar Wiik Andreassen
Division Director, Visma BPO
Faced with a rapidly changing industry and new technological advances, Wiik Andreassen is tasked with capitalizing on the vast opportunities presented to the BPO Accounting & Payroll division. Wiik Andreassen brings considerable top management experience within IT, communication and finance from both Asia and Europe.

Peter Fischer
Managing Director, Visma Retail
Knowing sales inside-out is a great attribute when leading Visma's Retail division. With the region's largest retailers amongst their customers, Fischer and his team go out of their way to deliver value-adding solutions – from the sales point to the head office.

Carsten Boje Møller
Managing Director, Visma Consulting
Handling – and winning – the largest ICT contracts in the public sector, the Consulting division combine the highest professional standards with an unwavering customer value. Boje Møller leads by example, and the former IT consultant's experience is valuable for all aspects of his job.

Jan Ivar Borgesen
Managing Director, Visma Enterprise Solutions
Borgersen has a broad experience in doing business with both local and central government organizations, as well as large private enterprises. The division provides full-scale ERP systems for complex businesses along with public sector production systems for areas such as school administration, care for the elderly, and child protective services.

Merete Hverven Bull
Chief HR Officer
Promoting Visma as a desirable place to work as well as improving employee satisfactions, are both vital in order to attract the top talents Visma require. Just months after her appointment, Hverven Bull has systemized and coordinated Visma's joint HR efforts across entities.

Espen Håkonsen
Managing Director, Visma IT&C
IT service delivery in 2014 means rapid growth and major changes as emerging technologies introduce paradigm shifts. Cloud service delivery is the next major driver. Success in changing environments requires the ability to innovate, design and deliver while providing steady and secure IT deliveries. Espen brings broad IT experience, ranging from technical operations to top management, from both the private and the public sector.

Aase Settevik
Director Brand & Communication
Through a systematic and long-term effort, Settevik has turned Visma into a highly recognized and trusted brand. Overseeing marketing and communication resources in five countries and across a myriad of entities, her conviction of the value of a strong master brand has certainly come to fruition.

Mikael Männik
Director Mergers & Acquisitions
With strategic acquisitions as an important factor in Visma's growth, Männik has since 2010 had to make full use of his diplomacy skills and excellent financial insight. Männik and his highly skilled team of financial analysts and experts are hands-on throughout all Visma's M&A processes.

Bjørn A. Ingier
Director Growth & Cross sales
With more than ten years at helm of the Visma Software Division, Bjørn Ingier combine a thorough knowledge about the inner workings of the company with a deep understanding of the market. Both of which are invaluable traits in his current position as Director of Business Development and Cross Sales where he is tasked with finding new ways for to Visma to fulfill its potential.

Jørn Ludahl
Director Customer Loyalty
With the clear-cut objective of improving customer loyalty among Visma's 320 000 customers, Ludahl has become the symbol of the Net Promoter Score program. Through his efforts all Visma entities will soon know how to measure and improve customer loyalty a vital step in ensuring organic growth.

ØYSTEIN MOAN
CEO and Division Director,
Visma Software GLA

TORE BJERKAN
Chief Financial Officer

EIVIND GUNDERSEN
Division Director,
Visma Software SMB

ROAR WIIK ANDREASSEN
Division Director,
Visma BPO

PETER FISHER
Managing Director,
Visma Retail

CARSTEN BOJE MØLLER
Managing Director,
Visma Consulting

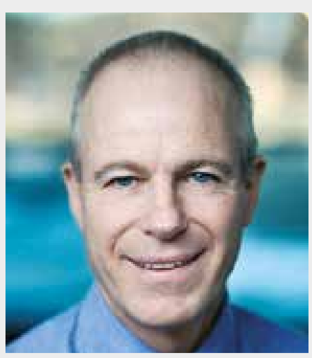
JAN IVAR BORGERSEN
Managing Director,
Visma Enterprise Solutions

MERETHE HVERVEN BULL
Chief HR Officer

ESPEN HÅKONSEN
Managing Director,
Visma IT&C

AASE SETTEVIK
Director Brand
& Communication

MIKAEL MÄNNIK
Director Mergers &
Acquisitions



BJØRN A. INGIER
Director Growth &
Cross-sales

JØRN LUDAHL
Director Customer Loyalty

DIRECTORS REPORT

Visma enjoyed another year of double-digit growth in both revenue and EBITDA during 2014. Substantial investments were also made in SaaS/Cloud development as well as in a number of strategic acquisitions.

The overall market situation has been stable for Visma's core markets. Visma benefits from continued strong fundamentals in the Nordic markets (representing 96% of Visma revenues). All Nordic countries have very strong public finances and, particularly Norway and Sweden (representing 78% of Visma revenues), have enjoyed solid macroeconomic growth during 2014. The Norwegian economy has seen some negative effects from the dramatic fall in oil prices, but this has been compensated by a weaker currency and the sovereign wealth fund. Denmark and the Netherlands showed steady improvement in 2014. Finland has experience specific macroeconomic challenges as a result of the exposure to the Russian economy and related sanctions.

Visma continues to achieve above-market, organic growth, and in line with strategic plans, achieved double-digit total growth when including acquired businesses. As a result, Visma continued to strengthen its leading position in ERP and accounting software and services to the Nordic Entry Level and SMB markets. Visma, with over 6,300 employees now has more than 320,000 customers in its core software and services businesses, and an additional 360,000 hosting customers.

Visma's organic growth is more and more being driven and accelerated by the increased strategic focus on SaaS/Cloud software and related services. Visma is taking a leading position in SaaS software in its markets. Visma has invested substantial development resources in SaaS products and technologies. Visma achieved SaaS revenues of NOK 1,560 million in 2014 and all SaaS businesses within Visma are enjoying strong growth in excess of 30%. As a result, Visma is one of the largest SaaS business software businesses in Europe.

Total revenue increased by 10.3% to NOK 7,119 million in 2014. Organic growth was 5.9%, which compares well with benchmark competitors. EBITDA increased by 11.4% to NOK 1,476 million. Overall, the financial performance was in accordance with the expectations set forth in the Director's report for 2014.

Visma continues to offer its customers products and services that help to manage businesses and improve efficiency. The essential and business critical nature of the product and services offering provides significant stability to Visma revenues. In addition, the broad product portfolio and growing Nordic customer density increases potential for cross-selling products and services across divisions and national borders. Visma believes its strong customer base and strategic positioning provides a solid platform for continued growth in 2015.

HIGHLIGHTS

The economies where Visma operates were generally in good health during 2014. Particularly the Swedish and Norwegian economies continue to offer stability and growth. Visma was very active in making acquisitions during 2014. Visma acquired several SaaS/Cloud businesses during the year emphasizing the strategic prioritizations of transitioning Visma and its customers to the Cloud.

Visma acquired three businesses in Finland which has resulted in Visma Finland surpassing 1000 employees during 2014. Visma also opened a new headquarters building in the center of Helsinki during the year giving Visma significant profile in the capital city. Visma sees very good potential for continued growth in Finland, Visma's third largest market.

In July, Visma acquired FMS, the leading provider of ERP and Payroll systems in the Latvian market. This acquisition, in addition to the successful Lithuanian development center, clearly signifies that the Baltic Region shall be considered a Visma core market.

During the year, Visma continued to grow its R&D near-shore centres and now has almost 700 employees there. Visma sees this growth continuing which will provide Visma with increasingly cost-effective and agile development teams.

In 2014, Visma continued to invest in new SaaS products. Visma released several new Entry Level and Mid-Range SaaS products and modules during the year. In 2014, more than 50% of R&D spend was allocated to SaaS/Cloud products.

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ACQUISITIONS

Visma acquired the following entities in 2014:

- Finvalli Oy, Finland, January 2014
- Priorite Oy, Finland, January 2014
- Logium Oy, Finland, February 2014
- Wallmob A/S, Denmark, February 2014
- YOB B.V., Netherlands, June 2014
- FMS Group, Latvia, July 2014
- Info Consensus AS, Norway, August 2014
- Creno AS, Norway, December 2014
- Mokastet AS, Norway, December 2014
- Finale AS, Norway, December 2014

ASSESSMENT OF FINANCIAL STATEMENTS

The financial statements for the year have been presented on the assumption that the company is a going concern, and based on the financial statements and earnings forecasts for 2014 the Board of Directors confirms that this assumption is applicable.

Visma reports in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The financial statements for the parent company have been prepared in accordance with the Norwegian Accounting Act 1998 and generally accepted accounting principles (NGAAP). The paragraph below describes the full year 2014 figures, with corresponding figures for 2013 in brackets.

INCOME STATEMENT

The Visma Group achieved revenue growth of 10.3% to NOK 7,119 million in 2014 (6,452). Organic growth was 5.9%. Even the currency adjusted rate of 3.7% indicated solid revenue development across the business.

Visma Software SMB remained the largest revenue contributor and accounted for 40.3% of revenue, followed by Visma Software GLA at 34.3% and Visma BPO 25.4%%

Earnings before interest, tax, depreciation and amortization (EBITDA) increased by 11.4% to NOK 1,475.6 million (1,325.1), and the EBITDA margin showed a slight increase to 20.7% (20.5).

Visma Software SMB accounted for 59.1% of total EBITDA, followed by Visma Software GLA 27.9% and Visma BPO at 13.5%.

Depreciation and amortization amounted to NOK 435.1 million in 2014 (373.3), with the increase primarily explained by acquisitions adding to the asset base.

EBIT increased by 9.3% to NOK 1,040.5 million (951.9).

Net financial items increased as a result of increased interest and financial expenses, and profit before tax increased by 8.3% to NOK 784.3 million (724.2).

Taxes amounted to NOK 306.4 million (157.1), generating a profit after tax and non-controlling interests of NOK 476.7 million (564.2).

In the Board of Directors opinion, the financial statements for the year present fairly the Group's financial position and results for 2014.

In 2014, the parent company Visma AS had a profit of NOK 348.9 million (701.3).

PROPOSED ALLOCATION OF THE PROFIT FOR THE YEAR (NOK 1,000)

Transferred to retained earnings	348,901
Total allocated	348,901

CASH FLOW AND BALANCE SHEET

Visma generated a strong cash flow of NOK 1,495.7 million from operational activities in 2014 (1,224.5), supported by sound financial management and improvements in working capital.

Cash flow from investing activities was NOK -591.7 million (-409.4), of which NOK -486.3 million related to acquisitions (326.8).

Cash flow from financing activities amounted to NOK -424.2 million (-270.1) In 2014 Visma has refinanced and extended its senior debt facilities, and more institutions have become member of the debt syndicate. The financing benefits Visma with increased operational flexibility.

Cash and cash equivalents increased to NOK 2,789.0 million (2,246.4), which the Board of Directors considers to be sufficient given the current and expected activity level. Total assets increased to NOK 10,220 million at the end of 2014 (9,009), mostly related to businesses acquired during the year.

The majority share of the equity increased to NOK 2,310.9 million at the end of 2014 (1,952.3), mainly reflecting the profit for the year and payment of group contribution to Archangel AS. The equity ratio increased to 22.6% (21.7%).

Accounts receivable totalled NOK 916.9 million at 31 December, 2014 (920.3). Customers' average credit period was 35 days towards the end of 2014.

Visma has made provisions of 2.2% of accounts receivable (excluding VAT), to cover potential losses on doubtful receivable. The allocation covers all trade receivables older than 180 days. The company closely monitors accounts receivable, and the provision is considered adequate given that the company's average credit period is below the IT-industry average.

REVIEW OF THE BUSINESS AREAS

Visma Software SMB delivers ERP, CRM, HR/payroll, and e-commerce software to small and medium-sized businesses in Norway, Sweden, Finland the Netherlands and Denmark. In addition, Visma Software SMB provides Accounts Receivables Management services, e-Invoicing solutions and hosting services throughout the Nordic region.

In 2014, Visma Software SMB further strengthened its position as a leading SaaS supplier with strong growth in both revenue and number of new subscriptions. During 2014, growth in SaaS revenues was 51.9% and ended at NOK 740 million for the full year. Sales of new SaaS subscriptions were higher than license sales, a development we expect to continue. Visma SMB acquired two SaaS ERP businesses during the year (YOB B.V. in the Netherlands and Finvalli Oy in Finland). Visma is a strong catalyst in developing the Nordic e-Invoicing market. The market adoption is steadily increasing and Visma's position has been strengthening throughout 2014. The Number of transactions has increased by over 70% year-on-year.

Throughout 2014, Visma also strengthened its position as a leading supplier of debt collection services and related services in the Nordic region in terms of strong organic revenue growth, but also through an acquisition in Norway. The acquisition of Creno in Norway creates the number three collecting business in Norway.

At the end of the year, Visma Software SMB had approximately 2,050 employees, servicing more than 630,000 Businesses.

Revenue in Visma Software SMB increased 10.2% to NOK 2,867 million in 2014 (2,601). Most of the units in Visma Software SMB captured market share. EBITDA in Visma Software SMB amounted to NOK 871.7 million (794.1), corresponding to an EBITDA-margin of 30.4% (30.5).

Innovative product development is of vital importance to retain existing and attract new customers to Visma. A strategic priority within Visma Software SMB is to establish cost effective and highly competent near-shore R&D centres. Visma SMB's near-shore centres had over 200 employees at year-end. Near-shoring will continue to be important in the coming years.

In 2014, total R&D expenses in Visma Software SMB amounted to NOK 356 million, versus NOK 350 million in 2014. Of this, NOK 204 million was dedicated to developing state-of-the-art SaaS solutions for customers in the Nordics and the Netherlands. 2014 was marks the first year where R&D investment in SaaS solutions exceeds that of on-premises products.

Visma Software GLA delivers ERP, HRM Payroll, and software consulting to primarily large account clients, within mainly the retail segment and public sector. The main business areas are the sub-divisions Enterprise Solutions, Retail IT Solutions and Software Consulting & Development.

Enterprise solutions experienced strong organic growth in 2014 taking substantial market share in the Norwegian public sector ERP market. The large VIGO school project (future SaaS software system for all Norwegian high schools) has successfully started up during 2014 with important milestones being achieved.

In addition, Enterprise solutions successfully launched Visma's first SaaS International Payroll solution into the market. The Netherlands became the first market where the product was launched.

Retail IT Solutions also enjoyed strong organic growth during 2014. The subdivision delivered solid organic revenue and EBITDA growth.

Software Consulting & Development is a leading provider of IT and consultancy services. The focus of the subdivision is primarily on public sector and the retail industry.

Software Consulting & Development offers development and project management, application management, automated workflow management and case processing solutions as well as system development and system integration. Visma Consulting had a very strong 2014 with both organic revenue and EBITDA growth exceeding 10%.

In January 2014, Visma Consulting acquired Priorite in Finland, a leader in consulting to the public sector. This acquisition gives Visma Consulting a market presence in all the four Nordic countries.

At the end of the year, Visma Software GLA had approximately 2,100 employees, servicing more than 20,000 Businesses.

Revenue in Visma Software GLA increased 17.4% to NOK 2,441 million in 2014 (2,078). Most of the units in Visma Software GLA captured market share. EBITDA in Visma Software GLA amounted to NOK 411.8 million (383.5), corresponding to an EBITDA-margin of 16.9% (18.4).

Visma BPO provides outsourcing services for accounting and payroll in Norway, Sweden, Denmark and Finland, and is the only pan-Nordic provider of these services. The company also offers temp services and recruitment with a focus on accounting professionals. At the end of the year, the division had approximately 2,300 employees.

Visma BPO has more than 25,000 customers, and increasingly more customers are buying services in more than one country.

The company attracted further payroll customers on a pan-Nordic basis in 2014, and the good growth in pan-Nordic payroll engagements is expected to continue.

Revenue in Visma BPO ended at NOK 1,811 million in 2014 (1,773). Organic growth was 1.9%. The revenue growth is expected to be healthy also in 2015.

EBITDA in Visma BPO amounted to NOK 198.9 million in 2014 (186.7) corresponding to an increase of 6.6% from 2014. EBITDA-margin ended at 11.0% (10.5) in 2014.

BPO Norway has achieved a successful turnaround, and is currently the leading company in the division when it comes to the strategic initiatives that have been prioritized for the last two years. A 2% margin improvement during 2014 highlights the success of more near-shoring combined with a greater focus on advisory services.

Growth in Finland has been modest this year, much related to a weaker economy. EBITDA margin of approximately 15%, is still at the top end of competitors.

Even though the Danish economy has been slow for the whole year, BPO Denmark has performed well. Growth has been above market growth, and EBITDA growth has been double-digit.

There is a strong demand for outsourcing services in the market and Visma BPO has established a position as the leading quality provider in the Nordic countries.

ORGANIZATION, WORK ENVIRONMENT AND EQUALITY OF OPPORTUNITIES

Visma is headquartered in Oslo, but has further 152 locations distributed in Norway (70), Sweden (34), Finland (29), Denmark (5), the Netherlands (2), Romania (2), United Kingdom (1), Ireland (1), Lithuania (1), Latvia (2), Spain (1), Czech Republic (1), Poland (1), Serbia (1) and Germany (1).

The business operations of the Visma Group are carried out through 79 wholly and partly owned subsidiaries, whereas the Group for reporting purposes is organized in 3 divisions; Visma Software SMB, Visma Software GLA and Visma BPO. The divisions have responsibility for their business areas, regardless of geography and other factors.

At the end of 2014 Visma had 6,471 employees, which is an increase from 5,648 at the end of 2014. 3983 of these were employed outside of Norway.

Visma is a highly complex enterprise. The competencies of our employees are central in creating value for customers and shareholders, and ensure future progress of the company.

Visma has a clear focus on retaining and further developing skilled and dedicated employees. Several courses are offered on group level, as well as further down in the organization, with the purpose of increase competence and ensure career development. This includes leadership development programs. Moreover, Visma focuses on attracting the best and brightest young professionals and offers several trainee programs. The 8th class of Management Trainees started the program autumn 2014. All managers in the Group are responsible for designating and training their successors.

Visma emphasizes activities within HSE (health, safety and the environment) and has designated HSE groups and a head safety delegate. HSE procedures form part of Visma's ISO 9000 approved quality system. Total sick leave for the Group averaged 3.65% in 2014 (3.31). No injuries or accidents occurred in connection with work tasks undertaken at Visma during 2014.

Twice a year Visma conducts a joint, international Employee Engagement Survey (EES) aiming to uncover the work climate and employee engagement in the organization. The main survey is conducted in September and consists of 15 common questions as well as optional division specific questions. The scale is 1-10, 10 being the highest score. The follow-up survey is carried out in March. In collaboration with the Managing Director and HR personnel, each department shall establish target figures for the individual areas of focus for each year. The knowledge our managers obtain from such surveys is necessary to facilitate the development and further improvement of the work environment and corporate culture.

When the results are available the report is reviewed and presented in respective departments.

One overall action plan is submitted per division and/ or sub-division. In addition, all units with a negative eNPS and/ or a negative development of 10 or more is to submit a separate plan with analysis, concrete actions, deadline of implementation The action plans are gone through at management meetings, and is followed up until the issues in the action plan have been resolved.

The results of the EES in the third quarter of 2014 indicate a slight increase in score of all questions. The eNPS measuring how likely the employees are to recommend Visma as an employer increased from 15 (Q1 2014) to 19. The average score on the same question increased from 7,5 (Q1 2014) to 7,6.

Visma's staff' is overall relatively balanced between the genders, with a slight majority of 51% men. However, there are large gender differences between the divisions. At the end of 2014, the proportion of women in Visma BPO was 73%, whereas the equivalent figure in Visma Software SMB was 44%. At the end of the year, the proportion of women in Visma Software GLA was 34%.

In the holding company, Visma AS, two of ten employees are women. The proportion of women in top management is 20% and in middle management is 47.5%. Visma aims to improve the balance in the executive group, although the primary criteria remain to secure the right competence in all types of positions in the divisions.

As of 31 December 2014, the group's Board of Directors comprises seven men.
Visma believes that a relatively balanced gender ratio contributes to a better working environment, greater creativity and adaptability, and better results in the long run. To promote the principle of equal opportunity for both genders, Visma has implemented the following measures to strengthen and secure the gender balance:

- If qualifications are the same in other respects, the underrepresented gender will appointed when hiring new employees or filling vacant positions.
- Opportunities for training and promotion are independent of gender.
- Guidelines on equal opportunities have been sent to all managers in the Group and have been reviewed in management meetings.
- Visma BPO offers management development programmes where most of the participants are women. The objective is to increase the recruitment of women to management roles.

Visma's compensation policy is based on equal pay for equal work, meaning that women and men in the same positions have the same salaries if all other conditions are the same. However, average salary levels are also influenced by age, length of service, specialization, and the proportion of managers. All of these factors contribute to an average salary which in 2014 was 17.2% (17.8) higher for men than for women. Average salary levels in the software industry are somewhat higher than in the accounting and the outsourcing sectors.

In recruitment processes, Visma seeks candidates with the best professional qualifications and emphasises real skills testing in for example practical accounting or real programming. This skills-based focus creates equal opportunities regardless of gender, nationality or background. On a general level, the Group seeks to obtain a gender ratio within the 40-60% range in each department and each category of position.

The company also promotes employment of personnel of different nationalities and cultural backgrounds, and is recruiting professionals from all over the world.

Visma strives to create a working environment that enables employees of both genders to combine work and family life. At the end of 2014, 226 employees were on leave of absence, of which 70% were women.

Visma also seeks to provide a working environment offering opportunities for the disabled. The company has recently moved into several new buildings.

Where the company has have demanded easy access also for employees using wheelchairs and other disabled. Work in Visma is in general not physically demanding, and people with physical disabilities thus have good opportunities in Visma.

On the basis of the current status and measures already implemented, the Board of Directors at Visma AS considers that further actions to promote equal opportunities in the Visma Group are not necessary.

THE ENVIRONMENT

It is the opinion of the Board of Directors that the company's activities do not significantly affect the environment.

In the broader context, Visma's financial and logistics products contribute to greater productivity for the company's customers, and thereby to reduced wastage of economic and material resources. Visma's solutions help businesses improved their efficiency, reduce paper and electricity usage, reduce travelling time and costs, and generally reduce their carbon footprint through electronic business operation.

Visma's environmental strategy is a key area in the company's overall responsibility program, with a special focus on areas where Visma can have the most impact on the environment: Green IT, energy saving, and consolidated server solutions. Further details are described in the separate review of our environmental strategies in the CSEG section, which also offers a short description of internal measures that are designed to reduce Visma's already modest carbon footprint.

ASSESSMENT OF RISK FACTORS AND UNCERTAINTIES

Market and technology risks

As all companies, Visma is exposed to general economical fluctuations and GDP developments in the different countries where Visma is selling its products and services.

As a technology company, Visma is also exposed to risks associated with dramatic shifts in technology, and resulting changes in the competitive landscape.

The competition can mainly be divided into two groups; large international companies, and smaller, local competitors. Visma's main international competitor is Microsoft. Oracle and SAP also have a presence in the Nordic region, however they are primarily focused on large enterprise customers whereas Visma's core market comprises Micro and SMB customers. Visma also faces local competitors, but although these may compete in some cases with parts of Visma' product offering, they typically lack the breadth of offering to compete effectively with the Visma-group as a whole. Visma has competed with each of these businesses in the Nordics over a number of years and has maintained its strong market share."

Visma has tried to limit its exposure to the market and technology risks in the following manner:

- The products and services provided to a large degree cater to requirements that are mandatory and necessary regardless of the economic cycle
- Visma has more than 680,000 customers in different countries, and in many different verticals. This lowers the exposure to events affecting a single country or vertical market. Visma has many small customers, which simplifies the projects and lowers implementation risks
- Visma has a wider range of products and services than its competitors, which provides more opportunities for cross-selling, more product sales to each customer, and less churn

- Visma utilises both Microsoft based technology and Open Source/Java technology
- Visma systematically collects information about customer satisfaction through "net-promoter-score" research. Based on feed-back from the customers, Visma both addresses individual customer problems, and need for process-changes

INTEREST RATE RISK

Visma is exposed to interest rate risk, as its interest bearing debt carries floating interest rates. However, the company has entered into interest contracts covering 50.5% of the loan amounts. Hedges through interest rate swaps are expected to offset the changes in expected cash flows due to fluctuations in interest rates over the life of the debt.

EXCHANGE RATE RISKS

Visma is exposed to changes in the value of NOK, relative to other currencies, in particular SEK, DKK and EUR. This reflects both production and sales in other countries, and effects on the translation of earnings and cash flows into NOK. The Group has loans in several currencies to match underlying cash flows in the operations.

In 2014, a 5.0% change in exchange rates versus NOK would have had an estimated effect of NOK 27.0 million on the profit before tax.

CREDIT RISKS

Visma sells almost all of its products and services to other businesses at a credit and is hence exposed to credit risks.

In 2014, the company expenses bad debts corresponding to approximately 0.3% of revenue and 2.3% of total accounts receivable.

Credit risk is limited through:
- Credit checks before establishment of new customer relations
- Low average invoice due to the large number of small customers
- Expedient follow up of unpaid due invoices
- A high-quality products and services offering and customer satisfaction among the highest in the markets where Visma operates

Furthermore, Visma's in-house debt collection operation in Visma Collectors has the highest resolution rate among Nordic debt collection companies

CASH-FLOW RISKS

As a leveraged company Visma has debt service obligations and depends on continuous cash conversion of its revenue. Visma has very limited cost of goods sold and hardly carry any inventory.

Net cash flow from operating activities has historically been above 90.0% of EBITDA. Any cash-flow risk is hence closely related with EBITDA-performance. In 2014 it is 101.3% (92.4).

LIQUIDITY RISKS

Visma seeks to manage liquidity to ensure that is has sufficient liquidity to meet its financial obligations under any circumstances without incurring unacceptable losses or risking damage to the reputation. Excess liquidity is primarily invested in bank deposits.

The Board of Directors considers the cash level at the end of 2014 to be sufficient given the current and expected activity level.

Please also refer to note 20 – Financial instruments for further description of risk factors and measures to manage risk.

LEGAL RISKS

Several parts of Visma perform professional services, especially within Visma BPO and Visma Software SMB. Visma is also involved in complex implementation projects.

With 6,471 employees and more than 680,000 customers, Visma's international master insurance programme for general responsibilities is constructed to cover the liability and exposure. The management of Visma consider Visma's coverage sufficient for the projects where Visma is involved.

In 2010, local tax authorities in Norway made a ruling that prevented Visma from utilizing tax positions of an acquired business. The tax position consisted of tax losses carried forward from the period 2004-2008 and goodwill. Visma had taken the case to court but lost in the Court of Appeal in December 2014. In March 2015 a hearing in the Norwegian Supreme Court did not approve a further promotion of the appeal. As a consequence a NOK 110 million tax expense is recognised in 2014. Visma will be required to cover legal costs and surtax (30%) might also apply. Total tax payable is also depending on whether Visma would be allowed to change the Group contributions from previous years as a response to the present judgment.

IT RISKS

As a technology company Visma is heavily dependent on it IT-operations and infrastructure. The outsourcing activities of Visma utilise software and IT-automation for its production, and even a few hours of downtime at the Visma IT-centre may have a short-term impact on the financial results of Visma and potential long-term consequences for customer-relationships.

Software development and customer support are also using Visma IT extensively and, like in most modern companies, almost all activities stop without IT. As an industry-leading high-tech company Visma is probably also a likely target for industrial espionage and hacking.

To limit and control the risks associated with the dependence on IT, Visma has organised its IT operations in a separate legal entity: Visma IT & Communication (VITC). VITC operates a central data-centre on two independent locations with fail-over functions. VITC is certified according to ISO20000 and is in the process of certifying according to ISO27000. Several parts of Visma BPO are certified according to SAS70.

The top management of Visma recognizes the need to limit IT-related risks, and has supported Visma's extensive investments in hardware, premises, certifications, competence and software to prevent intrusion and ensure the continuity of its IT operations.

OUTLOOK FOR 2015

The global economic outlook, after some turbulent years, seems to be enjoying some stability. Visma's markets continue to be the strongest in Europe and macroeconomic forecasts are generally positive for the coming year.

The company expects increased demand for ERP solutions and outsourcing services. The high labour costs in the Nordic markets require businesses and the public sector to invest in productivity enhancing tools. While many enterprises will continue with tight cost-control and productivity measures, Visma expects that most companies also will continue to look for solutions to promote and support renewed growth.

We also see that the HRM segment of the market is growing relatively faster than the ERP market. Visma has a strong position with its payroll and travel expense products and will continue to build its position in this product category. Visma will focus on areas that are mission critical for its customers and have logical links with other Visma systems.

Visma expects increasing demand for SaaS offerings in all of Visma´s product areas. Visma intends to be a leader in the SaaS product development in its markets. During 2015, Visma will continue with launches of some new and innovative SaaS products that Visma believes will provide leading-edge software solutions to its customers and markets. The SaaS offerings will both attract new groups of users and will also provide growth opportunities through enhancement of existing products already installed at the customers' sites.

It will be important for Visma to increase its own organizational productivity going forward. Therefore, Visma will continue to invest in its near-shoring centres. Visma will concentrate organic personnel growth within the group to these near-shore locations. Visma will also increase its recruiting presence and invest in employer branding in these core Visma markets.

Organic growth will continue to be driven by SaaS trends, cross-selling across divisions, and the bundling of add-on products and services.

2015 will likely see continued acquisition activity with a prioritization on SaaS and HRM oriented businesses. The acquisitions will also complement the substantial internal R&D investments focused on developing SaaS/Cloud solutions for all primary product areas.

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GUNNAR BJØRKAVÅG
Chairman of the Board

NIC HUMPHRIES
Director

HENRIK KRAFT
Director

CHRISTOPHER JAMES GOOD
Director

DAVID ROBERT BARKER
Director

ANDERS BORG
Director

JEAN-BAPTISTE BRIAN
Director

CONSOLIDATED ANNUAL ACCOUNTS

INCOME STATEMENT – 1 JAN. - 31 DEC.

VISMA AS - CONSOLIDATED

(NOK 1,000)	Note	2014	2013
OPERATING REVENUE			
Sales revenue	2	7 119 405	6 452 354
Total operating revenue		**7 119 405**	**6 452 354**
OPERATING EXPENSES			
Sales and distribution cost		1 065 472	926 275
Payroll and personnel expenses	3,16	3 623 870	3 316 412
Depreciation and amortisation expenses	4,5	435 099	373 295
Other operating expenses	8,16	954 430	884 522
Total opertating expenses		**6 078 871**	**5 500 504**
Operating profit		**1 040 534**	**951 850**
Result from associated companies	**24**	**535**	**5 393**
FINANCIAL ITEMS			
Financial income	9	35 351	34 746
Financial expenses	9	(292 116)	(267 773)
Net financial items		**(256 765)**	**(233 027)**
Profit before taxes		**784 304**	**724 217**
Taxes	**10**	**306 356**	**157 109**
Profit for the year		**477 949**	**567 107**
ATTRIBUTABLE TO:			
Equity holders of Visma AS		476 699	564 207
Non-controlling interests		1 249	2 900
EARNINGS PR SHARE IN TNOK			
Basic earnings per share	19	476 699	564 207
Diluted earnings per share	19	476 699	564 207

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK 1 000)			
Profit for the year		**477 949**	**567 107**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net gain (loss) on financial hedging instruments	20	(98 005)	(14 076)
Income tax		25 481	3 941
Exchange differences on translation of foreign operations	2	69 281	81 757
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Net gain (loss) on defined benefit plan		(9 894)	(4 520)
Other comprehensive income (loss) for the period, net of tax		(13 136)	67 102
Total comprehensive income for the period		**464 813**	**634 209**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of Visma AS		463 564	631 309
Non-controlling interests		1 249	2 900

STATEMENT OF FINANCIAL POSITION 31 DEC

VISMA AS - CONSOLIDATED

(NOK 1,000)	Note	2014	2013
ASSETS			
Non-current assets			
Deferred tax assets	10	621	81 191
Goodwill	4,23	4 508 811	3 986 940
Patents and other intangible assets	4	523 379	465 621
Capitalized development expenses	4	131 711	125 664
Contracts & Customer relationships	4	770 698	671 327
Property	5	20 912	20 884
Machinery and equipment	5	149 641	133 487
Shares classified as available for sale	21	37 495	36 142
Investment in associated companies	24	86 696	86 160
Other long-term receivables		12 554	9 788
Total non-current assets		**6 242 518**	**5 617 205**
Current assets			
Inventory		40 823	45 307
Accounts receivables	6	916 882	920 320
Other current receivables	7	230 952	180 412
Cash and cash equivalents	12	2 788 970	2 246 384
Total current assets		**3 977 628**	**3 392 423**
TOTAL ASSETS		**10 220 146**	**9 009 628**

(NOK 1,000)	Note	2014	2013
EQUITY AND LIABILITIES			
Equity			
Paid-in capital	14,15	165 000	165 000
Other reserves	13	(9 350)	3 786
Retained earnings		2 155 251	1 783 532
Equity attributable to equity holders of the parent		**2 310 901**	**1 952 318**
Non-controlling interests		4 985	4 489
Total equity		**2 315 886**	**1 956 807**
Non-current liabilities			
Pension liabilities	3	5 208	(4 136)
Deferred tax liability	10	653 498	507 536
Financial hedging Instruments	20	212 167	116 953
Other long-term interest bearing loans and borrowings	12	4 085 061	4 183 143
Other long-term non interest bearing liabilities		270 463	114 667
TOTAL NON-CURRENT LIABILITIES		**5 226 396**	**4 918 163**
Current liabilities			
Revolving credit facility	20,22	180 730	0
Short-term interest bearing bank loans	12, 20,22	100 000	100 000
Trade creditors		241 340	194 215
Public duties payable		394 421	351 121
Tax payable		54 825	50 977
Other current liabilities	22	1 706 548	1 438 345
Total current liabilities		**2 677 865**	**2 134 658**
Total liabilities		**7 904 260**	**7 052 821**
TOTAL EQUITY AND LIABILITIES		**10 220 146**	**9 009 628**
Secured liabilities and guarantees	17		

Oslo,
24 March 2015

GUNNAR BJØRKAVÅG
Chairman of the Board

NIC HUMPHRIES
Director

HENRIK KRAFT
Director

CHRISTOPHER JAMES GOOD
Director

DAVID ROBERT BARKER
Director

ANDERS BORG
Director

JEAN-BAPTISTE BRIAN
Director

STATEMENT OF CASH FLOWS – 1 JAN. - 31 DEC.

VISMA AS - CONSOLIDATED

(NOK 1,000)	Note	2014	2013
Profit before taxes		**784 304**	**724 217**
(Gain)/loss on disposal of fixed assets			
(Gain)/loss on disposal of business			
Depreciation and amortisation expenses		435 099	373 295
Finance income	9	(35 351)	(34 746)
Finance expenses	9	292 116	267 773
Taxes paid		(108 891)	(62 812)
Changes in debtors		3 438	(130 453)
Changes in inventory and trade creditors		51 609	8 771
Changes in public duties payable		43 300	37 011
Changes in deferred revenue		78 575	101 735
Change in other accruals		(48 449)	(60 339)
Net cash flow from operations		**1 495 750**	**1 224 450**
Sale of (investment in) businesses	1	(466 255)	(295 256)
Investment in R&D software related to business combinations		(8 100)	(23 448)
Investment in tangible fixed assets related to business combinations		(11 989)	(8 112)
Capitalised development cost	4	(37 434)	(24 520)
Investment in tangible fixed assets	5	(66 528)	(60 213)
Sale of (investment in) shares	21	(1 353)	2 115
Net cash flow from investments		**(591 659)**	**(409 434)**
Repayments of interest bearing loans		(244 713)	(50 389)
Proceeds from interest bearing loans		0	0
Change in revolving credit facility		180 730	0
Change in long-term receivables		(2 767)	152 322
Payment of group contribution		(145 807)	(159 896)
Cash inflow from dividends		4 000	3 300
Cash inflow from interest		31 351	29 267
Cash outflow from interest		(247 025)	(244 688)
Net cash flow from financing activities		**(424 232)**	**(270 083)**
Net cash flow for the year		**479 859**	**544 933**
Cash and cash equivalents 1.1		2 246 384	1 559 376
Net foreign exchange difference		62 727	142 074
Cash and cash equivalents 31.12	**12**	**2 788 970**	**2 246 384**

STATEMENT OF CHANGES IN EQUITY.

VISMA AS - CONSOLIDATED

(NOK 1,000)	Paid-in share capital Note 14	Other reserves Note 13	Retained earnings	Majority's share of equity	Non-controlling interests	Total equity
Equity as at 01.01.2013	**165 000**	**(63 316)**	**1 367 934**	**1 469 618**	**8 974**	**1 478 591**
Profit for the period			564 207	564 207	2 900	567 107
Net gain (loss) on financial hedging instruments, net of tax		(10 135)		(10 135)		(10 135)
Exchange differences on translation of foreign operations, net of tax		81 757		81 757		81 757
Net gain (loss) on defined benefit plan, net of tax		(4 520)		(4 520)		(4 520)
Total comprehensive income for the period		**67 102**	**564 207**	**631 309**	**2 900**	**634 209**
Group contribution to parent company			(115 125)	(115 125)		(115 125)
Changes to non-controlling interest; acquisition and arising on business combination (Note 1)			(33 484)	(33 484)	(7 385)	(40 869)
Equity as at 31.12.2013	**165 000**	**3 786**	**1 783 532**	**1 952 318**	**4 489**	**1 956 807**
Equity as at 01.01.2014	**165 000**	**3 786**	**1 783 532**	**1 952 318**	**4 489**	**1 956 807**
Profit for the period			476 699	476 699	1 249	477 949
Net gain (loss) on financial hedging instruments, net of tax		(72 524)		(72 524)		(72 524)
Exchange differences on translation of foreign operations, net of tax		69 281		69 281		69 281
Net gain (loss) on defined benefit plan, net of tax		(9 894)		(9 894)		(9 894)
Total comprehensive income for the period		**(13 136)**	**476 699**	**463 564**	**1 249**	**464 813**
Group contribution to parent company			(104 981)	(104 981)		(104 981)
Changes to non-controlling interest; acquisition and arising on business combination (Note 1)					(754)	(754)
Equity as at 31.12.2014	**165 000**	**(9 350)**	**2 155 250**	**2 310 900**	**4 985**	**2 315 886**

IFRS ACCOUNTING POLICIES 2014

CORPORTATE INFORMATION

The consolidated financial statements of Visma AS, for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the Board of Directors on 24 March 2014. Visma AS (hereafter the 'Company' or 'Visma' or the 'Group') is a limited liability company incorporated and domiciled in Oslo, Norway. The registered office of Visma AS is Karenslyst allé 56, 0277 Oslo, Norway The Company is 100% owned by Visma Group Holding AS.

The Groups activities are described in note 2. Information on the Group's structure and other related party relationships is provided in Note 11.

BASIS OF PREPARATION

The consolidated financial statements of Visma AS including all its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for available-for-sale investments (primarily shares owned less than 23%) and interest rate swaps that have been measured at fair value.

The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

The consolidated financial statements are presented in NOK and all values are rounded to the nearest thousand (NOK 1.000) except when otherwise indicated. The consolidated financial statements provide comparative information in respect of the previous period.

BASIS FOR CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group`s voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Segment reporting

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments The Group apply fully to IFRS 8, Operating Segments.

Operating segment is acomponent of the Group that:

- Engages in business activities from which it may earn revenues and incur expenses
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance
- For which discrete financial information is available

The financial information relating to segments and geographical distribution is presented in note 2.

The internal gain on sales between the various segments is eliminated in the segment reporting.

Functional currency and presentation currency
The consolidated financial statements are presented in NOK, which is Visma AS's functional currency.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. All exchange differences are recognised in the income statement Non-monetary items that are measured at historical cost in foreign currency are translated using the exchange rates at the dates of the initial transactions.

The Group has foreign entities with functional currency other than NOK. At the reporting date, the assets and liabilities of foreign entities with functional currencies other than NOK are translated into NOK at the rate of exchange at the reporting date and their income statements are translated at the average exchange rates for the year. The translation differences arising from the translation are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in the income statement.

Exchange differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity, or monetary items that are regarded as a part of the net investments are in the consolidated financial statements recognised as a separate component of other comprehensive income until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also recorded in other comprehensive income.

Business combinations
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and if non-controlling interests are recognised at the proportionate share of the acquiree's identifiable net assets the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment
Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities are assigned to those units or groups of units. A cash-generating unit to which goodwill has been allocated will be tested for impairment annually, and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit.

Where recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the cash-generating unit.

Cash-generating units
A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In identifying whether cash inflows from an asset (or group of assets) are largely

independent of the cash inflows from other assets (or groups of assets), the management considers various factors including how management monitors the entity's operations (such as by product or service lines, businesses, geographical areas).

INTANGIBLE ASSETS

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete and its ability to use it sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure carried forward is amortised over the period of the expected future sales from the related project. Amortisation starts when the development process is completed.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised but are expensed as occurred. Identifiable intangible assets acquired in business combinations.

The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition.

Values related to contracts and customer relationships are identified and recorded as identifiable intangible assets. The fair value of contracts and customer relationships are calculated considering the estimated future recurring revenues from the customers in the acquired operations at the date of the acquisition. The value related to contracts and customer relationships are calculated on a 100% basis, including the share of any non-controlling interest. The fair value of tax amortizations are considered in the recorded value of contracts and customer relationships. Any deferred tax liabilities related to the recorded contracts and customer relationships are calculated at nominal values and the difference between the fair value of the tax amortizations and the corresponding deferred tax liabilities are recorded as a part of goodwill.

Purchased rights and contracts and customer relationships acquired are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to this class of intangible assets. Purchased rights and contract and customer relationships have 4 – 15 years of useful life and are amortized on a straight-line basis over their useful life. The depreciable amount is determined after deducting its residual value (only where there is an active market for the asset). Useful life and residual value are reviewed at least annually and reflect the pattern in which the benefits associated with the asset are consumed. A change in the useful life or depreciation method is accounted for prospectively as a change in accounting estimate.

Trademark with indefinite lives are not amortised but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The carrying values of intangible assets with finite useful life are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of intangible assets is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the income statement.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on the sale or disposal of intangible assets are recorded as other operating revenues and other operating costs respectively in the year the item is derecognised.

Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement
The Group measures financial instruments such as derivatives and "available-for-sale investments" at fair value at each balance sheet date as describe in Note 20. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For cash-flow hedges, the Group Management, in conjunction with the Group's external valuers, also compares the change in the fair value of the liability with relevant external sources to determine whether the change is reasonable.

Revenue
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognized gross unless required to be recognised net by a Standard or Interpretation (IAS 1.32).

Visma Software SMB and Software GLA
The most common types of revenue streams in Visma Software SMB and GLA are:
- License and maintenance fees
- Revenue from support agreements
- Software as a Service (SaaS)
- Revenue from sale of domains and web hosting services
- Revenue from procurement pooling services
- Sale of hardware
- Revenue from maintenance agreements
- Revenue from hourly based consulting
- Revenue from services in administration and collections of accounts receivables

License and maintenance fees
Licence fees related to software are recognized as revenue when the software is delivered. A delivery has taken place when the risk and control related to the software in all significant aspects have been transferred to the customer. Risk in this relation means the profit and loss potential related to the software. Control is related to the delivery of the software. At what time a delivery has taken place will therefore depend on the conditions included in the specific sales arrangement.

Initial licence fees are recognised when:
- A non cancellable licence agreement has been signed;
- The software and related documentation have been shipped;
- No material uncertainties regarding customer acceptance exists;
- Collection of the resulting receivable is deemed probable.

Visma has two separate relationships related to their software licences and related maintenance contracts; one software licence contract and one maintenance contract, which may also include customer support. In addition Visma and/or the distributor may enter into separate contracts with the end-user regarding installation, implementation, support and other consultancy services related to the software. Most of this work is performed by a distributor.

Visma account for licence fee and maintenance fee separately. Licence fee is recognised when shipped to the customer when the criteria in IAS 18.14 are met. Maintenance fees are charged annually and recognised on a straight line basis over the contract period. Customers normally have the right to cancel their utilization rights prior to the next renewal period. Failing cancellation in due time, customers are obliged to pay for the next period. Such revenue from maintenance is recognised over the lifetime of the contract.

When the software is delivered electronically, the delivery criterion for revenue recognition is met when the customer has the reasonable ability to access the licensed software. This condition is generally met when:

- Visma provides the necessary access codes to the customer to allow the customer to commence download of the licensed software and
- Visma's server is functioning.

In some cases Visma is selling customized software implying development of new functionality. When delivering customised software, the age of completion method is applied.

Revenue from support agreements
Revenue from support agreements is recognised when the support is performed. Fixed price support contracts are recognized on a straight-line basis over the support period.

SOFTWARE AS A SERVICE (SAAS)

Revenue from SaaS solutions may in some cases have two components – an up-front payment to cover the set-up fee, and an ongoing service fee equivalent to the maintenance contract, but including the hosting service. Visma recognize the portion of the fee related to the set-up on delivery, with the portion of the fee related to the maintenance and hosting element being recognized on a straight-line basis over the contract period as the service is provided. If the two components cannot be separated, the license fee is recognized over the contract period (normally on a straight-line basis).

Revenue from sale of domains and web hosting services
Revenue from sale of domains and web hosting services are charged annually and recognised on a straight line basis over the contract period, usually 12 months. Advance payments are recognized as a liability (deferred revenue) in the balance sheet.

Revenue from procurement pooling services
Revenue from procurement pooling services (SaaS solutions) has two components – an up-front payment to cover the licence and set-up fee, and an ongoing service fee to cover hosting. Visma recognize the portion of the fee related to the licence and set-up on delivery, with the portion of the fee related to the hosting element being recognized on a straight-line basis over the contract period as the service is provided. If the two components cannot be separated, the license fee is recognized as earned over the contract period (normally on a straight-line basis). Agreements with the suppliers in the purchasing pool are defined with a kick-back bonus according to sales volume to customers. These bonuses are recognised as revenue when earned.

Sale of hardware
Revenue related to hardware acquired in from third parties is earned when the hardware is delivered and the control has been transferred to the customer.

Revenue from maintenance agreements
Revenue from fixed price maintenance agreements is recognized on a straight-line basis over the maintenance period.

Revenue from hourly based consulting
Revenue from hourly based consulting is recognised when services have been provided. It is based on delivered hours and net hourly rates.

Revenue from services in administration and collections of accounts receivables
Agreements regarding services in administration of accounts receivables are usually based on a transaction fee. Revenue is normally recognized as they are performed based upon transactions handled and hours used.

Revenue from surveillance portfolios are based on specific agreements with clients and normally include a predefined age of payments made by the debtor. Such income is recognised when Visma receives payment from the underlying debtor. In addition the agreements normally include a predefined age of the delayed payment fee.

Revenue related to issuance of payment reminders and debt collection on behalf of customers is normally being recognized when the debtor has made a payment and thus the fee is earned. An accrual is also made for debt collection fee based on ongoing debt collection matters.

In some countries revenues related to debt collection services is based on policies issued by the local regulators.

Visma BPO
The most common types of revenue streams in Visma BPO are:

- Revenue from hourly based agreements
- Revenue from fixed price service agreements
- Revenue from personnel for hire

Revenue from hourly based agreements
Hourly based agreements are defined with a fee per hour, and are usual small projects. Revenue related to project and consulting is earned when the services have been provided. At the balance sheet date work performed, but not yet invoiced, is recognised and capitalised as accrued income. Work invoiced, but not yet performed, is capitalised as deferred revenue.

Revenue from fixed price service agreements
Fixed price service agreements are usually larger projects. They are based on fixed fee or max and min fee and sometimes a defined target fee. As revenue from hour-based agreements, the revenue from fixed price agreements are also earned when the services have been provided.

Some fixed price service contracts will be invoiced upfront. The payment is capitalised as prepayments from customers and the revenue is recognised as the corresponding work is performed. If the work for the most part is performed on a continuous basis, a linear recognition of revenue over the contract period can be justified, unless there is evidence that some other method better represents the stage of completion. An estimated loss is accounted for immediately when a loss contract is identified.

Revenue from personnel for hire
There are normally two services delivered to the customers; temporary staff contracting services and recruitment services. Agreements on temporary staff services are usually based on delivered hours and net hourly rates. Revenue is recognised in accordance with the delivered hours and realised net hourly rates. At the balance sheet date, work performed but not invoiced are recognised and capitalised as accrued income, while work invoiced but not performed is capitalised as deferred revenue.

Agreements on recruitment services are usually a fixed fee that is cleared in advance with the customer. Revenue is recognised when the recruitment process is finished, and the candidate or service is delivered.

Other types of revenues within the Group Interest income
Revenue is recognised as interest accrues (using the effective interest method). Interest income is included in finance revenue in the income statement.

Dividends
Dividend is recognised in the income statement when the shareholders' right to receive dividend has been determined by the general meeting.

Pensions
The Group have pension schemes where the company's commitment is to contribute to the individual employee's pension scheme (contribution plans). Contributions paid to the pension plans are expensed.

In addition to the defined contribution schemes, Visma has one defined benefit plan in Sweden covering 18 employees.

Income tax
The tax expense consists of the tax payable and changes to deferred tax.

Tax payable
Taxes payable assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Taxes payable are recognised directly in equity to the extent that they relate to equity transactions.

Deferred taxes
Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:
- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Property and equipment
Property and equipment acquired by Group companies are stated at historical cost, except the assets of acquired subsidiaries that were stated at the fair values at the date of acquisition. Depreciation is charged on a straight-line basis over the estimated useful life of the assets. The amount to be depreciated is the carrying amount less the asset's residual value.

Useful life and residual value are reviewed at least annually and reflect the pattern in which the benefits associated with the asset are consumed. A change in the useful life or depreciation method is accounted for prospectively as a change in accounting estimate.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Ordinary repair and maintenance (day-to-day servicing) of tangible assets is recorded as an operating cost, whereas improvements are capitalised and depreciated over its useful life. An item of property and equipment is derecognised upon disposal or when no future economics benefits are expected to arise from the continued use of the asset. Gains or losses on the sale or disposal of fixed assets are recorded as other operating revenues or other operating costs respectively in the year the item is derecognised.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property and equipment is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the income statement.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as interest cost.

Inventories

Inventories are valued at the lower of cost and net realisable value. The original cost of purchased goods is the purchase price and is based on the FIFO principle. The original cost of work in progress and own manufactured goods are the direct cost of production plus a share of the indirect cost of production based on normal operating capacity but excluding borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are reduced for estimated obsolescence.

Trade receivables

Trade receivables are recognised at their cost minus any write downs.

Cash and cash equivalents

Cash and cash equivalents comprise bank deposits, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Restricted cash is included as cash and cash equivalents. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net outstanding bank overdraft.

Earnings per share

Earnings per share is calculated by dividing the majority shareholders share of the profit/loss for the period by the weighted average number of ordinary shares outstanding over the course of the period. When calculating diluted earnings per share, the average number of shares outstanding is adjusted for all share options that have a potential dilutive effect. Options that have a dilutive effect are treated as shares from the date they are issued.

Leases

Finance leases, which transfer to the Group substantially all the risk and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

Cash flow

The cash flow statement has been drawn up in accordance with the indirect method and report cash flows during the period classified by operating, investing and financing activities. Cash and cash equivalents consist of cash and cash equivalents as defined under cash and cash equivalents, net outstanding bank overdraft.

Investment in an associate

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The share of profit of associates is shown on the face of the income statement outside operating profit. This is the profit attributable to equity holders of the associate and therefore is profit after tax and non-controlling interests in the subsidiaries of the associates.

The financial statements of the associate are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associates. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate' and its carrying value and recognizes the amount in the income statement. Upon loss of significant influence over the associate, the Group measures and recognizes any retaining investments at its fair value. Any differences between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

Financial instruments

In accordance with IAS 39, Financial instruments: Recognition and measurement, financial instruments within the scope of IAS 39 are classified in the following categories: at fair value with changes in value through profit or loss, loans and receivables, available-for-sale financial assets and other liabilities.

Financial assets with fixed or determinable cash flows that are not quoted in an active market are classified as loans and receivables.

Financial liabilities that do not form part of the held for trading purposes category and which have not been designated as being at fair value with changes in value through profit or loss are classified as other liabilities.

Financial instruments that are held to maturity are included in fixed asset investments unless the redemption date is less than 12 months after the balance sheet date. Financial instruments in the held for trading purposes group are classified as current assets. Financial instruments that are available for sale are presented as current assets if the management has decided to sell the instrument within the 12-month period following the balance sheet date.

Investments that are held to maturity, loans and receivables and other liabilities are recognized at their amortized cost using the effective interest method.

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Financial instruments that are classified as available for sale and held for trading purposes are recognized at their fair value, as observed in the market on the balance sheet date, without deducting costs linked to a sale.

The gain or loss resulting from changes in the fair value of financial investments that are classified as available for sale is recognised in other comprehensive income. When the investment is sold, the accumulated gain or loss on the financial instrument that has previously been recognised in other comprehensive income is reversed and the gain or loss is recognised in the income statement.

Changes in the fair value of financial instruments classified as held for trading purposes or designated as being at fair value with changes in value through profit or loss are recognised in the income statement and presented as a financial income/expense.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Initial recognition and subsequent measurement

The Group uses derivative financial instruments such as interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group's criteria for classifying a derivative or other financial instrument as a hedging instrument are as follows:

(1) The hedge is expected to be very effective in that it counteracts changes in the fair value of or cash flows to an identified asset - a hedging efficiency of 80-125% is expected,
(2) The effectiveness of the hedge can be reliably measured,
(3) There is adequate documentation when the hedge is entered into that the hedge is effective, among other things,
(4) For cash-flow hedges, the forthcoming transaction must be probable, and
(5) The hedge is evaluated regularly and has proven to be effective.

Cash-flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the income statement in other operating expenses.

Amounts recognized as other comprehensive income are transferred to the income statement when hedged transaction affects profit or loss, such as when the hedged income or financial expense is recognized or when a forecast sale occurs. Where the hedged item is the cost of a non-financial assets or non-financial liability, the amounts recognized as other comprehensive income are transferred to the initial carrying amount of the non-financial assets or liability.

For cash-flow hedges other than those mentioned above, associated accumulated gains and losses are reclassified from equity to the income statement during the same period(s) as the hedged expected transaction affects the profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the enterprise cancels the hedging relationship despite the fact that the hedged transaction is still expected to take place, the accumulated gains or losses at that time remain in equity and are recognized in the income statement in accordance with the above guidelines when the transaction takes place.

Should the hedging relationship no longer meet the criteria for hedge accounting as specified above, accumulated gains and losses that are recognized in equity up to this date remain in equity and are recognized in the income statement in accordance with the above guidelines when the transaction takes place.

If the hedged transaction is no longer expected to take place, accumulated unrealized gains or losses on the hedging instrument that have previously been recognized directly in equity are recognized in the income statement immediately.

EQUITY

Equity and liabilities

Financial instruments are classified as liabilities or equity in accordance with the underlying economical realities.

Interest, dividend, gains and losses relating to a financial instrument classified as a liability will be presented as an expense or income. Amounts distributed to holders of financial instruments that are classified as equity will be recorded directly in equity.

Costs of equity transactions
Transaction costs directly related to an equity transaction are recognized directly in equity after deducting tax expenses.

Other equity
(a) Reserve
This reserve contains the total net increase in the fair value of non-current assets that have been revalued at an amount which exceeds their cost. The reserve also contains total net changes in the fair value of financial instruments classified as available for sale until the investment has been sold or it has been determined that the investment is of no value.

(b) Translation differences
Translation differences arise in connection with exchange-rate differences of consolidated foreign entities.

Exchange-rate differences in monetary amounts (liabilities or receivables) which are in reality a part of a company's net investment in a foreign entity are also included as translation differences.

If a foreign entity is sold, the accumulated translation difference linked to the entity is reversed and recognized in the income statement in the same period as the gain or loss on the sale is recognized.

Adoption of new and amended standards and interpretations
The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2014.

The nature and the impact of each new standard and amendment are described below:
- IFRS 10 – Consolidated Financial Statements. The changes introduced will require management to exercise significant judgement to determine which entities are controlled, and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27.
- IFRS 12 - Disclosure of Interests in Other Entities
- IAS 27 Revised Separate Financial Statements and IAS 28 Revised: Investments in Associates and Joint Ventures.

The Group has not early adopted any other Standards or Interpretations in 2014. These amendments have had no effect on the Group's financial position, performance or its disclosures.

New and amended IFRSs and IFRICs with future effective dates
Standards and interpretations that are issued up to the date of issuance of the consolidated financial statements, but not yet effective are disclosed below. The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.

The Group anticipates that all of the below Standards, amendments and Interpretations will be adopted in the Group's financial statements for the period commencing 1 January 2015 or after and that the adoption of those Interpretatio ns will have no material impact on the financial statements of the Group in the period of initial application.

IFRS 9 Financial Instruments: Classification and Measurement
In July 2014 final version of IFRS 9 Financial Instruments was issued which reflects all phases of the financial instrument project and replaces IAS 39 Financial Instruments: Recognition and Measurements and all previous version of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

IFRS 15 Revenue from Contracts with Customers
The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard applies to all revenue contracts and provides a model for the recognition and measurement of sales of some non-financial assets (e.g., disposals of property, plant and equipment). Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted.

IAS 1 Presentation of Financial Statements
The amendments to IAS 1, issued as part of IASBs Disclosure Initiative, further encourage companies to apply professional judgment in determining what information to disclose and how to structure it in their financial statements. the amendments will be effective for accounting periods beginning on or after 1 January 2016.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets
The amendments clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate. The amendments also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The amendments will be effective for accounting periods beginning on or after 1 January 2016

IAS 27 Separate Financial Statements
The amendments restore the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. The entity must apply the same accounting for each category of investments. The amendments will be effective for accounting periods beginning on or after 1 January 2016.

IFRIC Interpretation 21 Levies
IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The Interpretation includes guidance illustrating how the Interpretation should be applied. The Interpretation is effective for annual periods beginning on or after 1 January 2015.

Annual Improvements 2010 – 2012
IASBs annual improvements project 2010 – 2012 includes amendments to a number of standards:
- IFRS 8 Operating Segments. The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

- IFRS 13 Fair Value Measurement. The IASB clarified that short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial.
- IAS 24 Related Party Disclosures. The amendments clarifies that a management entity – an entity that provides key management personnel services – is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

The amendments will be effective for accounting periods beginning on or after 1 January 2015, except the IFRS 13 amendments which is effective immediately

Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognised in the consolidated financial statements:

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. A loss (110 million) on deferred tax asset related to tax claim has been recognised in accordance with the present judgement of the Norwegian Court of Appeal. This case could potentially also result in additional tax expense in future periods. There is a risk that surtax might also apply. Total tax payable is also depending on whether Visma would be allowed to change the Group contributions from previous years as a response to the present judgment. Refer to Note 10 for further descriptions.

Fair value measurements of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing faire values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported faire value of financial instruments. See Note 20 for further disclosures.

Contingent consideration (earn-out), resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor (refer Note1 for details).

Events after the balance sheet date

New information on the company's financial position on the statement of financial position which becomes known after the balance sheet date and which provides evidence of conditions that existed at the balance sheet date is recorded in the annual accounts. Events after the balance date sheet date that are indicative of conditions that arose after the balance sheet date and that do not affect the company's financial position on the statement of financial position but which will affect the Company's financial position in the future are disclosed if significant.

NOTE 1 - ACQUISITIONS OF BUSINESS, ASSETS AND NON-CONTROLLING INTEREST

(NOK 1,000)

Name	Description	Acquisition date	Percentage of voting equity instruments acquired	Cost price	Cost associated with the acquisition 1)	Consideration total
Finnvalli Finland Ab OY	Sw SaaS ERP	10.01.14	100.00%	128 739	298	129 037
Priorite Oy	Consulting	06.01.14	100.00%	65 740	263	66 002
Logium OY	Sw SaaS Travle	03.02.14	100.00%	161 326	221	161 547
Lavit	Last year earn-out, paid this year	15.01.14		838	-	838
Wallmob A/S	Retail SaaS	07.02.14	50.10%	124 731	242	124 973
Visma Teleboekhouden BV	Sw SaS	16.06.14	100.00%	43 589	125	43 714
SIA FMS	Sw GLA	01.07.14	100.00%	27 249	530	27 779
SIA FMS Software	Sw GLA	01.07.14	100.00%	24 248	-	24 248
Visma Information Factory AB	Last year earn-out, paid this year	20.08.14		4 491	-	4 491
Info Consensus AS	Sw GLA	10.08.14	50.10%	120 000	151	120 151
Kapp Regnskap	BPO Asset	10.10.14		511	-	511
Visma Software PL	SW suport	01.10.14	100.00%	489	-	489
Creno AS	Collecting services	15.12.14	100.00%	89 800	134	89 934
Total				**791 753**	**1 963**	**793 716**

The cash outflow on acquisition are as follows:	
Cost price (excluded costs associated with the acq.)	786 423
Last year earn-out, paid this year	5 329
Change in estimated earn-out	-
Deferred payment	(243 026)
Cash paid	**(548 726)**
Net cash acquired with the acquisitions	62 382
Net cash (outflow)/inflow	**(486 344)**
Other intangible assets acquired	8 100
Machinery and equipment acquired	11 989
Net investment in businesses	**(466 255)**

1) All costs associated with the acquisition are expensed as "Other operating expenses", including reimbursements to the acquiree for bearing some of the acquisition costs.

Finnvalli Finland AB OY

On 10 January Visma acquired 100% of the voting shares of Finnvalli Finland AB OY. Finnvalli Finland AB OY is a Finnish consulting and software solutions company

Priorite Oy

On 6 January Visma acquired 100% of the voting shares of Priorite OY. Priorite OY is a Finnish consulting and software solutions company

Logium OY

On 3 February Visma acquired 100% of the voting shares of Logium OY. Logium OY is a Finnish travel expense management software company

Wallmob A/S

On 7 February Visma acquired 51% of the voting shares of Wallmob A/S. Wallmob A/S is a Danish tech company with cutting edge mobile Point of Sale solutions.

Creno AS

On December 15th, Visma acquired 100% of the voting shares of Creno AS. Creno is one of Norway's leading debt collection agency

Consideration for the acquisition includes the acquisition-date fair value of contingent consideration. Changes to contingent consideration resulting from events after the acquisition date are recognised in profit or loss. Estimated earn out in the balance sheet for most entities, are considered at the best estimate. Companies acquired are valued on a mix of revenue, EBITDA, growth, cash-flow, product and market and due dilligence. The primary reasons for doing acquisitions are to achieve growth, consolidate the market and improve the competitive position.

NOTE 1 CONTINUED

The aggregated fair value of identifiable assets and liabilities and the goodwill arising at the date of acquisition for material transactions are:

(NOK 1,000)	Finnvalli Finland Ab Oy	Priorite Oy	Logium Oy	Wallmob A/S	Creno As
Deferred tax assets				878	2 010
Shares					
Machinery and equipment	2 313		145	441	
Property	4 036	130	194	149	6 245
Other long-term receivables					
Trade receivables		177	9 844		
Other short term receivables	58		1 867		
Cash and cash equivalents	783	6 968	4 447	537	1 882
Other intangible assets	1 041	178	1 328	135	15 449
Contracts and customer relationship	2 724	23 906	2 617	7 296	3 598
Assets	**10 955**	**31 359**	**20 442**	**9 436**	**29 184**
Other long-term liabilities		156			
Deferred tax liability					
Bank overdraft		78	2 217		
Trade creditors		7 604	575	659	3 752
Public duties payable	377	1 697	2 516	426	2 526
Tax payable		784		(1 405)	
Other current liabilities	4 689	1 937	5 374		18 994
Liabilities	**5 066**	**12 101**	**10 683**	**(319)**	**25 272**
Fair value of net assets	**5 889**	**19 258**	**9 759**	**9 756**	**3 912**
Non-controlling interests					
Goodwill arising on acquisition	61 055	28 230	74 131	58 472	62 944
Other intangible assets	32 185		40 332	31 183	
Contracts and customer relationship arising on acquisition	45 059	23 009	56 464	43 656	31 430
Deferred tax liability	(15 449)	(4 602)	(19 359)	(18 335)	(8 486)
Total acquisition cost	**128 739**	**65 896**	**161 326**	**124 731**	**89 800**
Net cash acquired with the subsidiary	2 724	23 828	400	7 296	(3 598)
Cash paid	95 283	65 740	108 430	35 959	89 800
Net cash outflow	**92 559**	**41 912**	**108 030**	**28 663**	**93 398**
Deferred payment	33 457		52 896	88 772	(0)
Revenue for the year	50 552	80 708	44 035	13 795	76 881
Revenue for the period before acquisition			3 148	297	76 881
Revenue contribution to the Visma Group	50 552	80 708	40 886	13 498	
Profit for the year	(1 131)	4 158	(1 428)	(11 115)	166
Profit for the period before acquisition			384	(689)	166
Profit contribution to the Visma Group	(1 131)	4 158	(1 812)	(10 426)	

NOTE 1 CONTINUED

The goodwill arising on these acquisitions are attributable to the anticipated profitability of the operations and to the anticipated synergies. Goodwill arising on the acquisitions is usually not tax deductible.

For further comments on goodwill arising from acquisitions, please see Note 4.

ACQUISITIONS AFTER THE BALANCE SHEET DATE

(NOK 1,000) Name	Description	Acquisition date	Percentage of voting equity instruments acquired	Cost price*	Cost associated with the acquisition	Consideration total
Mokastet Data AS	Year end closing and consolidation SW	15/01/15	100.0%	59 376	127	59 503
Digital Illustrated Finland Oy	Consulting	15/01/15	51.0%	19 989	592	20 580
Finale Systemer AS	Year end closing and consolidation SW	15/02/15	100.0%	133 006	146	133 152
Huldt & Lillevik AS	HR and payroll SW	06/03/15	100.0%	452 000	587	452 587

The initial accounting for the business combination is incomplete at the time these financial statements are authorised for issue.
Hence disclosures related to purchase price allocation is not provided.

NOTE 2 - SEGMENT INFORMATION

CONSOLIDATED

The Group's primary reporting format is business areas and its secondary format is geographical distribution.
For management purposes, the Group is organised into three business units based on the market their customer operates in with different risk and rates of return. The Group and has three reportable segments as follows:

a) The Small and Medium Businesses (Visma Software SMB)
b) Government and Large Accounts (Visma Software GLA)
c) Business Process Outsourcing (Visma BPO)

The Software SMB division offers small to medium sized businesses a complete range of business admin solutions; including web based ERP and invoicing, CRM solutions, purchasing management, e-commerce solutions, and hosting.

The BPO division offers accounting, payroll/HRM and temp services along with financial advisory to companies of all sizes across the Nordic region.

The Software GLA division provides private enterprises with full-scale ERP and procurement systems and retail software and infrastructure, along with public sector production systems for areas such as school administration, care for the elderly, and child protective services.
Transfer prices between business 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 "Other".

Summarised financial information concerning each of the Company's reportable business segments is as follows:

OPERATING SEGMENTS

			2014		
(NOK 1,000)	**Software SMB**	**BPO**	**Software GLA**	**Other**	**Total**
Revenues					
Total segment revenues	**3 423 371**	**1 935 723**	**3 120 090**	**111 501**	**8 590 686**
Internal revenues	556 323	124 068	679 389	111 501	1 471 281
External revenue on each group of similar products and services					
Software	1 993 534	38 532	1 164 529	0	3 196 595
Transaction Services	481 376	949 269	33 755	0	1 464 400
Consulting Services	116 179	804 088	967 439	0	1 887 705
Hosting and infrastructure as a service	186 345	0	51 708	0	238 053
Other	89 615	19 767	223 269	0	332 651
External revenues	**2 867 049**	**1 811 656**	**2 440 700**	**0**	**7 119 405**
Actual growth (external)%	10.2%	2.2%	17.4%		10.3%
Curr. adj. organic growth (external)%	4.5%	(0.4%)	6.1%		3.7%
EBITDA	**871 682**	**198 926**	**411 752**	**(6 728)**	**1 475 633**
EBITDA margin	30.4%	11.0%	16.9%		20.7%
Profit before tax	**660 472**	**148 800**	**273 255**	**(298 223)**	**784 304**
Assets	**5 257 493**	**1 522 158**	**3 371 370**	**69 125**	**10 220 146**

NOTE 2 CONTINUED

	2013				
(NOK 1,000)	Software SMB	BPO	Software GLA	Other	Total
Revenues					
Total segment revenues	**3 100 411**	**1 855 431**	**2 667 439**	**100 323**	**7 723 604**
Internal revenues	499 529	82 674	588 724	100 323	1 271 250
External revenue on each group of similar products and services					
Software	1 795 641	28 763	1 044 756	0	2 869 160
Transaction Services	427 096	890 946	21 456	0	1 339 497
Consulting Services	99 561	832 261	813 795	0	1 745 617
Hosting and infrastructure as a service	177 606	0	57 598	0	235 204
Other	100 979	20 789	141 109	0	262 877
External revenues	**2 600 882**	**1 772 757**	**2 078 715**	**0**	**6 452 354**
Actual growth (external)%	6.5%	10.3%	22.4%		12.2%
Curr. adj. organic growth (external)%	3.8%	5.6%	8.7%		4.9%
EBITDA	**794 083**	**186 684**	**383 459**	**(39 081)**	**1 325 145**
EBITDA margin	30.5%	10.5%	18.4%		20.5%
Profit before tax	**601 621**	**139 725**	**288 962**	**(306 092)**	**724 217**
Assets	**4 986 566**	**1 483 310**	**2 683 756**	**(144 004)**	**9 009 628**

Reconciliation	**2014**	**2013**
Profit before taxes	784 304	724 217
Net financial items	256 765	233 027
Result from associated companies	(535)	(5 393)
Depreciations and amortisations	435 099	373 295
EBITDA from operating segments	**1 475 633**	**1 325 145**

Assets for associated companies are disclosed under "Other".

GEOGRAPHICAL AREAS	2014			2013		
	Net sales	% of net sales	* Long lived assets	Net sales	% of net sales	* Long lived assets
Norway	3 371 110	47.4%	2 211 340	3 154 067	48.9%	2 041 113
Sweden	2 183 251	30.7%	1 466 659	2 089 037	32.4%	1 488 846
Denmark	431 245	6.1%	386 108	361 490	5.6%	253 467
Finland	866 658	12.2%	1 210 797	607 866	9.4%	890 178
Netherlands	267 141	3.8%	659 695	239 894	3.7%	612 618
Total	**7 119 405**	**100.0%**	**5 934 599**	**6 452 354**	**100.0%**	**5 286 221**

* Long lived assets is defined as intangible assets, less deffered tax assets.

Assets and liabilities in foreign operations, including goodwill and fair value adjustments, are translated into NOK using the exchange rate applicable at the end of the reporting period. Income and expenses relating to foreign operations are translated into NOK using the average exchange rate. Exchange-rate differences are recognised in other comprehensive income.

NOTE 3 - PAYROLL AND PERSONNEL EXPENSES

CONSOLIDATED

(NOK 1,000)	2014	2013
Salaries	2 782 063	2 546 025
Employer's national insurance contributions	483 580	442 551
Pension expenses	196 042	179 410
Other personnel expenses	162 186	148 426
Total	**3 623 870**	**3 316 412**
Average number of man-year	**6 316**	**5 642**

Pensions

Visma has contribution-based schemes in Denmark, Finland, Sweden and Norway. The company is for the Norwegian employees required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension (Lov om obligatorisk tjenestepensjon). The company's pension scheme meets the requirements of that law. The annual contribution to the scheme is expensed as the year's pension expenses. Visma has no obligation beyond the annual contribution. The Group's recognized pension liabilities of TNOK 5 208 originating from acquired entities. Expenses related to the contribution plan were TNOK 196 042 in 2014 and TNOK 179 410 in 2013.

In addition to the defined contribution-based schemes, Visma has one defined benefit plan in Sweden covering 18 employees. WWThe net liability recognised based on the defined benefit scheme in the Group (Visma Consulting AB Sweden) amounts to NOK 5.2 million as of year end 2014.

NOTE 4 - GOODWILL AND OTHER INTANGIBLE ASSETS

CONSOLIDATED

(NOK 1,000)	Trademark	Technology	Software rights	Capitalized development expenses	Contracts & Customer relationships	Goodwill
Cost as at 1 January 2014, net of accumulated amortisation	**2 075**	**49 640**	**413 904**	**125 664**	**671 327**	**3 986 940**
Acquisitions	0	0	157 471	8 100	274 898	390 428
Additions	0	0	0	37 434	0	0
Disposal	0	0	0	0	0	0
Amortisation	(2 075)	(49 640)	(76 623)	(39 488)	(204 938)	0
Exchange adjustments	0	0	28 628	0	29 411	131 443
Balance at 31 December 2014	**0**	**0**	**523 379**	**131 711**	**770 698**	**4 508 811**
Carrying amount at 1 January 2014						
Cost	5 004	129 541	856 373	271 566	1 455 889	4 118 143
Accumulated amortisation and impairment	(2 929)	(79 901)	(442 470)	(145 902)	(784 562)	(131 203)
Carrying amount at 1 January 2014	**2 075**	**49 640**	**413 904**	**125 664**	**671 327**	**3 986 940**
Carrying amount at 31 December 2014						
Cost	5 004	129 541	1 042 472	317 101	1 760 198	4 640 014
Accumulated amortisation and impairment	(5 004)	(129 542)	(519 092)	(185 390)	(989 501)	(131 203)
Carrying amount at 31 December 2014	**0**	**0**	**523 379**	**131 711**	**770 698**	**4 508 811**

NOTE 4 CONTINUED

Contracts and Customer relationships represent intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised under the straight-line method over a period of 4-7 years. These assets are tested for impairment where an indicator on impairment arises. Purchased rights represent intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised under the straight-line method over a period of 4-15 years. These assets are tested for impairment where an indicator on impairment arises.

Technology represents intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised by using the declining balance method.

Trademark represents intangible assets purchased through the effect of business combinations and is amortised with 12% by using the declining balance method. Development costs are internally generated and amortised under the straight-line method over a period of 4 years. Goodwill represents intangible assets purchased through the effect of business combinations. These assets are not amortised, but are anually tested for impairment or if an indicator on impairment arises. Reference is made to Note 23

INVESTMENT IN PURCHASED RIGHTS, GOODWILL, CONTRACTS AND CUSTOMER RELATIONSHIPS

(NOK 1,000)	Acquired (year)	Software rights	Capitalized development expenses	Contracts & Customer relationships	Goodwill
Finnvalli Finland Ab OY	2014	32 185	2 313	45 059	60 217
Priorite Oy	2014	-	-	23 009	28 230
Logium OY	2014	40 332	-	56 464	75 624
Lavit	2014	-	-	-	-
Wallmob A/S	2014	31 183	-	43 656	58 472
Visma Teleboekhouden BV	2014	10 897	-	15 256	24 040
SIA FMS	2014	6 812	922	9 537	9 042
SIA FMS Software	2014	6 062	-	8 487	8 298
Visma Information Factory AB	2014	-	-	-	4 491
Info Consensus AS	2014	30 000	4 865	42 000	58 070
Kapp Regnskap	2014	-	-	-	511
Visma Software PL	2014	-	-	-	489
Creno AS	2014	-	-	31 430	62 944
Total		**157 471**	**8 100**	**274 898**	**390 428**

For further comments on acquisitions, please see Note 1.

NOTE 4 CONTINUED

(NOK 1,000)	Trademark	Technology	Software rights	Capitalized development expenses	Contracts & Customer relationships	Goodwill
Balance 1 January 2013	**2 066**	**49 969**	**416 733**	**128 151**	**643 085**	**3 521 924**
Acquisitions	0	0	70 702	23 448	125 429	218 313
Additions	0	0	0	24 520		0
Disposal	0	0	0	0	0	0
Amortisation	(264)	(6 907)	(101 271)	(50 455)	(155 551)	0
Exchange adjustments	274	6 578	27 741	0	58 363	246 703
At 31 December 2013	**2 076**	**49 640**	**413 905**	**125 664**	**671 327**	**3 986 940**
Carrying amount at 1 January 2013						
Cost	4 731	122 962	757 930	223 598	1 272 097	3 653 127
Accumulated amortisation and impairment	(2 666)	(72 993)	(341 199)	(95 447)	(629 011)	(131 203)
Carrying amount at 1 January 2013	**2 065**	**49 969**	**416 732**	**128 151**	**643 086**	**3 521 924**
Carrying amount at 31 December 2013						
Cost	5 004	129 541	856 373	271 566	1 455 889	4 118 143
Accumulated amortisation and impairment	(2 929)	(79 901)	(442 470)	(145 902)	(784 562)	(131 203)
Carrying amount at 31 December 2013	**2 075**	**49 640**	**413 904**	**125 664**	**671 327**	**3 986 940**

	2014	2013
	765 429	**695 844**

The Group has incurred the following software research and development expenses

Research and development expenses include salaries for employees in the Group's development department and an estimate of the development department's proportional share of the operating expenses. Development expenses have been assessed by the Group in accordance with IAS 38.

NOTE 5 - TANGIBLE FIXED ASSETS

CONSOLIDATED

(NOK 1,000)	Machinery and equipment	Property*	Total
At 1 January 2014	**133 487**	**20 884**	**154 373**
Investment	66 528	28	66 556
Investment from acquisition of subsidiary	11 989	0	11 989
Disposal and scrap	0	0	0
Impairment	0	0	0
Depreciation for the year	(62 335)	0	(62 335)
Adjustment	(28)	0	(28)
At 31 December 2014	**149 641**	**20 912**	**170 554**
At 1 January 2014			
Cost	656 301	31 063	687 364
Accum. depreciation	(522 814)	(10 178)	(532 993)
At 1 January 2014	**133 487**	**20 884**	**154 371**
At 31 December 2014			
Cost	734 791	31 090	765 881
Accum. depreciation	(585 149)	(10 178)	(595 328)
At 31 December 2014	**149 641**	**20 912**	**170 554**
Depreciation rates (straight line method)	10-33.33%	0 - 4%	

(NOK 1,000)	Machinery and equipment	Property*	Total
At 1 January 2013	**125 624**	**19 272**	**144 897**
Investment	56 171	4 042	60 213
Investment from acquisition of subsidiary	8 112	0	8 112
Disposal and scrap	0	0	0
Impairment	0	0	0
Depreciation for the year	(56 418)	(2 429)	(58 848)
Adjustment			0
At 31 December 2013	**133 487**	**20 884**	**154 373**
At 1 January 2013			
Cost	592 019	27 020	619 040
Accum. depreciation	(468 089)	(6 056)	(474 145)
At 1 January 2013	**123 931**	**20 964**	**144 895**
At 31 December 2013			
Cost	656 301	31 063	687 364
Accum. depreciation	(522 814)	(10 178)	(532 993)
At 31 December 2013	**133 487**	**20 884**	**154 371**
Depreciation rates (straight line method)	10-33.33%	0 - 4%	

* Properties that are not depreciated are tested for impairment where an indicator of impairment arise.

NOTE 6 - ACCOUNTS RECEIVABLES

CONSOLIDATED

(NOK 1,000)	2014	2013
Accounts receivables	937 624	942 808
Provision for bad debt	(20 742)	(22 487)
Accounts receivables	**916 882**	**920 320**

On a consolidated basis the provision for bad debts at 31.12.2014 is TNOK 20 742 while at 31.12.2013 it was TNOK 22 487

CHANGES IN PROVISIONS FOR BAD DEBTS

	2014	2013
Provisions for bad debt 1 January	**22 487**	**18 548**
Effect from (disposals) and acquisitions of business	783	645
Bad debts recognised as expense (expense reduction)	(756)	5 627
Recovered amounts previously written off	(1 772)	(2 332)
Provisions for bad debt 31 December	**20 742**	**22 487**

AGE DISTRIBUTION OF ACCOUNTS RECEIVABLES FROM INVOICED DATE

	Current, 0-30 days	31-60 days	61-90 days	91-180 days	181+ days	Year end	Pro-visions	Total
Trade receivables 2014	776 986	93 909	28 663	20 136	17 931	937 624	(20 742)	916 882
Trade receivables 2013	760 967	113 960	25 654	19 053	23 173	942 808	(22 487)	920 320

The bad debt provisions is estimated based on historically incurred losses or events. The Group's accounts receivable which have been due for more than 180 days, excluding VAT, amount to TNOK 14 345 (TNOK 18 538 in 2013). Credit days varies between 15 and 30 days. There were no material individual items. The company considers the provision for bad debt to be adequate.

NOTE 7 - OTHER CURRENT AND LONG-TERM RECEIVABLES

CONSOLIDATED

OTHER CURRENT RECEIVABLES

(NOK 1,000)	2014	2013
Prepaid expenses	65 418	63 985
Other short term receivables	62 642	60 380
Prepaid taxes	0	6 910
Revenues recognized not invoiced / work in progress	102 892	49 136
Total other short term receivables	**230 952**	**180 412**
Other long term receivables	**12 554**	**9 788**

NOTE 8 - OTHER OPERATING EXPENSES

CONSOLIDATED

(NOK 1,000)	**2014**	**2013**
Rent	336 773	317 760
Other office expenses	125 852	127 659
Telecom, postage and IT	112 537	98 119
Travel expenses	83 134	75 742
Car expenses incl leasing	30 480	24 404
Sales and marketing	128 522	122 605
Audit, lawyers' fees and other consulting services	118 955	88 714
Bad debts	18 178	29 519
Total other operating expenses	**954 430**	**884 522**

NOTE 9 - FINANCIAL INCOME AND EXPENSES

CONSOLIDATED

(NOK 1,000)	**2014**	**2013**
Financial income include:		
Dividend/transfer from investments	4 000	3 300
Other interest income	31 351	29 267
Foreign exchange gains*	0	2 179
Total financial income	**35 351**	**34 746**
Financial expenses include:		
Interest expense	234 449	207 529
Foreign exchange losses *	4 759	0
Other financial expenses **	52 908	60 245
Total financial expenses	**292 116**	**267 773**

* Foreign exchange gains/losses are in all material respects associated with inter-company items that represent foreign exchange risk for the Group that is not considered part of a net investment.

** Other financial expenses consists mainly of funding fees amortized in connection with the long term interest bearing loans.

NOTE 10 - INCOME TAX

(NOK 1,000)

The major components of income tax expense for the years ended 31 December 2014 and 2013 are:

Consolidated statement of profit and loss	2014	2013
Current income tax charge	51 552	95 504
Changes in deferred taxes	254 804	61 605
Income tax expense reported in the statment of profit or loss	**306 356**	**157 109**

Consolidated statement of other comprehensive income (loss)	2014	2013
Net gain (loss) on financial hedging instruments	(25 481)	(3 941)
Net (gain)/loss on actuarial gains and losses	(2 791)	(1 275)
Deferred tax charged to OCI	**(28 272)**	**(5 216)**

Below is an explanation of why the tax expense for the year does not make up 27% of the pre-tax profit. 27% is the tax rate of the parent company Visma AS.

	2014	2013
Ordinary profit before tax	**784 304**	**724 217**
27% tax on ordinary profit before tax	211 762	202 781
Permanent differences	7 610	(1 745)
Different tax rate in some group companies	(18 499)	(20 932)
Change in tax rates*	(1 994)	(18 814)
Loss (profit) from associated company	(145)	(1 510)
Tax from prior year	(370)	(1 469)
Non taxable dividend received	(1 048)	(543)
Recognised previous unrecognised tax loss	(962)	(658)
Loss on previous unrecognised deferred tax asset due to tax case**	110 000	0
Tax expense	**306 356**	**157 109**
Effective tax rate	39.1%	21.7%

* Following countries have change the corporate tax with effect from 2014 affecting the temporary differences and defferred tax as at 31.12:
- **Denmark** changed corporate tax rate from 24.5% to 22%
** Refer to seperate comments below

DEFERRED TAX AND DEFERRED TAX ASSETS

	Consolidated statement of financial position		Consolidated income statement	
(NOK 1,000)	2014	2013	2014	2013
Current assets/liabilities	145 395	47 807	97 589	13 939
Fixed assets/long term liabilities	519 303	396 696	122 607	(10 740)
Tax losses carried forward	(11 822)	(18 158)	6 336	53 190
Net deferred tax liability / (asset)*	**652 877**	**426 345**	**226 532**	**56 388**

Reflected in the statement of financial position as follows:		
Deferred tax asset	(621)	(81 191)
Deferred tax liability	653 498	507 536
Net deferred tax liability / (asset)	**652 876**	**426 345**

NOTE 10 CONTINUED

	2014	2013
Deferred tax opening balance	**426 345**	**369 956**
Taken to other comprehensive income inclusiv currency effects	(28 272)	(5 216)
Change in group contribution related parties	(142 641)	(40 826)
Currency effects	3 460	1 500
Recognised loss on deferred tax asset due to tax case**	110 000	0
Changes due to acquisitions	29 180	39 327
Taken to profit and loss	254 804	61 605
Deferred tax closing balance	**652 876**	**426 345**

*Change in deferred tax in the statement of financial position includes deferred tax assets/liabilites related to changes taken directly to equity and aquisitions of companies that have not been recognized through profit and loss.

Dividend payments to the share holders of Visma AS do not materialy effect the group's current nor deferred tax.

The tax losses carried forward relate in all material respect to acquisitions made. The losses are available indefinitely for offset against future taxable profits in the companies in which the losses arose and through realistic tax planning strategies within different tax regimes.

In 2010, local tax authorities in Norway made a ruling that prevented Visma from utilizing tax positions of an acquired business of NOK 393 million. The tax position consisted of tax losses carried forward from periods prior to 2004 and goodwill. Visma had taken the case to court but lost in the Court of Appeal in December 2014. In March 2015 a hearing in the Norwegian Supreme Court did not approve a further promotion of the appeal. As a consequence a NOK 110 million tax expense is recognised in 2014. Visma will be required to cover legal costs and 30% surtax might also apply. Total tax payable is still unclear since it is depending on whether Visma would be allowed to change the Group contributions from previous years as a response to the present judgment.

NOTE 11 - RELATED PARTY DISCLOSURES

CONSOLIDATED

Visma AS	Registered office	Holding% **	Book value ***
Visma Danmark Holding A/S *	Copenhagen	100.00%	161 075 250
Visma Finland Holding OY *	Helsinki	100.00%	244 789 512
Visma Nederland Holding BV *	Amsterdam	100.00%	115 524 635
Visma Norge Holding AS *	Oslo	100.00%	1 685 656 775
Visma Sverige Holding AB *	Växjö	100.00%	6 080 187
Visma Hosting Holding AS*	Oslo	100.00%	210 502 607
Visma Latvia Holding SIA*	Riga	100.00%	47 552 200
Visma Treasury AS	Oslo	100.00%	5 000 000
Total (NOK)			**2 476 181 166**

Visma Norge Holding AS	Registered office	Holding% **	Book value ***
Visma Software International AS*	Oslo	100.00%	477 036 285
Visma Software AS	Oslo	100.00%	54 738 310
Visma Unique AS	Oslo	100.00%	59 018 636
Visma Personnel Management AS	Oslo	100.00%	2 500 000
Visma Retail AS	Baråker	100.00%	184 043 169
Intime Nordic AS	Baråker	100.00%	12 000 000
Visma IT & Communications AS	Oslo	100.00%	46 326 991
Visma Collectors AS*	Trondheim	100.00%	93 967 577

NOTE 11 CONTINUED

Visma Academy AS	Oslo	100.00%	1
Visma Smartskill AS,N	Sarpsborg	50.10%	120 151 225
Visma Personnel AS	Oslo	100.00%	14 314 587
Visma Services Norge AS*	Bergen	100.00%	195 535 977
Visma Commerce AS	Oslo	100.00%	12 845 694
Visma Retail Software AS	Baråker	100.00%	22 600 000
Exso AS,N	Baråker	100.00%	1 000 000
Creno AS,N	Trondheim	100.00%	89 768 386
Kollektor AS	Limingen	100.00%	11 471 455
Visma Consulting AS	Oslo	100.00%	214 663 481
Visma Software Labs AS	Oslo	100.00%	88 733 470
Instore Technical Services AS	Barkåker	100.00%	78 412 202
InStore IT Vest AS	Fyllingsdalen	100.00%	32 678 000
InStore IT Innlandet AS	Furnes	90.33%	18 179 762
InStore IT Sør AS	Porsgrunn	91.00%	29 719 891
InStore IT Midt Norge AS	Trondheim	90.10%	22 176 552
InStore IT Nord AS	Tromsø	90.10%	15 437 054
Visma Mamut AS*	Oslo	100.00%	70 017 889
Total (NOK)			**1 967 336 594**

Visma Sverige Holding AB	Registered office	Holding% **	Book value ***
Visma Software AB, S	Malmø	100.00%	108 330 042
InExchange Factorum AB	Skövde	100.00%	246 088 258
Visma Spcs AB	Växjö	100.00%	920 299 345
Visma Retail AB	Norrtälje	100.00%	120 265 643
Visma Esscom AB	Bromman	100.00%	130 817 328
Visma Services AB	Stockholm	100.00%	140 208 912
Visma Collectors AB	Helsingborg	100.00%	250 386 195
Visma Advantage AB	Stockholm	100.00%	30 674 009
Information Factory AB, S	Uppsala	100.00%	40 144 774
Visma Agda AB	Ängelholm	100.00%	228 974 547
Visma IT & Communications AB	Växjö	100.00%	1 220 000
Visma Commerce AB*	Linkøbing	100.00%	202 601 234
Visma Lindhagen AB	Stockholm	100.00%	1 000 000
Visma Consulting AB*	Kista	100.00%	250 966 832
S4F Progress AB	Fagersta	100.00%	2 800 000
Visma Malmö AB	Malmo	100.00%	1 000 000
Total (SEK)			**2 675 777 119**

Visma Danmark Holding A/S	Registered office	Holding% **	Book value ***
Wallmob A/S	Vejle	50.10%	111 215 836
Visma Software A/S	Copenhagen	100.00%	58 946 298
Visma Retail A/S	Copenhagen	100.00%	2 500 000
Visma Services Danmark A/S*	Copenhagen	100.00%	113 692 500
Visma Consulting A/S	Copenhagen	100.00%	171 425 155
Total (DKK)			**457 779 789**

NOTE 11 CONTINUED

Visma Finland Holding OY	Registered office	Holding% **	Book value ***
Visma Duetto OY	Turku	100.00%	5 335 831
Visma Software OY	Espoo	100.00%	40 336 047
Visma Services OY	Helsinki	100.00%	36 361 097
Visma Enterprise OY	Helsinki	100.00%	19 271 932
Kollektor OY	Helsinki	100.00%	102 850
Visma Consulting OY	Helsinki	100.00%	6 873 836
Visma Solutions OY	Lappeenranta	100.00%	45 355 874
Visma Passeli OY	Pori	100.00%	19 628 572
Total (EUR)			**173 266 039**

Visma Nederland BV	Registered office	Holding% **	Book value ***
Visma Software BV*	Schiphol-Rijk	100.00%	100 972 772
Visma Teleboekhouden BV,NL	Schiphol-Rijk	100.00%	5 223 625
Total (EUR)			**106 196 397**

Visma Latvia Holding SIA*	Registered office	Holding% **	Book value ***
Visma Enterprise SIA	Riga	100.00%	6 190 046
Total (EUR)			**6 190 046**

* Parent company in subgroup
** For all Group companies, the holding is equal to the proportion of voting capital.
*** Book value in the company accounts of the individual company in the Group. In the company accounts shares in subsidiaries are recognized according to the cost method.

Reference is made to Note 24 for an overview of the equity interest in each of the related companies.
The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(NOK 1,000)	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties	Loans to related parties	Loans from related parties
Associates:						
SuperInvest AS - Group	7 857	10 309	1 275	1 017	0	0
Key managment personnel of the group:	0	0	0	0	0	0

Reference is made to Note 16 for information about compensation of key management personnel of the group
Reference is made to the "Statement of changes in equity" note for information about group contribution to Archangel AS and Visma Group Holding AS.

The ultimate parent

Metatron AS is the ultimate parent entity of the group.
Other than administrative services, there were no transactions between the Visma group and Metatron AS during the financial year.

The following describes the nature of the equity component of other reserves:

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2014, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 12 - BANK DEPOSITS AND LOANS

CONSOLIDATED

The consolidated accounts include cash and bank deposits of TNOK 2 788 970 (TNOK 2 246 384 in 2013).
Of this, restricted cash amounts to TNOK 212 375 (TNOK 214 720 in 2013), whereof TNOK 121 221 relates to guarantee liabilities.

Group account facilities

In the nordic countries, Visma Treasury AS has a group facility with Danske Bank, in which all units participate. The group account facility has been established to promote optimal cash flow management. In the agreement with Danske Bank, a cash-pool agreement is included were all affiliated entities accounts are zero-balanced. A tool for cash management and interest simplifies the financial control of the groups capital. The agreement gives an opportunity to enter limit appertaining to an entities account, which gives excellent detailed control on unit level.

Interest bearing loans

The debt facilities were re-structured in May 2014 as part of an restructure of the debt profile in the Group. Related to this the senior debt facilities were extended. The financing benefits Visma with increased operational flexibility.

Senior facility loans are nominated in NOK, SEK, EUR and DKK

No form of compliance certificates is established on the Visma Group level. On the Archangel Group, form of compliance certificates were established on 03.12.2010. After the re-financing in September 2013 new form of compliance were established 05.09.2013 on the Visma Group Holding Group level. There were no breach of these covenants in 2014. The the group is expected to pass all covenant-hurdles in the future.

		Interest			Interest	Nominal value	Due in				
(NOK 1 000)	Interest*	margin	Interest		accrued	31.12.2014	2015	2016	2017	2018	2019
Senior Visma AS	1.84%	3.75%	5.59%	NOK	20 493	1 128 000	100 000	100 000	100 000	100 000	728 000
Senior Visma Sverige Holding AB	0.57%	3.75%	4.32%	SEK	21 977	1 564 600	0	0	0	0	1 564 600
Senior Visma Finland Holding OY	0.25%	3.75%	4.00%	EUR	1 300	100 000	0	0	0	0	100 000
Senior Visma Danmark Holding AS	0.50%	3.75%	4.25%	DKK	2 985	216 000	0	0	0	0	216 000
Senior Visma Nederland AS	0.25%	3.75%	4.00%	EUR	584	44 960	0	0	0	0	44 960
RCF Visma Finland Holding OY	0.25%	3.75%	4.00%	EUR	260	20 000	0	0	0	0	20 000
Total Visma group translated to NOK				**NOK**	**64 586**	**4 382 345**	**100 000**	**100 000**	**100 000**	**100 000**	**3 982 345**
Expected interests to be paid				NOK			244 790	244 790	244 790	244 790	244 790
Interest swap Visma AS				NOK	2 102	560 000					
Interest swap Visma Sverige Holding AB				SEK	9 127	900 000					
Interest swap Visma Finland Holding OY				EUR	177	50 000					
Interest swap Visma Danmark Holding A/S				DKK	1 233	175 000					
Interest swap Visma Nederland BV				EUR	350	49 000					
Total Visma group translated to NOK				**NOK**	**17 123**	**2 530 724**					

*Interest; For loans in NOK NIBOR - SEK STIBOR - EUR EURIBOR - DKK CIBOR

Average effective interest rate on financial instruments	**2014**	**2013**
Interest bearing deposits	1.25%	1.54%
Revolving credit facility	4.00%	1.00%
Acquisition facility	4.00%	5.90%
Loan secured by mortgage	5.59%	5.09%

Acquisition financing Visma AS	
Acquisition financing national holding companies	4 101 615
Capitalised borrowing cost	(16 554)
Other none interest bearing long term borrowings	270 463
Total	**4 355 524**

Reference is made to note 20 for information about interest risk and interest hedging instruments.
Trade payables are non-interest bearing and are normally settled on terms between 15 and 60 days.

NOTE 13 - OTHER RESERVES

CONSOLIDATED

(NOK 1,000)	Financial hedging instruments (net of tax)	Exchange differences on translation of foreign operations (net of tax)	Other changes	Total other reserves
As at 1 January 2013	**(74 344)**	**(40 684)**	**51 712**	**(63 316)**
Changes in 2013	(10 135)	81 757	(4 520)	67 102
At 31 December 2013	**(84 479)**	**41 073**	**47 192**	**3 785**
Changes in 2014	(72 524)	69 281	(9 894)	(13 136)
At 31 December 2014	**(157 003)**	**110 355**	**37 299**	**(9 349)**

Terms and conditions of transactions with related parties.

Financial hedging instruments

This includes fair value changes of interest swap contracts (net of tax, ref. note 20).

Exchange differences on translation of foreign operations

Foreign currency translation includes exchange differences arising from the translation of the financial statements of foreign subsidiaries (net of tax).

Other changes

SuperInvest AS went from being classified as "shares available for sale" to an associated company in August 2008. Fair value of the investment of MNOK 62 was considered as deemed cost at the date SuperInvest AS became an associate and no adjustment has been made to reverse previous fair value adjustments within other reserves. Visma implemented IAS 19R in 2013. IAS 19R eliminates the corridor approach and recognizes all actuarial gains and losses in Other Comprehensive Income as they occur. In addition all past service costs are recognized immediately and interest cost and expected return on plan assets are replaced with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The changes have been applied retrospectively with effect on the opening balance 1 January 2012. The net liability recognised based on the defined benefit scheme in the Group (Visma Consulting AB Sweden) amounts to NOK 5.2 million as of year end 2014.

NOTE 14 - SHARE CAPITAL AND SHAREHOLDER ISSUES

CONSOLIDATED

At 31.12.2014, the company's share capital consists of 1 share with a nominal value of NOK 165,000,310, fully paid. One share entitles the holder to one vote. No changes to the number of shares has taken place in 2014.

Shareholders at 31.12.2014	Holding (%)
Archangel AS	100%
Total	**100%**

NOTE 15 - SHARES OWNED BY THE BOARD AND EXECUTIVE EMPLOYEES

CONSOLIDATED

At the end of the financial year, members of the Board and executive employees owned the following shares in the ultimate parent company, Metatron AS.

	Holding
Board of Directors:	**0.01%**
Executive employees:	
Øystein Moan (CEO)	**1.09%**
Tore Bjerkan (CFO)	**0.34%**
Bjørn A.Ingier (Director Growth & Cross-sales)	**0.17%**
Eivind Gundersen (Division Director Visma Software SMB)	**0.10%**
Roar Wiik Andreassen (Division Director BPO)	**0.01%**
Total	**1.73%**

METATRON AS

Shareholder/Nominee	Ordinary A-shares	Preference B-shares	Total # Shares	%
Chamuel Cayman Ltd - KKR funds	16 231 560	4 041 658 428	4 057 889 988	31.3%
HG Metatron Ltd - Hg Capital funds	16 231 560	4 041 658 428	4 057 889 988	31.3%
Philomelos S.a.r.l - Cinven funds	16 231 560	4 041 658 428	4 057 889 988	31.3%
VMIN 2 AS	6 310 335	548 981 385	555 291 720	4.3%
Other management	5 771 859	215 630 826	221 402 685	1.7%
Total	**60 776 874**	**12 889 587 495**	**12 950 364 369**	**100.0%**

Only ordinary A-shares have voting rights.

NOTE 16 - COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE GROUP

CONSOLIDATED

(NOK 1,000)	2014	2013
CEO SALARY AND OTHER REMUNERATION		
Salaries and benefits in kind	5 545	5 317
Bonus	5 450	3 500
Other	222	240
Total remuneration	**11 217**	**9 057**

The CEO's contract of employment provides for a termination payment equivalent to 18 months' salary.
The CEO has a bonus agreement that is subject to achieved revenue and EBTIDA.
Payment to the pension contribution plan amounted to NOK 53 020 in 2014.

(NOK 1,000)	2014	2013
REMUNERATION TO THE MANAGEMENT (does not include CEO)		
Salaries and benefits in kind	10 488	11 628
Bonus	6 291	3 595
Other	0	0
Total remuneration	**16 779**	**15 223**

The executive management contract of employment provides for a termination payment between 6 and 12 months' salary.
The executive management has a bonus agreement that is subject to achieved EBITDA.
No loans have been granted to or security pledged for members of the management group.

Loans to employees

In some countries, employees are entitled to loans from the Group. The interest on loans to employees is not lower than the market interest rate. The other borrowing terms and conditions are generally the same as normal market terms and conditions. Loans to employees comprised in 2014 to TNOK 40 compared to TNOK 11 in 2013.

Remuneration to the board of directors

The Board will propose to the general meeting that the Board's remuneration for 2014 is set at TNOK 650 (TNOK 550) to the chairman of the Board.

REMUNERATION TO THE AUDITORS	2014				2013			
(NOK 1,000)	Visma AS	Other Group Companies	Other Auditors	Total	Visma AS	Other Group Companies	Other Auditors	Total
Audit services	569	8 871	363	9 802	561	7 742	217	8 520
Other attestation services	196	52	0	249	162	580	0	742
Tax services	406	1 339	0	1 746	570	290	0	860
Other services	1 985	1 761	35	3 781	1 843	3 616	150	5 610
Total	**3 156**	**12 023**	**398**	**15 577**	**3 136**	**12 228**	**367**	**15 731**

All fees are exclusive of VAT

NOTE 17 - SECURED DEBT AND GUARANTEE LIABILITIES

CONSOLIDATED

Debtor	Actual guarantee debtor	Creditor	Type of guarantee		Guarantee limit
Visma Finland Holding OY, Fi	Visma Services Oy, FI	Verstaankatu 3E, Tampere	lease of premises	TEUR	33
Visma Finland Holding OY, Fi	Visma Services Oy, FI	RandH Kiinteistöt I Oy, Turku	lease of premises	TEUR	17
Visma Finland Holding OY, Fi	Visma Services Oy, FI	Technopolis Oyj, Oulu	lease of premises	TEUR	11
Visma Sverige Holding AS	SF4 Progress AB, SE	Lunds Kommun, SE	liability	TSEK	900
Visma Sverige Holding AS	Visma Retail AB, SE	ApoPharm AB, SE	liability	TSEK	5 000
Visma Sverige Holding AS	Visma Retail AB, SE	Coop Butiker & Stormaknader AB, SE	liability	TSEK	2 400
Visma Sverige Holding AS	Visma EssCom AB	Gårdsfogdevägen 5-7, Bromma, SE	lease of premises	TSEK	1 500
Visma AS	Visma Finland Holding OY, FI	Exillion Rel Estate I Ky, Helsinki, FI	lease of premises	TEUR	25 238
Visma AS	Visma Lindhagen AB, SE	Remulus Svealand 2AB, Stockholm, SE	lease of premises	TSEK	182 602
Visma AS	Visma Malmö AB, SE	AB Remulus Bassängkajen Malmö, Malmö, SE	lease of premises	TSEK	90 216
Visma AS	Visma AS, NO	Barcode 112 AS, Oslo	lease of premises	TNOK	45 233
Visma AS	Active 24 BV, NL	Adyen BV, Amsterdam, NL	Payment processing	TEUR	no limit
Visma AS	Visma IT & Communications AS, NO	Dell AS, Oslo	liability	TNOK	15 000
Visma AS	Exxso AS, NO	Dell AS, Oslo	liability	TNOK	100
Visma Norge Holding AS	Visma Norge Holding AS, NO	Fram Eiendom AS, Oslo	lease of premises	TNOK	68 136
Visma Norge Holding AS	Visma Services Norge AS, NO	Thon Ski AS	lease of premises	TNOK	700
Visma Norge Holding AS	Visma Personell Management AS	AS Thor Dahl, Sandefjord	lease of premises	TNOK	41
Visma Norge Holding AS	Visma Software International AS, NO	Fredriksborg Eiendom AS, Fredrikstad	lease of premises	TNOK	1 205
Visma Norge Holding AS	Visma Services Norge AS, NO	Hans Gaarder Eiendom AS, Larvik	lease of premises	TNOK	286
Visma Norge Holding AS	Visma Services Norge AS, NO	Moengården AS, Eid	lease of premises	TNOK	156
Visma Norge Holding AS	Visma Services Norge AS, NO	Fjordpiren AS, Stavanger	lease of premises	TNOK	3 530
Visma Norge Holding AS	Visma Services Norge AS, NO	Havsutsikt AS, Mandal	lease of premises	TNOK	382
Visma Norge Holding AS	Visma Services Norge AS, NO	AS Thor Dahl, Sandefjord	lease of premises	TNOK	388
Visma Norge Holding AS	Visma Academy AS	Oslo Kemnerkontor	parent company guarantee	TNOK	139 415
Total guarantees				**TNOK**	**822 064**

Security is granted for loans as described in note 12 as follows:

Shares
Visma AS has pledged shares in the respective national holding companies. The national holding companies have pledged it’s share holdings in subsidiaries. Refer to note 11 which describe the group structure.

Account receivables
Pledges on account receivables are established in most countries

Operating assets
Pledges on operating assets are established in most Norwegian companies.

All securities granted will always be subject to local law.

NOTE 18 - COMMITMENTS

CONSOLIDATED

Operating lease commitments - Group as lessee

The Group has entered into commercial leases on certain motor vehicles and IT machinery.
These leases have an average duration of between 1 and 5 years with no renewal options included in the contracts.
There are no restrictions placed upon the lessee by entering theses leases.

In addition the Group has entered into commercial property leases related to the Group's office buildings. These leases have remaining terms of between 1 and 10 years. As of 31.12.2014, 2096 square meters in the headquarter in Skøyen is subleased, at a yearly value of MNOK 6.8 and 4 293 square meters in the office in Bjørvika is subleased, at a yearly value of MNOK 9,6.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2014	**2013**
Within one year	387 289	377 289
After one year but no more than four years	1 161 866	1 131 867
More than five years	520 856	578 729

NOTE 19 - INFORMATION ON CALCULATION OF EARNINGS PER SHARE

CONSOLIDATED

The calculation is based on the following information:		
Majority's share of the Group's profit/loss for the year (NOK 1,000)	476 699	564 207
Time-weighted average number of shares 31 December	1,00	1,00
Earnings per share (NOK)	**476 699 485**	**564 206 990**
Effect of dilution:		
Share options	-	-
Time-weighted average number of shares 31.12 including options	1,00	1,00
Diluted earnings per share (NOK)	**476 699 485**	**564 206 990**

Earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year plus the effect of all dilutive potential ordinary shares.

NOTE 20 - FINANCIAL INSTRUMENTS

CONSOLIDATED

Market and technology risks

As all companies, Visma is exposed to general economical fluctuations and GDP developments in the different countries where Visma is selling its products and services. As a technology company, Visma is also exposed to risks associated with dramatic shifts in technology, and resulting changes in the competitive landscape. Competition have been present in our markets for many years and although Visma is used the competition it remains a constant challenge to preserve and gain market shares.

The market and technology risk exposure is however limited by the following factors:

- The products and services provided to a large degree cater to requirements that are mandatory and necessary regardless of the economical cycle
- Visma has many customers in different countries, and in many different verticals. This lowers the exposure to events affecting a single country or vertical market. Visma has many small customers, which simplifies the projects are simpler and lowers implementation risks
- Visma has a wider range of products and services than its competitors, which provides more opportunities for cross-selling, more product sales to each customer, and less churn
- Visma utilises both Microsoft based technology and Open Source/Java technology

Financial risk

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations. The Group has also entered into derivative instruments for hedging purposes.
The Group does not use financial instruments, including financial derivatives, for trading purposes. The Group's senior management oversees the management of these risks. Guidelines for risk-management have been approved by the board.

The most significant financial risks for the Group are interest rate risk, liquidity risk, credit risk and exchange rate risk. The board and Management continuously evaluate these risks and determine policies related to how these risks are to be handled within the Group.

Credit risk

The Group are exposed to credit risk primarily related to accounts receivable and other current assets. The Group limits the exposure to credit risk through credits evaluation of its customers before credit are given.

The Group has no significant credit risk linked to an individual customer or several customers that can be regarded as a group due to similarities in the credit risk. The risk is limited due to the large number of customers and small amounts beeing invoiced to each customer. The Group has guidelines for ensuring that sales are only made to customers that have not experienced any significant payment problems, and that outstanding amounts do not exceed certain credit limits.

The Group has not provided any guarantees for third parties liabilities.

The maximum risk exposure is represented by the carrying amount of the financial assets in the balance sheet. The Group regards its maximum credit risk exposure to the carrying amount of trade receivables (see Note 6) and other current assets (see Note 7).

Interest-rate risk

The Group is exposed to interest-rate risk through its funding activities (see Note 12). All of the interest bearing debt has floating interest rate conditions which make the Group influenced by changes in the market rate. The objective for the interest rate management is to minimize interest costs and at the same time keep the volatility of future interest payments within acceptable limits. The Group has loans in NOK, DKK, SEK and EUR giving a natural hedge for the interest rate risk to the underlying cash flow in the companies.

Derivative instruments designated as cash flow hedging instruments

Parts of the groups cash flow are related to interest rate risk. As a part of the refinancing in 2014, the group entered into interest rate contracts covering 50.5% of the loan amounts. Interest rate for loans with floating rate has been hedged using interest rate swaps, where the group receives floating rate and pays fixed rate. The hedge is expected to exactly offset changes in expected cash flows due to fluctuations in the interest rate over the term of the debt. The effectiveness of the hedge relationship will be periodically assessed during the life of the hedge by comparing the current terms of the swap and the debt to assure they continue to coincide. The table below shows the fair value of the interest swap contracts.

NOTE 20 CONTINUED

(NOK 1,000)	Fixed interest		Nominal value	Fair value*
Visma AS from 05.09.13 to 05.12.19	3.00%	NOK	560 000	(44 226,8)
Visma Sverige Holding AB from 05.09.13 to 05.12.19	3.69%	SEK	800 000	(89 577,8)
Visma Finalnd Holding OY from 05.09.13 to 05.12.19	2.24%	EUR	50 000	(35 510,1)
Visma Danmark Holding A/S from 05.09.13 to 05.12.19	2.88%	DKK	175 000	(14 868,8)
Visma Nederland BV from 05.03.13 to 05.12.19	2.68%	EUR	49 000	(27 983,4)
Total				**(212 166,8)**

* Fair value adjustment as market to market value at year end 2014, for the remaining life of the contracts.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due (reference is made to Note 12 for the loan repayment schedule). The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation.Surplus liquidity is primarily invested in bank deposits.

Exchange rate risk

The Group is exposed to changes in the value of NOK relative to other currencies (SEK, DKK and EUR), due to production and sales operations in foreign entities with different functional currencies. The net income of the Group is also affected by changes in exchange rates, as the profit and loss from foreign operations are translated into NOK using the weighted average exchange rate for the period. The Group has loans denominated in SEK, DKK and EUR to reduce the cash flow risk in foreign currency

The following table sets the Group’s sensitivity for potential adjustments in NOK exchange rate, with all the other variables kept constant. The calculation is based on equal adjustments towards all relevant currency. The effect in the profit is a result of adjustments in monetary items.

	Adjustment in exchange rate	Effect on profit before tax, TNOK
2014	± 5%	± 28 394
2013	± 5%	± 27 042

Capital structure and equity

The primary focus of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders value. The group manages its capital structure and makes adjustment to it, in ligth of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives policies or processes during the financial year. The Group monitors capital according to covenants described in note 12, and a measure of the ratio of net debt divided by total capital plus net debt as shown below.

	2014	2013
Interest-bearing debt	4 085 061	4 317 757
Less cash and cash equivalents	2 788 970	2 246 384
Net debt	**1 296 091**	**2 071 373**
Majority's equity	2 310 901	1 952 318
Total equity and net debt	**3 606 992**	**4 023 691**
Debt ratio	36%	51%

NOTE 20 CONTINUED

Determination of fair value

The fair value of financial assets classified as "available for sale" is determined by reference to published price quotations in an active market. For unquoted financial assets the fair value has been estimated using a valuation technique based on assumptions that are not supported by observable market prices.

The following of the Group's financial instruments are not measured at fair value: cash and cash equivalents, trade receivables, other current receivables, overdraft facilities and long-term debts.

The carrying amount of cash and cash equivalents and overdraft facilities is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of trade receivables and trade payables is approximately equal to fair value since they are entered into on "normal" terms and conditions.

The fair value of loan notes have been calculated using market interest rates. Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments.

	2014		2013	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Cash and cash equivalents	2 788 970	2 788 970	2 246 384	2 246 384
Trade receivables	916 882	916 882	920 320	920 320
Available-for-sale investments	37 495	37 495	36 142	36 142
Other non-current assets	12 554	12 554	9 788	9 788
Financial liabilities				
Revolving credit facility	180 730	180 730	0	0
Short-term interest bearing bank loans	100 000	100 000	0	0
Trade and other payables	241 340	241 340	194 215	194 215
Financial hedging instruments	212 167	212 167	116 953	116 953
Interest-bearing loans and borrowings:				
Bank loans	4 101 615	4 101 615	4 283 144	4 283 144

Fair value and carrying amounts of bank loans are not materialy different because of variable interest rates and low credit spreads.

Fair value hierarchy

As at 31 December 2014, the Group held the following financial instruments measured at fair value:

	31 Dec. 2014	Level 1	Level 2	Level 3
Assets measured at fair value				
Available-for-sale investments	37 495			37 495
Liabilities measured at fair value				
Financial hedging instruments	212 167		212 167	

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

NOTE 21 - AVAILABLE-FOR-SALE FINANCIAL ASSETS

CONSOLIDATED

(NOK 1,000)	Fair value 01.01.2014 IFRS	Additions and reductions	2014
Shares listed			
Shares unlisted			
Project X International Ltd	30 802	1 676	32 478
Other	5 340	(323)	5 017
Total	**36 142**	**1 353**	**37 495**

Available-for-sale financial assets consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate. The fair value of the unlisted shares has been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. Management believes the estimated fair values resulting from the valuation technique which are recorded in the statement of financial position are reasonable and the most appropriate at the balance sheet date.

NOTE 22 - CURRENT LIABILITIES

CONSOLIDATED

Other current liabilities	2014	2013
Deferred revenue	917 931	839 356
Accrued interests	81 709	56 422
Deferred payment	93 994	13 339
Other short-term liabilities	612 914	529 227
Total other current liabilities	**1 706 548**	**1 438 345**

Ref. note 17 for security to guarantee short term debt

NOTE 23 - IMPAIRMENT TESTING OF GOODWILL

CONSOLIDATED

Goodwill acquired through business combinations has been allocated to 6 cash generating units (CGU) for impairment testing as follows:

1 Software
2 BPO Accounting & Payroll
3 Commerce Solutions
4 Retail
5 Consulting
6 Hosting

Key assumptions used in value-in-use calculations

The recoverable amount of the segments units has been determined based on a value in use calculation. Cash flow projections are based on budget for 2015 approved by management. For the period 2016-2019, management assumes an annual nominal increase in revenues of 3% and an annual EBITDA improvement of 0.5%. Management expects the Group's share of the market to be stable over the budget period. The discount rate applied to cash flow is 6.1% (2013: 7.1%) and cash flows beyond year 19 are extrapolated using a 0% growth rate (2013: 0%). Based upon the similarity of market conditions within the Nordic market, the same method for determining recoverable amounts has been applied across the different countries.

Carrying amount of goodwill

(NOK 1,000)	2014	2013
Software CGU	2 205 336	1 837 986
BPO Accounting & Payroll CGU	746 922	740 750
Commerce Solutions CGU	352 121	315 239
Retail CGU	492 058	426 743
Consulting CGU	460 021	418 053
Hosting CGU	252 352	248 169
Total	**4 508 811**	**3 986 940**

The recoverable amounts for the different cash generating units are higher than the carrying amounts and no impairment loss is recognised in 2014. With regard to the assessment of value-in-use of the different cash generating units above, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the units to materially exceed its recoverable amounts. Estimated cash flows and growth rates used in determining the value in use exclude any estimated future cash inflows or outflows expected to arise from future restructuring or from improving or enhancing the asset's performance.

NOTE 24 - INVESTMENTS IN ASSOCIATED COMPANIES

CONSOLIDATED

Investments in associates are accounted for under the equity method. These are investments of a strategic nature in companies in which the Group has significant influence by virtue of its ownership interest.

Visma AS has the following investments in associates:

Entity	Country	Ownership interest	Carrying amount 31.12.2013	Investments and reductions	Net profit (loss) 2014*	Carrying amount 31.12.2014	Fair value
SuperInvest AS - Group	Norway	22.2%	86 160	0	535	86 696	86 696
Total			**86 160**	**0**	**535**	**86 696**	**86 696**

* Adjusted for changes in the company's earnings in 2013, occurred after the presentation of Visma's consolidated financial statements.

SuperInvest AS is an unlisted company, and fair value is based on the offer price when de-listed, adjusted for Visma's share of net profit (loss).

A summary of the financial information on the individual associated companies, based on 100% figures:

Entity	Assets	Liabilities	Equity	Revenues	Profit (loss) for the year
SuperInvest AS - Group*	76 780	375 554	391 225	291 846	20 534
Total	**76 780**	**375 554**	**391 225**	**291 846**	**20 534**

* Unaudited numbers 2013

NOTE 25 - EVENTS AFTER THE BALANCE SHEET DATE

CONSOLIDATED

Significant events after the balance sheet date that occur before the Board of Directors has approved the financial statements may make it necessary to change the annual financial statements or to disclose the matter in the notes to the financial statements. If new information emerges regarding a matter that existed on the balance sheet date, and the matter is significant, the financial statements must be changed. If events concern matters that arose after the balance sheet date, the matters may have to be disclosed in a note.

Visma has in 2015 acquired Mokastet Data AS, Digital Illustrated Finland Oy, Finale Systemer AS and Huldt & Lillevik AS.
Please refer to note 1 for more information.

Tax case regarding utilizing of tax positions in acquired business was not approved for further promotion in Norwegian Supreme Court March 2015, refer to Note 10 for further information.

No other events have taken place after the reporting period that would have affected the financial statements or any assessments carried out.

PARENT COMPANY ANNUAL ACCOUNTS

PROFIT AND LOSS STATEMENT – 1 JAN. - 31 DEC.

VISMA AS

(NOK 1,000)	Note	NGAAP 2014	NGAAP 2013
OPERATING REVENUE			
Other revenue	1	76 560	62 284
Total operating revenue		**76 560**	**62 284**
OPERATING EXPENSES			
Cost of goods sold		0	0
Payroll and personnel expenses	2	55 878	48 872
Depreciation and amortisation expenses		500	1 146
Other operating expenses	3	23 217	30 406
Total operating expenses		**79 595**	**80 424**
Operating profit		**(3 035)**	**(18 141)**
FINANCIAL ITEMS			
Financial income	4	574 246	881 213
Financial expenses	4	(94 689)	(50 004)
Net financial items		**479 557**	**831 209**
Profit before taxes		**476 523**	**813 068**
Taxes	**5**	**127 621**	**111 814**
Profit for the year		**348 902**	**701 254**
Profit for the year		**348 902**	**701 254**
TRANSFERS AND ALLOCATIONS			
Transferred to / (from) retained earnings		348 902	701 254
Total transfers and allocations	**6**	**348 902**	**701 254**
Group contribution paid (net after tax)		385 659	328 462

BALANCE SHEET – 31 DEC

VISMA AS

(NOK 1,000)	Note	NGAAP 2014	NGAAP 2013
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax assets	5	230	279
Total intangible assets		**230**	**279**
Tangible fixed assets			
Property	7	18 780	18 780
Machinery and equipment		1 695	500
Total tangible fixed assets		**20 475**	**19 280**
Financial assets			
Shares in subsidiaries	7	2 476 181	2 296 371
Investment in associated companies	7	94 478	92 802
Total financial fixed assets		**2 570 659**	**2 389 173**
Total non-current assets		**2 591 364**	**2 408 732**
Current assets			
Inter-company receivables		802 404	1 071 143
Other current receivables	7	279	398
Total receivables		**802 683**	**1 071 541**
Cash and cash equivalents		197 226	60 997
Total current assets		**999 908**	**1 132 538**
TOTAL ASSETS		**3 591 272**	**3 541 270**

(NOK 1,000)	Note	NGAAP 2014	NGAAP 2013
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Paid-in capital			
Share capital		165 000	165 000
Total paid-in capital	**6**	**165 000**	**165 000**
Retained earnings			
Retained earnings		1 548 685	1 412 442
Total equity	**6**	**1 713 685**	**1 577 443**
Non-current liabilities			
Other long-term interest bearing loans and borrowings		1 028 000	1 028 000
Total non-current liabilities		**1 028 000**	**1 028 000**
Current liabilities			
Short-term bank loans		100 000	100 000
Bank overdraft		0	373 301
Short term liabilities to group companies		710 777	449 947
Trade creditors		7	154
Public duties payable		1 518	1 625
Other current liabilities		37 284	10 800
Total current liabilities		**849 587**	**935 827**
Total liabilities		**1 877 587**	**1 963 827**
TOTAL EQUITY AND LIABILITIES		**3 591 272**	**3 541 270**
Secured liabilities and guarantees	**7**		

Oslo,
24 March 2015

GUNNAR BJØRKAVÅG
Chairman of the Board

NIC HUMPHRIES
Director

HENRIK KRAFT
Director

CHRISTOPHER JAMES GOOD
Director

DAVID ROBERT BARKER
Director

ANDERS BORG
Director

JEAN-BAPTISTE BRIAN
Director

CASH FLOW STATEMENT - 1 JAN. - 31 DEC.

VISMA AS

(NOK 1,000)	NGAAP 2014	NGAAP 2013
Ordinary profit / loss before tax	**476 523**	**813 068**
Depreciation and amortisation expenses	500	1 146
Cash inflow from interest	(4 845)	0
Cash outflow from interest	91 581	28 706
Group contribution received	(567 402)	(877 826)
Dividend/transfer from investments	(4 000)	(2 000)
Write-down of shares	0	3 497
Gain on sales of shares	0	(91)
Cash flow from operations	**(7 643)**	**(33 500)**
Changes in debtors	(146)	(383)
Changes in public duties payable	(107)	(1 061)
Non-cash related financial items	3 108	18 593
Change in intercompany receivables/payables	(7 909)	(4 090)
Change in other accruals	(17 094)	(5 310)
Net cash flow from operations	**(29 792)**	**(25 751)**
Investment in tangible fixed assets	(1 695)	(1 553)
Sale of (investment in) shares	(1 676)	(1 127 909)
Net cash flow from investments	**(3 370)**	**(1 129 462)**
Received dividend/group contribution	1 071 143	825 866
Payment of dividend/group contribution	(449 947)	(320 460)
Cash in (outflow) from refinancing	0	1 128 000
Repayments of interest bearing loans	(373 301)	(450 000)
Cash inflow from interest	4 845	0
Cash outflow from interest	(80 240)	(28 706)
Net cash flow from financing activities	**172 499**	**1 154 700**
Net cash flow for the year	**139 337**	**(513)**
Cash and cash equivalents 1.1	60 997	59 331
Net foreign exchange difference	(3 108)	2 179
Cash and cash equivalents 31.12	**197 226**	**60 997**

ACCOUNTING PRINCIPLES

The annual accounts for Visma AS are prepared according to the Norwegian Accounting Act 1998, generally accepted accounting principles and apply for the period 1January to 31 December 2014.

SUBSIDIARIES AND INVESTMENT IN ASSOCIATE

Subsidiaries and investments in associate are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Dividends and group contributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

BALANCE SHEET CLASSIFICATION

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long term creditors. Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value. Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

TRADE AND OTHER RECEIVABLES

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated using the year end exchange rates.

SHORT TERM INVESTMENTS

Short term investments (stocks and shares are valued as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognized as other investment income.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

INCOME TAX

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 28% on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative are balanced out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

To what extent group contribution not is registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.

USE OF ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results can differ from these estimates.

Contingent losses that are probable and quantifiable are expensed as occurred.

NOTE 1 - REVENUE

VISMA AS

(NOK 1,000)T	2014
Management service fee invoiced to group companies*	50 723
Invoiced marketing/branding expenses to group companies**	25 837
Total	**76 560**

*The company has chosen to centralize certain management activities in order to provide them at a lower cost and at higher quality compared to what each of the companies would be able to achieve on a separate basis. Central activities are strategic business development, finance and treasury, organizing of audit, legal activities.

**All companies in the Visma Group are obliged to use the Visma brand and logo. Thus all marketing activities performed by business units are to be done according to the Visma brand code. The companies pay a fee to the marketing department.

NOTE 2 - PAYROLL AND PERSONNEL EXPENSES

VISMA AS

(NOK 1,000)	2014	2013
Salaries	41 179	25 946
Salaries to employees other group units*	8 010	17 585
Employer's national insurance contributions	4 954	3 849
Pension expenses	575	496
Other personnel expenses	1 160	996
Total	**55 878**	**48 872**
Average number of man-years	**11**	**12**

For further information regarding compensation of key management, loans to employees and pensions, see note 3 and 16 in the consolidated accounts.

*invoiced salary expenses regarding group management and management trainees hired in other group units.

NOTE 3 - OTHER OPERATING EXPENSES

VISMA AS

(NOK 1,000)	2014	2013
Rent	6 050	6 464
Other office expenses	8 623	11 736
Telecom, postage and IT	219	166
Travel expenses	1 014	1 090
Car expenses incl leasing	861	848
Sales and marketing	843	821
Audit, lawyers' fees and other consulting services	5 605	9 281
Total other operating expenses	**23 217**	**30 406**

NOTE 4 - FINANCIAL INCOME AND EXPENSES

VISMA AS

(NOK 1,000)	2014	2013
Financial income includes the following items:		
Dividend/transfer from investments and asscociated companies	4 000	2 000
Gain on sale of shares	0	91
Other interest income	4 845	(883)
Foreign exchange gains	0	2 179
Group contribution	565 402	877 826
Total financial income	**574 246**	**881 213**
Financial expenses include:		
Interest expense	85 085	27 914
Write-down of shares	0	3 497
Foreign exchange losses	3 108	0
Other financial expenses	6 496	18 593
Total financial expenses	**94 689**	**50 004**

NOTE 5 - TAX ON ORDINARY PROFITS

VISMA AS

Deferred tax liabilities and assets are calculated on the basis of the temporary differences between book values and tax-related values in the balance sheet. All calculations are based on a nominal tax rate in respective tax-area.

(NOK 1,000)	2014	2013
Tax payable	127 572	117 177
Changes in deferred taxes	49	(5 397)
Adjustments in respect of current income tax of previous years	0	34
Income tax expense	**127 621**	**111 814**

SUMMARY OF TEMPORARY DIFFERENCES MAKING UP THE BASIS FOR THE DEFERRED ASSET/DEFERRED TAX LIABILITY

(NOK 1,000)	2014	2013
Current assets/liabilities	0	0
Fixed assets/long term liabilities	(853)	(1 034)
Net temporary differences	(853)	(1 034)
Net deferred tax liability / (asset)	(230)	(279)

NOTE 5 CONTINUED

VISMA AS'S TAX PAYABLE FOR THE YEAR HAS BEEN COMPUTED AS FOLLOWS:

(NOK 1,000)	2014	2013
Ordinary profit before tax	476 523	813 068
Permanent differences	27	3 506
Change in temporary differences	(181)	19 311
Non taxable dividend received from subsidiaries		(415 395)
Non taxable dividend received from Norwegian associated companies	(3 880)	(2 000)
Net taxable group contribution received / (paid)	(472 489)	(418 490)
Taxable profit	**0**	**0**

EXPLANATION OF WHY THE TAX EXPENSE FOR THE YEAR DOES NOT MAKE UP 27% OF THE PRE-TAX PROFIT

(NOK 1,000)	2014	2013
Ordinary profit before tax	476 523	813 068
27% tax on ordinary profit before tax	128 661	227 659
Adjustments in respect of current income tax of previous years	0	34
Permanent differences	7	982
Effect change in corporate tax	0	10
Non taxable dividend received from Norwegian subsidiaries	(1 048)	(116 871)
Tax expense	**127 621**	**111 814**

NOTE 6 - MOVEMENT IN EQUITY

VISMA AS

(NOK 1,000)	Paid-in share capital	Retained earnings	Total equity
Equity as at 01.01.2014	**165 000**	**1 412 442**	**1 577 442**
Profit (loss) for the period		348 902	348 902
Group contribution		(212 659)	(212 659)
Equity as at 31.12.2014	**165 000**	**1 548 685**	**1 713 685**

NOTE 7 - OTHER MATTERS

VISMA AS

For further information regarding share capital, shareholder isssues and shares owned by the board and executive employees, see note 14 and 15 in the consolidated accounts.

For further information regarding notes, see notes 5,7,11,12,17 and 21 to the consolidated accounts.

CORPORATE GOVERNANCE

The Board of Directors of Visma AS (the company) is committed to the principles of good corporate governance in order to build trust and contribute to long-term value creation for the benefit of shareholders, employees and other stakeholders.

The purpose of the principles is to ensure an appropriate division of roles between shareholders, the Board of Directors and the executive management, more comprehensively than is required by legislation.

The principles for good corporate governance at Visma are based on the Norwegian Code of Practice for Corporate Governance (the Code), issued by the Norwegian Corporate Governance Board (NCGB).

The code is principally intended for listed companies. The Norwegian Accounting Act section 3-3b requires that listed companies must comply with or explain deviations from the Norwegian Code of Practice for Corporate Governance (the code), last amended on 23 October 2012.

Oslo Børs requires that listed companies publish an annual statement of their corporate governance policies and practices in accordance with the Code in force at the time.

Being an unlisted company, Visma is not formally required to report compliance or explain deviations from the code. However, the Board of Directors is focused on good corporate governance practice. The principles for good corporate governance that are relevant to Visma and its current ownership structure are based on the Code of 23 October 2012. The Code can be found at www.ncgb.no.

The main principles for corporate governance in Visma are:

- Visma's Board of Directors is independent of the Visma Group's executive management team.
- Structures are established to ensure the separation of roles and to provide the Board with effective measures to execute its functions. Visma's communication with its stakeholders must be open and reliable both in terms of the development of the company and all issues related to corporate governance.

1. IMPLEMENTION AND REPORTING ON CORPORATE GOVERNANCE

Visma's corporate governance practice is made up of a framework of guidelines and principles with the purpose of ensuring the appropriate division of roles and tasks between the shareholders, the Board of Directors and the executive management team of the Visma Group.

The Board of Directors of the parent company is responsible for implementing good corporate governance in the group. The Board of Directors and the executive management team carry out an annual review of the corporate governance practice in the company.

Visma provides information about its corporate governance practice in the group's annual report and on its web site www.visma.com. This information follows the structure of the Code.

Corporate values and ethical guidelines

The Board of Directors of Visma has defined the company's corporate values. These values have been comprehensively communicated and are known throughout the Visma Group. The values are listed below:

Respect

Show respect for colleagues, clients and their businesses. Always represent Visma in an appropriate manner.

Reliability

Be loyal, to Visma's directives and honour the agreements that have been made with clients, colleagues and others. Surprise, in a positive way.

Innovation

Quickly adopt new solutions, when they enable greater productivity in your own work. Contribute to improving the efficiency of the client's business processes.

Competence

Rely on your own skills and be eager to learn as well as to help colleagues to learn. Ensure that you are well-versed in your own products and services while focusing on the client's processes.

Team spirit

Share knowledge and resources with others, and help to make it possible for your colleagues' strengths to be used in the best interests of the company. Our team spirit must benefit our customer relationships.

The company has a Code of Conduct and a corporate culture that is based on these corporate values.

Sustainability and responsibility

Visma's aim is help to maintain the competitive edge of Northern European companies and government bodies through the automation of administrative processes. Visma defines its responsibility as the way the company's business objectives are fulfilled; this includes ethical operations and respect for the environment as well as a commitment to positive social impact.

Visma continuously develops its operations through innovation in technology and associated skill sets. The company's main objective is to provide its customers with the best skills available. Visma's core purpose is to secure and manage its customers' everyday business processes.

Visma has additionally established policies to ensure that managers and employees across the Group work against corruption in all its forms, including extortion and bribery. For further and more detailed information on sustainability, please see our statement on sustainability and responsibility.

Visma's Code of Conduct

Visma's Code of Conduct works as a basis for all staff members and provides guidelines for conduct in relation to the outside world as well as within the organisation.

The Code of Conduct also applies to those who take on assignments and act on behalf of Visma, including members of the Board, auditors, resellers, partners, consultants and other incidental and more widely varying contractors. All actions and decisions at Visma must be consistent with the Code of Conduct. In cases where normal rules cannot be applied, all actions and decisions must fulfil the highest possible standards for ethical conduct.

Visma's Code of Conduct has been thoroughly communicated and understood in all entities across the Group. All Managing Directors have signed the Code to ensure that they implement the Code in all departments of the Visma companies they manage. All managers and employees are obliged to report all incidents that do not comply with the Code.

The Code of Conduct in brief:
Complete confidentiality must be maintained with respect to information about colleagues, clients and business associates.

Respect must be shown in all relationships, external as well as internal, based on principles such as equality and diversity.

Situations that might create external or internal conflicts of interest must be avoided.

Visma upholds diversity in its appointment of people from different cultural, ethnic and religious backgrounds. As a workplace, Visma has a neutral attitude to religion and philosophy of life. In order to avoid conflicts in the workplace, no form of religious preaching, agitation or religious provocation is permitted.

Zero tolerance applies to benefits or gifts that may be regarded as improper or may engender a sense of obligation.

Actions and decisions must be handled in such a way as to bear both external and internal investigation.

Employees, management and their close families may not receive loans or obtain other benefits from clients and suppliers.

Employees and management may not use knowledge obtained about clients' trade secrets or customer base to their own advantage.

Employees or management must not work on projects or have direct or indirect financial interest in or appointments or positions with Visma's competitors.

Each employee and manager is personally responsible for disclosing partiality and cases of doubt to his/her superior.

2. BUSINESS

Visma's business is clearly defined in Section 3 of the company's Articles of Association:

"The objective of the company is to own and manage shares in other companies, including companies that work with the development and sale of software, the sale of consulting services, commerce, agencies and other business activities, or that participate in other companies in connection with the above, and all related matters".

The Articles of Association can be found on the company's website at www.visma.com.

Within the scope of the Articles of Association, the Board of Directors has – in co-operation with the executive management – developed clear objectives and strategies for its business activities, which are further described in the Board of Directors report.

Vision

Visma's vision is to lead the field in the automation and integration of business processes. This means that Visma provides an extensive offering of products and services, which all contribute to making business processes more effective. Visma's products and services contribute to automating business processes and linking them in streamlined integration.

As all organisations are different, we offer freedom of choice within a wide range of products, services and combinations of these. Our ambition is to make our clients leaders in the field of automation and integration of business processes through our own expertise in the area.

Concept

Visma's business concept is to supply software and services related to finance and administration to the private and public sectors in Europe. Our deliveries are made directly to the end customer through a large international network of distributors and resellers. An ever-increasing proportion of our deliveries take place over the Internet as on-demand solutions.

Objective

Visma's objective is, in addition to being an attractive workplace for our employees, to generate earnings that will make Visma an attractive investment.

3. EQUITY AND DIVIDENDS

Equity

Visma is growing fairly rapidly through acquisition and consolidation and needs a strong and liquid balance sheet. The company's most important assets are goodwill associated with the business and its software. The intellectual assets in an IT company are primarily of value as long as the company is doing well and is financially independent – Visma therefore needs a higher level of shareholder equity than companies in more traditional industries.

Visma's business activities are by nature relatively capital-light in terms of capital expenditure requirements in non-current assets although the organic growth of the company entails increasing working capital requirements. The company is also growing inorganically through acquisitions, and the company seeks to retain a capital buffer to maintain its investment flexibility. The equity level and ratio at the end of 2014 are considered appropriate in terms of the company's objectives, strategy and risk profile both in absolute and relative terms.

Dividend policy

The dividend capacity is evaluated annually by the Board of Directors, based on the need to secure the company's stable development, and the requirements for sound equity capital as well as for adequate financial resources to enable future growth. Under Norwegian regulations, dividends are taxable for foreign shareholders and the company is obliged to deduct tax at source.

Capital increase

Visma has been a privately owned company since 2006. During this period, the Annual General Meeting has granted the Board mandates to increase the share capital only for defined purposes. All mandates are limited in time until the following AGM. Cinven completed its acquisition of equity in Visma in August 2014 and Visma is now owned by Cinven, HGCapital and KKR, each by 31.3%. The remaining shares in Visma are held by management in a widespread investment scheme initiated in order to ensure dedication and management stability for the future.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Visma emphasises independence and neutrality in all relationships between the Board, the management and the shareholders. This policy also applies to relationships with other interest groups, such as customers, suppliers, banks and other business partners.

Visma's objective is that all shareholders should have equal rights. Visma has one class of shares, and each share carries one vote at the AGM. The shares are freely transferable, and there are no barriers to acquisition. All shareholders in Visma have equal rights to dividends. All shareholders have equal rights in the event of any capital increases.

Equal treatment

Visma is currently a privately owned company. Visma's shares are thus not traded on any stock exchange. If the company carries out a transaction in its own shares, this is done at an estimated market value and the company will always strive to ensure equal treatment of all shareholders.

Transactions with close associates

In the event of substantial transactions between Visma and any of its Board members, executive management or close associates of these parties, the Board will arrange for a valuation from an independent third party, unless the transaction is subject to approval by the AGM.

The Board will also arrange for an independent valuation of transactions between companies in the Visma Group if any of the companies have minority shareholders.

5. FREELY NEGOTIABLE SHARES

Visma shares are freely negotiable. No form of restriction has been included in the company's Articles of Association.

6. ANNUAL GENERAL MEETING

The shareholders exercise the highest authority in Visma through the AGM. The Board of Visma strives to ensure that the AGM is an effective forum for communication between shareholders and Board.

The notice calling the AGM is distributed to the shareholders no later than 14 days prior to the meeting, as required by Norwegian law. The notice includes all the necessary information for shareholders to form a view on the matters to be considered, including deadline for notice of intention to attend and a proxy form.

The AGM is open to all shareholders and all shares carry equal voting rights. All shareholders may participate in person or through a proxy. There are no limitations on ownership or known shareholders' agreements.

The Board decides the agenda for the AGM. The main agenda items are determined by the requirements of the Norwegian Public Limited Liability Companies Act and the company's Articles of Association.

7. NOMINATION COMMITTEE

Visma is currently a privately owned company and does not have a nomination committee. If the company should apply to become publicly listed, the company will establish a nomination committee. It is recommended that the AGM stipulate guidelines for the duties of the nomination committee.

8. CORPORATE ASSEMBLY AND BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

Composition of the Board of Directors

The Board of Visma reflects the fact that the company is currently privately owned and has two large international shareholders, in addition to key executive staff. The composition of the Board has been established to ensure the company's need for expertise, capacity and diversity and to ensure that the Board functions well as a collegiate body.

According to the Articles of Association, the Board of Visma must comprise between three and eight members. The Board of Visma currently consists of seven members, all elected by the shareholders at the AGM. One of the Board members is woman. The company is seeking to expand the Board to include female members. Board members are elected for a period of one year.

The Board has the following members:

Gunnar Kjell Bjørkavåg, Chairman of the Board
Nicholas James Humphries
Henrik Juel Kraft
Chris Good
David Barker
Jean Baptiste Brian
Anders Borg

Board independence

The composition of the Board should reflect the company's ownership structure. The company's management is not represented on the Board and all the Board members are independent of the executive management and important business associates.

The composition of the Board also ensures that it is able to operate independently of special interests. Each of the owners have two members in the board, while the Chairman of the Board is independent of the company's main shareholders.

Employee council
Visma strives to maintain a relationship of trust and communication between management and employees. To formalise this, a joint employee council has been established in which both managers and employees are represented. The objective of an employee council is to provide a platform for information and discussions about issues that are of particular interest to the staff. The employee council is not a decision-making body.

Representatives are able to raise points of view and/or elements that may contribute to improved job satisfaction for employees and efficiency for the company.

Both employee representatives and the employee council function as a communication channel for employees and for management when relevant issues are to be discussed. The groups are advisory and contribute by ensuring that the best solution is chosen. Issues raised should be relevant to all employees in Visma.

CEO
As of 31 December 2014, Øystein Moan, the CEO of Visma AS, has been the Chairman of the Board of the following wholly owned subsidiaries in Visma:
Visma Norge Holding AS
Visma Hosting Holding AS
Visma Treasury AS
Active 24 Holding AS
Visma IT& Communications AS
Visma Software International AS
Visma Software Labs AS
Exso AS
Visma Sverige Holding AB
Visma Danmark Holding A/S
Visma Finland Holding Oy
Visma Nederland BV

9. THE WORK OF THE BOARD

Instructions for the Board
The Board of Visma has overall responsibility for the management of Visma and implementation of the company's strategy, including monitoring and supervision of operations. The Board of Directors annually produces a plan for its work, focused on implementing strategies to realise the company objectives. The Chairman of the Board is responsible to plan and execute the board meetings and organise the work of the Board well and efficient.

Financial reporting
The management is responsible to provide the Board with complete accounts and balance sheet for the company on a monthly basis as well as both divisional and consolidated management reports that describe the details and trends of the past month. The CEO prepares the agenda and cases for the Board on instructions from and in cooperation with the Chairman of the Board.

Board evaluation of its own work
The Board evaluates its work on an annual basis.

Meeting structure
The Board holds board meetings on a bimonthly basis. Meetings are held as telephone and video conferences, in order to ensure efficiency and save on travel expenses. The company strategy is reviewed in two extended Board meetings per year.

Board Committees
As of 31 December 2014, Visma AS's Board committees includes:

Remuneration committee
The role of the remuneration committee is to assess and make recommendations concerning implementing or changing remuneration policies and concepts, and determining salaries and other remuneration for the CFO and other remuneration for the executive management.

The remuneration committee has the following members:
Nicholas James Humphries
Jean Baptiste Brian
Anders Borg
Audit committee

The role of the audit committee is to assist in the exercise of the Board's management and control responsibilities and to ensure that the group has an independent and effective external and internal auditing system.

The duties of the audit committee include maintaining continuous contact with Visma's elected auditor concerning the auditing of the company's accounts. The committee also supervises the implementation of and compliance with the group's ethical guidelines, concerning financial reporting.

The audit committee assesses and makes a recommendation concerning the choice of external auditor and it is responsible for ensuring that the external auditor meets the requirements set by the authorities in Norway

The audit committee has the following members:
Chris Good
David Barker
Henrik Juel Kraft

10. RISK MANAGEMENT AND INTERNAL CONTROL

Important risk factors fall into the following key categories:
Contractual risks
Professional malpractice
Cash-flow risks

Risks of general market disruption
To reduce risk in general, Visma remains divided into several legal entities in the countries in which it operates. Each entity produces detailed monthly reporting and holds monthly Board meetings. Reports are submitted early on the fifth working day of the month. The division into many legal entities reduces the contractual risks. Most of Visma's contracts are relatively small and hence the contractual risk is limited. Nevertheless, Visma is also involved in a few very large projects. For these, formal steering committees are established, and both divisional and top management of Visma participates in these committees. Most of Visma's business is certified according to ISO9001, ISO20000 or ISO27001. While such certification does not remove contractual risks, it provides a formal framework for managing and limiting risks.

With more than 6,300 employees, professional malpractice may occur. Visma seeks to limit this through thorough recruitment processes as well as through training, quality systems and its Code of Conduct. Even with such measures, professional malpractice may occur and Visma has liability insurance in place to cover such incidents.

As a leveraged company Visma has debt service obligations and depends on a steady cash flow. Since Visma has very limited COGS, Visma hardly carries any inventory. Visma has strict principles for income recognition, and net cash flow from operations has historically exceeded 90% of EBITDA. Capital expenditure is normally less than 10% of EBITDA. Thus, the main cash flow risk is related with EBITDA performance. As long as Visma has sufficient EBITDA, the risk of a shortfall in the cash flow is limited. Visma manages its cash through a multi currency-, real-time cash management system. This system is managed by the CFO of Visma, and makes it possible to monitor and control large cash flow movements.

Like most companies, Visma is exposed to general market conditions and developments in GDP in its key markets. In addition, Visma is a technology company and, as such, is exposed to risks associated with rapid changes in technology and strong competition. The competition can be divided into two categories, large international companies and smaller local players. Visma's strongest international software competitors are SAP, Oracle and Microsoft. These companies have been in the market for many years and key competitors to Visma for a long time. However, it is a constant struggle to protect and gain market share. All units of Visma have numerous local specialised competitors, but while some of these may be aggressive in certain areas, their potential impact on the Visma Group as a whole is limited.

Visma has attempted to limits its exposure to the above market and technology risks in the following manner:

- The products and services provided are to a large degree mandatory and necessary regardless of market conditions
- Visma has 320,000 customers in Northern Europe utilising our products and services. On top of this more than 360,000 use us as a hosting partner
- Visma utilises both Microsoft-based technology, Open Source/Java technology and cloud based business solutions
- Visma offers a wider range of products and services than most of its competitors – hence there are opportunities for cross-selling more products with each customer

11. REMUNERATION OF THE BOARD, AUDIT COMMITTEE AND NOMINATION COMMITTEE

Remuneration of the Board must be at a competitive level to ensure the desired composition of the Board. The remuneration of the Board is not performance-related and there are no option programmes in place for Members of the Board as of 31 December 2014.

None of the committees receive remuneration. Details about remuneration of the Board are included in the notes to the financial statements.

12. REMUNERATION OF EXECUTIVE MANAGEMENT

The Board of Visma has established guidelines for the remuneration of the executive management. The guidelines have been communicated to the AGM.

Visma emphasises being an attractive employer and wishes to attract executive management with relevant experience. The company therefore seeks to offer its executive management competitive compensation packages.

Incentive plans are linked to the company's earnings performance.

Details about compensation to executive management are included in notes to the annual financial statement.

13. INFORMATION AND COMMUNICATION

Reporting of financial and other information

Visma strives to report quarterly figures and other price-sensitive information as early as possible. Early reporting reduces the possibility of leaks of information and contributes to the equal treatment of all shareholders.

Dialogue with shareholders and the financial market

Visma AS's management is responsible for informing shareholders and investors about the company's commercial and financial performance, and although Visma is not a listed company, the management is committed to ensuring that the participants in the financial markets receive the same information at the same time. Visma will on annual basis distribute a financial calendar for important events.

Visma strives continuously to disclose all relevant information to the market in a timely, efficient and non-discriminatory manner. All news from the company will be available on the company's website, as well as through press releases. The company's management has regular meetings with large shareholders, where topics such as corporate governance and overall strategy in particular, are discussed. The importance of not discussing subjects that may be perceived as price-sensitive is highlighted.

14. TAKEOVERS

In the event of a takeover bid, the Board of Visma's primary responsibility is to maximise the return on investment for all shareholders. The Board of Visma is committed to equal treatment of shareholders and will ensure openness in respect of any takeover of the company. Any transaction that may be perceived as a sale of the company's main business will be presented at the AGM.

The Board has, however, not drawn up formal guidelines for its conduct in the event that a bid is made for the company.

In case of a transaction agreement with an offeror the normal procedure will be not to include exclusive agreements hindering alternative offers, or compensation exceeding direct costs in case of non-completion of the agreement, often referred to as "poison pills".

Evaluation of a bid
Should a formal bid be made for Visma, the Board will usually seek to attract competing bids. This will not apply if the Board is able unequivocally to recommend a bid that has been received, or if the process of seeking to attract a competing bid would cause an existing bid to be withdrawn or expire.

If a bid is received for the company's shares, the Board will issue a statement that includes an evaluation of the bid and a recommendation to shareholders on whether the bid should be accepted or not. If the Board finds that it is unable to recommend the bid to shareholders or not, it will explain its reasons for not making a recommendation. If the Board's statement is not the unanimous view of the Board, this will be explained.

The Board will arrange an external valuation from an independent expert. The Board will also make a recommendation to shareholders on whether or not to accept the offer.

15. AUDITOR
The Group uses the same audit firm in all its subsidiaries in all markets in which the company operates. The overall audit agreement is approved only by the CFO. No agreements may be made with local auditors.

The auditor is used extensively as a consultant in financial due diligence in connection with the acquisition of new business and on tax issues. The auditor is not used as a consultant in strategic questions, or in tasks related to operations in the company. Only the CFO in consultation with the CEO approves consulting assignments.

Details of the auditor's compensation is reported at the AGM and included in the notes to the financial accounts.

Relationship between Board of Directors and Auditor
The auditor participates in Board meetings dealing with the financial statements. At the same meetings, the auditor explains his/her view on the company's accounting policies, risk areas, internal control routines and accounting processes.

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To the Annual Shareholders' Meeting of Visma AS

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Visma AS, comprising the financial statements for the Parent Company and the Group. The financial statements of the Parent Company comprise the balance sheet as at 31 December 2014, the statements of profit and loss and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements of the Group comprise the consolidated statement of financial position as at 31 December 2014, the statements of income, comprehensive income, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

The Board of Directors' and Chief Executive Officer's responsibility for the financial statements

The Board of Directors and Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the financial statements of the Parent Company and the International Financial Reporting Standards as adopted by the EU for the financial statements of the Group, and for such internal control as the Board of Directors and Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements for the Parent Company and the Group.

Opinion on the financial statements of the Parent Company

In our opinion, the financial statements of Visma AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the Group

In our opinion, the financial statements of the Group have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Chief Executive Officer have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 13. May 2015
ERNST & YOUNG AS

Thomas Embretsen

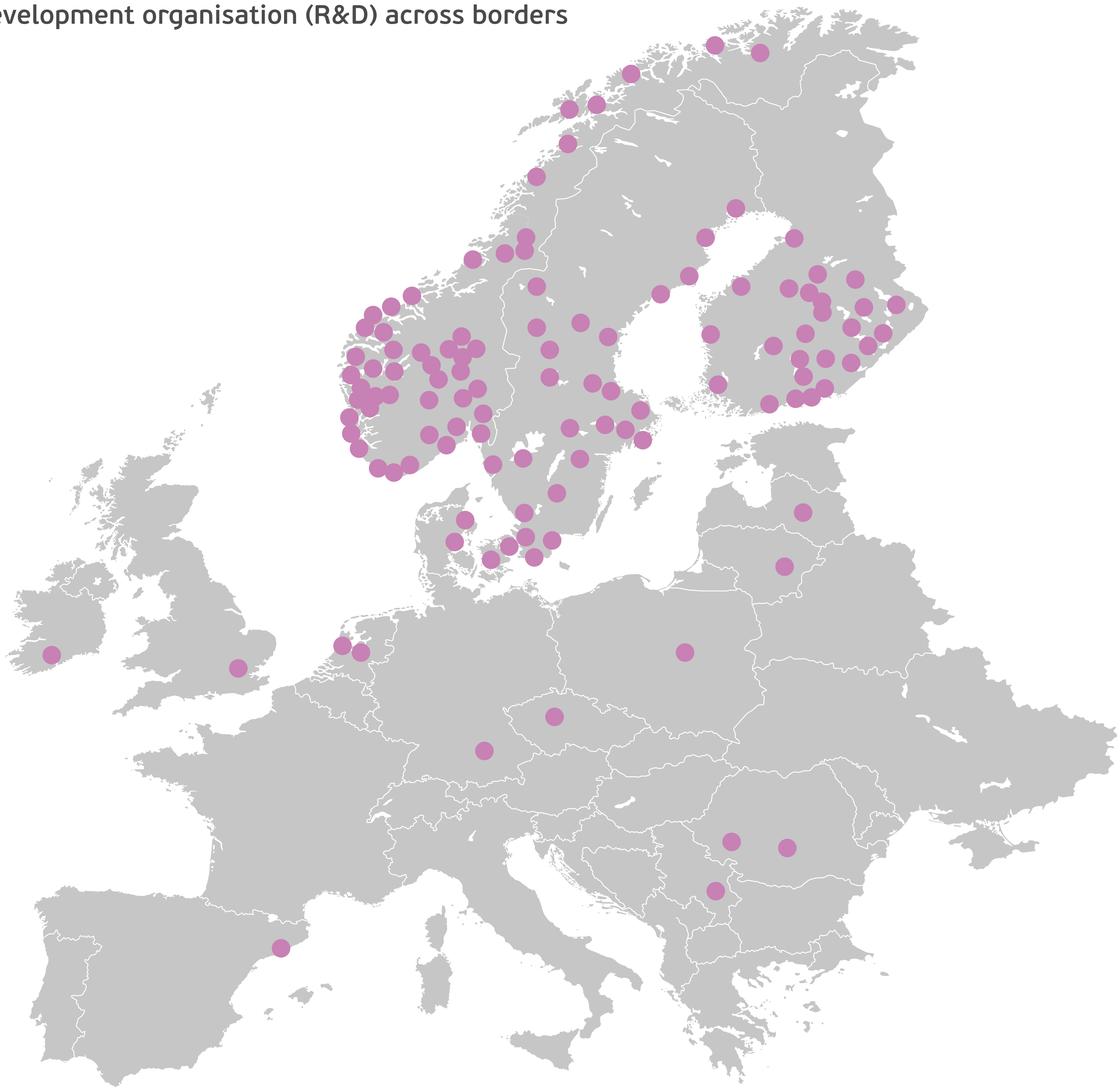
Thomas Embretsen
State Authorised Public Accountant (Norway)

OUR PRESENCE

More than 100 offices in Norway, Sweden, Denmark, Finland, UK, Ireland, the Netherlands, Romania, Poland, Spain, Czech Republic, Lithuania, Latvia and Serbia

Wide network of distributors and partners

Virtual development organisation (R&D) across borders



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