

QUARTERLY REPORT

Q4/2012

Report for the 4th quarter of 2012

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Continued Good Software Growth with Double-Digit SaaS Revenue Development

HIGHLIGHTS, FOURTH QUARTER 2012

- Revenue of NOK 1 554m, an increase of 5.6%, 11.8% growth for the full year
- Net income grew by 25.2% and was NOK 100m for the quarter
- Very strong operating cash flow NOK 316m, an increase of 69.7%
- SaaS revenues grew significantly by 50% compared to Q4 2011
- First active pilot customers started up on pure-SaaS ERP Visma.net

Visma had a solid quarter and continued with good top-line revenue growth. Total revenue growth was 5.6% and currency adjusted organic revenue growth was stable at 3.1%. EBITDA was weaker than anticipated mainly due to restructuring of acquired companies and the Visma BPO division together with few working days in December effecting consulting-focused businesses. As a result, EBITDA-margin was 18.0% versus 20.6% in Q4 2011. Cash flow was extremely strong at NOK 316 million, an increase of 69.7% over Q4 2011.

Visma continues to grow organically with the strongest growth materializing in software and SaaS related revenues. SaaS revenue for the fourth quarter 2012 increased 50.5% over Q4 2011, reaching NOK 140 million. The newly launched Visma.net on-boarded its first customers during the fourth quarter. Visma sees a steady shift to new SaaS contracts from new license sales. This trend to SaaS is expected to continue and Visma will continue to increase focus on SaaS products and businesses in order to be at the forefront of the major trends in the market.

KEY FIGURES

(NOK in millions)	4th quarter			Year		
	2012	2011		2012	2011	
	Actual	Actual	Growth	Actual	Actual	Growth
Revenue	1 544	1 462	5,6 %	5 749	5 142	11,8 %
EBITDA	277	302	-8,1 %	1 114	934	19,3 %
<i>EBITDA margin</i>	<i>18,0 %</i>	<i>20,6 %</i>		<i>19,4 %</i>	<i>18,2 %</i>	
EBITA	234	267	-12,2 %	1 012	840	20,5 %
EBIT	159	196	-18,8 %	748	622	20,2 %
Net profit	100	80	25,2 %	416	311	33,8 %
Operational cash flow	316	186	69,7 %	1 085	837	29,6 %

Financial review – Group (fourth quarter 2011 in brackets)

Revenue amounted to NOK 1544 million (1462) and EBITDA to NOK 277 million (302) in the fourth quarter of 2012. Revenue increased 5.6% over Q4 2011. The currency adjusted organic revenue growth of 3.1% is lower than desired, but fairly strong in the current weak macroeconomic environment.

Group EBITA amounted to NOK 234 million in the fourth quarter (267), whereas net gain from associated companies amounted to NOK 1.3 million (0.8). Net financial items were NOK -52.3 million (-78.5). Consequently, profit before taxes was NOK 108 million (118). Taxes amounted to NOK 8.3 million (38.6), and net income resulted in NOK 100 million in the fourth quarter (80).

Cash conversion was excellent. Cash flow from operations before tax amounted to NOK 316 million (186). Cash outflow from investments was NOK 20 million (22), which mainly reflect acquisitions and deferred payments on earlier acquisitions.

At the end of the fourth quarter, the cash position of Visma was NOK 1 559 million.

Equity amounted to NOK 1 479 million at the end of the fourth quarter (1 274), corresponding to an equity ratio of 18.9 percent (16.8). Interest bearing debt amounted to NOK 4 046 million (3 842). The debt-facilities have maturity dates in the 4th quarter of 2015.

Outlook for 2013

The continuing weak economies and slow growth in Europe are still having some negative effects on growth in Visma geographies. However, the Norwegian market shows continued strength and the Swedish market remains stable with moderate growth and low unemployment. The public finances in the markets where Visma operates are in relatively good shape. Norway and Sweden (81% of Visma revenues) currently operate with budget surpluses, and the public debt levels, as a percent of GDP, are amongst the lowest in the OECD. The macro environment will still provide challenges, but Visma's product development and market positions will allow Visma to continue to achieve good organic growth.

The demand for SaaS services is steadily increasing. The growth in SaaS revenue was 39% for the full-year 2012 compared to full-year 2011. SaaS revenue in Visma continues to be higher than new On-Premises software license sales. Visma has started rolling out the new pure-SaaS ERP product, Visma.net during the quarter. The first customers are in Norway and Sweden. Visma expects SaaS product growth to accelerate at the expense of on-premises products in the coming years. Visma intends to invest considerably in SaaS and to lead this transition to SaaS in the SME ERP market.

After relatively few acquisitions in 2012, Visma believes there will good opportunities for further acquisitive growth for Visma in 2013.

Visma Software continues to be the largest of the business areas, contributing 69% of the EBITDA on 42% of the revenue in the fourth quarter, whereas Visma BPO Accounting & Payroll accounts for 6% of EBITDA and 26% of revenue. Revenue growth in the fourth quarter was 5.6% for the Visma Group with Visma Software delivering 13.2% revenue growth. Visma Commerce Solutions and Visma Retail had good revenue development during the quarter, with Visma Commerce Solutions delivering 6.0%, and Visma Retail 4.7% revenue growth.

During Q4 2012, EBITDA in Visma was lower than expected. Much of the weakness was a result of weakness in people-intensive businesses (Visma BPO and Visma Consulting) where billings were effected negatively in December by the unusually low number of effective working days. Visma Software experienced strong EBITDA improvement during the quarter. During the quarter, Visma Retail continued to improve EBITDA significantly compared to 2011.

Visma Hosting experienced stable revenues and profitability, with Loopia Sweden and Active 24 Central European entities performing particularly well with good growth and profitability. Loopia Sweden experienced double-digit growth in invoiced revenues during the fourth quarter implying good prospects for 2013.

MARKETS

The national economies in both Norway and Sweden continued their stable and solid development. This is positive for Visma as these core markets account for 81 percentage of the year-to-date 2012 revenues. Finnish, Danish, and Dutch economies have had more challenges as they seem more effected by low Eurozone. However, the Nordic economies and government finances are among the strongest in Europe. The macroeconomic environment in all Visma markets shows signs of moderate optimism entering 2013.

RISKS

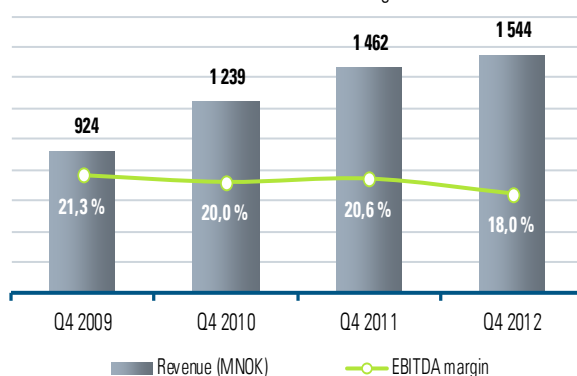
Visma is exposed to the general economic climate in the countries where the company operates. However, the business risk is limited by the company's diversified customer base and a reasonably priced, high-quality portfolio of products and services. Although Visma is also involved in some very large IT / Outsourcing projects with substantial risk, Visma believes this risk is well-balanced as 70-80% of total Visma revenue is generated in the well-diversified SME segment.

DISCLAIMER

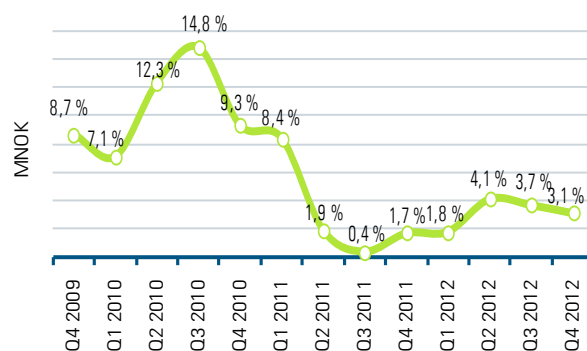
This report contains forward-looking statements that reflect management's current views with respect to future events. All such statements are subject to inherent risks and uncertainties, and many factors can lead to developments deviating from what has been expressed or implied in such statements.

Oslo, 31 January, 2013
The Board of Directors of VISMA AS

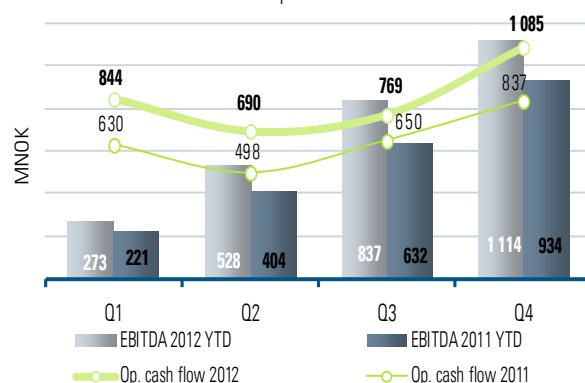
Revenue and EBITDA margin



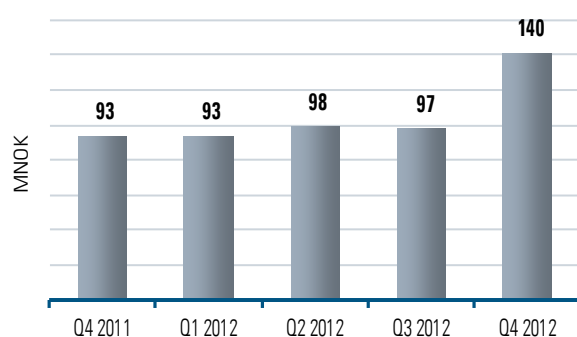
True organic growth
(Quarter over quarter, currency adjusted)



EBITDA and Operational cash flow



Revenue from SaaS solutions



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Operating revenue

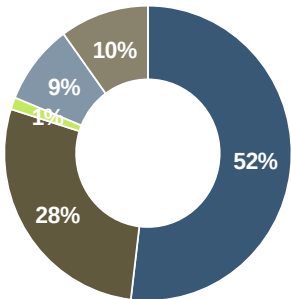


EBITDA

KEY FIGURES

Revenue	654 MNOK
Growth, QoQ	13,3 %
EBITDA	191 MNOK
EBITDA margin	29,2 %
Full-time employees	1 909

SALES BY GEOGRAPHY



- Norway
- Sweden
- Netherlands
- Denmark
- Finland

VISMA SOFTWARE

(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Annual agreements (recurring)	363	341	6,3%	1 466	1 195	22,7%
SaaS solutions (recurring)	89	39	129,9%	246	107	130,5%
New SW license sales	81	93	-12,9%	254	247	2,8%
Consulting	59	46	28,2%	180	157	15,0%
Training	27	25	8,3%	64	63	1,1%
Other	35	34	4,5%	110	84	30,2%
Total operating revenue	654	578	13,3%	2 320	1 853	25,2%
Growth	13,3%			25,2%		
EBITDA						
EBITDA	191	175	9,0%	692	559	23,8%
EBITDA margin	29,2%	30,3%		29,8%	30,2%	
EBITDA growth	9,0%			23,8%		

Comments on the fourth quarter

Revenue in Visma Software increased by NOK 76 million, or 13.3%, assisted by the acquisition of Agda Lön AB and DI Systemer AS in 2012. Organic revenue growth with acquired businesses included pro forma for 2011 and adjusted for currency effects is stable at 6.3% signifying that Visma, including the acquired units is taking market share in all core markets.

SaaS revenue is now the major driver for growth. 2012 marks the year when the growth in top line does not come from up front license fees, but from increases in SaaS subscriptions. The up front license fees declined QoQ by NOK 12 million, while SaaS subscriptions increased by NOK 50 million. This signifies that Visma is on track to transition from the up front on premises model, to the subscription based SaaS model. 256 000 users now log in to Visma’s SaaS offerings on a regular basis. Most of the SaaS growth is in Finland and Norway.

EBITDA in fourth quarter increased by 9%, slightly below the top line growth, due to lower margins in the acquired businesses. However, organically, the division improved margins by 1.7%, due to economies of scale in the recurring model and synergies with the acquisitions.

Customers and Markets

The Norwegian market, accounting for more than half of total sales, is on a steady 7.4% organic growth trajectory. The first few contracts of Visma.net Financials were signed upon commercial availability at end of December, and SaaS offerings within the HR and PSA areas grew 31% QoQ organically. In the small office/home office market, brand names like Mamut and DaTax continue to be popular. In the Norwegian public sector Visma is driving innovation by collaborating closely with the users of our products, through online communities and seminars.

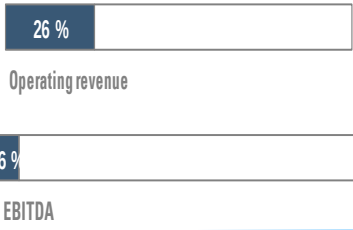
SPCS is a strong brand name in the small business market in Sweden. By investing in quality support and quality software, our customers recommend Visma actively, and growth is driven by customer referrals and incoming sales calls. The partner channel in Sweden is gaining momentum and grows at 15% QoQ, well above market trends.

The Netherlands remains a challenging market. However, Visma has its strongest quarter yet with 10% growth in the Dutch HCM business, winning over larger housing corporations and health care providers with our web based solutions.

Of the Nordic countries, the Finnish market seems to be most ripe for Software as a Service with Visma’s Netvisor as the market leading SaaS ERP system in Finland. However, we believe that the launch of Visma.net as the first SaaS offering from a major ERP player in the Nordic SME market will be a game changer in the year to come.

VISMA BPO ACCOUNTING & PAYROLL

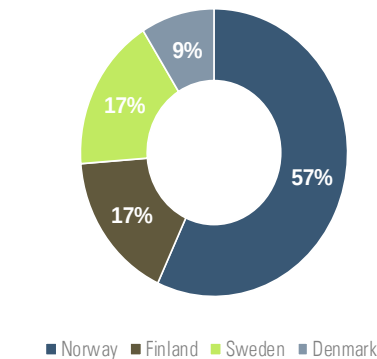
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KEY FIGURES

Revenue	398 MNOK
Growth, QoQ	0,7 %
EBITDA	16 MNOK
EBITDA margin	4,0 %
Full-time employees	2 160

SALES BY GEOGRAPHY



(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Fixed price and transactions	180	170	5,5%	709	698	1,6%
Consulting by the hour	183	176	4,3%	759	728	4,3%
Personnel for hire	22	23	-1,8%	90	89	1,0%
SaaS	3	10	-72,5%	7	39	-81,9%
Other	9	16	-40,7%	43	54	-20,6%
Total operating revenue	398	395	0,7%	1 608	1 608	0,0%
Growth	0,7%			0,0%		
EBITDA						
EBITDA	16	66	-76,1%	173	240	-28,0%
EBITDA margin	4,0%	16,8%		10,7%	14,9%	
EBITDA growth	-76,1%			-28,0%		

Comments on the fourth quarter

Revenue in Visma BPO increased by NOK 2.7 million, or 0.7%, whereas organic revenue growth adjusted for currency effects was 2.3% for the quarter. Accounting and payroll revenue increased by NOK 16.8 million, or 4.8%, and constituted 91.3% of the total revenue (SaaS and other revenue have been transferred to other parts of Visma).

Fourth quarter EBITDA decreased by 76.1% compared to Q4 2011, of which Norway is in all material respect the contributor of the EBITDA shortfall. The change in EBITDA is short-term and is associated with changes in strategy and restructuring of the business.

Customers and sales

In Norway, net customer acquisition is still showing an increase quarter to quarter. The marketing and sales initiatives which have been at record high level throughout the year, appears to have had the positive effect that was hoped for, as both customer churn has decreased and sales have increased. The extensive recruiting program, which have been expensive, is in combination with the sales and marketing initiatives, expected to pay off in 2013.

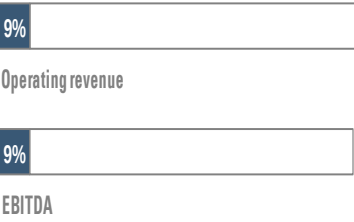
The strong growth in Sweden in Q3 has continued in Q4. The revenue growth was 15.7 % in Q4 compared to the same period last year, which indicates that the Q3 closing of some significant contracts has had a positive impact already, but also will have a positive impact going into 2013. The market in Sweden is in need of the combination of SaaS and outsourcing services. Visma sees the future in these types of services, and we have launched several new SaaS solutions in 2012 facilitating that.

Compared to Q4 2011, Q4 2012 revenues in Finland are at the same level, which should be considered positive, as year-on-year revenue shows a slight decrease. Merger of the BPO companies have been completed, and back-office has been centralized, enabling up resources for customer work. Finland has reached a market penetration which enables us to be among the prioritized service providers. Focus on NPS is and will be important going forward. For international and payroll customers, quality is the most important success criteria.

Visma Services Denmark had a significant negative growth compared to Q4 2011, due to strategic change and exit from some customer segments. However compared to Q3 2012, Q4 2012 has shown a significant increase, and there is a healthy underlying organic growth that will be apparent in the 2013 accounting.

VISMA COMMERCE SOLUTIONS

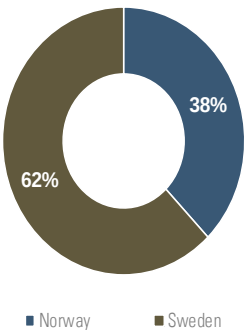
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KEY FIGURES

Revenue	142 MNOK
Growth, QoQ	6,0 %
EBITDA	25 MNOK
EBITDA margin	17,9 %
Full-time employees	340

SALES BY GEOGRAPHY



(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Procurement, SaaS	48	44	9,4%	174	162	7,8%
Procurement, transactions	16	16	1,0%	55	54	3,3%
Collecting, transactions	60	58	3,4%	229	208	9,8%
Other	18	16	10,9%	66	51	28,9%
Total operating revenue	142	134	6,0%	524	475	10,4%
Growth	6,0%			10,4%		
EBITDA	25	29	-11,6%	108	107	0,7%
EBITDA margin	17,9%	21,5%		20,6%	22,5%	
EBITDA growth	-11,6%			0,7%		

Comments on the fourth quarter

Revenue in Visma Commerce Solutions increased organically by NOK 8 million, or 6.0 % from same period last year. Currency adjusted organic revenue growth was 6.0% in Q4 2012. For the full year, currency adjusted organic revenue grew 9.6%.

Revenues from collecting services increased by 6.3 % and revenues from SaaS based solutions increased by 9.4 % from Q4 2011. SaaS revenues represented 33 % of total revenues, while transactions represented 53.5 % in Q4.

EBITDA decreased by NOK 4 million, or 11.6 %. The main reason behind this was integration and restructuring costs in Visma Collectors in Norway. Adjusted for restructuring costs, EBITDA growth was 7.9 % in Q4.

Market fundamentals

The market fundamentals for Visma Commerce Solutions remains strong. Enabling companies and public sector to become more efficient and lowering cost in the procurement process, improving their ability to sell more and improving cash management are appreciated value propositions in an increasingly competitive business environment.

eSourcing and eProcurement

SaaS based eSourcing and eProcurement solutions continue the strong growth throughout Q4. Especially eProcurement solutions in Sweden delivers strong growth and healthy profit development. This development is expected to continue throughout the first half of 2013.

Q4 has been occupied by significant restructuring of the debt collection business in Norway. Streamlining the operations was necessary in order to stay competitive going forward. All restructuring costs was taken in Q4. Revenue growth in Norway is strong (13.9 % for the full year) and profits will follow as a consequence of the restructuring process. The Swedish debt collection operations are healthy with a combination of a highly efficient operation and good inflow of new customers, especially from the frame agreement with the Swedish state.

Q4 has been a tipping point in terms of growth in web-invoicing solutions and debt collection integrations with a number of Vismas ERP systems. A high number of accounting offices has introduced integrated web-invoicing solutions and AutoCollect solutions to its customers. Similar solutions for other Vismas Software are under development and will be deployed during 2013.

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Operating revenue

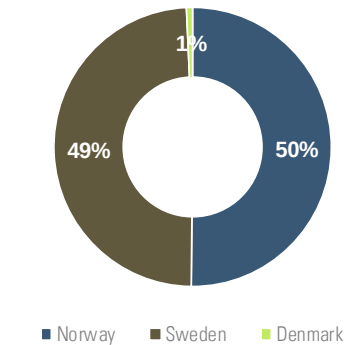


EBITDA

KEY FIGURES

Revenue	180 MNOK
Growth, QoQ	4,7 %
EBITDA	19 MNOK
EBITDA margin	10,4 %
Full-time employees	440

SALES BY GEOGRAPHY



VISMA RETAIL

(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Annual agreements (recurring)	61	57	7,2%	237	227	4,5%
New SW license sales	11	8	41,9%	27	24	10,1%
Consulting	63	71	-10,7%	231	274	-15,9%
Hardware / other	44	36	23,0%	157	115	36,5%
Total operating revenue	180	172	4,7%	651	640	1,7%
Growth	4,7%			1,7%		
EBITDA	19	12	49,0%	69	21	231,9%
EBITDA margin	10,4%	7,3%		10,5%	3,2%	
EBITDA growth	49,0%			231,9%		

Comments on the fourth quarter

Revenue in Visma Retail increased by NOK 8 million, or 4.7%, and the organic revenue growth adjusted for currency effects was 5.8% in Q4 2012. Revenue from Annual agreements (recurring) increased by 7.2% and accounted for 34.2% of the revenue in Q4 2012. The growth in recurring revenue is expected to continue throughout next year as many customers want a monthly fee rather than traditional investments. The high momentum in Q4 is driven mostly by FMCG segment.

Fourth quarter EBITDA increased by NOK 7 million and the EBITDA-margin increased to 10.4% in Q4 2012 from 7.3% in Q4 2011. The EBITDA margin growth is a combination of higher volumes, stronger gross profit margin and lower operational expenses.

Customer, sales and market

Generally Q4 was a good quarter. We had a large deployment on the FMCG side. We also worked on large business opportunities but somewhat slow in closing. There is a continued harsh climate for our customers in the specialized trade market.

We further strengthened our presence in the SME segment, by winning new customers. We are addressing lower end markets with a packaged solution, which has proven to be successful, and new prospects are ahead.

We took the initiative to extend our service desk opening hours (against a fee) for selected customers during the Christmas holidays, this to support the increased pressure on the retailers during the holidays. This was highly appreciated by the customers, and was also solved easily with the right staffing.

One of our FMCG customers signed a new contract with us for Retail Suite. This is a strategically significant win, as it is our first FMCG customer leaving StoreOffice for Retail Suite FMCG. As this is the path we want our other FMCG customers to go, this win will be an important future reference.

We continue to have a strong position in the pharmacy segment. Now by launching “Retail IT as a Service” solution – a packaged managed services solution with a monthly fee for the customer rather than traditional investments. This has proven to be an attractive solution. We signed a new customer with this solution – our first win with this offering in the pharmacy segment.

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Operating revenue

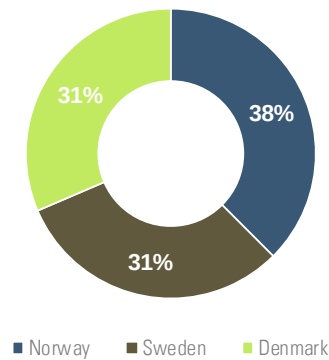


EBITDA

KEY FIGURES

Revenue	127 MNOK
Growth, QoQ	-9,9 %
EBITDA	23 MNOK
EBITDA margin	18,0 %
Full-time employees	398

SALES BY GEOGRAPHY



VISMA CONSULTING

(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Annual agreements (recurring)	15	17	-10,5%	64	70	-8,8%
New SW license sales	2	2	11,6%	9	8	14,5%
Consulting	108	121	-10,2%	396	417	-5,0%
Other	1	1	11,2%	3	2	27,6%
Total operating revenue	127	140	-9,9%	471	496	-5,1%
Growth	-9,9%			-5,1%		
EBITDA	23	31	-25,6%	70	60	16,9%
EBITDA margin	18,0%	21,8%		14,9%	12,1%	
EBITDA growth	-25,6%			16,9%		

Comments on the fourth quarter

Visma Consulting division continued to improve EBITDA significantly, overcoming operational challenges experienced during 2011 despite total revenue decreased by NOK 13 million, or 9.9%. Revenue from consulting decreased by 10.2% from Q4 2011, recurring revenue decreased by 10.5% from Q4 2011. Number of employees decreased by 20, or 4.8% from Q4 2011. Fourth quarter EBITDA decreased by NOK 8 million, or 25.6% from Q4 2011, as the EBITDA-margin decreased to 18.0% in Q4 2012. Annual figures show an decrease in revenue by NOK 25 million, or 5.1%. EBITDA increased by NOK 10 million from 2011, or 16.9%, as the EBITDA-margin increased to 14.9% in 2012. Visma Consulting has higher EBITDA on lower revenue in 2012.

Customers and sales

In the fourth quarter focus has been on achieving profitability in all customer projects and operations in Denmark, Norway and Sweden. In addition, emphasis have been on ensuring a high level of customer satisfaction (NPS), increasing utilisation amongst consultants and, especially in Sweden, establishment/further development of our Nearshore Development Center in Lithuania. The Nearshore Center in Lithuania has been appointed to function as low cost development center for all Visma units except for the Software division.

In Denmark we experienced an tremendous finish of the year. The past 4 months we made more than DKK 12 million in profit – 53% of the annual result in Denmark. This improvement of the business was mainly a result of the new development and application management contract with The National Labor Market Authority ("AMS") and very high activity on our largest customers PenSam and Naturerhvervsstyrelsen (Fishery Department). Operations in Norway have been performing steadily throughout the year and they are recovering well from the loss of the NAV/Arena contract. Opposite Denmark, Sweden had good first half (H1) whilst Q4/H2 turned out with a lower performance than expected mainly due to lost license sales, lockup/appeal case in some the public tenders and low utilization amongst a group of consultants.

In all three countries we signed several important contracts during Q4. In Sweden we signed several deals with the City of Stockholm, Application Management contract with Åhléns and a important frame agreement with the State Service Center which could prove important for many other Visma units. In Denmark we signed several extensions to the AMS contract, a frame agreement with City of Copenhagen and a project delivery contract with the National Board of Health (both new customer).

Market

The IT market remains strong in Norway whilst the demands are slightly slowing down in Sweden. The market in Denmark is slowly improving and we are seeing more public tenders lately whilst the private market is still very conservative. The Norwegian Government has initiated ambitious modernization programs that will demand much capacity for the coming years. In Sweden, both central and local government are very focused on establishment of digital eGovernment and 24/7 availability which creates opportunities and demands for our eServices solutions (SaaS).

VISMA HOSTING

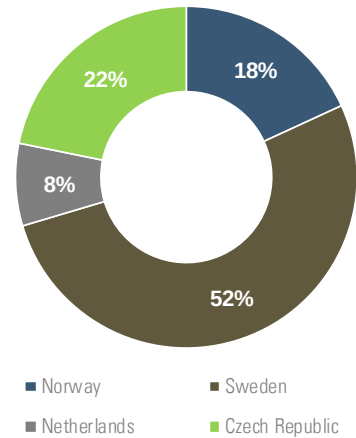
SHARE OF GROUP



KEY FIGURES

Revenue	44 MNOK
EBITDA	9 MNOK
EBITDA margin	21,0 %
Full-time employees	119

SALES BY GEOGRAPHY



(NOK in millions)	4th quarter			Year		
	2012	2011	Δ	2012	2011	Δ
Operating revenue						
Hosting	44	43	1,6%	175	71	148,3%
Total operating revenue	44	43	1,6%	175	71	148,3%
Growth	1,6%			148,3%		
EBITDA	9	8	12,4%	38	16	133,0%
EBITDA margin	21,2%	19,1%		21,9%	23,3%	
EBITDA growth	12,4%			133,0%		

Comments on the fourth quarter

Q4 2012 ended with NOK 43.7 million in revenue and NOK 9.4 million in EBITDA, resulting in an EBITDA margin of 21.2 %. Full year 2012 revenue was NOK 175.2 million and EBITDA was NOK 38.4 million, resulting in an EBITDA margin of 21.9%. Average monthly run rate in 2012 was NOK 14.6 million in revenue and NOK 3.3 million in EBITDA.

Visma Hosting was acquired in July 2011 and the numbers were not reported in Visma in the first half of 2011. 2012 is the first financial year for Visma Hosting.

Visma Hosting Division

The division with 11 legal units is organized geographically under two different brands with three geographical business units: Active 24 in Western Europe, Central Europe and Loopia, which is operating in Sweden and Serbia.

Loopia

Loopia is market leader in Sweden and have a strong and growing position in Serbia. Loopia has continued its good performance in both markets in Q4 2012 and ended up with NOK 22.2 million in revenue and NOK 1.5 million in EBITDA. The low EBITDA is due to the effect of a new cost allocation model introduced in Q4. Considerable investments in e-mail- and shared hosting platforms were made throughout 2012 to further improve the product offering and service performance. Furthermore Loopia continues to deliver solid customer satisfaction figures (NPS).

Western Europe

Western Europe includes Norway, the Netherlands, UK, Germany and Spain. The size and position in these markets varies significantly as well as the impact from the financial situation in Europe. Total revenue in Q4 was NOK 11.4 million and EBITDA NOK 6.0 million. During 2012 we have migrated our business mail customers to Microsoft Office 365 and initiated an important hosting automation project, implementing a new complete hosting platform and system to be in production during 2013. This will enable Western Europe to further streamline and automate its business processes, allowing new product opportunities and improve customer experience. Additional operational improvement actions are being implemented to secure medium-term growth and profitability.

Central Europe

Central Europe includes Czech Republic, Poland and Slovakia. The Czech business continues to maintain its top position in an attractive market. Slovakia continue to offer good growth opportunities in a less mature and fragmented market. Central Europe ended Q4 with NOK 9.6 million in revenue and NOK 1.8 million in EBITDA.

CONDENSED INTERIM FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF INCOME

(NOK in thousands)	4th quarter		Year	
	2012	2011	2012	2011
OPERATING REVENUE				
Sales revenue	1 543 935	1 461 896	5 748 523	5 141 908
Total operating revenue	1 543 935	1 461 896	5 748 523	5 141 908
OPERATING EXPENSES				
Sales and distribution costs (COGS)	222 591	205 023	811 299	720 361
Gross profit	1 321 344	1 256 873	4 937 224	4 421 547
Payroll and personnel expenses	808 393	727 853	2 993 285	2 684 401
Bad debts	5 033	9 847	16 947	30 514
Other operating expenses	229 539	215 215	810 480	752 508
Total operating expenses	1 042 964	952 915	3 820 713	3 467 423
EBITDA before M&A expenses	278 379	303 958	1 116 511	954 124
M&A expenses	1 059	2 201	2 168	20 020
EBITDA	277 320	301 757	1 114 343	934 104
Depreciation tangible assets and capitalised R&D	42 924	34 717	102 779	94 593
EBITA	234 397	267 040	1 011 565	839 512
Amortisation intangible assets	75 226	71 034	263 332	217 032
Operating profit EBIT	159 171	196 006	748 233	622 479
Result from associated companies	1 262	849	5 824	(763)
FINANCIAL ITEMS				
Financial income	6 709	9 839	29 191	29 184
Financial expenses	(59 009)	(88 386)	(238 108)	(211 139)
Net financial items	(52 299)	(78 547)	(208 917)	(181 955)
Profit before taxes	108 134	118 309	545 139	439 761
Taxes	8 281	38 571	129 365	129 030
Net income	99 853	79 737	415 774	310 731
ATTRIBUTABLE TO:				
Equity holders of Visma AS	99 902	79 515	414 264	307 519
Minority interests	(49)	223	1 510	3 212
EARNINGS PR SHARE				
Basic earnings per share (NOK in thousands)	99 902	79 515	414 264	307 519
Diluted earnings per share (NOK in thousands)	99 902	79 515	414 264	307 519
EBITDA margin	18,0 %	20,6 %	19,4 %	18,2 %

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK in thousands)	4th quarter		Year	
	2012	2011	2012	2011
Net income	99 853	79 737	415 774	310 731
Net gain (loss) on financial hedging instruments, net of tax	4 534	(10 233)	(478)	(44 186)
Exchange differences on translation of foreign operations, net of tax	(250)	(7 522)	(21 251)	(2 303)
Net gain (loss) on shares classified as available for sales, net of tax	0	(0)	0	0
Other comprehensive income (loss) for the period, net of tax	4 284	(17 755)	(21 729)	(46 489)
Total comprehensive income for the period	104 138	61 982	394 045	264 243
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of Visma AS	104 186	61 759	392 535	261 031
Minority interests	(49)	223	1 510	3 212

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(NOK in thousands)	31 December 2012	30 September 2012	31 December 2011
ASSETS			
Deferred tax assets	121 002	180 894	174 325
Patents and other intangible assets	468 767	493 986	539 324
Capitalised R&D cost own software	128 151	147 566	134 111
Contracts and customer relationships	643 085	681 651	720 410
Goodwill	3 521 924	3 539 480	3 462 456
Property, land and buildings	19 272	19 217	19 207
Machinery and equipment	125 624	129 082	133 623
Financial assets/Shares	38 257	39 715	40 159
Investment in associated companies	80 767	79 505	74 943
Other long-term receivables	13 293	12 323	14 791
Long term receivables in group companies	148 817	147 390	110 568
Total non-current assets	5 308 958	5 470 807	5 423 917
Inventory	32 768	39 734	39 791
Accounts receivables	789 867	701 578	790 667
Other current receivables	129 120	164 241	153 285
Cash and cash equivalents	1 559 376	1 280 468	1 162 654
Total current assets	2 511 132	2 186 020	2 146 398
TOTAL ASSETS	7 820 090	7 656 828	7 570 315
EQUITY AND LIABILITIES			
Paid-in capital	165 000	165 000	165 000
Other reserves	(63 316)	(67 600)	(41 587)
Retained earnings	1 367 934	1 268 032	1 135 248
Equity attributable to equity holders of Visma AS	1 469 618	1 365 431	1 258 661
Minority interests	8 974	9 069	15 443
Total equity	1 478 592	1 374 501	1 274 104
Pension liabilities	(6 838)	(6 807)	(5 082)
Deferred tax liability	490 957	581 231	542 302
Financial hedging Instruments	103 257	109 555	102 594
Long-term interest bearing bank loans	4 045 958	4 074 323	3 841 739
Accrued funding fees	(71 265)	(77 373)	(95 698)
Other long-term non interest bearing liabilities	8 430	7 549	26 246
Long-term liabilities to group companies	0	0	0
Total non-current liabilities	4 570 500	4 688 477	4 412 101
Bank overdraft	0	0	200 222
Trade creditors	172 904	165 276	182 052
Public duties payable	314 110	278 503	307 195
Tax payable	24 064	(17 215)	9 792
Deferred revenue	737 622	753 366	678 444
Other current liabilities	522 297	413 920	506 404
Total current liabilities	1 770 997	1 593 849	1 884 110
Total liabilities	6 341 498	6 282 327	6 296 210
TOTAL EQUITY AND LIABILITIES	7 820 090	7 656 827	7 570 315

CONSOLIDATED STATEMENT OF CASH FLOWS

(NOK in thousands)	4th quarter		Year	
	2012	2011	2012	2011
Ordinary profit before tax	108 134	118 309	545 139	439 761
Depreciation tangible assets	18 265	16 052	61 110	56 337
Depreciation capitalised R&D cost	24 658	18 665	41 669	38 256
Amortisation patents and other intangible assets	35 629	29 960	118 012	83 402
Amortisation contracts and customer relationships	39 597	41 073	145 320	133 630
Amortisation Goodwill	0	0	0	0
Tax paid	12 601	(1 161)	(60 983)	(92 447)
Changes in debtors	(88 290)	(131 182)	799	(149 572)
Changes in inventory and trade creditors	14 594	44 346	(2 125)	21 382
Changes in public duties payable	35 608	22 725	6 915	37 494
Changes in deferred revenue	(15 744)	115 036	59 178	255 892
Changes in other accruals	130 679	(87 735)	169 479	12 414
Net cash flow from operations	315 731	186 088	1 084 513	836 550
Sale of (investment in) tangible fixed assets	(14 862)	(9 435)	(49 449)	(33 299)
Sale of (investment in) R&D own software	(5 243)	(12 548)	(34 141)	(31 457)
Net cash flow from investments	(20 105)	(21 983)	(83 590)	(64 756)
Investment in tangible fixed assets related to business combinations	0	(3 034)	(3 725)	(35 686)
Investment in R&D software related to business combinations	0	(5 289)	(1 568)	(55 896)
Sale of (investment in) businesses	(6 225)	(371 379)	(195 525)	(1394 977)
Sale of (investment in) shares	1 458	3 103	1 901	(27 627)
Net cash flow from investments related to business combinations	(4 767)	(376 599)	(198 917)	(1514 186)
Repayments of interest bearing loans	0	0	0	(145 000)
Net proceeds from interest bearing loans	0	391 730	300 000	1 224 480
Changes in bank overdraft	0	222	(200 222)	200 222
Changes in long term receivables/payables	(2 397)	(16 305)	(36 751)	(39 430)
Payment of Group contribution	0	0	(252 192)	(226 072)
Cash inflow from dividends	0	480	5 340	5 420
Cash inflow from interest	6 709	9 314	23 851	21 886
Cash outflow from interest and fees	(2 826)	(23 671)	(211 930)	(140 875)
Net cash flow from financing activities	1 486	361 770	(371 903)	900 631
Net cash flow	292 345	149 277	430 103	158 239
Cash and cash equivalents, beginning of period	1 280 468	1 013 063	1 162 654	1 007 192
Net foreign exchange differences	(13 437)	315	(33 380)	(2 777)
Cash and cash equivalents, end of period	1 559 376	1 162 654	1 559 376	1 162 654
EBITDA to net cash flow from operations	113,9 %	61,7 %	97,3 %	89,6 %

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(NOK in thousands)	Attributable to equity holders of Visma AS						Total equity
	Paid-in share capital	Share premium reserve	Other reserves	Retained earnings	Majority's share of equity	Minority interests	
Equity as at 01 January 2011	165 000	0	4 902	990 500	1 160 402	9 905	1 170 307
Total comprehensive income for the period			(46 489)	307 519	261 031	3 212	264 243
Group contribution				(162 772)	(162 772)	0	(162 772)
Net changes minority					0	2 326	2 326
Equity as at 31 December 2011	165 000	0	(41 587)	1 135 248	1 258 661	15 444	1 274 105
Equity as at 01 January 2012	165 000	0	(41 587)	1 135 248	1 258 661	15 444	1 274 105
Total comprehensive income for the period			(21 729)	414 264	392 535	1 510	394 045
Group contribution				(181 578)	(181 578)		(181 578)
Net changes minority						(7 979)	(7 979)
Equity as at 31 December 2012	165 000	0	(63 316)	1 367 934	1 469 618	8 974	1 478 593

(NOK in thousands)	Attributable to equity holders of Visma AS						Total equity
	Paid-in share capital	Share premium reserve	Other reserves	Retained earnings	Majority's share of equity	Minority interests	
Equity as at 01 January 2011	165 000	0	4 902	990 500	1 160 402	9 905	1 170 307
Total comprehensive income for the period			(46 489)	307 519	261 031	3 212	264 243
Group contribution				(162 772)	(162 772)		(162 772)
Net changes minority						2 326	2 326
Equity as at 31 December 2011	165 000	0	(41 587)	1 135 248	1 258 661	15 443	1 274 104

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 – GENERAL ACCOUNTING PRINCIPLES

Visma (the Group) consists of Visma AS (the Company) and its subsidiaries. Visma AS is a limited liability company, incorporated in Norway.

These interim condensed consolidated financial statements for the period ending December 31, 2012 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with Visma's Annual Report 2011. The interim financial information has not been subject to audit or review.

The accounting policies and methods of calculation adopted in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the Group's Annual Financial Statements for the year ended 31 December 2011, except for the adoption of new standards and interpretations as of January 1, 2012.

The future effects of new accounting standards were described in the Annual Financial Statements. The entry into force of the standards IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosures of Interests in Other Entities may be postponed for a year, until 1 January 2014. This will entail a corresponding delay in amendments to the associated standards IAS 27 Consolidated and Separate Financial Statements and IAS 28 Investments in Associates.

NOTE 2 – SEGMENT INFORMATION

The Group's primary reporting format is business segments and its secondary format is geographical segments.

The definitions of operating segments are based on the company's internal reporting and are strategic segments that offer different products and services with different risk and rates of returns. The company has six reportable segments: Visma Software (Software), Visma BPO Accounting and Payroll (BPO), Visma Commerce solutions (CS), Visma Retail (Retail), Visma Consulting (Consulting) and Visma Hosting (Hosting). Visma AS and national holding companies are disclosed under "Other".

Visma Software is the leading provider of business software and solutions for enterprises and employees within the private and public sector in the Nordic region.

Visma BPO Accounting and Payroll, is the leading business process outsourcing provider within accounting, payroll administration, financial reporting and consultancy in the Nordics.

Visma Commerce Solutions is the leading provider of services and solutions within full-scale procurement systems, as well as, outsourcing services for administrative procurement, billing, cash management and debt collection in the Nordic region.

Visma Retail is the leading provider of tailor made solutions and services for retail chains and retail businesses in the Nordic region. Visma offers a complete suite of software and services including fully integrated point of sales (POS) solutions covering all needs within retail.

Visma Consulting is a leading provider of IT and consultancy services focusing on public sector and the retail industry. Visma Consulting offers development and project management, application management, automated workflow management and case processing solutions as well as system development and system integration.

Visma Hosting is a leading European hosting provider, delivering premium packages of domains, web hosting and other value-added services. The main customers are predominantly SMEs, SOHOs and also private consumers.

Transfer prices between business segments are set at an arm's length basis in a manner similar to transactions with third parties. The Group's geographical segments are determined by the location of the Group's operations. Summarised financial information concerning each of the Company's reportable business segments is as follows:

NOTE 2 – SEGMENT INFORMATION continued

4th quarter									2012									2011								
(NOK in thousands)																										
	SOFTWARE	BPO	COMMERCE SOLUTIONS	RETAIL	CONSULTING	HOSTING	OTHER	TOTAL	SOFTWARE	BPO	COMMERCE SOLUTIONS	RETAIL	PROJ. & CONS.	HOSTING	OTHER	TOTAL										
Total segment revenues	802 213	416 298	143 887	204 695	134 772	43 917	24 665	1 770 448	691 498	429 927	141 240	185 736	150 809	27 226	14 807	1 641 243										
Internal revenues	148 001	18 733	1 617	25 026	8 177	293	24 665	226 513	113 720	35 070	7 038	14 061	10 361	(15 708)	14 807	179 348										
External revenues	654 212	397 565	142 269	179 670	126 595	43 624	0	1 543 935	577 778	394 858	134 202	171 675	140 448	42 934	(0)	1 461 896										
License and recurring	532 826	4 159	52 023	72 855	17 607	0	0	679 470	472 901	12 367	47 677	65 653	19 171	(11)	0	617 758										
Transactions	27 206	203 706	85 608	13	21	0	0	316 554	24 874	195 119	81 741	2	7	0	(0)	301 742										
Accounting serv. & consult.	59 454	184 294	4 615	63 422	108 262	0	0	420 046	46 392	179 668	3 197	71 009	120 624	0	0	420 890										
Other	34 725	5 406	24	43 380	705	43 624	0	127 865	33 611	7 704	1 588	35 012	646	42 945	0	121 505										
Actual growth (external) %	13,2 %	0,7 %	6,0 %	4,7 %	-9,9 %	1,6 %		5,6 %																		
Curr adj. organic growth %	6,3 %	2,3 %	6,0 %	5,8 %	-8,2 %	-15,0 %		3,1 %																		
EBITDA	190 985	15 791	25 456	18 600	22 736	9 238	(5 485)	277 320	175 116	66 171	28 809	12 482	30 561	8 217	(19 599)	301 757										
EBITDA margin	29,2 %	4,0 %	17,9 %	10,4 %	18,0 %	21,2 %	-	18,0 %	30,3 %	16,8 %	21,5 %	7,3 %	21,8 %	19,1 %	-	20,6 %										

Year	2012								2011							
(NOK in thousands)	SOFTWARE	BPO	COMMERCE SOLUTIONS	RETAIL	PROJ. & CONS.	HOSTING	OTHER	TOTAL	SOFTWARE	BPO	COMMERCE SOLUTIONS	RETAIL	PROJ. & CONS.	HOSTING	OTHER	TOTAL
Total segment revenues	2 895 972	1 675 108	529 873	739 148	501 188	176 223	91 209	6 608 721	2 184 121	1 758 327	481 819	697 826	534 097	59 453	54 305	5 769 948
Internal revenues	576 366	67 216	5 564	88 559	30 303	981	91 209	860 197	331 343	150 585	7 038	58 110	37 785	(11 126)	54 305	628 040
External revenues	2 319 605	1 607 892	524 310	650 589	470 885	175 242	0	5 748 523	1 852 778	1 607 742	474 781	639 716	496 312	70 580	0	5 141 908
License and recurring	1 965 773	15 340	187 780	264 718	72 683	0	0	2 506 295	1 548 573	48 677	175 633	252 833	77 678	(13)	0	2 103 382
Transactions	64 311	806 277	319 594	18	35	0	0	1 190 234	62 958	796 045	287 350	14	15	0	0	1 146 382
Accounting serv. & consult.	180 352	766 177	16 655	230 545	395 600	0	0	1 589 328	156 794	738 097	9 317	274 169	416 595	0	0	1 594 972
Other	109 170	20 099	281	155 307	2 567	175 242	0	462 666	84 453	24 923	2 481	112 699	2 023	70 592	0	297 171
Actual growth (external) %	25,2 %	0,0 %	10,4 %	1,7 %	-5,1 %	148,3 %	-	11,8 %								-
Curr adj. organic growth %	5,4 %	0,9 %	9,6 %	2,9 %	-3,6 %	-6,8 %		3,0 %								
EBITDA	692 352	172 621	107 851	68 510	70 046	38 395	(35 433)	1 114 343	559 285	239 705	107 050	20 639	59 926	16 478	(68 980)	934 104
EBITDA margin	29,8 %	10,7 %	20,6 %	10,5 %	14,9 %	21,9 %	-	19,4 %	30,2 %	14,9 %	22,5 %	3,2 %	12,1 %	23,3 %	-	18,2 %
ASSETS	4 063 897	1 316 146	681 838	649 705	769 723	572 989	(231 460)	7 822 839	4 068 937	1 422 437	657 397	646 139	790 529	527 797	(542 921)	7 570 315

Reconciliation			4th quarter	
			2012	2011
Profit before taxes			108 134	118 309
Net financial items			52 299	78 547
Result from associated companies			(1 262)	(849)
Depreciations and amortisations			118 150	105 751
EBITDA			277 320	301 757
EBITDA in operating segments			1 114 343	301 757

GEOGRAPHICAL AREAS

2012				2011			
(NOK in thousands)	Net sales	%	Long lived assets	Net sales	%	Long lived assets	
Norway	2 879 216	50,1 %	2 312 510	2 510 924	48,8 %	2 306 545	
Sweden	1 791 128	31,2 %	867 400	1 608 113	31,3 %	747 366	
Denmark	322 830	5,6 %	239 353	352 970	6,9 %	271 539	
Finland	520 907	9,1 %	766 847	446 704	8,7 %	872 471	
Netherlands	234 441	4,1 %	575 816	223 197	4,3 %	658 379	
Total	5 748 523	100,0 %	4 761 927	5 141 908	100 %	4 856 301	

NOTE 3 - BUSINESS COMBINATION

A total of NOK 6.5 million in acquisition payments were made during fourth quarter. The payments refer to asset deals in the BPO Accounting and Payroll Division.

Visma AS

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