The Future is Efficient
Annual Report 2010

Content

Key investment considerations

Strong execution on an attractive business model

- Large amount of the revenue is recurring or based on transaction volumes
- Strong organic growth
- Stable and very predictable strong cash flow with high visibility on earnings in the medium term
- Value-added proposition for customers
- Low operational risk due to a large and broad customer base with relatively high switching costs for customers

Consistent value creation from M&A

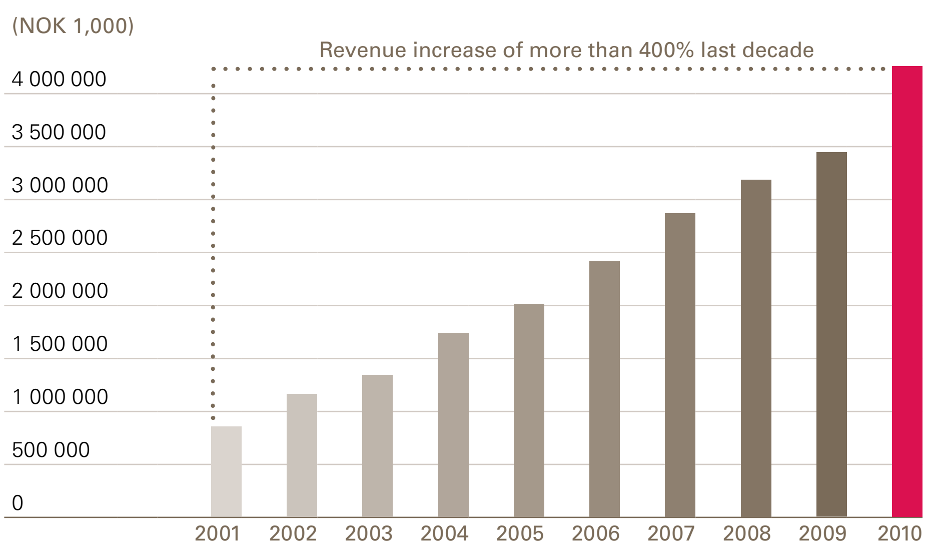
- Track record of substantial and disciplined acquisition strategy
- Several opportunities in core and adjacent markets

Experienced and proven management

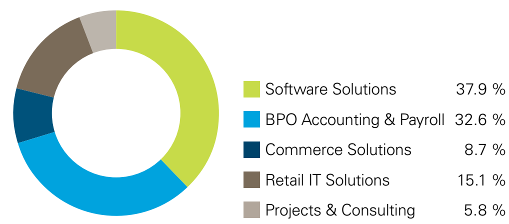
- Excellent track record of executing on a long term strategy
- Long history with the company
- Strong company growth culture

The future is Exciting have a look at our Key Figures

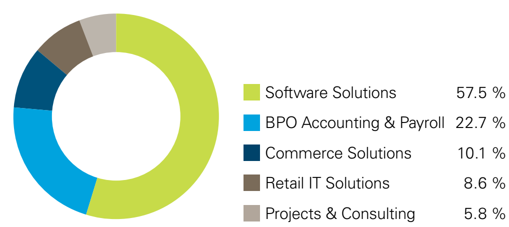
Operating revenues – 2001-2010



Revenue by segment – 2010



Profit by segment – 2010



A decade of strong growth – 2001-2010

(NOK 1,000)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operating revenues	831 299	1 151 840	1 151 840	1 665 578	1 906 614	2 305 616	2 723 213	3 045 613	3 381 357	4 167 689
Growth	-36%	39%	39%	24%	14%	21%	18%	12%	11%	37%
EBITDA	83 083	142 394	142 394	224 312	257 178	304 913	489 969	555 395	684 179	815 103
Profit/(loss) after minority interests	68 814	101 899	101 899	204 670	124 652	123 157	154 998	297 027	275 370	374 405
Total assets	1 026 162	1 369 499	1 369 499	1 919 974	2 259 033	2 983 960	3 525 327	3 996 833	4 071 409	5 663 295
Current liabilities	288 028	365 547	365 547	483 091	572 146	791 560	1 015 251	1 384 773	1 071 555	1 328 543
Long-term liabilities	113 122	71 246	71 246	222 130	308 858	1 600 933	1 741 283	2 061 191	2 029 640	3 164 445
Equity	625 012	932 705	932 705	1 214 752	1 378 029	591 466	768 793	550 869	970 213	1 170 307

The future is Nordic and we love Efficiency

Visma creates efficiency. Improving efficiency through products and services that automates core business processes is what Visma is truly best at. For Visma, a main priority is to make it possible for businesses to benefit from what we call Nordic efficiency.

Heading for another decade with growth

In September 2010, Kohlberg Kravis Roberts (KKR), a leading global assets manager acquired the stock majority in Visma from HgCapital. Through the acquisition HgCapital retained a significant majority ownership, while Visma's management increased its ownership in the business substantially.

efficiency; achieving maximum productivity with minimal effort or expense

Visma's modern history started in 2000 after the restructuring and divesting of non-core businesses. In 2000, the continuing businesses had revenue of NOK 140 million, and after selling the non-core assets, Visma had a net cash position of approximately NOK 800 million. With this, Visma was ready for fast growth through acquisitions. In addition, the timing was right for growth as the stock market collapsed after the Dot-com boom resulting in attractive pricing of target companies.

In July 2001, Visma merged with SPCS ASA, Visma's main competitor in Norway and major vendor in the Swedish SME ERP market. This merger made the Visma Group one of the largest software enterprises in the Nordic region. During the time period 2000-2010 Visma carried out more than 70 acquisitions, thus growing from 10,000 to over 240,000 customers. After acquiring Økonomipartner AS in 2001, Visma diversified its business through building up the BPO Accounting & Payroll division. In 2003 Visma established the Procurement & Collecting division and in 2009 the Retail companies were separated from the Visma Software division forming the independent division Visma Retail In 2010, through the acquisition of the Nordic IT consultancy company Sirius IT Visma established a new division known as Projects & Consulting. This division strengthened Visma's resource capacity and considerably increased the Groups access to IT competence throughout the Nordic region.

In 2006, HgCapital offered to acquire the majority of the shares in Visma ASA. The acquisition, together with the related debt and equity financing, closed on 15 May 2006. With this, Visma was de-listed from the Oslo Stock Exchange in August 2006 resulting in Visma ASA changing its name to Visma AS, as the company was no longer public.

In December 2010, Kohlberg Kravis Roberts (KKR), a leading global assets manager acquired the stock majority in Visma from HgCapital. Through the acquisition HgCapital retained a significant majority ownership, while Visma's management increased its ownership in the business substantially.

Throughout the last decade Visma has worked with great dedication towards what Visma is truly best at. Improved efficiency through Visma's products and services both for the Group itself as well as for the Group's customers, in addition to the continuous development of streamlined and effective workflow and business processes, have been the main priorities.

Software

Visma Software division is a leading provider of business software solutions for enterprises and employees within the private and public sector in Northern Europe. A broad range of efficiency-increasing and user-friendly applications offers Visma's customers an efficient and streamlined business process and workflow throughout the value chain. Visma provides specialized software within Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Human Resource Management (HRM) and payroll. In addition, Visma also offers a range of tailor-made solutions covering enterprise software for administration and other specific areas. The portfolio of software comprises a suite of solutions serving the wide variety of the customers' different needs. Visma Software has 1,301 employees spread throughout cities across Sweden, Norway, Finland, Denmark, the Netherlands, Romania and the UK.

BPO Accounting & Payroll

Visma BPO Accounting & Payroll is a leading provider of business process outsourcing within accounting, payroll administration, financial reporting and consultancy in the Nordic region. BPO Accounting & Payroll's objective is to increase the competitiveness through a complete suite of outsourcing services enabling the customers to focus on their core business and opportunities. BPO Accounting & Payroll is the largest provider of outsourced payroll services in the Nordic region administrating payrolls for several thousand businesses by handling salary execution and payments for close to 500,000 employees on a monthly basis. Business process outsourcing serves as a flexible and cost-efficient solution for businesses pursuing the opportunities of tomorrow as well as adapting to the realities of today. Visma BPO Accounting & Payroll has 1,838 employees throughout Norway, Sweden, Denmark, Finland and Romania.

Commerce Solutions

Visma Commerce Solutions is a leading provider of services and solutions within procurement and administration in the Nordic

region to more than 33,000 customers. Visma's broad range of solutions and services includes full-scale procurement systems, outsourcing services for administrative procurement, billing, cash management and debt collection; With Visma's commerce solutions, businesses across the Nordic region take advantage of the power of joining forces when it comes to non-strategic procurements and administrative purchases. By representing thousands of small, medium and large businesses in the Nordic countries, Visma's commerce solutions offers great advantages through a seamless procurement process to its customers Visma Commerce Solutions has 332 employees throughout cities across Norway, Sweden and Denmark.

Retail

Visma Retail is a leading provider of tailor-made solutions and services for retail chains and retail businesses in the Nordic countries. Through Retail IT Solutions, Visma offers a complete and flexible suite of software and services with fully integrated point of sales (POS) solutions covering all needs within retail, and enables a more streamlined and integrated process throughout the value chain for the retail customer through various applications and services. The specialized software suite for retail chains covers chain management and individual stores as well as accounting, payroll and financing services. Visma's retail software and POS solutions are implemented in more than 10,000 stores in the Nordic region, making Visma the largest provider of such solutions and services in these countries. Visma Retail has 411 employees spread across Norway, Sweden and Denmark.

Projects & Consulting

Visma Projects & Consulting is a leading provider of value-adding IT solutions to both the public sector as well as to selected businesses in the private sector in the Nordic region. Projects & Consulting deliver services in consulting, system development, integration, process, support, product development and software for enterprises and employees. In addition, Projects & Consulting supplies customer-tailored and business-critical IT solutions by offering a broad range of competencies as well as application management. Visma Projects & Consulting has approximately 410 employees spread throughout cities across Sweden, Norway and Denmark.

The future seen by Øystein Moan

Looking ahead, Visma experience further growth and good pace across its markets. 2010 was a year of strong growth and exciting changes in Visma. Revenue increased by 23 percent. The organic revenue growth was 10.6 percent, the strongest in several years.

In 2010, a whole new division, Projects & Consulting, was added. Visma got a new main owner, KKR, the world's largest and most famous private equity fund. The growth and the changes reflect that the financial crisis is much less pronounced and that markets where Visma is operating are healthier compared to 2009. 2011 looks promising and Visma will continue to drive fast growth and innovation.

As the effects of the financial crises faded, Visma saw a healthy demand for the products and services during 2010. The need to increase productivity meant that companies had to continue to invest in modern software solutions. We also saw that more companies considered outsourcing accounting and payroll functions to reduce costs and make their expenses more variable. In 2011 more companies are expected to increase the head-count, which drives the need for more software licenses. While bankruptcies were slightly down in 2010, the number of newly established companies increased sharply. The growth in new companies is important for the continued growth of Visma.

Visma's revenues increased by 23 percent in 2010 and EBITDA improved by 19 percent compared to the previous year. The EBITDA margin of 19.6 percent was down compared to 2009 (20.2 percent). The explanation is acquisitions of some companies with lower margins, and increasing head-count to be able to handle the top-line growth.

This strong performance is partly explained by the well diversified business of Visma, with more than 240,000 companies/organizations as customers, including both small and larger enterprises, customers in both private, non-profit and government organizations, and customers in any vertical. Visma supplies "must-have" products at high quality and at relatively low cost. The long-term effort to ensure high quality and high customer satisfaction contributed to customer churn at an all-time low in 2010.

Visma has confined its operations to the Nordic and Dutch markets. This concentration has made it possible to achieve strong market positions, high brand-awareness, operational efficiencies and competitiveness, also when comparing us with global competitors. Rather than attempting to conquer the world, Visma tries to be the strongest and most profitable supplier in the few markets where we operate. There are still plenty of growth opportunities and the market size allows for a doubling of Visma in our current markets.

Investments in product development and innovation are key factors for Visma's success. The willingness to invest in these areas will continue. Visma has maintained development at high levels through the financial crisis and into 2010, and we spent approximately 19.0 percent of the Software division's revenue on R&D last year. Visma launched several new product families in 2010, particularly within Software as a Service (SaaS). The newly launched products included Visma's first on-demand ERP system, Visma Avendo eAccounting. Visma had a very limited SaaS offering only three years ago but has grown its SaaS revenues to about NOK 236 mill. in 2010. The SaaS solutions are particularly provided through the Software, BPO and Commerce Solution divisions of Visma, as an integrated and important part of the product and services offerings. To our customers, SaaS means a faster way to get access to advanced software without large investments. We see a clear market-trend that customers are moving away from capital expenditures to operational expenses based on usage.

Cross selling between software and outsourcing services improved, and this was one of the reasons explaining Visma's growth in 2010. Particularly large projects originated in the Visma Retail division included products and services from Visma Software, Visma BPO and Visma Project and Consulting. There is still a substantial potential for further cross selling between Visma's divisions as more customers see the attractiveness of combining software and services, and of having Visma as a "one-stop-shop" for finance, accounting and payroll.

2010 has proven that Visma continues to grow at a significantly higher rate than its quoted and non quoted competitor peers both in good and bad economic periods. Visma has been able to combine around 10 percent organic revenue growth with high activity within merger and acquisitions. Visma has the financial and management capacity to acquire and integrate about 20 companies per year. With total growth in 2010 of over 30 percent Visma's overall revenue growth and its EBITDA growth was 3 to 4 times greater than its peers and than the overall market for each year in

the period 2007 - 2010. We believe this superior growth is a result of consistent investment over the last decade in product development, R&D and innovation that is a core competency of Visma, a dedication to superior customer support and service and in investing in our people and systems over a similarly long timeframe. Because of these long term investments we believe that Visma will be able to sustain consistent growth in the future as well. Visma has as an ambition to double its revenue from 2010 to 2015.

Visma's mission is to help North European companies and government bodies maintain their competitive edge through the automation of administrative processes. Even with higher labour costs and a high tax level, Northern European companies have achieved world-class productivity through their investments in modern ERP and CRM solutions.

In 2010 Visma made around 15 acquisitions and the largest acquired business was Sirius IT, now the new Visma Projects & Consulting division. With more than 400 software experts, Visma Projects & Consulting specializes in large software development projects for central governments in Denmark, Norway and Sweden, for pension funds and for large retail organizations.

2011 will be a year of challenges and opportunities for Visma. The economies where Visma operates are in relatively good health and Visma has to act upon growth opportunities while controlling cost at the same time. A special threat and opportunity is the gradual move from on premises software to SaaS solutions. Customer satisfaction and retention, and acquisition of new customers will be main themes for Visma in 2011. Customers are expected to increase their investment budgets beyond 2010, and a somewhat tighter labour market will increase demand for outsourcing services.

Øystein Moan
CEO
Visma

The future is Efficient we lead the Evolution

Evolution creates change. Visma has evolved through growth and profitability throughout the last decades. At the same time, the top management has remained stable. For Visma, this has proved to be an efficient evolution.

Strong growth

In the period 1999-2009 Visma increased its operating revenue more than 10 times from NOK 330 million in 1999 to NOK 3 381 million in 2009. At the same time the EBITDA increased more than 20 times from NOK 33 million in 1999 to NOK 684 million in 2009. The growth in revenue and profitability continued in 2010.

evolution; a pattern of movements or gradual development

This shows that Visma has found a winning recipe for organizing its different businesses within the Group, from top management and all the way out to the dedicated and insightful employees in all countries. At the same time, it has always been important for Visma to be efficient, and to offer efficient solutions. Our solution has been to create an efficient evolution on behalf of Visma through sustainability, growth and profitability based on a solid business platform and a stable management team. In Visma, we like to call this the future of evolution. New business thinking, creative ideas, professional insight, technological innovation and entrepreneurial spirit create a whole new approach to established perceptions. In short, Visma has created a new integrated offering to the market through a new way of combining different business areas and efficient solutions for its customers. A key factor will always be expertise and knowledge. This explains Visma's efficient evolution and the ability to create continued stability, growth and profitability.

Chief Executive Officer Øystein Moan, born in 1959, is educated Cand. Scient at the University in Oslo with computer science as main subject. Moan is earlier founder and Managing Director of Cinet AS, and has been CEO of Visma Group since October 1997.

Chief Financial Officer Tore Bjerkan, born in 1958, is the founder of Multisoft, one of the companies that through merger became Visma. Bjerkan had positions as Director of Research and Development and Managing Director of Multisoft ASA, and Business Developer of Visma ASA. Mr. Bjerkan has been CFO of Visma Group since July 1997.

Division Director, Visma Software, Bjørn A. Ingier, born in 1954, is Bachelor of Economy from Nhh in Bergen. Ingier had positions like Controller in Dyno Industries, chemical division, MD of SchlagerForlaget, and joint owner and MD of MultiData before he became the MD of Multisoft Norway AS, which was one of the companies that through merger became Visma. As of October 1999 Ingier has been Division Director of Visma Software.

Division Director, Visma Commerce Solutions, Eivind Gundersen, born in 1970, is Bachelor of Business Administration from California Lutheran University, and Master of Science in Energy Management from Norwegian School of Management. Gundersen has previously worked as Senior Consultant in PricewaterhouseCoopers Consulting and Managing Director in Massmarket (Acquired by Visma in fall 2002). As of January 2008 Gundersen has been Division Director of Visma Commerce Solutions.

Division Director, Visma Retail, Peter Fischer, born 1964 in Stockholm, is the Division director of Visma Retail. Peter has extensive experience in structuring work within organization and sales within retail. he has, among other things, held the post of president at Axlon Holding as well as a number of senior positions at Fujitsu Siemens and Tektronix in hardware sales, both in supply and distribution.

Division Director Visma BPO Accounting & Payroll, Peter Lauring, born 1959 is Graduate Diploma in Business Administration, MSc in Business Economics and Auditing from Copenhagen Buisness School and is State Authorized Public Accountant. In 1987, Lauring became partner and shareholder of INFO:REVISION A/S, and in 1995 he founded Bogholderi & Administration A/S. Visma acquired Bogholderi & Adminsitration A/S by 50,05% in 2002, and in 2006 Mr. Lauring moved with his familiy to Norway and became Division Director of Visma BPO Accounting & Payroll.

Division Director, Visma Projects & Consulting, Kim Winther Jensen, born in 1951, is Master of Economics from Copenhangen University. Winther Jensen was founder and managing director of Dansk Informations Teknologi A/S in 1983. Since then Winther Jensen has had positions as managing director in TietoEnator in Denmark and in Sirius IT, created as a management buyout from TietoEnator. From July 2010 when Sirius IT became part of the Visma group, Winther Jensen is Division Director in Visma.

Øystein Moan
Chief Executive Officer

Tore Bjerkan
Chief Financial Officer

Bjørn A. Ingier
Visma Software

Peter Lauring
Visma BPO Accounting & Payroll

Eivind Gundersen
Visma Commerce Solutions

Peter Fischer
Visma Retail

Kim Winther Jensen
Visma Projects & Consulting

The future is Competitive choose the right Philosophy

Thinking creates competitiveness. Visma's philosophy was formed 15 years ago. It made Visma a pioneer through approaching the customer's needs in a new and efficient way by integrating new business areas. For Visma, this has proven to be a competitive philosophy.

Nothing is as important as having the right way of thinking. A clear philosophy makes decision-making easier. It also makes it easier to be competitive and profitable. A competitor with a strong philosophy is usually a strong competitor. In an increasingly competitive business environment, Visma's philosophy is to create competitive customers that are able to benefit from being efficient and productive. Visma makes it easier to become a winner today and in the future. On Visma's behalf, this philosophy has proven to be robust and successful generating strong growth and solid profits. In short, Visma's culture and way of thinking has formed a philosophy that has made it possible to benefit from the development and growing focus on efficiency-increasing solutions in the past, today and in the future.

When looking ahead, it can be useful to be aware of the past. Visma's philosophy has been stable throughout the last couple of decades. Ever since Visma was formed as the Group we know today, through the merger of three companies (Multisoft, SpecTec and Dovre Informasjonssystemer) in 1996, the core focus has been on providing solutions that make it easier for the customers to become even more efficient. The reason is the same today, as 15 years ago. The future is becoming increasingly competitive. Basically, it comes down to working smarter. Increased efficiency makes it easier to stay competitive as it supports improved profits. That is why it is important. And that is why Visma's unique approach has created substantial value for its customers as new business areas have been integrated throughout the years. The philosophy has been competitive. So has Visma's execution. On this basis, Visma has formed a new way of thinking when it comes to pursuing the need of becoming efficient within a broad range of areas. Visma has changed an industry through its ability to integrate different solutions and services within a broad range of areas making it possible to stand out as an innovative player with a truly new approach to formerly separate needs. Visma has merged the solutions and services, making it even easier for its customers to choose its own philosophy when it comes to integrating and utilising the integrated offering from partners such as Visma.

Visma's philosophy has proven to be successful and robust. The need for efficiency-increasing solutions and services has not decreased during the last couple of decades. Visma has established a complete concept around supporting its customers in becoming even more efficient. As for most businesses today, globalisation and rapid development makes it even more important to secure efficiency and productivity throughout the value chain. Through the utilisation of Visma's portfolio of solutions and services, 240,000 businesses have succeeded in their pursuit of becoming competitive today and tomorrow.

Visma's philosophy is based on the recognition of a simple fact. Namely, that all businesses need to be profitable, or at least productive in one way or another. At the same time, we experience a new era with increased speed, dynamic development and competitiveness in today's business environment. The need for staying on the edge and looking ahead is more important than ever. The winners are those who prepare for the future today. Visma makes it possible to do so. In fact, Visma encourages its customers to prepare for the future through taking advantage of Visma's solutions and services. Based on this philosophy, the customers can increase their competitiveness and make sure that the primary focus is on their own core business.

Looking back, it is clear that Visma was a pioneer when the philosophy was formed 15 years ago. This has fuelled Visma's ability to deliver growth and take a leading role when it comes to consolidation within its areas of business throughout the Nordic region. A lot of business leaders and employees have realised that they need to work smarter through streamlining the workflow and routines in order to be prepared for the future. For Visma, it primarily comes down to developing and delivering technology-based solutions and services that makes the customers more competitive. Visma is a preferred partner in the pursuit of increased efficiency.

A key part of Visma's philosophy has also been to deliver strong growth and solid results. As a part of this, more than 60 acquisitions have been carried out only during the last decade. With KKR on-board as the new majority owner, execution on this part of the philosophy will continue going forward. Actually, Visma carried out record-breaking acquisitions in 2010, both in

philosophy; a search for understanding of key values and beliefs

"Visma's vision is to lead the field in the automation and integration of business processes. Our mission is to strengthen our customer's competitiveness through increased efficiency and growth"

Visma's values:

- Respect
- Reliability
- Innovation
- Competence
- Team spirit

terms of number of businesses and total investments. This has made it possible for Visma to add additional areas of expertise with new solutions and services to its customers. This development is expected to continue, as Visma focus on delivering efficiency-increasing solutions and services to its customers in several areas. Based on the philosophy and through its execution, Visma has become an efficiency expert.

In short, Visma and its employees are considered to be "the efficiency experts". This is a position that has been earned based on Visma's vision and mission. It can be characterised in three perspectives:

Firstly, Visma set out to be a leading provider of efficiency. The management of Visma has on a consistent basis throughout the last couple of decades built a sound, stable and profitable company. Since 2000 the revenue has increased with more than 400 percent and Visma continues to deliver record strong financial results. The same philosophy that has provided Visma's customers with increased competitiveness, is also a key aspect as a part of Visma's success. In short, Visma is also its own efficiency expert.

Secondly, all the people that use Visma's products and services are becoming more efficient in their daily operations. The benefits are substantial for most businesses, as automation and modern tools makes it possible to reallocate resources and use valuable time on other kind of work. At the same time, the decision-making platform usually is strengthened, through easy access to financial updates and reports as well as other critical data. The employees collaborate better across departments and businesses, due to smart workflow solutions. As a result, the focus shifts to increasing productivity further, since manual work processes and administrative tasks are automated. In short, Visma's customers, and its broadly distributed user groups, are the everyday efficiency experts.

Thirdly, the essence of expertise is gathered within Visma, as a true provider of efficiency-increasing solutions and services. Visma's employees are experts in their fields of competence. They assist the customers in becoming even more efficient and profitable. After years of strong growth, the numbers of employees have steadily increased, forming a community of more than 4400 experts at the end of 2010. Software development, technology, finance, accounting, economics, human resources, sales, marketing, administration and logistics, projects and consulting are just some of the areas of expertise. In addition, industry specific knowledge and insight into working processes are crucially important. In short, Visma's employees are the true efficiency experts, for Visma and its customers.

Visma makes it easy to become more efficient

A key aspect of increasing efficiency is utilisation of modern business technology. It makes it easier for the individual enterprise to choose an appropriate combination of software and services in order to integrate and automate routines and processes. Many tasks are still performed manually in many businesses, even if they are digital or electronic. Still too many enter the same information into different systems or manually move data from one system to another. Through an integrated offering of solutions and services each and every business can decide its own perfect match in order to automate the processes and the tasks related to the flow of data. The result is an efficient workflow comprising the entire value chain for the individual business, both internally and externally. For Visma it is important to offer freedom of choice between solutions and services, while at the same time being able to offer integrated benefits, when customers choose their specific balance.

Visma's portfolio of solutions and services is unique, not just due to its broad range and the ability to meet the needs of a diversified customer base in different markets, but it consists of solutions that are connected and linked to each other. Every new product or service in Visma developed or acquired, becomes a member of the integrated family.

Modern tools for tomorrow's efficiency leaders

A core part of Visma's vision is to support the transformation of the traditional way of doing things into a more flexible and efficient way adapted to the needs and realities of tomorrow. This also includes exploring boundaries within people's minds and perceptions. This includes the way top management in customer businesses think about the future. Visma's

Our ambition is to make our clients leaders in the field of automation and integration of business processes through our own leadership in this area

objective is to assist in making it possible for business leaders to open up for possibilities and pursue opportunities of the future. In our time, technology plays an important part in almost all kinds of transformation, and it is crucial that the relevant technology tools contribute to integrate the business processes.

Visma's solutions and services support a modern management team with innovative tools for making the business more efficient.

Supplier management tools for the whole sourcing-to-pay process

Tight management of suppliers and the supplier chain is crucial to business success. We offer a range of software and services that automates the whole process, from tender management at one end to payment handling at the other.

Customer management solutions for the sales to collecting process

One of the keys to stable and increasing revenues is seamless management of the customer experience. Our solutions, be they software or services, cover the whole range of the revenue generating part of your business.

Employee management tools for payroll and HR-management processes

Human capital is the key asset for most businesses. Smart management of staff resources is both cost efficient and an important strategic activity. Visma provide solutions that drive and support all the processes in this dimension of your business.

Efficient reporting and control with innovative accounting and finance

Financial information is crucial to delivering business value and achieving compliance. To meet these needs, we deliver intelligent software and efficient services to support the demanding leaders of tomorrow.

The future is Efficient with Visma´s Solutions

The trend is towards the increasing demand for Software as a Service at the expense of traditional locally installed software solutions. We are well prepared and in a position to profit from this development **Bjørn Ingier, Divison Director of Visma Software**

Software Solutions

In short Visma makes it easy to be efficient

The future is about working smarter and becoming more efficient. It is as certain as technology has changed our lives until this day. Visma's overall objective is to contribute in making it even easier to increase productivity and competiveness through the use of its broad range of software solutions. In short, Visma makes it easy to be efficient today and in the future.

As the leading provider of business software and solutions for enterprises and employees within the private and public sector in Northern Europe, Visma has a key role in providing efficiency-increasing business software solutions based on cutting-edge technology to almost 175,000 businesses and their millions of users. Through a broad range of user-friendly applications, Visma offers its customers a more efficient and streamlined business process and workflow throughout their value chain. The ambition is to automate the future with software that increases both enterprise and employee performance. The result is a more efficient working day as well as increased productivity and competiveness.

Innovation and trustworthiness is important to Visma. Thus, an increasing number of businesses turn to Visma in making them more efficient in order to meet the opportunities and challenges of tomorrow. With close to 25 years of experience as a software developer in Northern Europe, Visma captures the best of Nordic design and culture by utilizing Nordic colors and style when developing user-friendly, simplistic and interaction based applications.

Visma provides a wide range of specialized software solutions within Enterprise Resource Planning (ERP) and accounting, Customer Relationship Management (CRM) and sales, Human Resource Management (HRM) and payroll as well as logistics and administration. In addition, Visma offers a range of tailor made and industry specific solutions covering enterprise software for the public sector and health care, small enterprises and accounting agencies. Visma's portfolio of software comprises a suite of solutions serving a wide variety of customers with different needs.

Software is the largest business area within the Visma Group representing 38 percent of the total revenue and 58 percent of EBITDA in 2010. Throughout 2010 an increasing number of Visma's software solutions were delivered as Software as a Service (SaaS), even though the majority still comprises locally installed solutions. During fourth quarter of 2010, recurring revenue from software delivered as Software as a Service increased by 15.6 percent compared to the same period in 2009, while sales of traditional software licenses for local installation decreased by 7.8 percent. However, in total the software business grew quite substantially during the quarter, meaning that the increase within SaaS more than outperform the decrease in traditional software licenses.

In 2010 Visma's ASP and mobile solutions are becoming increasingly popular as it offers easy and hassle-free access to the critical applications. Visma also experienced further increasing market shares following success with its software solutions geared for the Norwegian public sector, as well as those for small and newly established businesses in both Norway and Sweden.

Throughout the last decade, Visma has strengthened its market share substantially within several software segments, and the last years especially within ERP. Hence, entering 2010 Visma had become the largest supplier of ERP software in the Nordic region with a total market share of close to 20 percent according to Gartner Group. This is a result of rapid growth during several years as Visma's portfolio of software solutions has become increasingly popular across the region. Visma's software portfolio is rapidly expanding in the Nordics, with the strongest foothold in Norway with an estimated 37 percent market share according to Gartner. Going forward, Visma focuses on creating additional growth and success throughout all our core markets.

Visma will continue to develop and deliver efficiency increasing solutions going forward.

Software Solutions:

- ERP systems
- Reporting and analysis
- Invoice approval workflow
- Electronic document exchange/e-Business
- CRM
- Business info portal/ news monitoring
- Web-shop
- Web publishing
- Payroll and HR
- Time sheet handling

Key Figures

Revenue:	MNOK 1,687
Growth (YoY):	5.5 %
EBITDA:	MNOK 468,9
EBITDA margin:	29.7 %
Employees:	1,309

BPO Accounting & Payroll

In short Visma makes it easy to be flexible

The future is about working smarter and becoming more flexible. Visma contributes to this through Business Process Outsourcing (BPO) within accounting and payroll. Customers experience increased competitiveness as it enables them to focus on their core business and corresponding business opportunities. Visma is the leading service provider in this area with a complete suite of outsourcing services within accounting, payroll administration, financial reporting and consultancy in the Nordics. In short Visma makes it easy to be flexible today and in the future.

Based on the combination of technology and expertise Visma enables customers to take advantage of increased automation related to accounting and payroll throughout the workflow. Dedicated knowledge of rules and regulations as well as use of Visma's latest technology, make it possible to work even faster and deliver better quality. Visma does both, on behalf of its customers, making it easier to adapt to changing needs through utilizing Visma's leading pool of competence within accounting and payroll. There are several reasons why an increasing number of businesses turn to Visma for assistance with accounting and payroll administration. A majority pursue reduced costs as most are able to save money on outsourcing of the whole workflow or parts of it. Many businesses experience financial and administrational benefits. This trend fuels further growth within BPO services. There can be many reasons for performing tasks within accounting and payroll in-house. However, if the individual business is looking to reduce costs and increase quality, more and more choose BPO. At the same time, customers experience increased control and better flexibility.

Most businesses have experienced how difficult it can be to establish and uphold a high level of competence within all necessary areas related to rules and legislation related to accounting and payroll. For many, it means building and maintaining a large number of experts in-house. Luckily, the future is more flexible. Visma offers on-demand access to experts and hassle-free support on a cost-efficient basis as BPO services from Visma are based on economies of scale and in-depth expertise. Visma also offers outsourcing of other HR related processes, such as temp services and staffing, training, courses and competence development. Visma is the largest provider of outsourced payroll services in the Nordics. In 2010 Visma surpassed another milestone through handling of salary execution and payments for more than 500,000 employees on a monthly basis. By delivering high-quality services based on a long track-record of best-practice, Visma has become the largest and fastest growing provider of outsourcing services within accounting, payroll and consultancy within different industries.

BPO Accounting & Payroll is the second largest business area within the Visma Group representing 33 percent of the total revenue and 23 percent of EBITDA in 2010. A new pricing model has moved revenue from consulting-by-the-hour to a fixed-rate and transaction-based pricing. The customer is offered a predictable price for standard deliveries, while it gives both the customer and Visma an incentive to further increase efficiency. Visma BPO Accounting & Payroll has a very strong presence throughout the Nordics with almost 100 offices across the region. The customers benefit from standardized processes, with services such as invoice scanning, optical reading, workflow management and easy access to reports and financial information online at all times.

The benefits of outsourcing are becoming attractive for an increasing number of businesses as it ensures optimized commercial focus and resource utilization. Visma offers specially developed concepts for international customers offering a single point of contact for all accounting and payroll operations supported by an integrated team of local accountants and consultants on-site in each Nordic country. BPO is as a flexible and cost-efficient solution for many businesses that are adapting to the realities of today or pursuing opportunities of tomorrow. Visma makes it possible to optimize and streamline ongoing business operations, accounting and payroll.

Visma will continue to develop and deliver efficiency increasing BPO services within accounting and payroll going forward enabling customers to reduce costs and increased quality.

BPO Accounting & Payroll:

- Accounting
- Payroll administration
- Invoice scanning and electronic workflow
- Web-based reporting
- Temp services and staffing
- Training courses and competence development
- Specialized BPO services for the offshore sector
- Specialized BPO services for retail chains

Key Figures

Revenue:	MNOK 1,357
Growth (YoY):	7.7 %
EBITDA:	MNOK 184,9
EBITDA margin:	0.6 %
Employees:	1,784

Commerce Solutions

In short Visma makes it easy to be competitive

The future is about working smarter and becoming more competitive. Visma makes it possible for businesses across the Nordics to take advantage of joining forces within non-strategic procurements and administrative purchases as well as automating procurement processes. Customers get better supplier agreements. At the same time, purchasing itself is made easier and more efficient. Visma is the leading provider of online solutions within procurement and collecting in the Nordics. In short Visma makes it easy to be competitive today and in the future.

Everyday Visma assists businesses in renewing the way they deal with both suppliers and customers. Visma offers a range of solutions that simplify the way businesses deal with each other. The solutions cover all the steps in the processes of buying and selling. Visma provides a complete set up for streamlining and automating the process within and between businesses in the private and public sectors. The customers get access to a wide range of online capabilities. This makes it possible to carry out tasks and procedures strictly electronic or partly automated, depending on individual needs. The benefits are widely accepted as customers experience more affordable purchasing agreements, better cost control as well as an expanding customer base and faster payment upon delivery. Thus, Visma assists businesses in getting even more competitive.

Businesses in pursuit of the best supplier can either use Visma's tool for tender invitation on the internet, or take advantage of Visma's one-stop-shop online solution for companies chasing good deals on everyday purchases of products and services as Visma has pre-negotiated supplier agreements within a broad range of areas. Representing thousands of businesses, Visma offers great advantages through a seamless procurement process. Visma also offers leading end-to-end solutions. Visma Proceedo Source-to-Pay is a procurement system simplifying the entire process by automating the workflow from an order is approved and sent to the invoice is received and paid. Visma Proceedo eProcurement is a unique solution for electronic procurement making it easy to take advantage of company-specific and prearranged agreements by placing orders from the right vendors and getting the correct discounts at all time. As the leading supplier within purchase-to-pay, Visma offers several different solutions to streamline invoicing procedures, such as digitization of invoices and an automated flow of electronic invoices. All in all, this creates benefits throughout the value chain.

At the same time, Visma offers solutions that cover the other part of doing business, namely selling products and services. Most sales companies spend a lot of resources in pursuit of new customers and prospects. Usually it is quite time consuming to conduct ongoing market research and clarifying needs in order to get in position to bid and potentially start delivering. Visma also offers solutions making it easier for companies to sell their products and services as Visma monitor calls for tenders from government agencies and private companies, making it possible to deliver tailor-made sales cases straight to the company's inbox. Visma also offers online solutions for better market knowledge and selection tools related to marketing activities. Visma's integrated suite of financial and productivity increasing services also comprise debt collection and cash management as well as staffing and recruitment These services include web-based collection solutions, credit information, purchase of receivables and consulting assistance to prevent losses.

Commerce Solutions is the fifth largest business area within the Visma Group representing 9 percent of the total revenue and 10 percent of EBITDA in 2010. Visma's online solutions for commerce gained further market shares, especially in Sweden and Norway. The demand for SaaS picked up further in 2010, and as a result, SaaS within Visma Commerce Solutions accounted for 57.1 percent of total SaaS revenues in Visma when entering 2011.

Visma will continue to make it possible for businesses to take advantage of better supplier agreements as well as offering automation benefits related to purchasing and collecting processes.

Commerce Solutions:

- Web-based tender management
- Contract management software
- Procurement pooling
- services
- Procurement portal
- Procurement software
- Supplier payment software
- Bidding services (for suppliers)

Key Figures

Revenue:	MNOK 371,0
Growth (YoY):	44.7 %
EBITDA:	MNOK 82,1
EBITDA margin:	27.5 %
Employees:	332

Retail IT Solutions

In short Visma makes it easy to enjoy shopping

The future is about working smarter and making everyday life easier. As a part of this, Visma delivers retail solutions that make it even more enjoyable for customers to shop at the same time as retailers experience increased efficiency and sales. These aspects are linked together as a good shopping experience results in better sales. Visma is the leading provider of retail solutions in the Nordics. In short Visma makes it easy to enjoy shopping today and in the future.

On an everyday basis we spend quite a lot of time shopping. Even though, the way we shop has been more or less identical for decades. However, technology and IT solutions are now changing the experience for both shoppers and retailers. Visma's objective is to assist retailers in creating an improved shopping experience for the customers as well as automating the flow of information and process of accounting throughout the value chain. By doing so, Visma also assists retailers in becoming more competitive and profitable, as implementation of smart solutions generates increased sales and profits.

As the leading provider of tailor-made solutions and services for retail chains and retail businesses in the Nordic region, Visma knows how to create added-value for both small and large retailers. Visma offers a complete suite of software and services including fully integrated point of sales (POS) solutions covering all needs within retail. Profitable retail chains and retailers invest in establishing well-run stores. Retailers know that the most important aspect is the customer. Thus, Visma's approach is to develop cutting-edge IT solutions that support the retailers business through focus on further improving the customer's experience. At the same time, it is important to support administration and logistics related to running a retail business. Automated logistics and supply chain management are key focus areas for retail chains in pursuit of increased profits.

Visma offers dedication, insight and a long track-record of successful IT projects for retail chains in the Nordic countries. In addition Visma offers a range of retail experts that through know-how and experience are able to develop cutting-edge software applications. For more than 20 years Visma has been simplifying the everyday life of retailers and store employees as well as for their customers. Visma's focus on innovation and intuitive solutions for the future secures benefits for all parties involved in the shopping experience.

As the leading specialist within software and services for the retail industry, Visma offers end-to-end solutions for retail customers integrating Visma's well-known business software covering accounting, supply chain and logistics. In addition, Visma offers corresponding services such as consulting and assistance with implementation including installation, support, service and operations support on an ongoing basis. Large retail operations also outsource accounting and payroll to Visma as a part of an integrated concept specifically developed across the Nordic region. The specialized software suite for retail chains covers both chain management and individual stores in addition to accounting, payroll and financing services. Visma's retail software and POS solutions are implemented at close to 10,000 stores making Visma the largest provider of such solutions and services to retail chains and businesses in the Nordics. Visma also provides a unique service offering which includes on-site assistance related to roll-out, installation and training as well as service related to after-sales and in-store equipment.

Retail Solutions is the third largest business area within the Visma Group representing 15 percent of the total revenue and 9 percent of EBITDA in 2010. Visma experience rapid growth within its retail division following a very successful launch of Visma Retail Suite in 2010. Thus, the pace is very good going into 2011, backed by several new contracts, in addition to an interesting potential related to Visma's pharmacy solutions outside Sweden.

Visma will continue to make it possible to benefit from modern and integrated solutions for efficient retail operations.

Retail IT Solutions:

- Point-of-sale systems
- Service desk
- Mobile/portable solutions
- Administration solutions
- Logistics
- Business intelligence
- Self service solutions
- Media and digital signage
- E-Commerce
- IT-security
- Temperature surveillance
- Project management
- Installation
- Training
- Support
- On-site service

Key Figures

Revenue:	MNOK 627,4
Growth (YoY):	69.8 %
EBITDA:	MNOK 70,4
EBITDA margin:	11.2 %
Employees:	411

Projects & Consulting

In short Visma makes it easy to be an expert

The future is about working smarter and becoming more of an expert. Through Visma's latest division, Projects & Consulting, customers across Scandinavia are able to take advantage of Visma's expertise in pursuit of optimized business processes and well-functioning IT solutions. Visma delivers consulting, system development, integration, process design, support, product development and software for enterprises and employees. In short Visma makes it easy to be an expert today and in the future.

Visma Projects & Consulting is a leading provider of value-adding IT solutions to the public sector as well as chosen businesses in the private sector in the Nordics. Through customer tailored and business-critical IT solutions, Visma put emphasis in fully understanding and advising on the full implications of a solution. This makes it possible for Visma to convert a business challenge into a value-adding customized IT solution. Visma also offers application management to support the future optimization, support and management of IT solutions.

Visma analyze and optimize business processes to ensure the full value of the suggested IT solution. The consultants' skills in enterprise architecture ensure the customers an understanding of their specific needs in developing an IT-solution for the future. As a part of this, Visma develops IT solutions as add-ons to existing solutions, or as new solutions, either from scratch or based on existing technologies or software. The focus is always to optimize the process from a strategic perspective and all the way to the end-user. Visma's consultants offer specialized insight within various industries and business processes. A key factor for Visma Project & Consulting's dedicated employees is to deliver projects that utilize this in-depth knowledge, experience and technological expertise.

There are several reasons why this is important. One of them is the aging population and fewer hands to support an increasing number of citizens outside the work force. There is a great pressure on the public sector as well as private service companies to work more efficient and at the same time meet the increasing demand of excellence in services offered. Visma is in front with respect to web and app-based self-service solutions as well as efficient internal systems supporting service production in the public sector and selected private service sectors like retail, pension and insurance.

In Visma Projects & Consulting we analyze and optimize business processes to ensure the full value of the suggested IT solution. Our skills in enterprise architecture ensure you an understanding of your IT-solution in the future and for a broader perspective. We develop IT solutions as add-ons to existing solutions, or we develop new leading-edge solutions, either from scratch or based on existing technologies or software. We build IT solutions that integrate information and business logics from separated systems. We optimize the process from a strategic perspective until end-user satisfaction. Matters of efficiency and need for improvement often hold inspiration for innovation. Our consultants have specialized in various industries and business processes. We have dedicated employees who take pride in delivering projects that utilize this in-depth knowledge, experience and technological expertise.

Projects & Consulting is the fourth largest business area within the Visma Group. Visma Sirius became a part of the Visma Group in July 2010, through the acquisition of Sirius IT, and later it became the fifth division of Visma; Projects & Consulting. The contribution to Visma in 2010 represented 6 percent of the total revenue and 5 percent of EBITDA in 2010.

Visma will continue to make it easy for customers to secure an expert role and competitiveness within their focus areas through utilization of Visma's expertise within project and consulting.

Projects & Consulting:

- IT Architecture
- Information Management
- Self Service
- Application Management
- Business process consulting
- Solutions in selected areas

Key Figures

Revenue:	MNOK 241,9
Growth (YoY):	3.8 %
EBITDA:	MNOK 44,4
EBITDA margin:	18.4 %
Employees:	410

The future is Green we reduce your Footprint

Sustainability creates green footprints. Providing customers with environmentally friendly solutions and technologies has always been a part of Visma's commitment to a sustainable future. For Visma, good environmental and business performance results in green footprints.

footprint; the impact on the environment of human activity

Visma's contribution to the environment is made through several initiatives providing both direct and indirect results. In short, the most important contribution Visma makes is through our products and services, making it possible for Visma's customers to reduce their footprint.

Visma's dedicated focus on building green footprints on behalf of our customers has resulted in the development of environmentally friendly products, services and technologies. This makes it possible for Visma and our customers to reduce energy consumption and carbon footprint. For Visma the solution for the future is to make it possible to work smarter and more efficiently. This will have a great impact throughout the value chain of Visma's more than 240,000 customers. Thus, environmental responsibility for Visma comes down to making a contribution on our own behalf as well as creating a greener footprint for our customers.

Visma's management is committed by the Group's established policies to paying attention to the environmental impact of our activities, social responsibility and corporate governance issues. The main priorities in Visma's efforts for sustainability and green footprint include:

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

With our focus on efficient software solutions and workflow efficiency Visma contributes to the competitiveness of enterprises and government bodies through automation of administrative processes. Visma's investments in modern solutions are enabling enterprises to achieve productivity levels surpassing most others, despite generally high labor costs, high tax levels and restrictive barriers for outsourcing to other countries. The Group's overall business idea is to provide solutions that improve and increase the level of efficiency of a wide range of processes within administration and finance to our customers.

Visma's contribution to a Green Footprint

A key area in Visma's overall responsibility program is the emphasis on the Group's environmental strategy. The environmental strategy is focused on the areas that reflect Visma's most substantial environmental impacts, such as Green IT, energy saving solutions and consolidated server and software solutions. Visma's solutions help enterprises to improve the efficiency and reduce the usage of paper and electricity. This also describes the internal measures at Visma that help to increase the Group's own green footprint. Visma's green footprint, though, is not only about the environment. The green footprint is also a way of building value through strategic measures and management of environmental impacts, which in turn increases efficiency, reduces expenses and boosts the bottom line.

Visma has several goals for increasing the green footprint in the future, such as improving workflow and energy efficiency, as well as reducing travelling and consumption of energy. To fulfill these goals, Visma continuously develops solutions specifically designed to improve the efficiency of a growing number of administrative procedures. By making such processes more efficient the work and energy usage decreases considerably. In addition, running Visma's software over the Internet enables more enterprises to use thin clients, which in turn require less energy both in production and use. Visma supplies a range of systems that communicate with one another through seamless integration, as well as offering wireless technologies to monitor the electricity usage; hence improving the efficiency of the operations. Many of Visma's own servers are virtualized, enabling the reduction of servers and energy consumption for production, electricity and cooling, making this one of our contributions to increasing the green footprint.

Visma's solutions also enable a significant reduction in paper usage and postage. Web-based data capture is growing within many areas in private and public enterprises. Large amounts of paper, such as pay slips, time sheets, budget proposals and reports are today distributed internally and externally. For Visma and our customers it would require hundreds of tons of paper each year to give every employee their pay slip in paper format. Through Visma's solutions receiving pay slips electronically reduces the paper usage significantly. Still, many employees receive their salary based on time sheets, which also result in the usage of large quantities of paper. With Visma's solutions the time sheet registry can be digitalized, thus reducing the total paper usage in many of the administrative processes.

Corporate Social Responsibility:

Visma has a strong social responsibility towards its surroundings. Every year, an identical Christmas present is given to all employees in all countries. In addition, the Group makes a donation to an ideal organisation working across borders to help people in crisis, as well as a contribution to one environmental organisation on a quarterly basis. The Group also considers setting up policies for a more systematic contribution to people and institutions, to help improve the quality of life in the communities where Visma operates. Examples to be considered include: volunteering of employees for special projects, knowledge sharing and development programmes, sponsoring, job and internship opportunities and pro bono projects. In addition, Visma is conscious in handling computer and electronic disposals. Computers and equipement no longer in use by Visma, Visma is glad to see is able to help students at schools and insitutions to gain their education electronically.

An increasing number of suppliers and enterprises order and invoice electronically utilizing Visma's solutions. In example, more than half of Norway's municipalities have the possibility to send electronic invoices using Visma's financial software solutions. Thus, our solutions for electronic document flow reduce printing and copying as well as internal mailing. For Visma it is natural to focus on improving the efficiency of internal processes and procedures in the same way as for our customers. To help reduce the internal paper consumption, we utilize our own solutions where suitable. In addition, environmental concerns and considerations always form a part of Visma's assessment processes when purchasing goods and services.

Visma contributes to enterprises' reduction in driving time by supplying mobile solutions and handheld terminals that are integrated with the business systems used by trade companies and municipal services. These solutions remove the need to travel during the work day. In addition, many of Visma's over 240,000 customers need to be trained and kept up to date on a regular basis. As a leading provider of courses, Visma ensures that an increasing amount of the courses take place over the Internet, thus reducing the need to travel to a course provided through traditional classroom teaching. In addition, Visma's solutions for video conferencing are an important contribution to decreasing the amount of business travel required.

In many of the towns where Visma has offices, the employees work in shared office buildings, primarily modern, newly-built and adapted for less energy usage. All of Visma's employees in Oslo moved into a new head office with a green profile in the spring of 2009. The green profile means energy-saving light sensors in all meeting rooms, as well as piped spring water rather than more energy-consuming bottled drinking water. Visma has also initiated a project introducing the use of technology that demands a physical presence to obtain printouts. This project is expected to reduce the amount of paper forgotten and left in printers.

The great environmental responsibility through encouraging the development and distribution of environmentally friendly solutions, services and technologies has always been a main priority for Visma.

Social and environmental responsibility is a key priority for Visma, as a part of what we do on our own behalf, as well as how Visma's solutions assist our 240,000 customers in reducing their footprint. We call this Vismability

Green IT and sustainability have always been a core focus for Visma. At the same time, Visma has a strong social responsibility towards its surroundings. One of the greatest environmental contributions Visma conducts is through its software solutions and outsoucring services as it makes its customers able to reduce their footprints. Even though, Visma believes it is possible to do more. Thus, additional initiatives are being pursued for the future.

As a truly global asset manager and investment firm, KKR is in the position to influence and guide its companies within several areas, including putting a priority on developing an already green footprint. The objective is to motivate the companies in an even greener direction, as investments and sustainability go hand-in-hand. One of the things KKR has realized is that a lot of its companies have many of the same challenges and opportunities within this area. On this basis, KKR formed the Green Portfolio Program in 2008, an initiative Visma has set out to join, as a part of its ongoing efforts to make sure that the footprint stays green.

KKR's Green Portfolio Program

KKR's Green Portfolio Program was launched in 2008 as a global program highlighting that environmental performance and business performance actually go hand-in-hand. This is based on a simple fact, namely that businesses, by improving their environmental performance; can reduce costs through greater efficiency, create more productive workplaces, develop stronger relationships with suppliers and customers, launch new products and services, and build competitive advantages. This is exactly the kind of benefits that Visma delivers to its customers through its solutions and services. In order to stay competitive, Visma also wants to take a lead within Green IT and sustainability. In this area, Visma's focus is remarkably identical with the focus of KKR. Thus, by joining KKR's Green Portfolio Program Visma will be able to develop the role and focus within Green IT and sustainability even further. For KKR and its companies the Green Portfolio Program stands out as an example of a modern investment strategy where dedicated focus on environmental aspects also provides business benefits through reduced costs and new thinking. In 2011, KKR is committed to further innovation through development of additional resources, tools and guidance to support portfolio companies' efforts to become better, greener companies. This is something Visma will beenfits from going forward.

The Green Portfolio Program applies KKR's approach of assessing, measuring and optimizing performance to help the portfolio companies manage their environmental impacts, and at the same time improving their business. This is managed through a set of analytic tools helping the companies' management teams assess and track improvements across several key environmental performance areas, such as greenhouse gas emissions, water, waste, priority chemicals and forest resources, where improving performance can bring about measurable business benefits. The primary goal of KKR's Green Portfolio Program is not to apply a strict mandate to a diverse portfolio. The goal is, however, to bring additional resources to bear upon existing priorities within each company.

Visma is not yet a participating company in KKR's Green Portfolio Program. However, Visma's strong focus on developing and distributing efficient and environmentally friendly solutions, and the dedicated commitment to paying attention to the environmental impacts of the Group's activities, would be good reasons for KKR to take Visma on board as a future participant in the Green Portfolio Program. KKR recognizes that many of its companies, such as Visma, already are highly engaged in managing their environmental impacts. At the same time, KKR knows there is always a potential of doing more. For example, two issues of growing importance in the investment community today are climate change and water scarcity. In 2011, KKR will devote additional attention to better understanding the risks and opportunities related to these issues, as well as the unique environmental impacts associated with our energy and infrastructure investments.

Community of practice

By entering the family of KKR, Visma is given the opportunity to provide other members of the Green Portfolio Program with its knowledge on Green IT. At the same time, all the members of the KKR family share their insight. Consequently this accumulated knowledge on environmental accountability could

We know that management of Environmental, Social and Governance (ESG) risks and opportunities is a critical part of building better companies. We focus on shared value – initiatives that benefit our investors, our companies, the environment, and society more broadly. Visma's strategy fits perfectly as the company offers solutions which improve operational efficiency and the environmental footprint **Mateusz M. Szeszkowski, KKR**

positivtively affect Visma's 240,000 customers as the portfolio of solutions and services is developed further going forward. Improved efficiency for Visma's customers result in less work and reduced energy usage. Working together as a big, unique family, secures a solid return on investment within these areas through greener footprints for KKR's companies, Visma and its customers.

KKR is a responsible private equity investor. With a vision of creating enduring value for its portfolio companies, their stakeholders and investors, KKR work with management to build for the future through prudent capital investment, increased research and development spending, and by expanding into new geographies. This approach improves the products and services that the companies are able to offer. In addition, it benefits the communities they serve, the workers that they employ, and the public generally. As a result, KKR creates value in the broadest sense.

Round table conference

In december 2010 a Nordic round table conference was held in Oslo focusing was on what will be the most valuable points of action within sustainable investments moving forward. Several of KKR`s investors and portfolio companies participated. As now a member of the KKR family, Visma is seen to be among the frontrunners on sustainability and Green IT.

Competence:

Visma's aim is to recruit and retain talented and competent employees through continuous development of their skills, support to their career planning, through diversity and equal career opportunity programs, mentoring, international opportunities, and health and wellness initiatives. Visma has implemented instructions and policies for managers and employees regarding our company and business ethics, our priorities due to responibility and sustainability in addition to corprate values along with our company vision, concept and objective. Visma's HR departments work to build an organisation structure and create a culture that puts our customers first, as well as develops our people to deliver their full potential. With a focus on Human Competences and Human Efforts, Visma aims to mobilize people for competitivness.

The future is about Investment make sure to create Highlights

Investments create highlights. In 2010, the world's largest private equity fund (KKR) invested in Visma. The management increased its ownership substantially. In addition, Visma continued its own strategic investments through several acquisitions. For Visma, the year offered several investment highlights.

Investments through acquisitions, and organic growth, have always been a driving force of Visma's development as a Group. Thus, strategic investments are a core priority both when it comes to building new business potential as well as taking advantage of existing business opportunities. Visma's track record shows that the Group has been able to benefit successfully from its strategic investments. This has resulted in many investment highlights throughout the years. During the last decade Visma has acquired more than 70 enterprises which have been successfully implemented in the Group. Pursuing its investment strategy, Visma has been able to expand its commercial footprint while at the same time creating strong growth through rapidly increasing operating revenues and strong profitability. This proves that the investment strategy creates added value within existing business divisions as well as adding new business areas within the portfolio of solutions delivered by Visma. In total, the level of acquisitions and investments created a year with many highlights.

2010 also offered other highlights. An important milestone is the substantially increased investment in Visma which was made by the management, executive employees and key personnel. As a part of the transaction and investment by KKR in Visma, the management increased its ownership substantially, confirming their dedication to the company. In addition, the management team of Visma has proved to be very stable, as several of the leading management directors have been a part of the top management in the Visma Group for approximately 20 years. This has made it possible to work consistently and dedicatedly over time, resulting in both organisational and structural growth and profitability for the Group. This was also one of the reasons why the world's largest private equity fund invested in Visma and became the largest shareholder. Following HgCapital's acquisition of Visma and delisting from Oslo Stock Exchange in 2006, ongoing investments into the growth of the business and expanding the portfolio of solutions have secured highlights on an annual basis. However, last year stands out as being remarkable in Visma's history. It forms a direction for the future.

All in all, 2010 outlined several investment highlights for Visma within different aspects of its business.

KKR new majority owner

Kohlberg Kravis & Roberts (KKR) is a leading global assets manager, pioneering the leveraged buyout industry. As a global firm with industry-leading private equity experience, industry knowledge and sophisticated processes for developing businesses, KKR is a specialist in large, complex buyouts.

In 2010 KKR acquired 77.7 percent ownership in Visma Holding (Visma). HgCapital, the previous majority owner of Visma, has retained a significant majority ownership of 17.7 percent, while Visma's management has increased its ownership in the business to 4.6 percent. KKR, HgCapital and Visma's management are already cooperating closely in developing Visma further going forward. The transaction does not change Visma's strategy as KKR wishes to continue developing Visma in accordance with the existing strategy with focus on continuing the rapid growth the Group experiences. Solutions of high quality, good customer management and innovation within efficiency-increasing business solutions are still core priorities in Visma's strategy.

KKR is a leading private equity investment fund, and the leading investor in well-known companies such as Tele Denmark and Boots Alliance. Visma is KKR's first acquisition in Norway. This transaction values Visma at an enterprise value of NOK 11 billion. Visma is one of the latest successful examples of KKR's ongoing investment focus on companies with predictable revenue streams, protected business models, platforms for growth and opportunities for additional performance improvement. After following Visma for some time, having the opportunity to further interact with Visma's management team, KKR was impressed by the strength of Visma's franchise and quality of its management. Thus, KKR moved swiftly during the autumn of 2010 in order to secure the strategically important investment in Visma by becoming the largest owner. According to KKR, Visma is a high-quality and well-managed business with a proven track record and bright future.

HgCapital, the second largest shareholder of Visma, was established in 2000 and is a leading investor in the European private equity market. HgCapital is the successor to Mercury Private Equity which was acquired by Merrill Lynch in 1997. In December 2000, Mercury Private Equity staff acquired the business from Merrill Lynch and renamed it HgCapital.

KKR in brief

- KKR has a history of innovation by establishing new strategies that leverage the intellectual capital in their private equity businesses
- KKR has a strong culture committed to teamwork and sharing of information

KKR's landmark acheivements:

- The first leveraged buyout in excess of $1 billion
- The first friendly tender offer in the buyout of a public company
- The largest buyouts in the U.S., the Netherlands, Denmark, India, Australia, Turkey, Singapore and France

We are very pleased with KKR as the new majority owner of Visma. KKR works closely with us in pursuing opportunities financially, organically and through strategic growth. This supports well-directed acquisitions and increases flexibility. KKR is dedicated in their approach and partnership, encouraging further development, also within green initiatives. This makes KKR a preferred partner for this stage of Visma's development **Øystein Moan, CEO of Visma**

Increased ownership by the management

As KKR entered into an agreement in third quarter to acquire the majority ownership in Visma, Visma's management also increased their ownership percentage to 4.6 percent, thus more than doubling their exposure. This may sound modest, but bearing in mind that the Visma Group's enterprise value exceeds NOK 11 billion, the management's ownership is quite substantial.

Acquisitions in 2010

In 2010 Visma has made several acquisitions, strengthening Visma's position as a leading provider of efficient software solutions for the future. The acquisitions comprise European IT and technology companies, providing among others procurement and tender solutions, invoicing and invoicing administration, ledger, debt collection, solutions within project management and timesheet automation; solutions within wages, personnel and economy, as well as purchases, orders and payment.

When it comes to investments and relevant highlights in 2010 there are among others several central important milestones to focus on..

- **February 2010 Visma acquired OPIC,** one of Sweden's largest providers of online procurement solutions. With a turnover surpassing NOK 60 million, the OPIC group is now part of Visma Procurement and Collecting, which is Visma's well established business area for procurement and tender solutions. This acquisition makes Visma an even stronger provider of efficient online solutions for procurement and tender to both private and public businesses.

- **June 2010 Visma acquired Invocia,** a leading provider of outsourcing services within invoicing, ledger, invoice administration and debt collection. The acquisition adds a greater capacity and stronger market position to Visma's existing business within claims administration and debt collection. In addition, the company offers services in factoring, sales financing and loan administration as an integrated part of the invoice administration.

- **July 2010 2010 Visma acquired Sirius IT,** a Nordic IT consultancy company. With a total of over 400 employees working with development and project delivery, the acquisition adds a strengthened resource capacity and increased access to IT competence for Visma throughout the Nordic region. Access to over 400 software developers, system architects and project managers also gives Visma a greater capacity to handle the largest customers and most complex project deliveries.

- **July 2010 2010 Visma acquired Severa,** a Finnish on-demand company with solutions for CRM project management, timesheet and invoice automation. Severa's software solutions for Professional Services Automation (PSA) is offered exclusively as Software as a Service (SaaS), thus complementing Visma's broad spectrum of online software solutions for the SMB market. As a strictly SaaS business, Severa will strengthen and complement Visma's portfolio of online software solutions.

- **November 2010 Visma acquired Kommuninfo,** a Swedish company delivering several different information services, mainly to businesses focusing on the public sector. In combination with Visma Opic, which was acquired earlier in 2010, Visma has created Sweden's broadest portfolio of services to enterprises selling to public sector businesses.

- **December 2010 Visma acquired DBS,** a software vendor offering solutions within payroll, personnel.This contributed to completing Visma's existing Dutch business which also consists of the business software provider AccountView. DBS has a strong position and market presence in the Netherlands, and is perceived as one of Visma Group's future centers of competence within software for payroll and personell.

- **December 2010 Visma acquired Allego,** one of Sweden's largest providers of information services and procurement systems. This acquisition makes Visma able to offer electronic processing throughout the procurement processes, from tender announcements and purchasing, to orders and payment, also in the Swedish public sector.

Record strong quarters in 2010

In 2010 Visma continued the positive development and delivered, once again, strong quarterly results. In third quarter 2010 Visma marked a milestone when, for the first time, the company delivered a quarterly revenue surpassing NOK 1 billion. This corresponds to a revenue growth of over 36 percent and a rise in profits in EBITDA of 26.5 percent; both new quarterly records. At the same time, the fourth quarter 2010 offer yet another set of records in terms of revenue and profits. The quarterly revenue came in at NOK 1.24 billion, corresponding to a revenue growth of 34.2 percent, while the EBITDA increased by 26.5 percent, as in third quarter 2010. The growth and profitability reflects on Visma's strong market position and the increasing demand for Visma's products and services. During second half of 2010 the majority of Visma's stocks were acquired by the world's leading investment fund, KKR. The goal is for Visma to proceed with the strong growth going forward.

Directors' Report 2010

The Visma Group showed strong performance in 2010 helped by recovery in the economy after the financial crisis, and confirmed its position as the leading supplier of critical software applications and outsourcing enterprise in the Nordic countries.

After tight cost-control in 2009 the main focus in 2010 was on revenue growth through customer care, launch of several new products, and increased sales and marketing efforts.

Total revenue increased by 23.0 percent to NOK 4,168 million in 2010. Organic growth was 10.6 percent, which compares well with benchmark competitors. EBITDA increased by 19.1 percent to NOK 815 million, organic growth of EBITDA was 9.2 percent. Overall the financial performance was in accordance with the expectations set forth in the Directors' report for 2009.

As the economies bounced back after the financial crisis, Visma was able to take market shares both through the organic growth, but also through a high activity within merger and acquisitions. Particularly the Swedish economy developed positively, while the Dutch, Danish and Finnish economies have been slower to regain strength.

Visma offers its 240,000 customers software products and outsourcing services that are to manage businesses and improve efficiency. While cost-control was essential during the recession, the improved market conditions with tighter labour-markets, means that companies are looking for productivity improvement to handle renewed growth. The essential and business critical nature of the product and services offering combined with the potential for cross-selling products and services across divisions and national borders, Visma believes its strong customer base provides a solid basis for continued growth in 2011.

HIGHLIGHTS

While the sentiment in all of Visma's markets was affected by the economic slowdown in 2009, 2010 has provided a bounce back. Particularly the Swedish and Norwegian economies show strength. In the other markets where Visma operates the improvements have been smaller, but the Dutch, Danish and Finnish economies are among the healthiest in Europe. Establishment of new companies improved in 2010 compared to 2009, providing many new companies to sell to. The benign market condition will help Visma achieve continued growth in 2011.

During the second half of 2010 Visma was approached by several leading Private Equity funds, expressing their interest of acquiring Visma. After a structured process, KKR – the world's largest PE-Fund, ended up by acquiring 77.7 percent of the equity of Visma. HgCaptial continues to hold around 17.7 percent , and the management will hold 4.6 percent . With the new owner structure in place, Visma's Management continues its strategy with an even stronger focus on growth and expansion..

ACQUISITIONS

Visma also continued to grow through joint ventures and acquisitions in 2010;

- Acquired minorities in Visma Services Denmark A/S, in March 2010
- Acquired Tietokate OY in Finland, in January 2010
- Acquired Visma OPIC AB in Sweden, in February 2010
- Acquired Kollektor AS in Norway, in April 2010
- Acquired Talous- ja Verotaito Profit OY in Finland, in April 2010
- Acquired Invoicia Norge AS in Norway, in June 2010
- Acquired Visma Severa Oy in Finland, in July 2010
- Acquired Visma Pharma Solutions AB in Sweden, in July 2010
- Acquired Sirius IT Group in Norway, Denmark and Sweden, in July 2010
- Acquired Kommuninfo AB in Sweden, in November 2010
- Acquired Allego AB Group in Sweden, in December 2010
- Acquired DBS Business Solutions B.V. Group in Netherlands, in December 2010
- Acquired Økonomipartner AS Group, in December 2010
- Acquired businesses in 13 assets deals within Visma BPO

REORGANISATION

During 2010, Visma established a new division, Visma Projects and Consulting, based on the acquisition of Sirius. The former Visma F&P division changed name to Visma Commerce Solutions.

As part of the acquisition of Visma by KKR, a new, Norwegian top holding company, Chamuel Topco AS was established.

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

The future belongs to those who prepare for it today. Visma makes it is easier to become competitive today and in the future

on the financial statements and earnings forecasts for 2011 the Board of Directors confirms that this assumption is applicable.

Visma reports in accordance with International Financial Reporting Standards (IFRS). The paragraph below describes the full year 2010 figures, with corresponding figures for 2009 in brackets.

INCOME STATEMENT

The Visma Group achieved revenue growth of 23.0 percent to NOK 4,168 million in 2010 (3,381). Organic growth was 10.6 percent (4.7), which was satisfying given the subdued market development.

Visma Software remained the largest revenue contributor and accounted for 37.9 percent of revenue, followed by Visma BPO Accounting & Payroll at 32.6 percent, Visma Retail at 15.1, Visma Commerce Solutions at 8.7, and Visma Project and Consulting at 5.8 percent of overall revenue.

Most business segments reported organic revenue growth for 2010, ranging from -1.4 percent in Visma Projects and Consulting to 40.7 percent in Visma Retail.

Earnings before interest, depreciation and amortization (EBITDA) increased by 19.1 percent to NOK 815.1 million (684.2), and the EBITDA margin decreased to 19.6 percent (20.2).

Visma Software accounted for 57.5 percent of total EBITDA, followed by Visma BPO Accounting & Payroll at 22.7 percent, Visma Commerce Solutions at 10.1 percent, Visma Retail at 8.6 percent, and Visma Projects and Consulting at 5.8 percent.

Depreciation and amortization amounted to NOK 182.4 million in 2010 (167.5), with the increase primarily explained by acquisitions adding to the asset base.

EBIT thus increased by 22.4 percent to NOK 632.7 million (516.7).

Net financial items decreased as a result of net decrease of foreign exchange losses, and profit before tax increased by 37.1 per cent to NOK 514.3 million (375.4).

Taxes amounted to NOK 135 million (94), generating a profit after tax and minority interests of NOK 374 million (275).

In the Board's opinion, the financial statements for the year give a true and fair view of the Group's financial position and results for 2010.

In 2010, the parent company Visma AS had a profit of NOK 164.8 million.

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

Transferred to retained earnings	164,762
Total allocated	164,762
Distributable reserves of Visma AS at 31 December 2010	718,194

CASH FLOW AND BALANCE SHEET

Visma generated a strong cash flow of NOK 753.0 million from operational activities in 2010 (645.0), supported by sound financial management and improvements in working capital.

Cash flow from investing activities was NOK 1,048 million (525.6), of which NOK 982 million related to acquisitions (466.2).

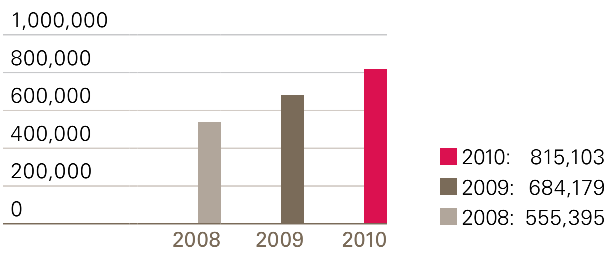
Net free cash flow before financing declined to NOK 295.3 million (118.8).

Cash flow from financing activities amounted to NOK 660.7 million (-75.0)

As a part of the acquisition by KKR, Visma negotiated a new senior debt facility with DnB and Danske Bank of NOK 5,200 million. This facility has 5 years duration, and part of it has in the beginning of 2011 been syndicated to SEB, FIH and Nykredit. Visma appreciated the fast re-action from our relationship banks, and the ability to lift this substantial financing.

Cash and cash equivalents increased to NOK 1,007.2 million (642.1), which the Board of Directors considers to be sufficient given the current and expected activity level.

EBITDA (numbers in NOK 1.000)



Total assets increased to NOK 5,663 million at the end of 2010 (4,071), mostly related to businesses acquired during the year and to variance in currency exchange rates.

The majority share of the equity increased to NOK 1,160.0 million at the end of 2010 (952.0), mainly reflecting the profit for the year and payment of group contribution to Engel Holding AS. The equity ratio decreased to 20.5 percent (23.4).

Net working capital increased during the year. Accounts receivable totalled NOK 641.1 million at 31 December, 2010 (430.1). Customers' average credit period increased to 34 days in the fourth quarter 2010 from 31 days in the fourth quarter 2009.

Visma has made provisions of 2.2 percent 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 supplies ERP, CRM, HR/payroll, and e-commerce software to small and medium-sized enterprises in Denmark, Finland, the Netherlands, Norway, and Sweden. Visma Software also provides tailored solutions within the verticals of retailing, the public sector, accounting firms and various contracting verticals.

At the end of the year, Visma Software had 1,390 employees, servicing the more than 175,000 enterprises that are using Visma's software. The majority of these customers have signed annual maintenance and support agreements.

Revenue in Visma Software increased 5.1 percent to NOK 1.687 million in 2010 (1.612). Organic growth was 5.5 percent (2.9). This was above the software industry in general and Visma Software continues to take market share. 68.4 percent of sales originated from annual maintenance and support contracts, 14.1 percent from new sales of software, 10.2 percent from consulting services, and 7.2 percent from training and third-party products.

EBITDA in Visma Software amounted to NOK 468.9 million (435.0), corresponding to an EBITDA-margin of 29.7 percent (28.9).

In 2010, the R&D department continued working on consolidation of existing product lines, but special efforts were made into development of SaaS solutions. Visma Avendo eAccounting was the first pure SaaS ERP system delivered from Visma. More SaaS solutions will be launched in 2011.

Visma Unique launched new versions of its ERP and HR product lines in 2009, under the name Visma Enterprise. This was a huge success during 2010 and Visma Unique won around 90 percent of the tenders for ERP-system in the municipalities market in Norway

During 2010 Visma SPCS obtained more than 34,000 registered customers on its various online/SaaS offerings.

Innovative product development is of vital importance to retain existing and attract new customers to Visma. Visma´s development centre in Romania has at year end 103 programmers.

In our efforts to keep existing customers, customer support also plays a key role, and Visma's energetic and competent sales force is an absolutely crucial element in the company's ongoing endeavour to create growth. The primary focus in Visma Software in 2011 will be to improve the ability of this sales force to cross-sell products and services, win new customers, and increase sales of add-on modules to existing customers.

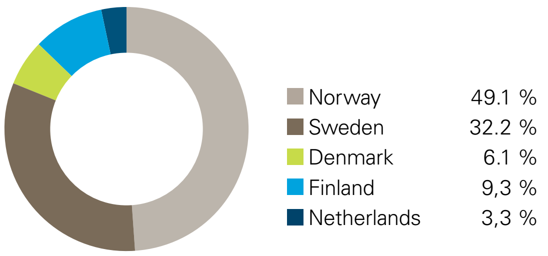
In 2010, total R&D expenses in Visma Software amounted to NOK 307 million, versus NOK 285 million in 2009. At 19.5 percent of total software division revenue, Visma Software's R&D expense is substantially ahead of that of most of its competitor peers, allowing it to drive greater innovation and thereby greater organic revenue growth over a sustained period into the future.

Visma BPO Accounting & Payroll 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, in particular accounting professionals. At the end of the year, the division had 1,838 employees.

Visma BPO Accounting & Payroll has more than 22,000 companies as customers, and more than 180 of these companies buy services in more than one country. The company attracted more payroll customers on a pan-Nordic basis in 2010, and the good growth in pan-Nordic payroll engagements is expected to continue.

During 2010 Visma BPO started up several large account customers, and the largest project was taking over the accounting functions for the Norwegian Post. This contract was awarded to Visma in August 2010 and with Cognizant in India as sub-contractors.

Net sales by country for the Group



Revenue in Visma BPO Accounting & Payroll increased by 7.7 percent to NOK 1,357 million in 2010 (1,260). Organic growth was 6.7 percent (4.7). While the growth was rather slow in the first half of 2010 as the effects of the financial crisis were still strongly felt, the revenue growth in the second half of 2010 was above 10 percent .

The growth is evidence of the strong demand for outsourcing services in the market but also shows that Visma BPO Accounting & Payroll has established a position as the leading quality provider in the Nordic countries.

EBITDA in Visma BPO Accounting & Payroll amounted to NOK 184.9 million in 2010 (183.7) corresponding to an increase of 0.6 percent from 2009. EBITDA-margin decreased to 13.6 percent (14.6). The decrease is partly the effect of the slow first half year of 2010, but also start-up expenses of several large account projects. These projects will be in normal operations in 2011, and hence there shall be room for margin improvement.

The growth trend is satisfactory, and overall revenue growth is expected to be healthy in 2011. The EBITDA margin is also expected to improve over 2011.

Visma Commerce Solutions provides services in administration and collection of accounts receivable, factoring, administrative purchasing spend management, and tender management. The main business is in Norway and Sweden, although the company also has some collection business in Denmark. At the end of 2010 the Visma Commerce Solutions division had 332 employees and some 33,000 customers.

Visma Commerce Solutions offers a relatively high number of additional services to customers of Visma Software and Visma BPO Accounting & Payroll, and the division therefore represents an important component in the cross-selling strategy across the divisions in Visma.

Revenue increased 44.7 percent to NOK 371.0 million in 2010 (250.0), and the organic growth of 10.6 percent (7.7) is evidence of an increasing need for such value-added services by our customers. The growth is expected to continue in 2011.

EBITDA increased by 27.5 percent to NOK 82.1 million in 2010 (64.4), corresponding to an EBITDA margin of 22.7 percent (25.8).

Visma Retail provides complete turn-key solutions for the Retail market. The product offering includes point-of-sales (POS) solutions, supply-chain management solutions, installation and field-service, consultancy, and hosting of servers. At the end of the year, the division had 411 employees.

Around 60.0 percent of Norwegian fast moving consumer goods and food is managed through solutions from Visma Retail, and about one-third of the Swedish market.

Revenue increased by 69.8 percent to NOK 627.4 million in 2010 (369.5), with a strong organic growth at 42.0 percent. EBITDA increased to NOK 70.4 million (30.3), and the EBITDA-margin increased to 11.2 percent (8.2).

The strong growth is especially explained by several large projects in the Swedish pharmacies market. After the state¬-monopoly on pharmacies was dissolved in 2009, the newly privatised pharmacies had to replace their old system before the summer of 2011. Visma has been the leading supplier to this vertical and will be able to complete the roll-out of close to 800 pharmacies before the summer of 2011. Visma seems to cover more than 60 percent of the market of liberalised pharmacies.

In 2010, total R&D expenses in Visma Retail amounted to NOK 78.0 million, versus NOK 83.0 million in 2009.

Through the acquisition of Esscom late in 2009, Visma Retail now has the most specialised field-service operation within POS solutions, gaming automates, vending machines and ticketing machines.

Visma Projects and Consulting was established related to the acquisition of Visma Sirius in July 2010. Visma Sirius is a leading provider of IT and consultancy services. The company's focus is primarily on public sector and the retail industry. Visma Sirius offers development and project management, application management, automated workflow management and case processing solutions as well as system development and system integration. At the end of the year, the division had 410 employees.

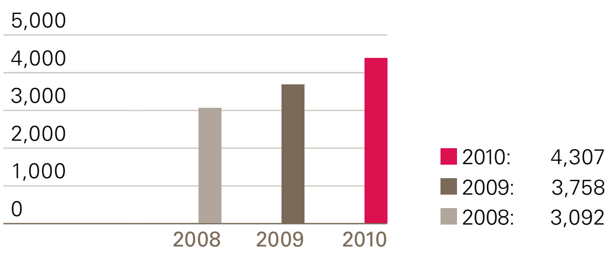
For the second half of 2010, comparing to the pro forma numbers, the revenue increased by 3.8 percent to NOK 241.9 (232.8).

EBITDA increased to NOK 44.4 million (41.4), and the EBITDA-margin increased to 18.4 percent (17.8).

ORGANIZATION, WORK ENVIRONMENT AND EQUALITY OF OPPORTUNITIES

Visma is headquartered in Oslo, but has further 144 locations distributed in Denmark (6), Finland (32), the Netherlands (2), Norway (62), Romania (2), United Kingdom (1), Lithuania (1),

Increase in number of employees in the Group



Ireland (1) and Sweden (37). The Group is organized in five divisions. The divisions have responsibility for their business areas, regardless of geography or other factors.

The business operations of the Visma Group are carried out through approximately 80 wholly and partly owned subsidiaries, whereas the Group for reporting purposes is organized in the five divisions, Visma Software, Visma BPO Accounting & Payroll, Visma Commerce Solutions, Visma Projects and Consulting and Visma Retail.

At the end of 2010 Visma had 4,442 employees, which was an increase from 3,758 at the end of 2009. Approximately 2,543 of these were employed outside of Norway.

Visma is a complex enterprise, and its employees hold the key to further progress as it is their unique competencies that create value for customers and shareholders.

Visma is continuously working to develop skilled and dedicated employees, through offering courses and other training to its staff. Visma strives to offer career opportunities for dedicated and ambitious employees, and already in 2005 launched a management training programme for young potential future managers in Visma. The fourth group of management trainees started on the programme during last autumn. 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 3.21 percent in 2010 (3.78). No injuries or accidents occurred in connection with work tasks undertaken at Visma during 2010.

Visma conducts every year a joint, international survey of the work climate during the third quarter. In collaboration with the Managing Director, 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 environment and corporate culture.

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

All questions that have negative variances in relation to the objective are reviewed, and an action plan is set up to address the issues. The action plan shall include clear references to what is to be done, who has the responsibility, and the deadlines for implementation.

The action plan is on the agenda at management meetings, and is followed up until the issues in the action plan have been resolved.

The results of the survey in the third quarter 2010 shows, that our employees are well familiar with the group's goals and strategies, our financial goals and our products and services. The average employee is satisfied with the respective manager and the daily feedback, contributes to cross sales, makes extra efforts in satisfying our customers and believes that Visma treats its customers well. With respect to working conditions, the employees have the required competence to complete respective tasks and thinks that working in Visma develops the individual competence.

The survey consists of more than 20 questions, some with further and more detailed requests. The answers are given by choosing on a scale from 1 to 5. The average result for all questions and for all employees international was 3.92 in 2010.
Working conditions are overall regarded as good.

Visma's staff' is overall relatively balanced between the genders, with a slight majority of 52.7 percent women. However, there are large gender differences between the divisions. At the end of 2010, the proportion of women in Visma BPO Accounting & Payroll was 74,7 percent (74,5), whereas the equivalent figure in Visma Software was 41,9 percent (38.2). At the end of the year, the proportion of women in Visma Commerce Solutions was 51,3 percent (58,3) and the proportion in Retail 19,7 percent (22,4).

In the holding company, Visma AS, two of twelve employees are women. The proportion of women in other management and middle management is 41,4 percent. 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 five divisions.

As of 31 December 2010, the group's Board of Directors comprises 7 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.

Balance between the genders in the Group

Women	52.7 %
Men	47.3 %

- 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 Services 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 2010 was 17.9 percent (18.1) 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 40-60.0 percent 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 2010, 156 employees were on leave of absence, of which 77,6 percent 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 wheal-chairs. 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 at Visma AS 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 this Annual Report, which also offers a short description of internal measures that are designed to reduce Visma's already modest carbon footprint.

Certain parts of Visma is certified according to the ISO 14000 standard (Visma Esscom of the Retail division), and Visma Unique has been awarded the Norwegian standard "Miljøfyrtårn".

ASSESSMENT OF RISK FACTORS AND UNCERTAINTIES

Market and technology risks

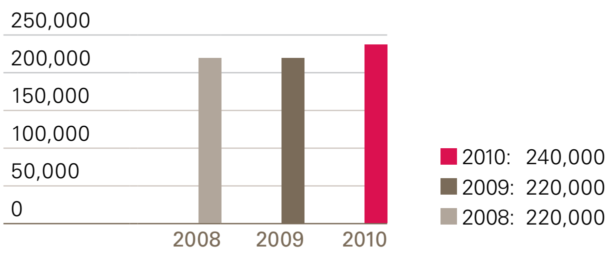
As all companies, Visma is exposed to general economical fluctuations and GDP developments in the five different countries where Visma is selling its products and services.

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. The strongest international competitors for Visma Software are SAP, Oracle and Microsoft. These companies 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. All the business segments in Visma also face numerous local competitors but although some of these may be aggressive in certain areas, their potential impact on the whole Visma Group is regarded as limited.

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

Increase in number of costumers



- The products and services provided to a large degree cater to requirements that are mandatory and necessary regardless of the economical cycle
- Visma has 240,000 customers in five 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 58 percent 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 term of the debt.

For 2010, a 100 basis-points change in the interest rate level would have had an estimated effect of approximately NOK 1.5 million on the profit before tax.

Exchange rate risks

Visma is exposed to changes in the value of NOK, relative to other currencies, in particular SEK, DKK and EURO. 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 2010, a 5.0 percent change in exchange rates versus NOK would have had an estimated effect of NOK 17 million on the profit before tax.

Credit risks

Visma sells almost 100.0 percent of its products and services to other businesses at a credit and is hence exposed to credit risks.

In 2010, the company expenses bad debts corresponding to approximately 0.2 percent of revenue and 1.7 percent 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, and capital expenditure is normally less than 10.0 percent of EBITDA.

Net cash flow from operating activities has historically been above 90.0 per cent of EBITDA. Any cash-flow risk is hence closely related with EBITDA-performance.

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 2010 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

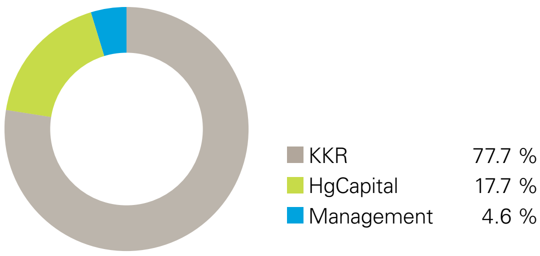
Several parts of Visma perform professional services, especially within BPO Accounting & Payroll and Collectors. Parts of Visma Software are also involved in complex implementation projects.

With 4,442 employees and 240,000 customers, Visma's international 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.

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-

Ownership in Visma



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. Visma IT&C has 49 employees. VITC is certified according to ISO 20000 and is in the process of certifying according to ISO 27000. Several parts of Visma BPO Accounting & Payroll 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 2011

While 2010 was a year of rebound after the financial crisis, the direction of 2011 is a little more uncertain. The public debt situation in the Euro-zone, US and Japan, and the public un-rest in Arabic world are factors that contribute to uncertainty about the economical development. However, Visma assumes that this to some extent is factored into most businesses outlook and investment budgets, and Visma expects a moderate positive economical development in the markets where we operate.

The company expects increased demand for ERP solutions and outsourcings services.

While many enterprises will continue with tight cost-control and productivity measures, Visma expects that most companies also will begin to look for solutions to promote and support renewed growth. This should create increasing demand for CRM-systems. Visma will continue to launch new SaaS (Software as a Service) offerings in 2011, which will found for growth in the coming years. 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.

Organic growth will be driven by good opportunities for cross-selling and bundling of products and services across divisions and national borders.

Merger and acquisition activity is expected to increase. KKR, the new majority shareholder in Visma, is promoting fast growth and expansion. Visma's management will continue to evaluate strategic acquisitions, primarily in markets where Visma already operates. The company expects growth from acquisitions to increase going forward.

Oslo, 24 March 2011

Gunnar Bjørkavåg Chairman of the Board	Jacques Garaïalde Director	Nic Humphries Director	Jan Pieter Dekker Director
Mateusz M. Szeszkowski Director	Stanislas De Joussineau Director	Herald Y. Chen Director	Øystein Moan CEO

The future is Present here is the Board of Directors

Direction creates success. Following KKR's investment in Visma late 2010, there has been made changes in the Board of Directors. The new Board pursue further growth as they give direction. For Visma, this has proven to be a successful path when entering the future.

present; a period of time that is happening now

Chairman of the Board, Gunnar Bjørkavåg, born 1960, is B. Sc. from BI, Norway, MBA from Henley Collecge/Oxford and AMP from Harvard Business School. Bjørkavåg is former CEO of Comma Dataservice, Managing Director of Telenor Plus and Country Manager of Compaq Computers. Bjørkavåg has since year 2000 been CEO of NHST Media Group - owner of among others Dagens Næringsliv, a leading financial newspaper seated in Oslo.

Director, Nic Humphries is Chief Executive of HgCapital. He has 20 years experience of the private equity and venture capital industry, and joined HgCapital in 2001. He started his career at 3i plc. Humphries' investment experience has focused on the TMT sector. His lead investments have included Visma, IRIS Software & CS Group plc, Rolfe & Nolan, Geneva Technology and Next-GenTel. He co-led investments in Addison Software and SiTel Semiconductor.

Director, Jan Pieter Dekker joined HgCapital in 2008 from GE, where he was responsible for developing and implementing strategic growth projects across a range of businesses. Before GE, Dekker worked at Morgan Stanley, where he was part of the investment banking division focused on financial institution clients. He started his career at ABN AMRO in the corporate finance department.As a member of Hg's portfolio management team, Dekker is a director of Epyx Ltd, Visma AS and Stepstone Solutions Ltd.

Director, Mateusz M. Szeszkowski joined KKR in 2007.Prior to joining KKR, Szeszkowski was a Vice President at Goldman Sachs in London in the Investment Banking Division where he was engaged in merger advisory and execution of financing transactions for TMT clients. Prior to that, Szeszkowski was a Principal at Orange Ventures in London, Boston and San Francisco where he made venture capital investments in the TMT sector. He was also a consultant at The Boston Consulting Group.

Director, Herald Y. Chen rejoined KKR in 2007, having previously worked for the Firm from 1995 to 1997, and has been directly involved with the investments in Kodak, Sun Microsystems, Kindercare Learning Centers and Walter Industries. Prior to joining KKR, Chen was a Managing Director with Fox Paine & Company focusing on management buyouts including ACMI Corporation, where he also served as CEO. Prior to completing his M.B.A, Chen was employed by KKR and Goldman, Sachs & Co.

Director, Jacques Garaïalde has been a Partner and Managing Director at Kohlberg Kravis Roberts & Co. since 2003. Prior to joining KKR & Co., Garaïalde was a partner at Carlyle, in charge of Europe Venture Partners Fund. Garaïalde also serves as Chairman of PagesJaunes Group, Member of the Supervisory Board of Tarkett and a Director on the boards of Nexans, Société d'Investissement Familiale (SIF), Legrand, Médiannuaire Holding and Visma.

Stanislas de Joussineau joined KKR in 2009. He has been working on several investment opportunities in Europe, more specifically in the Technology sector as well as opportunities in France, and has been actively involved with investments in Visma and PagesJaunes, the leading French Yellow Pages and local advertising business. Prior to joining KKR, de Joussineau spent four years at J.P. Morgan in London in the Investment Banking Division where he was engaged in Mergers and Acquisitions advisory and Leveraged Finance transactions. de Joussineau holds a M.Sc. from Ecole Nationale des Ponts et Chaussées (ENPC) in Paris, France.

Gunnar Bjørkavåg
Chairman of the Board

Nic Humphries
Director

Jan Pieter Dekker
Director

Mateusz M. Szeszkowski
Director

Herald Y. Chen
Director

Jacques Garaïalde
Director

Stanislas De Joussineau
Director

Consolidated Annual Accounts

Content

Income Statement

1 January – 31 December

VISMA AS - CONSOLIDATED (NOK 1,000)	Note	2010	2009
Operating revenue			
Sales revenue	2	4 167 689	3 381 357
Total operating revenue		4 167 689	3 381 357
Operating expenses			
Sales and distribution cost		618 899	423 617
Payroll and personnel expenses	3.16	2 111 221	1 761 030
Depreciation and amortisation expenses	4.5	182 447	167 456
Other operating expenses	8.16	622 466	512 531
Total operating expenses		3 535 034	2 864 634
Operating profit		632 655	516 723
Result from associated companies	24	(1 856)	9 623
Financial items			
Financial income	9	17 203	12 371
Financial expenses	9	(133 679)	(163 438)
Net financial items		(116 475)	(151 067)
Profit before taxes		514 324	375 280
Taxes	10	135 271	93 895
Profit for the year		379 053	281 385
Attributable to:			
Equity holders of Visma AS		374 405	275 370
Non-controlling interests		4 648	6 014
Earnings pr share in TNOK			
Basic earnings per share	19	374 405	275 370
Diluted earnings per share	19	374 405	275 370

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (NOK 1,000)			
Profit for the year		379 053	281 385
Other comprehensive income			
Net gain (loss) on financial hedging instruments	20	10 635	(6 001)
Income tax		(2 978)	1 680
Exchange differences on translation of foreign operations	2	(82 631)	65 096
Income tax		23 137	(18 227)
Net gain (loss) on shares classified as available for sale	21	0	(0)
Income tax		0	0
Other comprehensive income (loss) for the period, net of tax		(51 837)	42 548
Total comprehensive income for the period		327 216	323 933
Total comprehensive income attributable to:			
Equity holders of Visma AS		322 568	317 919
Non-controlling interests		4 648	6 014

Statement of Financial Position

31 December

VISMA AS - CONSOLIDATED (NOK 1,000)	Note	2010	2009
ASSETS			
Non-current assets			
Deferred tax assets	10	36 325	27 930
Goodwill	4,23	2 611 798	1 966 677
Other intangible assets	4	386 883	296 703
Contracts & Customer relationships	4	497 350	185 005
Property	5	29 116	27 439
Machinery and equipment	5	111 067	88 203
Shares classified as available for sale	21	12 531	14 197
Investment in associated companies	24	75 706	75 202
Long-term receivables in Group companies	7	76 580	194 339
Other long-term receivables		12 529	6 809
Total non-current assets		3 849 885	2 882 503
Current assets			
Inventory		26 003	27 864
Accounts receivables	6	641 095	430 159
Other current receivables	7	139 120	88 736
Cash and cash equivalents	12	1 007 192	642 147
Total current assets		1 813 410	1 188 906
TOTAL ASSETS		5 663 295	4 071 409

(NOK 1,000)	Note	2010	2009
EQUITY AND LIABILITIES			
Equity			
Paid-in capital	14,15	165 000	165 000
Other reserves	13	4 902	56 739
Retained earnings		990 500	730 975
Equity attributable to equity holders of the parent		1 160 402	952 713
Non-controlling interests		9 905	17 500
Total equity		1 170 307	970 213
Non-current liabilities			
Pension liabilities	3	2 036	2 679
Deferred tax liability	10	415 329	241 091
Financial hedging Instruments	20	41 225	51 860
Other long-term interest bearing loans and borrowings	12	2 705 854	1 734 010
Total non-current liabilities		3 164 445	2 029 640
Current liabilities			
Revolving credit facility	22	0	100 000
Trade creditors		146 882	114 659
Public duties payable		269 701	190 253
Tax payable		38 133	36 614
Other current liabilities	22	873 827	630 029
Total current liabilities		1 328 543	1 071 555
Total liabilities		4 492 988	3 101 196
TOTAL EQUITY AND LIABILITIES		5 663 295	4 071 409
Secured liabilities and guarantees	17		

Oslo, 24 March 2011

Gunnar Bjørkavåg
Chairman of the Board

Jacques Garaïalde
Director

Nic Humphries
Director

Jan Pieter Dekker
Director

Mateusz M. Szeszkowski
Director

Stanislas De Joussineau
Director

Herald Y. Chen
Director

Øystein Moan
CEO

Statement of Cash Flows

1 January – 31 December

VISMA AS - CONSOLIDATED (NOK 1,000)	Note	2010	2009
Profit before taxes		514 324	375 280
Depreciation and amortisation expenses		182 447	167 456
Taxes paid		(67 611)	(57 095)
Changes in debtors		(169 883)	7 810
Changes in inventory and trade creditors		34 084	3 183
Changes in public duties payable		79 448	(6 044)
Changes in deferred revenue		140 414	(20 886)
Non-cash related financial items		35 213	79 404
Change in other accruals		4 239	95 661
Net cash flow from operations		752 675	644 769
Sale of (investment in) businesses	1	(920 730)	(466 240)
Investment in R&D software related to business combinations		(36 858)	
Investment in tangible fixed assets related to business combinations		(24 332)	
Capitalised development cost	4	(23 179)	(16 606)
Investment in tangible fixed assets	5	(44 527)	(45 013)
Sale of (investment in) shares		1 666	1 912
Net cash flow from investments		(1 047 960)	(525 947)
Repayments of interest bearing loans		(2 293 104)	(17 117)
Proceeds from interest bearing loans		3 191 661	160 000
Change in revolving credit facility		(100 000)	(50 000)
Change in long-term receivables		115 220	(161 468)
Payment of group contribution		(159 555)	(75 380)
Cash inflow from dividends		1 620	1 440
Net cash from share issues		0	157 122
Cash inflow from interest		15 583	10 931
Cash outflow from interest		(110 774)	(100 490)
Net cash flow from financing activities		660 652	(74 961)
Net cash flow for the year		365 367	43 861
Cash and cash equivalents 1.1		642 147	660 284
Net foreign exchange difference		(322)	(61 999)
Cash and cash equivalents 31.12	12	1 007 192	642 147

Statement of Changes in Equity

VISMA AS - CONSOLIDATED

(NOK 1,000)	Paid-in share capital	Share premium reserve	Other reserves	Retained earnings	Majority's share of equity	Non-controlling interests	Total equity
Note	14		13				
Equity as at 01.01.2009	160 000	272	14 190	357 484	531 946	18 923	550 870
Total comprehensive income for the period			42 548	275 370	317 919	6 014	323 933
Issue of share capital	5 000	152 122			157 122		157 122
Reallocation of share premium reserves		(152 394)		152 394			
Group contribution				(54 274)	(54 274)		(54 274)
Net changes non-controlling interests*						(7 438)	(7 438)
Equity as at 31.12.2009	165 000	0	56 739	730 975	952 714	17 500	970 213
Equity as at 01.01.2010	165 000	0	56 739	730 975	952 714	17 500	970 213
Total comprehensive income for the period			-51 837	374 405	322 568	4 648	327 216
Group contribution				(114 880)	(114 880)		(114 880)
Net changes non-controlling interests *					0	(12 243)	(12 243)
Equity as at 31.12.2010	165 000	0	4 902	990 500	1 160 403	9 905	1 170 306

* Includes dividends, the purchase of minorities and translation differences.

The calculation of income tax payable for 2010 is based on providing a group contribution of MNOK 225 to the parent company Engel Holding AS. The group contribution is not accounted for until the general meeting in the subsequent period has approved such contribution. The group contribution will in 2011 reduce retained earnings by MNOK 162. Reference is made to note 12 in Visma AS accounts.

IFRS Accounting Policies 2010

CORPORTATE INFORMATION
The consolidated financial statements of Visma AS, for the year ended 31 December 2010 were authorised for issue in accordance with a resolution of the Board of Directors on 24 March 2011. 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 percent owned by Engel Holding AS. Information on its ultimate parent is presented in note11.

The Groups activities are described in note 2.

STATEMENT OF COMPLIANCE
The consolidated financial statements of Visma AS including all its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

BASIS OF PREPARATION
The consolidated financial statements have been prepared on a historical cost basis, except for available-for-sale investments (primarily shares owned less than 20 percent) 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.

BASIS FOR CONSOLIDATION
The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December each year.

Basis for consolidation and non-controlling interest

Basis of consolidation from 1 January 2010
Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses from intra-group transactions and dividends are eliminated in full.
Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

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 assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in other comprehensive income
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss

Basis of consolidation prior to 1 January 2010
Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisitions of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the net share acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interests until the balance was reduced to nil. Any further excess losses were attributed to the parent, unless the non-controlling interests had a binding obligation to cover these. Losses prior to 1 January 2010 were not reallocated between non-controlling interests and the parent shareholders.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying values of such investments at 1 January 2010 have not been restated.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Segment reporting
For management purposes, the Group is organised into five divisions according to range of products/services. These divisions comprise the basis for primary segment reporting. 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 with the exception of 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. These exchange differences are 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. 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.

Business combinations and goodwill

Business combinations from 1 January 2010
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. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 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.

Business combinations prior to 1 January 2010
In comparison to the above-mentioned requirements, the following differences applied:

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separately steps. Any additional acquired share of interest did not affect previously recognised goodwill.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflows was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

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). The group of cash-generating units is in any case not larger than an operating segment determined in accordance with IFRS 8 Operating Segment.

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 economics 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/non-current classification

All assets and liabilities related to the operating cycle are classified as current/short-term. For receivables and liabilities outside the operating cycle, the current/non-current distinction is determined based on a one year maturity-rule as from the acquisition date.

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. The following specific recognition criteria must also be met before revenue is recognised:

Licence fee for standard software

Revenue is recognised at the time of delivery, and when the significant risks and rewards of the ownership of the licence sold have passed to the buyer and can be reliably measured. 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.

Maintenance contracts

Maintenance contracts are normally committed on annual basis and within the financial year. Revenue from these contracts is recognised on a straight-line basis over the contract period. Customers normally have the right to cancel their utilization rights at the latest (three to twelve) months 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.

Rendering of services

Revenues in connection with services provided with respect to delivery of standard software, including installation, implementation, reporting, and database development are recognised as the services are delivered.

Revenue from support and other consulting services is recognised when the services are performed.

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.

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.

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 amortised nor individually tested for impairment.

The income statement reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised 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. 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 recognise 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 recognises 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.

Interests in joint ventures

The Group's interest in joint ventures is accounted for using the equity method of accounting from the date when joint control is achieved and until joint control ceases.

A joint venture is an activity over which the Group has joint control through a contractual agreement between the parties. A jointly controlled enterprise involves the creation of a separate entity in which each of the parties has its ownership interest and which is under joint control.

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 instruments that are primarily held with the objective of selling them or buying them back in the short term, financial instruments that form part of a portfolio of identified instruments which are managed together and where there are clear traces of short-term gain realisation, or derivatives that are not designated as hedging instruments are classified as held for trading. These instruments form part of the category of financial instruments recognised at their fair value with changes in value through profit or loss, together with financial instruments which qualify for, and have been designated as, instruments recognised at their fair value with changes in value through profit or loss. Financial guarantee contracts are measured according to IAS 37 or IAS 18, whichever produces the higher amount, unless the contracts qualify for and have been designated as instruments at fair value with changes in value through profit or loss. The Group does not have any such financial instruments.

Financial assets with fixed or determinable cash flows that are not quoted in an active market are classified as loans and receivables, with the exception of instruments that the Group has designated as being at fair value with changes in value through profit or loss or available for sale.

All other financial assets are classified as being available for sale.

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 recognised at their amortised cost using the effective interest method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Amortised cost is calculated by taking into account any discount or preminum on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

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 recognised 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 recognised 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 percent 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 recognised 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 recognised in equity up to this date remain in equity and are recognised 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 unrealised gains or losses on the hedging instrument that have previously been recognised directly in equity are recognised 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 recognised 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 recognised in the income statement in the same period as the gain or loss on the sale is recognised.

Adoption of new and revised accounting standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year. In addition, the Group has adopted the following new and amended Standards and Interpretations issued by the IASB and approved by the EU that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2010:

- IFRS 2 Share-based Payment: Group cash settled share-based payment transaction
- IFRS 3 Business Combinations: Revised
- IAS 27 Consolidated and Separate Financial Statements
- IAS 39 Financial Instruments - Recognition and Measurement: Eligible Hedged Items
- IFRIC 18 Transfer of assets from customers
- Improvements to IFRS issued April 2009

The Group has not early adopted any Standards or Interpretations in 2010.

When the adoption of the standard or interpretation has impacted the Group's consolidated financial statements, the impact is described below:

IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements(Amended)

IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after becoming effective. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results. In addition IFRS 3 (Revised) introduces significant changes related to notes disclosures. These changes do not apply to 2009 comparative information. IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes by IFRS 3 (Revised) and IAS 27 (Amended) affect acquisitions or loss of control of subsidiaries and transactions with non-controlling interests after 1 January 2010. The change in accounting policy was applied prospectively and had no material impact on earnings per share.

Standards and Interpretations issued but not yet effective.

The following new (revised) standards and Amendments are not yet effective at the date of authorisation of these financial statements for period commencing 1 January 2011 or after:

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 2011 or after and that the adoption of those Interpretations will have no material impact on the financial statements of the Group in the period of initial application:

Amendments to IFRS 7 Financial Instruments - Disclosures

The amendment relates to disclosure requirements for financial assets that are derecognized in their entirety, but where the entity has a continuing involvement. The amendments will assist users in understanding the implications of transfers of financial assets and the potential risks that may remain with the transferor. The amended IFRS 7 is effective for annual periods beginning on or after 1 July 2011, but the standard is not yet approved by the EU.

IFRS 9 Financial Instruments (effective from 1 January 2013, but not yet approved by the EU). The standard replaces the classification and measurement requirements for financial assets in IAS 39. Financial assets with basic loan features that are held for the purpose of collecting contractual cash flows shall be measured at amortised cost, unless one opts to measure these assets at fair value. All other financial assets shall be measured at fair value. The potential impact of the standard on the Group's consolidated financial statements has not been concluded.

Amendments to IAS 32 Financial Instruments: Presentation – Classification of Rights Issues

The amendment to IAS 32 Financial Instruments - Presentation provides relief to entities that issue rights in a currency other than their functional currency, from treating the rights as derivatives with fair value changes recorded in profit or loss. Such rights will now be classified as equity instruments when certain conditions are met. Application of the amendment is retrospective and will result in the reversal of profits or losses previously recognized. The amendment is effective for annual periods beginning on or after 1 February 2010. The Group expects to implement the amendments as of 1 January 2011.

Amendments to IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - Prepayments of a Minimum funding Requirement

The amendment to IFRIC 14 intends to correct an unintended consequence of IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. This amendment will allow entities to recognise a prepayment of pension contributions as an asset rather than as an expense. The amendment is effective for annual periods beginning on or after 1 January 2011. The Group expects to implement the amendment as of 1 January 2011.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The interpretation clarifies the accounting treatment of financial liabilities that, as a result of a renegotiation of the terms of the financial liability, are fully, or partially, extinguished with equity instruments. The interpretation is effective for annual periods beginning on or after 1 July 2010. The Group expects to implement IFRIC 19 as of 1 January 2011.

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.

Deferred tax assets

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.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from 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.

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 and assets

(NOK 1,000)

Name	Description	Acquisition date	Percentage of voting equity instruments acquired	Cost price	Cost associated with the acquisition 1)	Consideration total
Minorities, Visma Services Denmark A/B,Dk	BPO Accounting & payroll	24.03.2010	100,00%	20 223	25	20 248
Tietokate OY,Fi	BPO Accounting & payroll	02.01.2010	100,00%	10 728	-	10 728
Visma OPIC AB,S	Procurment	10.02.2010	100,00%	66 160	572	66 732
Kollektor AS,N	BPO Accounting & payroll	06.04.2010	50,10%	9 500	-	9 500
Visma Services Resta OY,Fi	BPO Accounting & payroll	15.04.2010	60,00%	47	-	47
Talous- ja Verotaito Profit OY,Fi	BPO Accounting & payroll	26.04.2010	100,00%	6 199	-	6 199
Invoicia Norge AS,N	Invoice management and collection	28.06.2010	100,00%	38 000	411	38 411
Visma Severa Oy,Fi	SaaS	01.07.2010	100,00%	73 376	227	73 603
Visma Pharma Solutions AB,S	Retail	22.07.2010	100,00%	2 360	-	2 360
Sirius IT A/S,DK	Projects and consulting	22.07.2010	100,00%	192 260	1 497	193 756
Sirius IT AS,N	Projects and consulting	22.07.2010	100,00%	199 300	1 580	200 880
Svenska ITSIRIUS AB,S	Projects and consulting	22.07.2010	100,00%	210 255	1 637	211 892
Gestor AS,N	BPO Accounting & payroll	01.09.2010	100,00%	350	-	350
Kommuninfo i Sverige AB	Procurment	11.08.2010	100,00%	12 970	267	13 237
Allego AB, group, S	Procurment	13.12.2010	100,00%	33 385	394	33 779
DBS Business Solutions B.V. group ,Nl	ERP Software	13.12.2010	100,00%	151 975	2 852	154 827
Økonomipartner AS,N	BPO Accounting & payroll	20.12.2010	100,00%	27 133	316	27 449
Vestrum & Ydse AS,N	BPO Accounting & payroll	20.12.2010	100,00%	10 867	-	10 867
Visma Services Teemuaho Yhtiöt Oy,Fi *	BPO, change in estimated earn out	31.12.2010	100,00%	17 023	-	17 023
Visma Services Kolding A/S,DK	BPO, change in estimated earn out	31.12.2010	100,00%	-210	-	-210
Visma BPO	Various asset acquisitions 2)	2010		32 831		32 831
Non-controlling interests, other companies	BPO Accounting & payroll	2010		392		392
Disposals	BPO Accounting & payroll	2010		-500		-500
Total				1 114 625	9 778	1 124 403

The cash outflow on acquisition is as follows:	
Cost price (excluded costs associated with the acq.)	1 114 625
Last year earn-out, paid this year	31 570
Change in estimated earn-out	-16 813
Deferred payment	-58 801
Cash paid	-1 070 581
Net cash acquired with the acquisitions	88 661
Net cash (outflow)/inflow	(981 920)
Other intangible assets acquired	(36 858)
Machinery and equipment acquired	(24 332)
Net investment in businesses	(920 730)

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.

2) Relates to 13 asset acquisitions

3) 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.

* Visma has an option to buy the remaining shares in Teemuaho Yhtiöt OY. The period of exercise is first quarter of 2011, and the maximum amount for this consideration is MEUR 2.1. The value of the option has been recognized in the balance sheet as at 31.12.2010

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.

Acquisition of Sirius IT group

In July 2010, Visma acquired 100% of the voting shares of Sirius IT group. Visma Sirius is a leading provider of IT and consultancy services focusing on public sector and the retail industry. Visma Sirius offers development and project management, application management, automated workflow management and case processing solutions as well as system development and system integration.

Acquisition of DBS Business solutions group

In December 2010, Visma acquired 100% of the voting shares of DBS Business Solutions B.V. DBS offers software solutions for payroll, human resource management and finance, and complements Visma's existing business in the Netherlands.

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

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(NOK 1,000)	Severa OY	Sirius IT group	Invoicia group	Opic Group AB	Kommun-info AB	Allego AB, Group	DBS BV, Group	Økonomi-partner AS, Group
Deferred tax assets	0	0	1 506	70	856	2 075	0	663
Shares	0	0	0	0	6	0	0	0
Other intangible assets	0	13 701	0	9 119	718	0	5 489	0
Machinery and equipment	136	5 756	4 710	797	545	8 284	1 407	1 530
Other long-term receivables	0	2 511	20	0	0	0	0	0
Inventories	0	0	2 303	0	0	0	0	14
Trade receivables	526	91 716	0	10 296	2 639	2 898	32 950	8 102
Other short term receivables	5 599	20 858	2 975	1 404	174	562	18 769	773
Cash and cash equivalents	1 971	37 844	2 085	12 725	-39	1 491	19 412	6 737
Assets	8 233	172 385	13 597	34 411	4 899	15 310	78 028	17 819
Other long-term liabilities	0	(2 851)	347	0	362	0	0	6 002
Deferred tax liability	0	21 443	127	328	0	0	0	0
Trade creditors	565	24 002	843	2 206	481	1 299	1 163	1 077
Public duties payable	389	40 345	1 716	2 400	680	783	8 898	3 966
Tax payable	0	8 073	0	360	-352	-94	0	1 042
Other current liabilities	2 243	52 594	1 328	25 499	4 872	11 636	48 230	4 299
Liabilities	3 198	143 606	4 361	30 793	6 043	13 625	58 291	16 385
Fair value of net assets	5 035	28 779	9 237	3 618	(1 145)	1 685	19 737	1 434
Non-controlling interests	0	0	0	572	0	0	0	0
Goodwill arising on acquisition	14 639	424 574	19 939	46 073	6 436	14 948	58 816	20 150
Other intangible assets	30 680	36 040	0	0	0	0	19 531	0
Contracts and customer relationship arising on acquisition	8 766	164 305	12 256	21 481	10 376	22 638	79 688	22 800
Deferred tax liability	(10 256)	(51 887)	(3 432)	(5 585)	(2 698)	(5 886)	(25 797)	(6 384)
Consideration total	48 864	601 811	38 000	66 160	12 970	33 385	151 975	38 000
Revenue for the year	19 100	561 081	36 072	63 473	11 327	25 231	85 614	51 597
Revenue for the period before acquisition	10 279	280 154	17 674	3 670	9 699	23 137	85 614	51 597
Revenue contribution to the Visma Group	8 822	280 927	18 398	59 803	1 628	2 095	0	0
Profit for the year	847	52 521	1 025	4 488	(1 264)	1 626	4 461	2 155
Profit for the period before acquisition	3 709	31 069	898	3 189	(847)	1 256	4 461	2 155
Profit contribution to the Visma Group	(2 862)	21 452	127	1 299	(417)	370	0	0

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.

Name	Description	Acquisition date	Percentage of voting equity instruments acquired	Cost price	Cost associated with the acquisition	Consideration total
Gaincom A/S, Dk	ERP consulting - asset deal	01.01.2011	-	6 602		6 602
Maventa OY, Fi	Electronic invoice services	23.02.2011	51%	10 590		10 590
Stavanger Regnskap AS, No	Accounting services	01.03.2011	100%	12 625		12 625
Egersund Regnskap AS, No	Accounting services	01.03.2011	100%	9 000		9 000
ABC Kredittstyring AS, No	Collecting services	08.03.2011	100%	38 798	251	39 049

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

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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 five reportable segments: Visma Software (Software), Visma BPO Accounting and Payroll (BPO), Visma Commerce solutions (CS), Visma Retail (Retail) and Visma Projects & Consulting (P&C). Visma AS and national holding companies are disclosed under "Other".

The acquired company Sirius is now the Visma Projects and Consulting division, and the former Visma Procurement & Collecting division has changed its name to Visma Commerce Solutions.

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

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 entity's country of domicile.

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

OPERATING SEGMENTS

							2010
(NOK 1,000)	Software	BPO Accounting & Payroll	Commerce Solutions	Retail	Projects & Consulting	Other	Total
Revenues							
Total segment revenues	1 687 222	1 418 250	371 541	681 202	280 927	134 075	4 573 217
Internal revenues	108 678	60 733	9 976	53 810	39 030	133 301	405 528
External revenues on each group of similar products and services							
License and recurring	1 303 463	9 140	129 566	232 712	39 925	0	1 714 806
Transactions	57 135	700 861	223 138	246	17	0	981 397
Accounting serv. & consulting	161 425	627 547	7 594	220 396	201 355	740	1 219 058
Other	56 520	19 969	1 268	174 037	600	34	252 428
External revenues	1 578 543	1 357 517	361 566	627 391	241 897	774	4 167 689
Actual growth (external) %	5,1 %	7,7 %	44,7 %	69,8 %			23,3 %
Curr. adj. organic growth (external) %	5,5 %	6,7 %	10,6 %	42,0 %	4,6 %		10,6 %
EBITDA	468 862	184 883	82 054	70 413	44 430	-35 541	815 103
EBITDA margin	29,7 %	13,6 %	22,7 %	11,2 %	18,4 %		19,6 %
Profit before tax	397 504	153 820	60 909	58 010	25 293	-181 212	514 324
Assets	2 466 630	1 219 725	619 045	642 467	823 895	-111 646	5 663 295

(NOK 1,000)	Software	BPO Accounting & Payroll	Commerce Solutions	Retail	Projects & Consulting	Other	Total
							2009
Revenues							
Total segment revenues	1 612 466	1 299 545	254 841	375 885	0	67 680	3 610 416
Internal revenues	110 598	39 374	5 023	6 397	0	67 668	229 060
External revenues on each group of similar products and services							
License and recurring	1 240 791	8 802	68 100	162 278	0	21	1 479 992
Transactions	56 783	444 763	179 811	1	0	0	681 357
Accounting serv. & consulting	159 664	789 872	1 808	96 815	0	208	1 048 368
Other	44 630	16 734	99	110 394	0	-218	171 640
External revenues	1 501 867	1 260 171	249 818	369 489	0	12	3 381 357
Pro forma external revenues *	1 512 534	1 300 842	322 215	436 204	232 867	12	3 804 674
EBITDA	434 548	183 692	64 371	30 373	0	-28 805	684 179
EBITDA margin	28,9 %	14,6 %	25,8 %	8,2 %			20,2 %
Profit before tax	343 381	158 705	50 133	14 555	0	-191 494	375 280
Assets	2 228 370	1 068 814	371 668	576 201	0	-173 644	4 071 409

Reconciliation	2010	2009
Profit before taxes	514 324	375 280
Net financial items	116 475	151 067
Result from associated companies	1 856	-9 623
Depreciations and amortisations	182 447	167 456
EBITDA from operating segments	815 103	684 179
EBITDA	815 103	684 179

Assets for associated companies are disclosed under "Other".

* Pro forma 2009 revenues include revenues from acquired companies for the corresponding months included in 2010 figures.

GEOGRAPHICAL AREAS

	2010			2009		
	Net sales	% of n et sales	* Long lived assets	Net sales	% of net sales	Long lived assets
Norway	2 048 258	49,1 %	1 263 967	1 821 602	53,9 %	1 003 444
Sweden	1 340 467	32,2 %	784 133	874 864	25,9 %	398 232
Denmark	253 084	6,1 %	280 594	163 669	4,8 %	71 809
Finland	387 167	9,3 %	451 540	376 867	11,1 %	354 345
Netherlands	138 714	3,3 %	715 797	144 356	4,3 %	620 554
Total	4 167 689	100,0 %	3 496 031	3 381 357	100,0 %	2 448 385

* 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 personell expenses

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(NOK 1,000)	2010	2009
Salaries	1 644 456	1 400 125
Employer's national insurance contributions	285 902	217 551
Pension expenses	95 373	91 370
Other personnel expenses	85 491	51 984
Total	2 111 221	1 761 030
Average number of man-years	4 442	3 488

Pensions

Visma has contribution-based schemes in Denmark, Finland, Sweden and Norway. The company is 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 2 036 originating from acquired entities. Expenses related to the contribution plan were TNOK 95 373 in 2010 and 91 370 in 2009

Note 4

Goodwill and other intangible assets

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(NOK 1,000)	Trademark 1)	Technology 1)	Purchased rights 1)	Internally generated and acquired intangible assets	Contracts & Customer relationships 1)	Goodwill 1)
Cost as at 1 January 2010, net of accumulated amortisation	3 434	85 950	170 600	36 719	185 005	1 966 677
Acquisitions	0	0	101 785	36 858	381 692	664 038
Additions	0	0	0	23 179	0	0
Disposal	0	0	0	0	0	0
Amortisation	(397)	(10 759)	(44 706)	(11 742)	(70 526)	0
Exchange adjustments	(198)	(4 934)	1 092	0	1 179	(18 916)
Balance at 31 December 2010	2 839	70 258	228 772	85 014	497 350	2 611 798
Carrying amount at 1 January 2010						
Cost	5 076	131 471	314 344	47 431	464 540	2 097 880
Accumulated amortisation and impairment	(1 642)	(45 520)	(143 744)	(10 712)	(279 535)	(131 203)
Carrying amount at 1 January 2010	3 434	85 950	170 600	36 719	185 005	1 966 677
Carrying amount at 31 December 2010						
Cost	4 878	126 537	417 221	107 468	847 411	2 743 002
Accumulated amortisation and impairment	(2 039)	(56 279)	(188 449)	(22 454)	(350 061)	(131 203)
Carrying amount at 31 December 2010	2 839	70 258	228 772	85 014	497 350	2 611 798

1) Purchased as part of business combinations

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)	Purchased rights 1)	Internally generated and acquired intangible assets	Contracts & Customer relationships 1)	Goodwill 1)
Minorities, Visma Services Denmark A/B,Dk	2010			-	18 932
Tietokate OY,Fi	2010			9 147	4 570
Visma OPIC AB,S	2010		9 119	21 481	46 073
Kollektor AS,N	2010			2 519	7 224
Talous- ja Verotaito Profit OY,Fi	2010			-	3 758
Invoicia Norge AS,N	2010	48 424		12 256	19 939
Visma Severa Oy,Fi	2010			13 836	23 105
Visma Pharma Solutions AB,S	2010	117	9 321	-	44
Sirius IT A/S,DK	2010	22 984	12 211	41 544	135 445
Sirius IT AS,N	2010	3 189		49 218	133 666
Svenska ITSIRIUS AB,S	2010	7 540		73 544	148 334
Gestor AS,N	2010			-	233
Kommuninfo i Sverige AB	2010		718	10 376	6 436
Allego AB, group, S	2010			22 638	14 948
DBS Business Solutions B.V. group ,Nl	2010	19 531	5 489	79 688	58 816
Økonomipartner AS,N	2010			16 280	13 978
Vestrum & Ydse AS,N	2010			6 520	6 172
Visma Services Teemuaho Yhtiöt Oy,Fi *	2010			-	9 744
Visma Services Kolding A/S,DK	2010			-	-210
Visma BPO	2010			22 645	12 938
Non-controlling interests, other companies	2010			0	392
Disposals	2010			0	-500
Total		101 785	36 858	381 692	664 038

For further comments on acquisitions, please see Note 1.

(NOK 1,000)	Trademark 1)	Technology 1)	Purchased rights 1)	Internally generated and acquired intangible assets	Contracts & Customer relationships 1)	Goodwill 1)
Balance 1 January 2009	4 629	117 209	115 170	26 969	246 313	2 016 735
Acquisition of subsidiary	0	0	109 046	0	36 013	123 514
Additions	0	0	0	16 606	0	0
Amortisation	(492)	(13 483)	(40 003)	(6 857)	(67 600)	0
Exchange adjustments	(704)	(17 776)	(13 612)	0	(29 720)	(173 572)
At 31 December 2009	3 434	85 950	170 600	36 719	185 005	1 966 677
Carrying amount at 1 January 2009						
Cost	5 780	149 247	218 910	30 825	458 247	2 147 938
Accumulated amortisation and impairment	(1 151)	(32 037)	(103 741)	(3 855)	(211 935)	(131 203)
Carrying amount at 1 January 2009	4 629	117 209	115 170	26 969	246 313	2 016 735
Carrying amount at 31 December 2009						
Cost	5 076	131 471	314 344	47 431	464 540	2 097 880
Accumulated amortisation and impairment	(1 642)	(45 520)	(143 744)	(10 712)	(279 535)	(131 203)
Carrying amount at 31 December 2009	3 434	85 950	170 600	36 719	185 005	1 966 677

1) Purchased as part of business combinations

	2010	2009
The Group has incurred the following software research and development expenses	307 299	285 052

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

(NOK 1,000)	Machinery and equipment	Property**	Total
At 1 January 2010	88 203	27 439	115 642
Investment	44 527	0	44 527
Investment from acquisition of subsidiary	21 647	2 685	24 332
Depreciation for the year	(43 310)	(1 008)	(44 318)
At 31 December 2010	111 067	29 116	140 183
At 1 January 2010			
Cost	397 517	30 504	428 021
Accum. depreciation	(311 007)	(1 372)	(312 379)
At 1 January 2010	88 203	27 439	115 642
At 31 December 2010			
Cost	463 691	33 189	496 881
Accum. depreciation	(354 318)	(2 380)	(356 698)
At 31 December 2010	111 067	29 116	140 183
Depreciation rates (straight line method)	10-33.33%	0 - 4%	

(NOK 1,000)	Machinery and equipment	Property**	Total
At 1 January 2009	85 181	24 468	109 650
Investment	38 431	5 347	43 778
Investment from acquisition of subsidiary	1 235	0	1 235
Depreciation for the year	(38 337)	(684)	(39 021)
At 31 December 2009	88 203	27 439	115 642
At 1 January 2009			
Cost	357 852	25 157	383 008
Accum. depreciation	(272 670)	(688)	(273 359)
At 31 December 2009	85 181	24 468	109 650
At 31 December 2009			
Cost	397 517	30 504	428 021
Accum. depreciation	(311 007)	(1 372)	(312 379)
At 31 December 2009	88 203	27 439	115 642
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

(NOK 1,000)	2010	2009
Accounts receivables	652 335	439 027
Provision for bad debt	-11 240	-8 867
Accounts receivables	641 095	430 159

On a consolidated basis the provision for bad debts at 31.12.2010 is NOK 11.240.000 while at 31.12.2009 it was NOK 8.867.000

Changes in provisions for bad debts

	2010	2009
Provisions for bad debts 1 January	8 867	13 407
Effect from (disposals) and acquisitions of business	997	1 514
Bad debts recognised as expense (expense reduction)	1 878	(5 078)
Recovered amounts previously written off	(503)	(976)
Provisions for bad debts 31 December	11 240	8 867

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	Provisions	Total
Trade receivables 2010	553 853	59 378	20 081	7 016	12 006	652 335	-11 240	641 095
Trade receivables 2009	375 563	39 790	9 624	7 268	6 782	439 027	-8 867	430 159

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 9.605 (TNOK 5.425 in 2009). 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

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Other current receivables

(NOK 1,000)	2010	2009
Prepaid expenses	41 106	29 403
Other short term receivables	50 248	39 977
Prepaid taxes	230	0
Revenues recognized not invoiced / work in progress	47 536	19 356
Total other short term receivables	139 120	88 736

Other long term receivables

The parent company of Visma AS, Engel Holding AS' draw in the cash-pool facility amounts to TNOK 93 661. Archangel AS' deposit in the cash pool amounts to TNOK 17 114.

The ultimate parent company of Visma AS, Chamuel Topco AS', is not a part in the the cash-pool facility.

Note 8

Other operating expenses

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(NOK 1,000)	2010	2009
Rent	179 932	162 940
Other office expenses	114 662	100 779
Telephone, postage	45 300	33 575
Travel expenses	56 497	46 541
Vehicles and transport	15 051	14 346
Leasing expenses	4 556	7 002
Sales and marketing	83 404	67 000
Audit, lawyers' fees and other consulting services	114 237	66 887
Bad debts	8 827	13 461
Total other operating expenses	622 466	512 531

Note 9

Financial income and expenses

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(NOK 1,000)	2010	2009
Financial income includes the following items:		
Dividend/transfer from investments	1 620	1 440
Other interest income	15 583	10 931
Total financial income	17 203	12 371

Financial expenses include:	2010	2009
Interest expense	97 448	82 835
Loss on sale of shares in subsidiaries	0	199
Foreign exchange losses *	1 277	72 384
Other financial expenses **	34 954	8 019
Total financial expenses	133 679	163 438

* 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 includes funding fees expensed in connection with the refinancing of loans.

Note 10

Tax on ordinary profits

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Major components of income tax expense for the years ended 31 December 2010 and 2009 are:

(NOK 1,000)	2010	2009
Tax payable	69 129	59 191
Changes in deferred taxes	66 142	34 704
Income tax expense	135 271	93 895

Below is an explanation of why the tax expense for the year does not make up 28% of the pre-tax profit. 28% is the tax rate of the group parent company Visma AS.

(NOK 1,000)	2010	2009
Ordinary profit before tax	514 324	375 280
28% tax on ordinary profit before tax	144 011	105 078
Permanent differences	(474)	215
Different tax rate in some group companies	(5 429)	(4 714)
Loss (profit) from associated company	520	(2 694)
Dividend received	(454)	(403)
Recognised previous unrecognised tax loss	(2 903)	(3 587)
Tax expense	135 271	93 895
Effective tax rate	26,3 %	25,0 %

Deferred tax and deferred tax assets

	Consolidated statement of financial position		Consolidated income statement	
(NOK 1,000)	2010	2009	2010	2009
Current assets/liabilities	61 385	39 756	(622)	(453)
Fixed assets/long term liabilities	330 834	173 782	79 602	34 604
Losses carried forward	(13 215)	(377)	(12 838)	553
Net deferred tax liability / (asset)	379 005	213 161	66 143	34 704
Recognised deferred tax asset	(36 325)	(27 930)		
Recognised deferred tax liability	415 329	241 091		
Net deferred tax liability / (asset)	379 004	213 161		

Change in deferred tax in the statement of financial position includes deferred tax assets/liabilites related to fair value of FX interest rate swaps, tax effect of group contribution to Engel Holding AS (payable in 2011) and aquisitions of companies that have not been recognized through profit and loss.

Dividend payments to the share holders of Visma AS do neither 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.

Tax authorities has inquired about 6 previous aquisitions in Norway, where these entities had material tax losses of about MNOK 650 carried forward. As at 31.12.2010 no final ruling had been made by the tax authorities. In February 2011, the Norwegian tax-authorities informed Visma that they had closed down all the tax-probes, except one, concerning tax losses carried forward at MNOK 420.In the 2010 accounts, no provisions has been made, as management and the board see these cases as remote and with no final ruling being made by tax authorities.

Note 11

Related party disclosures

The consolidated financial statements include the financial statements of Visma AS and the subsidiaries listed in the following table:

Visma AS	Registered office	Holding % **	Carrying value ***
Visma Danmark Holding A/S *	Copenhagen	100,00%	156 155 250
Visma Finland Holding OY *	Helsinki	100,00%	276 977 512
Visma Nederland Holding BV *	Amsterdam	100,00%	115 524 635
Visma Norge Holding AS *	Oslo	100,00%	423 060 588
Visma Sverige Holding AB *	Växjö	100,00%	6 080 187
Total (NOK)			977 798 172

Visma Norge Holding AS	Registered office	Holding % **	Carrying value ***
Adeasy AS	Oslo	100,00%	1 562 046
Gestor AS	Oslo	100,00%	350 000
Kollektor AS	Limingen	50,10%	9 500 000
Vestrum & Ydse AS	Larvik	100,00%	10 867 055
Visma Advantage AS *	Oslo	100,00%	57 901 519
Visma AjourIt AS	Oslo	100,00%	1
Visma Avendo AS	Oslo	100,00%	4 554 324
Visma Collectors AS	Trondheim	100,00%	11 584 400
Visma Invoicia AS *	Oslo	100,00%	38 411 278
Visma IT AS	Oslo	100,00%	26 326 991
Visma KioNor Anbudsservice AS	Narvik	51,00%	6 213 994
Visma Personell AS	Oslo	100,00%	14 314 587
Visma Retail AS *	Barkåker	100,00%	301 878 169
Visma Services Norge AS *	Bergen	100,00%	123 351 093
Visma Sirius IT AS	Oslo	100,00%	212 663 481
Visma Software AS	Oslo	100,00%	41 738 310
Visma Software International AS *	Oslo	100,00%	106 145 845
Visma Unique AS	Oslo	100,00%	109 568 743
Økonomipartner AS *	Skien	100,00%	27 448 530
Total (NOK)			1 104 380 366

Visma Sverige Holding AB	Registered office	Holding % **	Carrying value ***
Actit Affärssystem AB	Stockholm	100,00%	17 500 000
Allego AB *	Falun	100,00%	40 452 761
Esscom Services AB	Bromman	100,00%	130 817 328
Kommuninfo i Sverige AB	Umeå	100,00%	18 054 794
Rostrum Fastighet AB	Norrtälje	100,00%	13 000 000
Visma Advantage AB	Stockholm	100,00%	30 674 009
Visma Collectors AB	Helsingborg	100,00%	240 386 195
Visma DevTrend AB	Stockholm	100,00%	4 925 000
Visma ITSirius AB	Kista	100,00%	250 966 832
Visma OPIC AB *	Linköping	100,00%	84 292 014
Visma Pharma Solutions AB	Solna	100,00%	16 000 000
Visma Proceedo AB	Stockholm	100,00%	41 561 839
Visma Retail AB	Norrtälje	100,00%	98 765 643
Visma Services AB *	Stockholm	100,00%	102 363 092
Visma Software AB	Malmø	100,00%	103 330 042
Visma SPCS AB	Växjö	100,00%	870 674 345
Total (SEK)			2 063 763 894

Visma Danmark Holding A/S	Registered office	Holding % **	Carrying value ***
Visma Avendo A/S,DK	Copenhagen	100,00%	8 000 000
Visma Collectors A/S	Copenhagen	100,00%	8 420 000
Visma Retail A/S	Copenhagen	100,00%	3 500 000
Visma Services Danmark A/S *	Copenhagen	100,00%	105 272 500
Visma Sirius IT A/S	Hellerup	100,00%	91 713 963
Visma Software A/S	Copenhagen	100,00%	45 000 000
Total (DKK)			261 906 463

Visma Finland Holding OY	Registered office	Holding % **	Carrying value ***
OY Visma Services Infocon AB *	Helsinki	100,00%	13 923 556
Visma Avendo OY	Espo	100,00%	400 000
Visma Services Teemuaho Yhtiöt OY *	Lappeenranta	100,00%	20 978 477
Visma Severa OY	Espoo	100,00%	9 203 010
Visma Software OY	Espoo	100,00%	25 692 073
Total (EUR)			70 197 116

Visma Nederland Holding BV	Registered office	Holding % **	Carrying value ***
AccountView BV	Amsterdam	100,00%	76 965 855
DBS Business Solutions B.V.	Amersfoort	100,00%	17 973 792
DBS Distributie B.V.	Amersfoort	100,00%	73 610
DBS Business Solutions International Ltd.	Cork, Ireland	100,00%	1 547 750
Total (EUR)			96 561 007

* Parent company in subgroup

** For all Group companies, the holding is equal to the proportion of voting capital.

*** Carrying 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	1 356	2 618	0	377	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 Engel Holding AS.
Reference is made to Note 7 note for information about draw/deposits in the cash pool for Engel Holding AS and Archangel AS.

Visma ITSirius Pharma Solutions AB, the joint venture between Visma and Sirius IT, became a fully owned subsidiary in 2010 as Visma acquired all shares in Sirius IT group.

The ultimate parent

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

Terms and conditions of transactions with related parties.

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 2010, 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

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The consolidated accounts include cash and bank deposits of TNOK 1 007 192 (TNOK 642 147 in 2009). Of this, restricted cash amounts to TNOK 120 023 (TNOK 109 511 in 2009), whereof TNOK 70 477 relates to guarantee liabilities.

Group account facilities

In the nordic countries, Visma has a group facility with Fokus Bank, in which all units participate. The group account facility has been established to promote optimal cash flow management. In the agreement with Fokus 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

Loans were entered by Engel Holding AS due to acquisition of Visma AS in 2006. Loans in Visma AS, Engel Holding AS and Archangel AS was refinanced and replaced with new loan agreements with DNB Nor and Danske bank as lead banks in December 2010. Together with Danske bank, DNB Nor committed to underwrite MNOK 5.200. The refinancing benefits Visma with adjusted pricing and 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. There were no breach of these covenants in 2010, and the group is expected to pass all covenant-hurdles in the future.

(Amounts in 1,000)	Interest*	Interest margin	Interest		Interest accrued	Nominal value 31.12.2010	2011	2012	2013	2014	Due in 2015
Senior, Visma Sverige Holding AB	1,71%	1,75%	3,46%	SEK	3 582	1 333 000	0	0	0	0	1 333 000
Senior, Visma Danmark Holding A/S	1,23%	1,75%	2,98%	DKK	500	216 000	0	0	0	0	216 000
Senior, Visma Nederland Holding BV	1,03%	1,75%	2,78%	EUR	132	61 000	0	0	0	0	61 000
Senior, Visma Finland Holding OY	1,03%	1,75%	2,78%	EUR	84	39 000	0	0	0	0	39 000
Senior, Visma Norge Holding AS	2,51%	1,75%	4,26%	NOK	1 418	428 000	0	0	0	0	428 000
Senior, Visma AS	2,51%	1,75%	4,26%	NOK	497	150 000	0	0	0	0	150 000
Revolving credit fac., Visma AS	2,51%	1,75%	4,26%	NOK	0	0	0	0	0	0	0
Interest swap, Visma Sverige Holding AB				SEK	1 481						
Interest swap, Visma Danmark Holding A/S				DKK	109						
Interest swap, Visma Danmark Holding A/S				DKK	740						
Interest swap, Visma Finland Holding OY				EUR	32						
Interest swap, Visma Nederland Holding BV				EUR	180						
Interest swap, Visma Nederland Holding BV				EUR	33						
Total Visma group translated to NOK				NOK	11 343	2 746 261	0	0	0	0	2 746 261
Expected interests to be payed				NOK			119 000	156 000	152 000	148 000	184 000

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

Reference is made to Note 20 for information about termination date and interest rate on interest swap agreements.

Average effective interest rate on financial instruments	2010	2009
Interest bearing deposits	1,89%	1,68%
Revolving credit facility	3,36%	4,56%
Loan secured by mortgage	4,39%	4,43%

Acquisition financing Visma AS	
Acquisition financing national holding companies	2 746 261
Financing cost	-89 975
Other none interest bearing long term borrowings	49 568
Total	2 705 854

The unused portion of revolving credit facilities amounted to MNOK 200.
Visma has an agreement with the bank consortium of an uncomitted acquisition facility that amounts to MNOK 700.
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

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(NOK 1,000)	Financial hedging instruments	Exchange differences on translation of foreign operations	Other changes	Total other reserves
As at 1 January 2009	-33 019	-4 503	51 713	14 191
Changes in 2009	-4 321	46 869	-0	42 548
At 31 December 2009	-37 339	42 366	51 712	56 739
Changes in 2010	7 658	-59 494	0	-51 837
At 31 December 2010	-29 682	-17 128	51 712	4 902

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

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.

Financial hedging instruments

This includes fair value changes of interest swap contracts (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.

Note 14

Share capital and shareholder issues

At 31.12.2010, 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 2010

Shareholders at 31.12.2010	Holding (%)
Engel Holding AS	100,00%
Total	100,00%

Note 15

Shares owned by the Board and Executive employees

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

	Holding
Board of Directors:	0,03%
Executive employees	
Øystein Moan (CEO)	0,87%
Tore Bjerkan (CFO)	0,36%
Bjørn A.Ingier (Division Director, Software)	0,31%
Peter Lauring (Division Director, BPO Accounting & Payroll)	0,26%
Eivind Gundersen (Division Director, Commerce Solutions)	0,06%
Peter Fisher (Division Director, Retail)	0,05%
Kim Winther Jensen (Division Director, Projects & Consulting)	0,05%
Total	1,98%

Chamuel Topco AS

Shareholder/Nominee	Ordinary A-shares	Preference B-shares	Total # Shares	%
KKR funds	41 766 624	5 653 924 798	5 695 691 422	77,7%
Hg Capital	9 434 819	1 290 565 180	1 299 999 999	17,7%
VMIN 2 AS	3 899 058	172 829 807	176 728 865	2,4%
VMIN AS	888 447	26 008 148	26 896 595	0,4%
Other management	5 235 518	127 588 067	132 823 585	1,8%
Total	61 224 466	7 270 916 000	7 332 140 466	100,0%

Only ordinary A-shares have voting rights

Note 16

Compensation of key management presonell of the Group

(NOK 1,000)	2010	2009
CEO salary and other remuneration		
Salaries and benefits in kind	4 807	3 799
Bonus	6 000	5 000
Other	293	304
Total remuneration	11 100	9 103

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 54.326 in 2010.

(NOK 1,000)	2010	2009
Remuneration to the management		
(does not include CEO)		
Salaries and benefits in kind	11 043	8 120
Bonus	6 300	5 810
Other	1 485	824
Total remuneration	18 829	14 754

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 2010 to TNOK 285 compared to TNOK 94 in 2009.

Remuneration to the board of directors

The Board will propose to the general meeting that the Board's remuneration for 2010 is set at TNOK 550 (TNOK 600), allocated with TNOK 325 to the former chairman of the Board and TNOK 225 to the new chairman of the Board.

Remuneration to the Auditors				2010				2009
(NOK 1,000)	Visma AS	Other Group companies	Other Auditors	Total	Visma AS	Other Group companies	Other Auditors	Total
Audit services	504	5 064	579	6 147	492	4 249	175	4 916
Other attestation services	28	0	0	28	18	97	47	162
Tax services	231	774	0	1 005	244	531	0	774
Other services	233	3 797	3 211	7 241	1 036	568	0	1 604
Total	996	9 635	3 790	14 421	1 790	5 445	222	7 456

All fees are exclusive of VAT

Note 17

Secured bebt and guarantee liabilities

Debtor	Actual guarantee debtor	Creditor	Type of guarantee		Guarantee limit
Visma Norge Holding AS	Visma Norge Holding AS	Rein Eiendom AS	lease of premises	TNOK	68 136
Visma Norge Holding AS	Visma Collectors AS	Kjeldsberg Sluppen ANS	lease of premises	TNOK	2 071
Visma Norge Holding AS	Visma Retail AS	Fekjan 13 AS	lease of premises	TNOK	257
Visma Collectors A/S, Dk	Nordea Bank, Dk	Rigspolitiet	collection services	TDKK	1 000
Visma AS	Visma Software OY, Fi	Diverse rentals of premises	lease of premises	TEUR	138
Total guarantees				TNOK	72 590

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.

Bank accounts

The group's top level accounts in the cash pool system in Danske Bank, are pledged as security.

Account receivables

Pledges on account receivables are established in most countries

Operating assets

Pledges on operating assets are established in most Norwegian companies.

Note 18

Commitments

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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

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

(NOK 1,000)	2010	2009
Within one year	48 733	40 735
After one year but no more than five years	146 199	122 205
More than five years	0	0

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 5 years. In December 2006 a 10 year lease contract for a new headquarters in Oslo was signed, starting second quarter 2009. Due to delays, Visma has decided to enter another agreement and to sublease/transfer the contract of December 2006. The new lease contract for the headquarters in Oslo was signed in December 2007, starting second quarter 2011 for a period of 10 years, with an option of further 5 years.Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

As of 31.12.2010, 2090 square meters of the contracted lease area in Bjørvika is subleased at a yearly value of MNOK 4.8. In addition 2096 square meters in the headquarter in Skøyen is subleased, at a yearly value of MNOK 6.5.

(NOK 1,000)	2010	2009
Within one year	194 932	162 940
After one year but no more than four years	629 795	563 820
More than five years	455 000	440 000

Total lease expenses in 2010 amounted to TNOK 184 488

Note 19

Information on calculation of earnings per share

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The calculation is based on the following information:

	2010	2009
Majority's share of the Group's profit/loss for the year (NOK 1,000)	374 405	275 370
Time-weighted average number of shares 31 December	1,00	1,00
Earnings per share (NOK)	374 405 004	275 370 185
Effect of dilution:		
Share options	-	-
Time-weighted average number of shares 31.12 including options	1,00	1,00
Diluted earnings per share (NOK)	374 405 004	275 370 185

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

Market and technology risks

As all companies, Visma is exposed to general economical fluctuations and GDP developments in the five 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 240,000 customers in five 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 2010, the group entered into interest rate contracts covering 58% 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.

(NOK 1,000)	Fixed interest		Nominal value	Market to market adjustment (NOK) *
Visma Sverige Holding AB , from 03.12.10 to 03.12.15	3,82%	SEK	900 000	-25 761
Visma Danmark Holding A/S , from 06.12.10 to 05.12.15	2,79%	DKK	100 000	-514
Visma Danmark Holding A/S , from 05.09.08 to 05.03.13	4,55%	DKK	75 000	-4 443
Visma Finland Holding OY, from 06.12.10 to 05.12.15	2,51%	EUR	31 000	-1 003
Visma Nederland Holding BV, from 05.09.08 to 05.03.13	4,42%	EUR	17 040	-8 088
Visma Nederland Holding BV , from 06.12.10 to 05.12.15	2,51%	EUR	32 000	-1 035
Visma Danmark Holding A/S , from 05.03.13 to 05.12.15	3,41%	DKK	75 000	-147
Visma Nederland Holding BV , from 05.03.13 to 05.12.15	3,16%	DKK	17 000	-235
				-41 225

* Fair value adjustment as market to market value at year end 2010, for the remaining life of the contracts.

The following table shows the Group's sensitivity for fluctuations in interest rates. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to float interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 31 December 2010.

	Adjustments in interest rate level in basis points	Effect on profit before tax (NOK 1000)
2010	± 100	± -1467
2009	± 100	± -4785

Based on the present financial instruments, a 1% increase in interest rate will result in a reduced profit before tax of TNOK 1 467 (2009: TNOK -4 785). The impact on the Group's equity would be affected by the tax rate of the group, and the effect of a new market to market value on the interest swap contracts.

The average interest rate on financial instruments (including interest swap agreements) was as follows:	2010	2009
Overdraft facility	3,36%	4,56%
Loans secured by collateral	4,39%	4,43%

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 (reference is made to Note 12 for presentation of unused portions of the credit facilities).

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 EURO), 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
2010	± 5 %	± 17358
2009	± 5 %	± 14220

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.

	2010	2009
Interest-bearing debt	2 746 261	1 831 771
Less cash and cash equivalents	1 007 192	642 147
Net debt	1 739 070	1 189 625
Majority's equity	1 160 402	952 713
Total equity and net debt	2 899 472	2 142 338
Debt ratio	60%	56%

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.

	2010		2009	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	1 007 192	1 007 192	642 147	642 147
Trade receivables	641 095	641 095	430 159	430 159
Available-for-sale investments	12 531	12 531	14 197	14 197
Other non-current assets	89 109	89 109	201 148	201 148
Financial liabilities				
Revolving credit facility	0	0	100 000	100 000
Trade and other payables	146 882	146 882	114 659	114 659
Financial hedging instruments	41 225	41 225	51 860	51 860
Interest-bearing loans and borrowings:				
Bank loans	2 746 261	2 746 261	1 831 771	1 831 771

Fair value hierarchy

As at 31 December 2010, the Group held the following financial instruments measured at fair value:

	31 Dec. 2010	Level 1	Level 2	Level 3
Assets measured at fair value				
Available-for-sale investments	12 531			12 531
Liabilities measured at fair value				
Financial hedging instruments	41 225		41 225	

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

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(NOK 1,000)	Registered office	Holding %	Fair value 01.01.2010 IFRS	Additions and reductions	Fair value adjustments	2010
Shares unlisted						
Shares held by Visma Retail AS			5 478	958	0	6 436
Others			8 718	(2 624)	0	6 094
Total			14 197	(1 666)	0	12 531

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

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OTHER CURRENT LIABILITIES

	2010	2009
Deferred revenue	422 552	282 138
Accrued interests	11 343	22 406
Deferred payment	58 801	80 332
Other short-term liabilities	381 132	245 153
Total other current liabilities	873 827	630 029

SHORTTERM INTEREST BEARING DEBT

	2010	2009
Revolving credit facility	0	100 000
Total	0	100 000

Ref. note 17 for security to guarantee short term debt

Note 23

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to 5 cash generating units for impairment testing as follows:

1 Software division
2 BPO Accounting & Payroll division
3 Commerce Solutions division
4 Retail division
5 Projects & Consulting division

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. To calculate this, cash flow projections are based on financial budgets and long-term projections approved by senior management covering a five-year period (2011-2015). The cash flow projection is based on budget for 2011 and long-term projections for the years 2012-2015. Budget is based on historical performance adjusted for the expected improvements. The long-term projection assumes a 3% growth on revenue for the whole period, a 0.5% increase in EBITDA-margins for the years 2012-2014 and EBITDA margins kept unchanged for the period after 2014. Management expects the Group's share of the market to be stable over the budget period. The discount rate applied to cash flow is 7.1 % (2010: 9 %) and cash flows beyond the 5-year period are extrapolated using a 0 % growth rate (2010: 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)	2010	2009
Software division	974 019	899 459
BPO Accounting & Payroll division	587 564	516 577
Commerce Solutions division	249 398	178 243
Retail division	380 206	372 399
Projects & Consulting division	420 611	0
Total	2 611 798	1 966 677

The recoverable amounts for the different cash generating units are higher than the carrying amounts and no impairment loss is recognised in 2010. 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 and joint ventures

CONSOLIDATED
(NOK 1,000)

Investments in associates and joint ventures 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 31.12.2009	Investments and reductions	Net profit (loss) 2010 *	Carrying amount 31.12.2010	Fair value
SuperInvest AS - Group	Norway	22,2 %	72 076		3 631	75 706	75 706
Totalt			72 076		3 631	75 706	75 706

* Adjusted for changes in the company's earnings in 2009, occurred after the presentation of Visma's consolidated financial statements.

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 *	743 752	402 151	341 602	330 466	18 046
Totalt	743 752	402 151	341 602	330 466	18 046

* Unaudited numbers 2010

Acquisition of additional interest in Visma ITSirius Pharma Solutions AB

In July 2010, the Group acquired the remaining 50% interest of the voting shares of Visma ITSirius Pharma Solutions AB, increasing its ownership interest to 100%. A consideration of MNOK 2.4 was paid for the 50% interest. The carrying value of the net assets of Visma ITSirius Pharma Solutions AB at the acquisition date was MNOK 4.8 and the carrying value of the additional interest acquired was MNOK 2.4. No difference between the consideration and the carrying value of the interest acquired has been recognised in the income statement.

Visma ITSirius Pharma Solutions AB was established as a joint venture between Visma Sverige Holding AB and Svenska ITSIRIUS AB in 2009. The company was established due to liberalization of the pharmacies market in Sweden, where Svenska ITSIRIUS AB has market competence within the pharmacies market, and Visma has competence within point-of-sales and retail solutions.

Visma AS has the following interests in joint ventures:

Entity	Country	Ownership interest	Carrying amount 31.12.2009	Investments and reductions	Net profit (loss) 2010	Carrying amount 31.12.2010	Fair value
Visma ITSirius Pharma Solutions AB	Sweden		3 126	2 360	-5 487	0	0
Totalt			3 126		-5 487	0	0

Parent Company Annual Accounts

Content

Profit and Loss Statement

1 January – 31 December

VISMA AS (NOK 1,000)	Note	NGAAP 2010	NGAAP 2009
Operating revenue			
Other revenue	1	19 634	0
Total operating revenue		19 634	0
Operating expenses			
Payroll and personnel expenses	3,16	33 561	27 592
Depreciation and amortisation expenses		168	101
Other operating expenses	8,16	16 946	6 720
Total operating expenses		50 675	34 412
Operating profit		(31 041)	(34 412)
Financial items			
Financial income	9	332 518	302 415
Financial expenses	9	(72 625)	(100 976)
Net financial items		259 893	201 439
Profit before taxes		228 852	167 027
Taxes	10	64 090	46 773
Profit for the year		164 762	120 254
Transfers and allocations			
Transferred to / (from) retained earnings		164 762	120 254
Total transfers and allocations	12	164 762	120 254
Group contribution paid (net after tax)		181 952	125 229

Balance Sheet

31 December

VISMA AS			
		NGAAP	NGAAP
(NOK 1,000)	Note	2010	2009
ASSETS			
Tangible fixed assets			
Property	5	13 676	13 676
Machinery and equipment		250	388
Total tangible fixed assets		13 926	14 064
Financial assets			
Shares in subsidiaries	11	977 798	853 284
Investment in associated companies		62 000	62 000
Long-term receivables in Group companies		0	324 285
Total financial fixed assets		1 039 798	1 239 569
Total non-current assets		1 053 725	1 253 633
Current assets			
Receivables		467	1 402
Inter-company receivables		407 711	275 384
Total receivables		408 178	276 786
Cash and cash equivalents	12	11 445	744
Total current assets		419 623	277 529
TOTAL ASSETS		1 473 348	1 531 163

Balance Sheet

31 December

VISMA AS

(NOK 1,000)		NGAAP 2010	NGAAP 2009
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Paid-in capital			
Share capital		165 000	165 000
Total paid-in capital	12	165 000	165 000
Retained earnings			
Retained earnings		718 194	725 528
Total equity	12	883 195	890 529
Non-current liabilities			
Deferred tax liability	10	2 910	6 138
Other long-term interest bearing loans and borrowings	12	139 298	327 770
Total non-current liabilities	12	142 208	333 908
Current liabilities			
Short-term bank loans		175 950	113 592
Short term liabilities to group companies		252 711	173 929
Trade creditors		877	186
Public duties payable		617	662
Other current liabilities		17 790	18 357
Total current liabilities		447 945	306 726
Total liabilities		590 153	640 634
TOTAL EQUITY AND LIABILITIES		1 473 348	1 531 163
Secured liabilities and guarantees	17		

Oslo, 24 March 2011

Gunnar Bjørkavåg
Chairman of the Board

Jacques Garaïalde
Director

Nic Humphries
Director

Jan Pieter Dekker
Director

Mateusz M. Szeszkowski
Director

Stanislas De Joussineau
Director

Herald Y. Chen
Director

Øystein Moan
CEO

Cash Flow Statement

1 January – 31 December

VISMA AS (NOK 1,000)	NGAAP 2010	NGAAP 2009
Ordinary profit / loss before tax	228 852	167 027
Depreciation and amortisation expenses	168	101
Cash flow from operations	229 020	167 128
Changes in debtors	(691)	231
Change in other accruals	(132 706)	312 724
Net cash flow from operations	95 623	480 082
Investment in tangible fixed assets	(30)	(5 190)
Sale of (investment in) businesses	(123 508)	(181 124)
Net cash flow from investments	(123 538)	(186 314)
Change in long-term liabilities	(188 472)	(160 000)
Change in long-term receivables	324 285	(133 018)
Change in revolving credit facility	62 359	(82 223)
Net cash flow from share issues	0	157 122
Payment of dividend/group contribution	(159 555)	(75 380)
Net cash flow from financing activities	38 617	(293 499)
Net cash flow for the year	10 701	269
Cash and cash equivalents 1.1	744	474
Net foreign exchange difference	0	0
Cash and cash equivalents 31.12	11 445	744

Accounting Principles

The annual accounts for Visma AS are prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles

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 other distributions 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.

PENSIONS

The company has pension schemes where the company's commitment is to contribute to the individual employee's pension schemes (contribution plans)

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 percent 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

Revenues

VISMA AS

Revenues of TNOK 19 634 relates to management services provided by Visma AS to the group companies.

Note 3

Payroll and personnel expenses

VISMA AS

(NOK 1,000)	2010	2009
Salaries	28 041	23 199
Employer's national insurance contributions	4 313	2 961
Pension expenses	394	294
Other personnel expenses	813	1 138
Total	33 561	27 592
Average number of man-years	10	7

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

Note 8

Other operating expenses

VISMA AS

(NOK 1,000)	2010	2009
Rent	2 608	1 783
Other office expenses	713	154
Telephone, postage	211	146
Travel expenses	886	542
Vehicles and transport	805	699
Leasing expenses	0	4
Sales and marketing	6 858	905
Audit, lawyers' fees and other consulting services	4 864	2 486
Total other operating expenses	16 946	6 720

Note 9

Financial income and expenses

VISMA AS

(NOK 1,000)	2010	2009
Financial income includes the following items:		
Other interest income	16 102	22 010
Group contribution	316 416	280 405
Total financial income	332 518	302 415

Financial expenses include:		
Interest expense	36 692	21 571
Foreign exchange losses	1 277	72 384
Other financial expenses	34 656	7 020
Total financial expenses	72 625	100 976

Note 10

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)	2010	2009
Tax payable	0	0
Changes in deferred taxes	(3 228)	(1 927)
Effect of Group contribution	67 318	48 700
Income tax expense	64 090	46 773

Summary of temporary differences making up the basis for the deferred asset/deferred tax liability

(NOK 1,000)	2010	2009
Current assets/liabilities	(309)	(309)
Fixed assets/long term liabilities	10 702	22 230
Net temporary differences	10 393	21 921
Net deferred tax liability / (asset)	2 910	6 138

Visma AS's tax payable for the year has been computed as follows:

(NOK 1,000)	2010	2009
Ordinary profit before tax	228 852	167 027
Permanent differences	40	19
Change in temporary differences	11 528	6 883
Net group contribution received / (paid)	(240 420)	(173 929)
Taxable profit	0	0

Explanation of why the tax expense for the year does not make up 28% of the pre-tax profit

(NOK 1,000)	2010	2009
Ordinary profit before tax	228 852	167 027
28% tax on ordinary profit before tax	64 079	46 768
Permanent differences	11	5
Tax expense	64 090	46 773

Note 12

Movement in equity

VISMA AS

(NOK 1,000)	Paid-in share capital	Share premium reserve	Retained earnings	Total equity
Equity as at 01.01.2010	165 000	0	725 528	890 529
Profit (loss) for the period			164 762	164 762
Group contribution			(172 096)	(172 096)
Equity as at 31.12.2010	165 000	0	718 194	883 195

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.

ERNST & YOUNG

Statsautoriserte revisorer
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Medlemmer av Den norske Revisorforening

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 balance sheet as at 31 December 2010, the statements of income and cash flows for the year then ended as well as 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 2010, the statements of income and 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 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 of 31 December 2010 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 of 31 December 2010 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards on Accounting 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 properly record and document the Company's accounting information as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 11 April 2011
ERNST & YOUNG AS

Vegard Stevning
State Authorised Public Accountant (Norway)

The future is Corporate it all comes down to Governance

Visma's is committed to good corporate governance practices that will strengthen the confidence in the company and thereby contribute to long-term value creation to the benefit of shareholders, employees and other stakeholders. The objective of corporate governance is to regulate the division of roles between shareholders, the Board of Directors (the Board) and executive personnel more comprehensively than is required by legislation.

Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which this Visma's ethical standards are built. All employees and officers must respect and obey the laws, rules and regulations of the cities, states and countries in which we operate.

The Norwegian Corporate Governance Board (NCGB) has issued the Norwegian Code of Practice for Corporate Governance (the Code). Adherence to the Code is based on the "comply or explain" principle, which means that a company must comply with the recommendations of the Code or explain why it has chosen an alternative approach to specific recommendations.

The Code is principally intended for companies listed at the Oslo Stock Exchange (OSE), and the OSE requires listed companies to publish an annual statement of their policy on corporate governance in accordance with the Code in force at the time.

Where applicable, Visma seeks to comply with the Code of 21 October 2010. The Code can be found at www.ncgb.no.

The main principles for corporate governance in Visma are:

- Visma's Board is independent of the company's management
- Structures are implemented to ensure the separation of roles and to provide the Board with effective measures to execute its functions. Visma's communication with its stakeholders shall be open and reliable both with regards to the development of the company and all issues related to corporate governance.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Implementation

Visma's corporate governance comprises the framework of guidelines and principles used to regulate the division of roles and tasks between the shareholders, the Board and the executive personnel of the Visma Group.

The Board of Visma is responsible for implementation of sound corporate governance in the company. The Board and executive personnel carry out an annual review of the corporate governance in the company.

Visma provides information about corporate governance in the company's annual report and the company's web site at www.visma.com

Corporate values and ethical guidelines

The Board of Visma has defined the company's corporate values and these values are well distributed and known in the Visma group. The values are as follows;

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 competence, and be eager to learn as well as to help colleagues to learn. Ensure that you have great competence in your own products and services combined with a focus on the client's processes.

Team spirit

Share knowledge and resources with others, and help to make it possible for the strengths of your colleagues to be used in the best interests of the company as well. 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 object is to serve to maintain the competitive edge of North European companies and government bodies through automation of administrative processes. By also giving attention and respect to ethical operation and environment in addition to commitment to positive social impact, Visma defines its responsibility as the way the company's business objectives are fulfilled.

Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Each employee and officer should endeavor to respect the rights of and deal fairly with Visma's customers, suppliers, competitors and employees.

Visma continuously develops its operations through innovation in technology and applicable skills. The company's main objective is to provide its customers with the best competence available. As such, responsibility is in Visma intertwined with the company's core purpose of securing and managing the customers' everyday business processes.

In addition, Visma has established policies to secure that managers and employees in all parts of the group work against corruption in all its forms, including extortion and bribery. For further and more detailed information on sustainability, see our statement on sustainability and responsibility.

Visma's code of conduct

Visma's code of conduct shall function as a support for all staff members, and shall provide guidelines for behaviour in relation to the outside world as well as within the organization.The code of conduct also applies to those who take on assignments and thus 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 shall be consistent with the code of conduct. In the cases for which no rules are available, actions and decisions shall fulfil the highest possible standards for ethical conduct.

Visma's code of conduct is well communicated and understood in all entities in the group. All Managing Directors have signed the code to ensure that they have implemented the code in all parts and departments in the Visma companies they manage. All Managers and employees are obliged to report incidents that occur which are not according to the code.

The Visma code of conduct in short:

Complete confidentiality shall be maintained with respect to information about colleagues, clients, and business connections.
Respect shall be shown in all relationships, external as well as internal, based on principles such as equal treatment and diversity.
Situations that might create external or internal conflicts of interest shall be avoided.

Visma cares about diversity in the 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 work context, no form of religious preaching, agitation, or religious provocation is permitted.

Zero tolerance applies to benefits or gifts that could be regarded as improper or could create a sense of obligation to return the favour.

Actions and decisions shall be handled in such a way that they tolerate both external and internal investigation.

Employees, management or their close families must not receive loans or obtain other benefits from clients and suppliers.
Employees or management must not use any knowledge they may obtain about clients' trade secrets or clientele to their own advantage.

Employees or management shall not work with matters or have direct or indirect financial interests, appointments or positions in Visma's business counterparties.

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

2. BUSINESS

Visma's business is clearly defined in the company's Articles of Association section 3; "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, www.visma.com.

Within the scope of Articles of Association, the Board of Directors has in collaboration with the executive personnel developed clear objectives and strategies for its business activities.

Vision

Visma's vision is to lead the field in the automation and integration of business processes. This means that Visma delivers an extensive offering of products and services, which can all contribute to making business processes more effective. Products and services can contribute to automating business processes and linking them together in effective integration. Since organizations 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 leadership in this 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 done directly to end customers and through a large international network of distributors and resellers. An ever-increasing proportion of the deliveries of functionality 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 have earnings that will make Visma an attractive investment.

3. EQUITY AND DIVIDENDS

Equity
Visma grows 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 software and the intellectual assets in an IT company are primarily of value as long as the company is doing well and is financially independent, and Visma therefore needs a higher level of shareholders' equity than companies in more traditional industries.

Visma's equity capital amounted to NOK 1160 million at 31 December 2010, corresponding to an equity ratio of 20.5 percent. 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 hold a capital buffer to maintain its flexibility in terms of investments. The equity level and ratio at the end of 2010 is considered appropriate in relations to the company's objectives, strategy and risk profile both in absolute and relative terms.

Dividend policy
When evaluating dividend payment, the Board emphasizes a stable development, the company's dividend capacity 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
Since 2006 Visma has been a privately held company. During this period, the 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 ordinary General

Meeting.
KKR completed its acquisition of 77.7 percent of the equity in Visma during December 2010. The reminding shares in Visma are held by HgCapital (17.7 percent) and the management (4.6 percent). A total of 230 Visma's managers have invested in equity in parallel with KKR. The widespread investment program was initiated in order to ensure dedication and management stability for the future.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

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

Visma's objective is that all shareholders will have equal rights. Visma has one class of shares, and each share carries one vote at the General Meeting. The shares are freely transferable, and there are no barriers to acquisitions. All shareholders in Visma have equal rights to dividends. All shareholders have equal rights in connection with any capital increases.

Equal treatment
Visma is currently a privately held company, and the shares are thus not traded on any stock exchange. If the company carries out a transaction in its own shares, the company will always strive to ensure equal treatment of all shareholders.

Transactions with close associates
In the event of any not immaterial transactions between Visma and any of its Board members, executive personnel or close associates of any such parties, the Board will arrange for a valuation from an independent third party, unless the transaction is subject to approval by the General Meeting. As a part of the equity-based acquisition in Visma made by KKR in 2010, the management also increased its ownership from 2.4 percent to 5.3 percent, including investments from a total of 230 managers in Visma made in parallel with KKR's acquisition of shares from HgCaptial.

The Board will also arrange for an independent valuation for transactions between companies in the Visma Group if any of the companies have minority shareholders. No such transactions took place in 2010.

5. FREELY NEGOTIABLE SHARES

Visma is currently a privately held company. The company's shares are freely negotiable. No form of restriction has been included in the company's Articles of Association.

6. GENERAL MEETINGS

The shareholders exercise the highest authority in Visma through the General Meeting. The Board of Visma strives to ensure that the General Meetings are effective forums for communication between shareholders and the Board.

The notice calling the General Meeting is distributed to the shareholders and posted on the company's website no later

Discrimination and Harassment

The diversity of Visma's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, national origin or any other protected class.

Health and Safety

Visma strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety and health rules and practices.

than 14 days prior to the meeting, as required by the 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 General Meeting is open to all shareholders and all shares carry equal voting rights. All shareholders can participate in person or through a proxy. There are no limitations on ownership or known shareholders' agreements.

Agenda and conduct of the AGM

The Board decides the agenda for the General Meeting. The main agenda items are determined by the requirements of the Public Limited Liability Companies Act and of the Articles of Association.

7. NOMINATION COMMITTEE

Visma is currently a privately held company and does not have a nomination committee. If the company applies for a public listing, the company will establish the nomination committee before listing. In such a case, it is recommendable that the AGM stipulate guidelines for the duties of the nomination committee.

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

Board of Directors' composition

The Board of Visma reflects that the company is currently privately held and owned by a few foreign shareholders, in addition to key executive personnel. The composition of the Board has been made to cover 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 shall consist of between 3 and 8 members. The Board of Visma currently consists of 7 members, all elected by the shareholders through the General Meeting. None of the Board members are women. The company is seeking to expand the Board with female members. The Board members are elected for a period of 1 year.

The Board has the following members:
Gunnar Bjørkavåg, Chairman of the Board
Nic Humphries
Jan Pieter Dekker
Mateusz M. Szeszowski
Herald Y. Chen
Jacques Garaïalde
Stanislas De Joussineau

Board independence

The composition of the Board should reflect the company's ownership structure. The company's management is not represented in the Board and all the Board members are independent of the executive personnel and material business contacts.

The composition of the Board also ensures that it can operate independently of special interests. Four of the Board members are Managers of KKR and two of the Board members are Managers of HgCapital, the second largest shareholder of the company, while the other Chairman of the Board are independent of the company's main shareholders.

Employee council

Visma strives to have a good relationship of trust and communication between management and employees. To formalize this, a joint employee council has been established where managers and employees at Visma are represented. The objective of an employee council is to provide a platform for information and discussions about issues that are of particular interest for the staff. The employee council is not a decision-making body. The representatives can raise points of view and/or elements that can contribute to improved job satisfaction for employees and efficiency for the company.

Both employee representatives and the employee council shall function as a communication channel for employees and for management when relevant issues should be discussed. The groups do not have a decision-making mandate, but can contribute to ensuring that the best solution is chosen. Issues to be raised should be relevant to all employees in Visma.

CEO

As of 31 December 2010, the CEO of Visma ASA, Øystein Moan, is the Chairman of the Board of the following wholly owned entities in Visma:

Visma Norge Holding AS, Visma Software AS, Visma IT AS,
Visma Advantage AS and Visma Collectors AS
Visma Sverige Holding AB and Visma Collectors 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 the 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 realize the company objectives.

Environmental

Visma expects its employees and officers to follow all applicable environmental laws and regulations.

Financial reporting
The Board receives on monthly basis the complete accounts and balance sheet for the company as well as both divisional and consolidated management reports that describes the details and trends of the past month.

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

Meeting structure
The Board has board meetings every second month. Meetings are held through telephone and video conferences, in order to be efficient and to save travel expenses. In two extended Board meetings per year, the company's strategy is reviewed and discussed.

Board Committees
As of 31 December 2010, Visma AS has Board committees as follows:

Remuneration committee:
Gunnar Bjørkavåg (Chair) Mateusz Michal Szeszkowski, Jacques Raymond Garaialde and Jan Pieter Dekker

Audit committee:
Mateusz Michal Szeszkowski, Stanislas De Joussineau and Jan Pieter Dekker

10. RISK MANAGEMENT AND INTERNAL CONTROL

The risks fall into the following major groups:
- Contractual risks
- Professional mal-practice
- Cash-flow risk
- Risk of general market disruption

To reduce risk in general, Visma is still divided into several legal entities in each country with representation. For each entity there is monthly detailed reporting and monthly Board meetings. The reporting is early on the 5th work-day. The division into many legal entities reduces the contractual risks. Most Visma contracts are quite small and hence the risk is very limited. Still Visma is involved in some very large projects as well. In those cases formal projects with steering-committees are established, and divisional and top management for Visma participates. A large part of Visma is certified according to ISO9001, ISO20000 or ISO27001. While such certification does not remove contractual risks, at least it provides a formal network for managing and limiting risks.

With more than 4400 employees, professional mal-practice may occur. Visma seeks to limit this through thorough processes when hiring people, as well as through training, quality systems and codes of conduct. Even with such measures, professional mal-practice may occur and Visma has liability insurance covering 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 carry any inventory. Visma has rather conservative principles for income recognition, and net cashflow from operation has historically been more than 90 percent of EBITDA. Capital expenditure is normally less than 10 percent of EBITDA. Thus any cash-flow risk is then closely related with EBITDA-performance. As long as Visma has sufficient EBITDA, the cash-flow risk is very limited. Visma manages its cash through multi-currency, real-time cash-management system. This system is under the control of the CFO of Visma, and makes it possible to monitor and control larger movement in cashflow.

As all companies, Visma is exposed to general economical fluctuations and GDP developments in the five different countries where Visma is operating. In addition, Visma as a technology company is exposed to risks associated with dramatic changes in technology. Furthermore, strong competitors may pose a risk. The competition can be divided into large international companies, and smaller local. The strongest international competitors for Visma Software are SAP, Oracle and Microsoft. These companies have been in the market for many years, and Visma is used to compete with them. However, it is a constant struggle to preserve and gain marketshare. There are numerous local competitors to all parts of Visma, but while some of these may be aggressive in certain areas their potential impact on the whole Visma-group is limited.

Visma has tried to limits it's exposure to such market and technology risks in the following manner:

- The products and services provided are to a large degree mandatory and necessary regardless of the economical cycle
- Visma has close to 240.000 customers, many small, in five different countries, in many different verticals. This means less exposure to events that hurts a single vertical or country. With many small customers the projects are simpler and with less implementation risks
- Visma is utilising both Microsoft based technology and Open Source/Java technology
- Visma has a wider range of products and services than it's competitors, hence there is more opportunities for cross-selling, more product with each customer and hence less churn

The system for internal control and risk management is under further development, partly related to the preparations for participating in KKR's green portfolio program. Thus, guidelines for corporate social responsibility are under evaluation and further development.

Confidentiality

Employees and officers must maintain the confidentiality of proprietary information entrusted to them by Visma or its customers or suppliers. The obligation to preserve proprietary information continues even after employment ends.

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

Remuneration of the Board shall 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 for the members of the Board as of 31 December 2010.

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

12. REMUNERATION OF EXECUTIVE PERSONNEL

The Board of Visma has established guidelines for the remuneration of the Executive personnel. The guidelines have been communicated to the General Meeting.

Visma emphasizes being an attractive employer and wishes to attract executive employees with relevant experience. The company will therefore seek to offer competitive compensation packages to its executive personnel.

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

Details regarding compensation to executive personnel are included in notes to the financial statements.

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 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 ensure that the participants in the financial markets receive the same information at the same time. Visma strives to continuously disclose all relevant information to the market in a timely, efficient and a non-discriminatory manner. All news from the company will be available on the company's website, as well as through notices to the press. 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 take-over bid, the Board of Visma's primary responsibility is to maximize 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 can be perceived as a sale of the company's main business will be put forward to the General Meeting.

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

Evaluation of a bid

If a formal bid is made for Visma, the Board will normally seek to attract competing bids. This will not apply if the Board is able to unequivocally recommend a bid received, or if the process of seeking to attract a competing bid would cause a bid already made to be withdrawn or expire.

If a bid is received for the company's shares, the Board will issue a statement evaluating the bid together with a recommendation on whether shareholders should or should not accept the bid. If the Board finds that it is unable to recommend whether or not shareholders should accept the bid, 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 should arrange a 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 subsidiaries in all markets where the company is present. The total 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 in 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 annual general meeting and included in the notes to the financial accounts.

Relationship between Board of Directors and Auditor

The auditor participates in the Board meeting which deals with the financial statements. At the same meeting, the auditor explains his/her view on the company's accounting policies, risk areas, internal control routines and accounting processes.

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