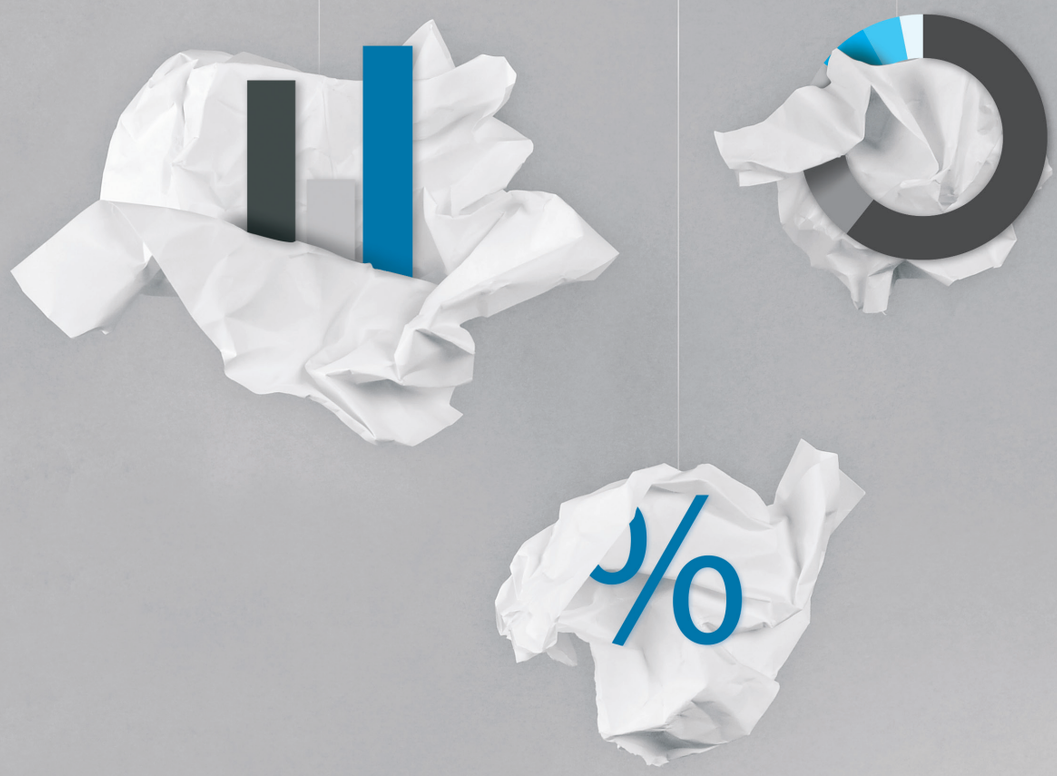


WE WANT ALL OUR CUSTOMERS TO BE

ON CLOUD NINE

ANNUAL REPORT 2013

VISMA

CONTENT

KEY FIGURES

PROFIT BY SEGMENT

Software SMB	58%
BPO	14%
Software GLA	28%

REVENUE BY SEGMENT

Software SMB	40%
BPO	28%
Software GLA	32%

KEY FIGURES

(NOK 1 000)	2013 IFRS	2012 IFRS	2011 IFRS	2010 IFRS	2009 IFRS
Operating revenue	6 452 354	5 748 523	5 141 908	4 167 689	3 381 357
Growth	12%	12%	23%	23%	11%
EBITDA	1 325 145	1 114 343	934 104	815 103	684 179
Profit/(loss) after non-controlling interests	564 207	414 264	307 519	374 405	275 370
Total assets	9 009 628	7 820 090	7 570 315	5 663 295	4 071 409
Current liabilities	2 134 658	1 770 997	1 884 110	1 328 543	1 071 555
Long-term liabilities	4 918 163	4 570 500	4 412 101	3 164 445	2 029 640
Equity	1 956 807	1 478 592	1 274 104	1 170 307	970 213

NUMBER OF EMPLOYEES & REVENUE

2001
Revenue
NOK 831 299

Employees
1 570

2002
Revenue
NOK 1 151 840

Employees
1 570

2003
Revenue
NOK 1 340 364

Employees
1 749

2004
Revenue
NOK 1 665 578

Employees
2 097

2005
Revenue
NOK 1 906 614

Employees
2 347

2006
Revenue
NOK 2 305 616

Employees
2 512

2007
Revenue
NOK 2 723 213

Employees
2 843

2008
Revenue
NOK 3 045 613

Employees
3 092

2009
Revenue
NOK 3 381 357

Employees
3 758

2010
Revenue
NOK 4 167 689

Employees
4 442

2011
Revenue
NOK 5 141 908

Employees
4 501

2012
Revenue
NOK 5 748 523

Employees
5 385

2013
Revenue
NOK 6 452 354

Employees
5 648

PROFITABLE GROWTH - NEW OPPORTUNITIES

2013 was a prosperous year for Visma, with good and profitable growth. Revenues increased by 11.8% and EBITDA grew by 18.9%, while the EBITDA-margin improved from From 19.4% til 20.5%. We saw strong growth in new business areas like SaaS ERP and electronic invoicing. At the same time we continued to strengthen our position through acquisitions. The Nordic market growth was moderate, but steady. All in all we see good reasons to be optimistic about 2014.

2013 ended with considerable optimism in the global equity markets and high activity within mergers and acquisitions. Especially software companies in transition to the SaaS business model seemed to be much in demand. As such, Visma is well positioned. Economies in Northern Europe are in a relatively good shape. In the markets where Visma operates, only the Netherlands seems to be in a negative trend. 2014 will hardly provide sharp economic growth, but still, there will be healthy demand for the products and services provided by Visma. Solutions that contribute to automating administrative processes, improving productivity and reducing expenses will continue to be in demand. The governments in the Nordics increased spending on e-government projects during 2013, a trend which is expected to continue in 2014. Visma's software consulting activities were awarded several large contracts in the second half of 2013 and starts 2014 with a substantial order backlog.

Success in many areas

Visma's SaaS business matured considerably during 2013. SaaS revenues grew 41 per cent to NOK 604 million and accounted for 9,6 per cent of total revenues in 2013. This is driven by the macro-trend for companies to utilise cloud computing and mobility for almost all applications, including ERP, HR and Payroll.

The Visma eAccounting entry-level ERP system passed 14 000 customers by the end of 2013 and the number is expected to double during 2014. Visma.net ERP for larger customers are in live production in Norway, Sweden, Finland and the Netherlands, and Visma introduced the Visma International Payroll, a full SaaS payroll system. Through Netvisor and Severa Visma has a strong position in Finland on ERP-systems. Visma Unique in combination with Visma Consulting was awarded a 10 years contract to develop and host a new administrative school system for the Norwegian high-schools.

Visma BPO saw a major transition as most customers will use Internet to access their accounting reports. Also, they may approve invoices, issue their own invoices, submit travel expense forms and view their pay-slips. Continuing into 2014, Visma BPO will strengthen its position as a cloud-enabled provider for outsourcing services within accounting and payroll. This cloud strategy builds a foundation for more attractive and competitive services.

Visma Retail had strong revenue growth of 19.5 per cent with major wins within their fast-moving consumer goods vertical. Through the acquisition of Instore, Visma Retail now has a field-service operation covering all parts of Sweden and Norway. Retail solutions are mission critical and a dedicated organisation is necessary to provide rapid and competent service.

Considerable growth potential in existing markets

Visma has concentrated its operations to the Nordics and the Dutch market. This priority has made it possible to achieve strong market positions, high brand awareness, operational efficiencies and competitiveness. Visma's ambition is to be the national and regional leader in its product categories, and this is a competitive advantage versus global competitors. Rather than overextending resources, Visma intends to be the strongest and most profitable supplier in the few markets where we operate. There are still multiple growth opportunities. The current market size allows us, at least, to double today's size of Visma.

We need to invest in the future

Investments in product development and innovation are key success factors for Visma. Investments in these areas will continue. Visma has maintained development at high levels throughout 2013, and R&D expenses amounted to approximately 10.8 per cent of revenues. More than half of R&D investments are related to SaaS projects. Visma will continue developing Intellectual Properties based on both Java/Open source and Microsoft .Net.

Visma's mission is to help Northern European companies and government bodies to maintain their competitive edge through automation of administrative processes. In spite of high labour costs and taxes, companies in Northern Europe have achieved world-class productivity through their investments in modern ERP, HRM and CRM solutions.

Off-shoring – a key to success

Visma is competing with larger global and regional companies and we are dependent on our off-shoring capacity. The Nordic cost level combined with sufficient access to competent human resources have been the drivers behind the build-up of our off-shoring activities, which today comprise operations in Romania, Lithuania, Poland, Ireland and Spain. At the end of 2013 we had 450 full time employees on these locations, and the plan is to almost double the size in 2014. Most resources are related to software development and accounting/payroll outsourcing. The offshoring operations are necessary to facilitate development of new SaaS solutions, to win larger consulting contracts and to be able to be competitive on outsourcing business.

New opport unities ahead

There are plenty of reasons to be enthusiastic about 2014. This will probably be a very active year for Visma. The growth in SaaS is expected to continue and Visma will further launch innovative products. We also see several acquisition opportunities. SaaS based software companies will be prioritized target companies.

The economies in which Visma operates are in relatively good shape, and we will act on growth opportunities while simultaneously controlling costs. Customer satisfaction and retention, migration to SaaS and offshoring will continue to be strategic objectives in 2014.

Øystein Moan

CEO
Visma

"THERE ARE PLENTY OF REASONS TO BE ENTHUSIASTIC ABOUT 2014"

TAKING OUR CUSTOMERS TO CLOUD 9

At Visma, we work every day to help our customers reach their potential. We want their organizations to be as efficient and productive as they can be, and we believe that this is best achieved through business automation and cloud technology.

Focus on core business

Despite operating in a benign macro-economic environment, efficiency is more important than ever for businesses in Northern Europe. In a high-cost and highly regulated market, with a shortage of specialized labor, businesses need to level the playing field with robust and efficient business processes. Whoever has the most efficient business and administrative processes will not only cut overheads, but also be in a position to strengthen their core business.

Integration and automation of business processes

Time is a scarce resource for every business and organization. Still, many waste it performing tedious, repetitive tasks manually, or persist with dated, disconnected systems forcing them to key in the same data numerous times.

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

On cloud 9 with cloud services

In modern business, the line between work and leisure is increasingly blurred. Yet, many experience that the apps and services they use privately far surpass those at work. Not anymore. Through Visma's new line of business cloud solutions, professionals are able to access their work online anytime anywhere. They can perform simple tasks on their mobile phones. And they are assured that information and data are updated in real-time and synced across the board. With cloud services combining the flexibility modern professionals desire with performance previously reserved for on-premise software, we take both management and staff to cloud 9.

Services adding more value

As a provider of business process services, we get to practice what we preach. By automating key processes, such as incoming and outgoing invoices, credit control, payments and expense claims, our accountants free up 40-60 per cent of their time. No more manually punching dockets. Instead, they provide our clients with value-adding services, taking on roles as financial advisors, coaches and project managers.

With our customers success as a strategic objective

With 'improved efficiency' as the lowest common denominator, Visma offers a wide range of mission-critical and value-adding solutions to businesses of all sizes, including retail businesses, accounting practices, and government organizations.

Whether efficiency is achieved through outsourcing, business automation, or tailored software solutions, Visma is at the technological forefront, offering turnkey solutions like no other provider in the region. Ultimately, by offering solutions that keep our customers ahead of their competition, we not only make them happy; we take them to cloud 9.

Visma comprises three divisions:

Software Small & Medium sized businesses (SMB)

Software Government & Large Accounts (GLA)

Business Process Outsourcing (BPO)

SOFTWARE SOLUTIONS FOR SMALL & MEDIUM SIZED BUSINESSES

The Software SMB division offers small to medium sized businesses a complete range of business admin solutions; including web based ERP, invoicing, CRM, e-commerce, payroll/HRM software, pooled procurement and hosting.

Today, when businesses consider switching to a cloud based business model, it is a matter of how rather than if.

There is little debate about the benefits awaiting; reduced maintenance cost, access to key information at any time, the freedom to work from wherever and on whatever device. However, concerns remain over how the organization will manage the transition, and when the ROI will kick in.

Acknowledging that the shift to a cloud-based business model is a complex process, Visma's solutions support a transition that is evolutionary rather than revolutionary.

For many businesses it makes sense to stick to their on premise ERP system during the transitional period, while adding support functions such as invoicing, CRM, business intelligence, and HRM in the cloud. For businesses ready to make the leap, Visma offers Visma.net Financials; a full-range cloud based financials solution and the natural hub of the Visma.net eco system.

ERP

For professional companies with complex financial requirements that need a best-of-breed solution, we offer Visma.net Financial – a cloud based financial management solution that performs on par with top of the range installed software.

For our smallest customers we offer Visma eAccounting, a web based accounting and invoicing solution, which comes with the optional aid of an online accountant.

HRM & Payroll

An efficient HRM system helps operations run smoothly and limits a demanding, but non-billable, side of running a business. Management gets easy access to each employee's hours, holidays, sick leave, and competence. Expenses are both entered and managed on the go, using mobile solutions.

Accounting practice management

Visma's cloud solution for the accounting industry affects every part of how practices run their business. From collaboration and customer care to resource management and pricing strategies.

CRM, business intelligence

Through Visma's multiple award winning CRM solution, businesses are able to grow sales fast and easy. With BI integrated in the CRM solution, businesses get easy access to updated information about every company in their markets.

Purchasing management

Small business owners achieve economy of scale advantages through Visma's pre-negotiated agreements for non-strategic purchases, such as travel, office supplies, telecoms, and staffing.

Automation of accounts receivable & e-invoicing

Visma has invested heavily in developing solutions that allow SMBs to manage the entire cycle of accounts receivable in one automated flow, with real-time updates of customer payments in their ledgers. Visma customers are able to dispatch their own reminders, or outsource this function along with debt collection, all from within their Visma ERP system.

E-invoicing/business networks are becoming an important and strategic area. Close to 1 million invoices are being processed in the Visma network every month

Web hosting & Web shop

Visma's hosting services provide high quality web hosting – including domains, email, websites and Microsoft Office 365 at competitive prices to both businesses and consumers.

In addition, our out-of-the-box web site and web shop solutions help small enterprises take their business online.

Software SMB at a glance

- **Target market:** Small & medium sized businesses.
- **Division Director:** Eivind Gundersen
- **Revenue 2013:** NOK 2 600 million
- **Employees:** 1 829

Software SMB products and services

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

One to watch

Changing the accounting industry
Accounting practices are a priority area for Visma, an area where both our technical and financial expertise come to the fore. Over the course of the last two to three years, we have expanded our market share considerably, and in 2014 we launch Visma.net for Accounting Practices into the market with full force. The online solution attacks all parts of accounting practices' operations, enabling new services and a more profitable business model.

Conservative by nature, there has not been a drive within the accounting industry to exploit new technological advances. There seem, however, to be a shift now, with the large international accounting firms leading the way with new cloud based business models. Although some still need convincing, more and more independent practices are realizing that they need to get up to speed or they will be left trailing. The benefits awaiting those who make the transition are huge, but the changes required are equally big.

As more and more of the standard accounting tasks are automated, accountants must find new ways to add value to their clients. While Visma.net for Accounting Practices is designed for automation of key processes – incoming/outgoing invoices, payments and expense claims, to mention a few – it also opens for a whole new way of collaboration between clients and accountants. Clients can perform many of the routine tasks themselves, while the accountant takes on the role of a coach, project leader or advisor.

For management, working in the cloud opens up new avenues of overview and insight. The internal administration panel presents a single, unified view of the clients and the practice, while employees get a full overview of the tasks they need to handle.

The clients are clamoring for modern online solutions, the technology is here, and the practices are seeking new ways of creating revenue. 2014 looks to be a landmark year for both Visma and the accounting industry.

SOFTWARE SOLUTIONS FOR GOVERNMENT & LARGE ACCOUNTS

The Software GLA division provides large enterprises, government organizations and retail businesses with tailored and out-of-the-box software solutions.

The trying financial climate in Europe has highlighted the need for organizations in both the public and private sector to do more with less.

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

To private enterprises, Visma offers turn-key solutions to streamline end-to-end admin processes within their business.

Software consulting and development

Visma's IT consultants and software developers create systems and solutions that enable government organizations to capture, curate, store, search, share, analyze, and visualize large amounts of information.

Handling large data sets is especially important – and challenging – in the public sector, where information exchange between multiple public bodies is required and where much of the information is of a sensitive nature.

Visma's consultants provide both customized and standard solutions and develop integration between IT systems. We specialize in automation, integration, and self-service solutions for users of public services. In addition, our application management service (AMS) ensures efficient maintenance and continuous development of IT solutions.

Amongst the core deliveries are ERP and HRM/Payroll solutions especially adopted for the government and non-profit sector.

School admin and healthcare solutions

Visma provide teachers and school administrations with mobile solutions for efficient collaboration, communication with students, and the running of the schools day-to-day operations.

In the healthcare sector, Visma provide senior citizens and healthcare professionals with communication tools and welfare technology for the home. This enables senior citizens to receive the healthcare services they require to continue living at home rather than having to move to an institution.

Procurement and Tendering

Through Visma's procurement service, purchasers in the public sector can create, advertise, and manage their procurements and contracts in a single solution.

It is the Nordic region's largest marketplace for procurers and suppliers, and the preferred procurement solution for several hundred departments within the public sector.

In addition, Visma's solutions for tender notifications make the process of locating and winning new contracts even more efficient and resource intensive.

Furthermore, by running our purchasing management system, businesses are able to streamline and automate the entire purchasing process

Retail software and infrastructure

Several of the Nordic region's largest and most successful retail chains run Visma solutions. With a single source of master data and fully integrated solutions for both headquarter and stores, large retailers achieve an automated flow of information and accounting data throughout their value chains, back office, and points of sale.

With our help Retailers can successfully attract customers to the marketplace, increase sales through enhanced shopping experience and create loyal customers – all through clever use of technology supporting all the necessary processes at all levels.

Software GLA at a glance

- **Target market:**
  - Central and local government, institutions and organizations providing education, welfare services, and healthcare services. Non-profit and non-government organizations.
  - Large enterprises and retailers
- **Acting Division Director:** Øystein Moan
- **Revenue 2013:** NOK 2 078 million
- **Employees:** 1 639

Software GLA products and services

- Mobile and cloud solutions for schools and childcare
- Mobile and dataflow solutions within healthcare
- Software solutions for large amounts of data
- Software project delivery
- System development and integration
- Application management
- eGovernment solutions and 24/7 Self Service
- Tailored IT solutions for BPM, document flow and mobile
- ERP and financial systems
- Supply and logistics software
- HRM and payroll administration systems
- Procurement administration and notification
- ERP integrated with retail data solutions
- Retail store software, hardware and IT infrastructure
- Retail POS, self-checkout and service stations
- Digital signage and electronic shelf labels
- Mobile and handheld units and applications
- Retail consultancy, installation and training
- Retail Security System and Environmental Monitoring System

One to watch

Welfare technology for the elderly
Now senior citizens are able to live at home rather than having to move to an institution – and the service providers can use their resources more efficiently.

Developed countries across the globe all face the same problem. The baby boomers – children of the birth rate influx following the Second World War – are approaching retirement and the need of care.

This coincides with a smaller workforce and increasingly high labor cost.

Governments are realizing that the healthcare system of today is not sustainable for the kind of numbers they are now facing. In order to provide the next generation of elderly with dignified care, new thinking and new solutions are required.

By equipping their homes with technological devices, such as blood pressure meters, fall sensors, bed wetting sensors, GPS tracking, and communication solutions, elderly are able to postpone moving to a geriatric care institution until they become in need of full time nursing.

Visma's key delivery is not the sensors, but the flow of information from the devices to the home nursing care providers and the integration of the various IT systems.

By equipping each community nurse with a tablet with online patient journals, they are able to respond quickly whenever an alarm goes off. This way there will be fewer routine visits and more focus on patients who require assistance.

In one of the most demanding areas facing the welfare society, Visma is well positioned to take on a leading role to the benefit of both governments and patients.

BUSINESS PROCESS OUTSOURCING

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

The accounting industry is at a crossroads. The introduction of cloud technology and automation of transactions will alter both the way practices are structured and the services they offer. The development is happening at a breakneck pace, and the Visma BPO division will be a frontrunner as the industry enters the online era.

From punching to consultancy

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

Cloud technology also affects the customer experience. Through Visma's online solution, customers can access their company's financial and payroll management wherever they are, report time, perform attestation and invoicing, and communicate directly with their accountant.

Market variations

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

To conclude, the Visma BPO division, along with the rest of the industry, is entering an exciting new era that will see a dramatic change in the way their service is provided. Visma are in a strong position in terms of market share, technology and strategy, and we are aiming to increase our market share even further in 2014.

Accounting

Visma is one of the Nordic region's largest providers of accounting services. Our local presence, in-depth knowledge of local trade and industry, and the ability to offer international companies services across the entire Nordic region, has positioned us as a value adding partner to businesses big and small. Through our cloud-based collaboration tool, we enhance the customer value even further.

Payroll

Visma offers outsourcing services for all aspects of the payroll function, relieving businesses of having to dedicate time and resources to stay up to date on complex payroll legislation and new technological advances. International businesses operating in multiple countries in the Nordic region benefit from having Visma as a single point of contact and do not have to worry about the differences in payroll laws and legislations between the various countries.

Financial advisory

Visma's financial advisors provide SMBs with vital business insight. By examining the financial state of their business, their financial structure, and the market in which they operate, our advisors provide actionable advice that enable business owners to make sound decisions. In addition to strategic counselling, our advisors assist our clients with liquidity management, improving efficiency, payment transfers, tax consultancy, and annual accounts.

Staffing

We specialize in staffing and recruiting for positions within finance, accounting, payroll, and IT. The services are primarily intended for companies and organizations that need extra staff for a particular period, or who wish to recruit people with special expertise for a permanent position. We provide candidates for positions of all levels.

Scanning & E-invoicing

Visma provide businesses with scanning services and e-invoicing solutions, both key parts of our accounting service delivery. By directing their invoices to Visma's scanning centers, businesses are able to dedicate only a minimum of efforts on the process. All invoices are digitalized, and the user need only approve or decline the payment in their online client solution.

BPO at a glance

- **Target market:** Enterprises of all sizes looking to outsource parts of – or their entire – administrative processes.
- **Division Director:** Roar Wiik Andreassen
- **Revenue 2013:** NOK 1 773 million
- **Employees:** 2 161

BPO services

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

One to watch

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

Visma SmartAccounting is an online accounting service designed for small businesses that want to save money by performing the routine tasks themselves, but leave the heavy lifting for a professional accountant.

Using cloud solutions for invoicing, bookkeeping, sending receipts, and accessing reports, small business owners get to decide how much of the bookkeeping they want to perform in-house. Their online accountant does the rest.

Being able to seek advice from a professional accountant can be highly valuable to a small business owner. Our accountants have the experience and know-how to get them over the hurdles and help them prosper.

By keeping the contact strictly online, and having the customers perform routine tasks, each accountant are able to serve more customers while at the same time deliver the service at an affordable price.

With more than 2,000 local accountants and assistance available, Visma's services are highly valued by small businesses across the Nordic region.

CORPORATE SOCIAL RESPONSIBILITY

Over the next 30 years the number of seniors over 67 years will double in Norway. The number of people in need for care will increase dramatically compared to the number of people paying tax and the number of nurses ad care workers. This challenge is global and most apparent in developing countries. Visma engage heavily in innovation for technology that will enable elderly to live safely at home for as long as possible and that will free up capacity for health workers.

E-growth

11,4 MILL
E-INVOICES
YEARLY

3,0 MILL
E- PAYSLIPS
YEARLY

Assistive technology in elderly care

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

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

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

Building awareness

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

Green IT

Visma's dedication to ensuring our customers a green footprint has resulted in the development of environmentally friendly products, services and technologies.

We believe that the solution for the future is to make it possible to work in a smarter and more efficient way through our software solutions and outsourcing services.

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

- Improved workflow efficiency with efficient SaaS-solutions
- Replace servers with storage in the cloud
- Reduced printing

With our focus on efficient software solutions and workflow efficiency, we contribute to the competitiveness of private companies and government bodies through automation of administrative processes. Investment in modern solutions is enabling businesses to achieve productivity levels that surpass most others, despite generally high labour costs and high tax levels. Running our software over the Internet enables more businesses to use thin clients, which, in turn, requires less energy both in terms of production and usage. We supply a range of systems that communicate with one another through seamless integration. We also offer wireless technologies to monitor electricity usage to improve the efficiency of operations. Many of Visma's own servers are virtualised which enables a reduction of the number of servers and energy consumption for production, electricity and cooling and makes this one of our contributions to enhancing our own green footprint.

Paper

More than half of Norway's municipalities use our financial software solutions to send electronic invoices. This means that our solutions for electronic document flow reduce printing and copying as well as postage. Visma's solutions also ensure a major reduction in paper usage and postage. Web-based data capture is growing in many areas in both private and public enterprises. Large amounts of paper, such as pay slips, time sheets, budget proposals and reports are today distributed internally and externally. It would require hundreds of tons of paper each year for us and our customers to give all employees a hard copy of their payslips. With our solutions, employees receive their payslips electronically which reduces paper usage significantly.

Travel

The management and employees of Visma seeks to reduce travelling and to do most meetings and conferences by video. With offices in several countries and distributed locations within these countries, we benefit from the efficiency in phone and video-meetings.

Visma contributes to reducing customers driving time by supplying mobile solutions and handheld terminals that are integrated into the business systems used by private companies and municipal services. These solutions remove the need to travel during the working day.

Training

Many of our customers also need to be trained and kept up to date on a regular basis. As a leading provider of training courses, we ensure that an increasing amount of our training courses take place online, further reducing the need for employees to travel to attend courses taught in a traditional classroom. Our video conferencing solutions contribute significantly to decreasing the overall amount of business travel required.

In many of the cities where we have offices, our employees work in shared office buildings, primarily modern new-builds that have been adapted for low energy usage. Green buildings involve energy-saving light sensors in all meeting rooms, as well as piped spring water rather than more energy-consuming bottled drinking water. We have technology that requires a physical presence in order for printers to activate and produce printouts. This project is expected to reduce the amount of paper forgotten and left in printers.

> **Visma believe new innovation in assistive technology is likely to make an important contribution to the care of elderly people in institutions and at home.**

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

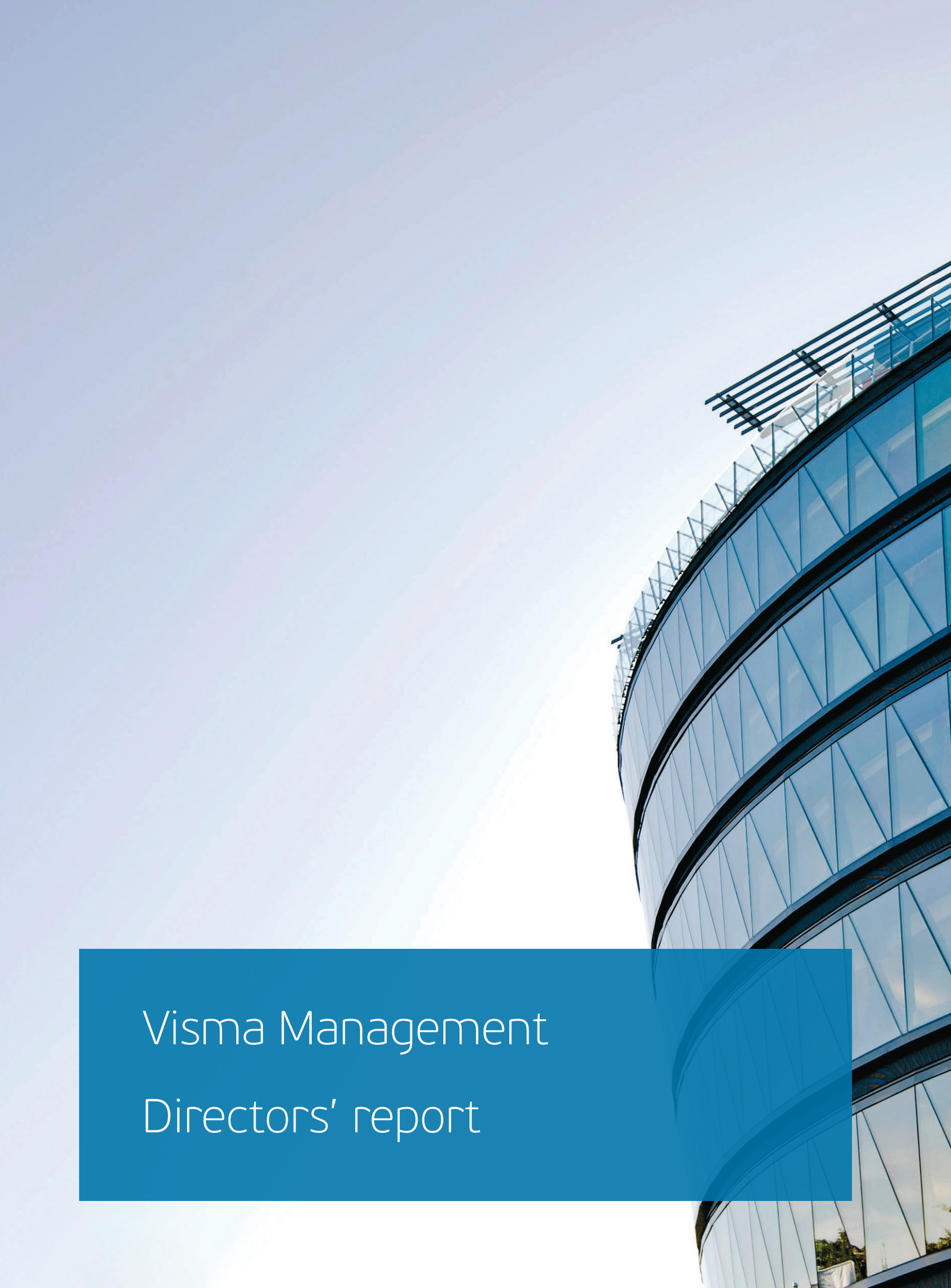
Donations

Visma makes annual donation to an ideal cross-country organisation in addition to a quarterly donation to an environmental organisation.

Visma considers setting up a policy to make more systematic donations to people and institutions to help improve the quality of life in the communities where Visma operates. We donate computer equipment to schools on local basis, and strive to help students and institutions to gain education through use of our software without license cost.

Sponsor-ships

Through 2013, our local Visma-offices have contributed and made Visma visible on small and large sports arrangements at a number of our locations in the Nordic countries.Visma has also sponsored two members of the Norwegian National Biathlon Team and the Norwegian 1 division soccer league.



Visma Management

Directors' report

VISMA MANAGEMENT

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

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

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

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

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

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

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

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

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

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

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

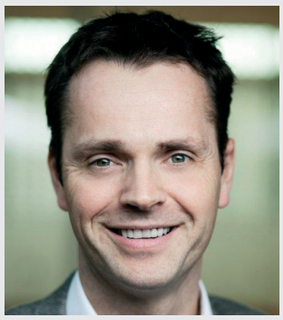
Bjørn A. Ingier – Director Growth & Cross sales
With more than ten years at helm of the Visma Software Division, Bjørn Ingier combine a thorough knowledge about the inner workings of the company with a deep understanding of the market. Both of which are invaluable traits in his current position as Director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

Mathilde Bettmo – Director Corporate Finance & Internal Audit
A seasoned Auditor from EY and KPMG, Bettmo is tasked with handling company finances and streamlining the finances of the individual entities in the Visma Group. In her job Bettmo combines an impressive insight in details with an encompassing perspective.

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

ØYSTEIN MOAN
CEO and Division Director,
Visma Software GLA

TORE BJERKAN
Chief Financial Officer



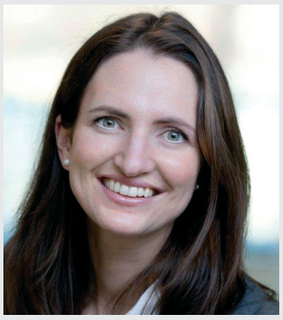
EIVIND GUNDERSEN
Division Director,
Visma Software SMB

ROAR WIIK ANDREASSEN
Division Director,
Visma BPO

PETER FISHER
Managing Director,
Visma Retail

CARSTEN BOJE MØLLER
Managing Director,
Visma Consulting

JAN IVAR BORGERSEN
Managing Director,
Visma Enterprise Solutions

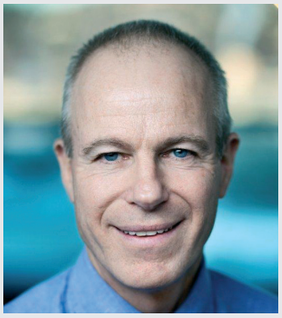


MERETHE HVERVEN BULL
Chief HR Officer

ESPEN HÅKONSEN
Managing Director,
Visma IT&C

AASE SETTEVIK
Director Brand
& Communication

MIKAEL MÄNNIK
Director Mergers &
Acquisitions



BJØRN A. INGIER
Director Growth &
Cross-sales

MATHILDE BETTMO
Director Corporate
Finance & Internal Audit

JØRN LUDAHL
Director Customer Loyalty

DIRECTORS' REPORT

After the successful integrations of several software acquisitions during 2011 and 2012, 2013 became a year of strong EBITDA growth. Double-digit growth was experienced in both revenues and EBITDA with an all-time-high EBITDA margin being achieved in the fourth quarter of 2013.

The overall market situation has been stable for Visma's core markets. Visma benefits from continued strong fundamentals in the Nordic markets (representing 96 per cent of Visma revenues). All Nordic countries have very strong public finances and, particularly Norway and Sweden, have enjoyed solid macroeconomic growth during 2013. Denmark and Finland showed steady improvement in 2013.

Visma continues to achieve above-market, organic growth, and in line with strategic plans, achieved double-digit total growth when including acquired businesses. As a result, Visma continued to strengthen its leading position in ERP and accounting software and services to the Nordic Entry Level and SMB markets. Visma, with 5 648 employees now has more than 320 000 customers in its core software and services businesses, and an additional 364 000 hosting customers.

Visma's organic growth is more and more being driven and accelerated by the increased strategic focus on SaaS/Cloud software and related services. Visma is taking a leading position in SaaS software in its markets. Visma has invested substantial development resources in SaaS products and technologies. Visma achieved SaaS revenues of NOK 604 million in 2013, and all SaaS businesses within Visma are enjoying strong double-digit growth. We believe that these figures make Visma one of the largest SaaS business software businesses in Europe.

Total revenue increased by 12.2 per cent to NOK 6 452 million in 2013. Organic growth was 8.4 per cent, which compares well with benchmark competitors. EBITDA increased by 18.9 per cent to NOK 1 325 million. Overall the financial performance was in accordance with the expectations set forth in the Director's report for 2012.

Visma continues to offer its customers products and services that help to manage businesses and improve efficiency. The essential and business critical nature of the product and services offering provides significant stability to Visma revenues. In addition, the broad product portfolio and growing Nordic customer density increases potential for cross-selling products and services across divisions and national borders. Visma believes its strong customer base and strategic positioning provides a solid platform for continued growth in 2014.

HIGHLIGHTS

The economies where Visma operates were generally in good health during 2013. Particularly the Swedish and Norwegian economies continue to outperform a stabilizing Eurozone.

Visma's acquisition strategy became more focused on SaaS/cloud businesses during 2013. In July, Visma invested in InExchange, the leading e-invoice provider in the Swedish market. E-invoicing and the resulting business network created will be a growing business of importance for Visma in the coming years.

In November, Visma acquired Information Factory, a leading Swedish provider of mobile point-of-sales solutions for the retail segment. These solutions will be integrated with Visma's existing retail ERP systems allowing Visma's software users new possibilities to reach customers, as well as, capture customer data.

During the year, Visma continued to grow its near-shore R&D centres and now has more than 400 employees there. Visma sees this growth continuing which will provide Visma with increasingly cost-effective and agile development teams.

In 2013, Visma continued to invest in new SaaS products. Visma released several new Entry Level and Mid-Range SaaS products and modules during the year. In 2014, Visma will continue to focus on SaaS/Cloud products and services. This will be both in own development and through acquisitions.

During Q4 Visma Unique (public sector software) together with Visma Consulting signed the largest contract in its history with VIGO – who represents all counties within education in Norway. Visma won a public tender for administrative software for all upper secondary schools in Norway and for all primary schools in Oslo municipality. This is a multi-year, SaaS-based, software contract that when deployed will give Visma a leading position in the Norwegian school software market. The contract over 10 years has a value in excess of NOK 550 million.

ACQUISITIONS

Visma acquired the following entities in 2013:

- Lavit Oy, Finland February 2013
- Maventa Oy Finland (remaining shares) February 2013
- Pdata AB, Sweden, March 2013
- MainPartner AS, Norway, April 2013
- InExchange Factorum AB, Sweden, July 2013
- Duetto Group Oy, Finland, August 2013
- Duetto-ohjelmat Oy, Finland, August 2013
- Ordna Ekonomistyrning Sverige AB, Sweden, September 2013
- Information Factory AB, Sweden, November 2013
- InStore IT Vest AS, Norway, December 2013

ASSESSMENT OF FINANCIAL STATEMENTS

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

Visma reports in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The financial statements for the parent company have been prepared in accordance with the Norwegian Accounting Act 1998 and generally accepted accounting principles (NGAAP). The paragraph below describes the full year 2013 figures, with corresponding figures for 2012 in brackets.

INCOME STATEMENT

The Visma Group achieved revenue growth of 12.2 per cent to NOK 6 452 million in 2013 (5 749). Organic growth was 8.4 per cent. Even the currency adjusted rate of 5.8 per cent indicated solid revenue development across the business.

Visma Software SMB remained the largest revenue contributor and accounted for 40.3 per cent of revenue, followed by Visma Software GLA at 32.2 per cent and Visma BPO 27.5 per cent.

Earnings before interest, tax, depreciation and amortization (EBITDA) increased by 18.9 per cent to NOK 1 325.1 million (1 114.3), and the EBITDA margin increased to 20.5 per cent (19.4).

Visma Software SMB accounted for 57 per cent of total EBITDA, followed by Visma Software GLA 28.9 per cent and Visma BPO at 14.1 per cent.

Depreciation and amortization amounted to NOK 373.3 million in 2013 (366.1), with the increase primarily explained by acquisitions adding to the asset base.

EBIT increased by 27.2 per cent to NOK 951.9 million (748.2).

Net financial items increased as a result of increased interest and financial expenses, and profit before tax increased by 32.9 per cent to NOK 724.2 million (545.1).

Taxes amounted to NOK 157.1 million (129.4), generating a profit after tax and non-controlling interests of NOK 564.2 million (414.3).

In the Board of Directors opinion, the financial statements for the year present fairly the Group's financial position and results for 2013.

In 2013, the parent company Visma AS had a profit of NOK 701.3 million (213.5).

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

Transferred to retained earnings	701 254
Total allocated	701 254

CASH FLOW AND BALANCE SHEET

Visma generated a strong cash flow of NOK 1 224.5 million from operational activities in 2013 (1 084.5), supported by sound financial management and improvements in working capital.

Cash flow from investing activities was NOK -409.4 million (-282.5), of which NOK 326.8 million related to acquisitions (200.8).

Cash flow from financing activities amounted to NOK -270.1 million (-371.9)

In 2013 Visma has refinanced and extended its senior debt facilities, and more institutions have become member of the debt syndicate. The financing benefits Visma with increased operational flexibility.

Cash and cash equivalents increased to NOK 2 246.4 million (1 559.4), which the Board of Directors considers to be sufficient given the current and expected activity level.

Total assets increased to NOK 9 009 million at the end of 2013 (7 820), mostly related to businesses acquired during the year and to variance in currency exchange rates.

The majority share of the equity increased to NOK 1 952.3 million at the end of 2013 (1 469.6), mainly reflecting the profit for the year and payment of group contribution to Archangel AS. The equity ratio increased to 22.1 per cent (18.9).

Accounts receivable totalled NOK 920.3 million at 31 December, 2013 (789.9). Customers' average credit period remained at 39 days in 2013. Visma has made provisions of 2.3 per cent of accounts receivable (excluding VAT), to cover potential losses on doubtful receivable. The allocation covers all trade receivables older than 180 days. The company closely monitors accounts receivable, and the provision is considered adequate given that the company's average credit period is below the IT-industry average.

REVIEW OF THE BUSINESS AREAS

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

In 2013, Visma Software SMB further strengthened its position as a leading SaaS supplier with strong growth in both revenue and number of new subscriptions. During 2013, growth in SaaS revenues was 35.7

per cent and ended at NOK 307 million for the full year. Sales of new SaaS subscriptions were higher than license sales, a development we expect to continue.

Visma is a strong catalyst in developing the Nordic e-Invoicing market. The market adoption is steadily increasing and Visma's position has been strengthening throughout 2013, both due to organic growth, but also due to acquiring the Swedish market leader (InExchange). Number of transactions has increased by over 70 per cent year-on-year.

Throughout 2013, Visma also strengthened its position as a leading supplier of debt collection services and related services in the Nordic region in terms of strong organic revenue growth, but also through an acquisition in Finland. The Finnish acquisition gives Visma pan-Nordic service coverage in this product category.

At the end of the year, Visma Software SMB had 1 829 employees, servicing more than 644 000 Businesses. The majority of these customers have signed annual maintenance and support agreements.

Revenue in Visma Software SMB increased 6.5 per cent to NOK 2 600 million in 2013 (2 443). Most of the units in Visma Software SMB captured market share. EBITDA in Visma Software SMB amounted to NOK 794.1 million (701.9), corresponding to an EBITDA-margin of 30.5 per cent (28.7).

Innovative product development is of vital importance to retain existing and attract new customers to Visma. A strategic priority within Visma Software is to establish cost effective and highly competent near-shore R&D centres. Visma's development centre had close to 200 employees at year-end, a growth of 42 per cent from last year. Near-shoring will continue to be important in the coming years.

In 2013, total R&D expenses in Visma Software SMB amounted to NOK 350 million, versus NOK 334 million in 2012. Of this, NOK 185 million was dedicated to developing state-of-the-art SaaS solutions for customers in the Nordics and the Netherlands.

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

Enterprise solutions experienced strong organic growth in 2013 taking substantial market share in the Norwegian public sector ERP market. The successful year culminated in the winning of the VIGO school tender for the future SaaS software system for all Norwegian high schools.

Retail IT Solutions also enjoyed strong organic growth during 2013. The subdivision delivered both double-digit organic revenue and EBITDA growth.

Software Consulting & Development is a leading provider of IT and consultancy services. The focus of the subdivision is primarily on public sector and the retail industry. Software Consulting & Development offers development and project management, application management, automated workflow management and case processing solutions as well as system development and system integration. Visma Consulting had a very strong 2013 with both organic revenue and EBITDA growth exceeding 10 per cent.

At the end of the year, Visma Software GLA had approximately 1 639 employees, servicing more than 20 000 Businesses.

Revenue in Visma Software GLA increased 23.5 per cent to NOK 2 078 million in 2013 (1 698). Most of the units in Visma Software GLA captured market share. EBITDA in Visma Software GLA amounted to NOK 383.5 million (275.2), corresponding to an EBITDA-margin of 18.4 per cent (16.2).

Visma BPO provides outsourcing services for accounting and payroll in Norway, Sweden, Denmark and Finland, and is the only pan-Nordic provider of these services. The company also offers temp services and recruitment with a focus on accounting professionals. At the end of the year, the division had 2 161 employees.

Visma BPO has more than 20 000 customers, and increasingly numbers of customers buy services in more than one country. The company attracted further payroll customers on a pan-Nordic basis in 2013, and the good growth in pan-Nordic payroll engagements is expected to continue.

Revenue in Visma BPO ended at NOK 1 772.8 million in 2013 (1 607.9). Organic growth was 5.4 per cent (-0.3). The revenue growth is expected to be healthy also in 2014.

EBITDA in Visma BPO amounted to NOK 186.7 million in 2013 (172.6) corresponding to an increase of 8.2 per cent from 2012. EBITDA-margin ended at 10.5 per cent (10.7) in 2013. The fourth quarter 2013 was very strong and much better than in 2012. The successful restructuring of the large Norwegian business, has yielded a solid and improved run-rate entering 2014.

Net customer acquisition is still positive for the division compared to 2012. Reorganizing the marketing efforts in Norway should result in a better sales/cost-of-sales ratio throughout 2014. The significant scale-up of Near-shore production in 2H, which will continue into 2014, should equip the division for an EBITDA improvement, as well as, being more competitive when it comes to price. The roll-out of some successful, self-developed SaaS solutions to BPO customers has continued into Q4. Even though the development of these solutions has required margin-hampering investment, they will further increase our market position compared to competitors and ultimately boost growth in the coming years.

Sweden has seen double-digit growth this year, driven by some new customer additions. As these new customers go into stable production, combined with near-shoring initiatives, it is expected that Sweden will improve its EBITDA next year.

Growth in Finland has been modest this year, much related to a weaker economy. EBITDA margin of 15.4 per cent, was still solid. Roll-out of Visma's Netvisor software within the BPO office network has been very successful. Going into 2014, the growing SaaS platform should

"THE GLOBAL ECONOMIC OUTLOOK SEEMS TO BE ENJOYING SOME STABILITY AND VISMA'S MARKETS CONTINUE TO BE THE STRONGEST IN EUROPE"

improve prospects for growth and simultaneous efficiency gains. Even though the Danish economy has been slow for the whole year, BPO Denmark has performed well. Growth has been close to double-digit, and EBITDA is much improved over 2012.

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

ORGANIZATION, WORK ENVIRONMENT AND EQUALITY OF OPPORTUNITIES

Visma is headquartered in Oslo, but has further 141 locations distributed in Norway (61), Sweden (34), Finland (30), Denmark (4), the Netherlands (2), Romania (2), United Kingdom (1), Ireland (1), Lithuania (1), Spain (1), Czech Republic (1), Poland (1), Serbia (1) and Germany (1).

The business operations of the Visma Group are carried out through 63 wholly and partly owned subsidiaries, whereas the Group for reporting purposes is organized in the divisions, Visma Software SMB, Visma Software GLA and Visma BPO. The divisions have responsibility for their business areas, regardless of geography or other factors.

At the end of 2013 Visma had 5 648 employees, which was an increase from 5 385 at the end of 2012. 2 330 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 has a well-established management training programme for young potential future managers in Visma as well as other carrier development programmes, including also a senior programme. The seventh group of management trainees started on the programme autumn 2013. 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 3.31 per cent in 2013 (3.74). No injuries or accidents occurred in connection with work tasks undertaken at Visma during 2013.

Visma conducts every year a joint, international NPS 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 NPS survey in the third quarter 2013 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.

The NPS survey consists of 15 questions and the answers are given on a scale from 1 to 10. The e-NPS result for the group was 11.0 in 2013. On the question "I recommend Visma as a good place to work", the average score for the group is 7.4. 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.

Working conditions are overall regarded as good.

Visma's staff' is overall relatively balanced between the genders, with a slight majority of 55.8 per cent women. However, there are large gender differences between the divisions. At the end of 2013, the proportion of women in Visma BPO was 71 per cent, whereas the equivalent figure in Visma Software SMB was 41 per cent. At the end of the year, the proportion of women in Visma Software GLA was 32 per cent.

In the holding company, Visma AS, four of twelve employees are women. The proportion of women in top management is 15 per cent and in middle management is 45.2 per cent. Visma aims to improve the balance in the executive group, although the primary criteria remain to secure the right competence in all types of positions in the divisions.

As of 31 December 2013, the group's Board of Directors comprises one woman and six men.

Visma believes that a relatively balanced gender ratio contributes to a better working environment, greater creativity and adaptability, and better results in the long run. To promote the principle of equal opportunity for both genders, Visma has implemented the following measures to strengthen and secure the gender balance:

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

Visma's compensation policy is based on equal pay for equal work, meaning that women and men in the same positions have the same salaries if all other conditions are the same. However, average salary levels are also influenced by age, length of service, specialization, and the proportion of managers. All of these factors contribute to an average salary which in 2013 was 17.8 per cent (18.3) 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 per cent 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 2013, 266 employees were on leave of absence, of which 69.3 per cent were women.

Visma also seeks to provide a working environment offering opportunities for the disabled. The company has recently moved into several new buildings, where the company has have demanded easy access also for employees using wheelchairs and other disabled. Work in Visma is in general not physically demanding, and people with physical disabilities thus have good opportunities in Visma.

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

THE ENVIRONMENT

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

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

Visma's environmental strategy is a key area in the company's overall responsibility program, with a special focus on areas where Visma can have the most impact on the environment: Green IT, energy saving, and consolidated server solutions. Further details are described in the separate review of our environmental strategies in 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 ISO14000 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 different countries where Visma is selling its products and services.

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

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

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

- The products and services provided to a large degree cater to requirements that are mandatory and necessary regardless of the economical cycle
- Visma has more than 680 000 customers in different countries, and in many different verticals. This lowers the exposure to events affecting a single country or vertical market. Visma has many small customers, which simplifies the projects and lowers implementation risks
- Visma has a wider range of products and services than its competitors, which provides more opportunities for cross-selling, more product sales to each customer, and less churn
- Visma utilises both Microsoft based technology and Open Source/ Java technology
- Visma systematically collects information about customer satisfaction through "net-promoter-score" research. Based on feed-back from the customers, Visma both addresses individual customer problems, and need for process-changes

Interest rate risk

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

For 2013, a 100 basis-points change in the interest rate level would have had an estimated effect of approximately NOK 22.5 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 EUR. This reflects both production and sales in other countries, and effects on the translation of earnings and cash flows into NOK. The Group has loans in several currencies to match underlying cash flows in the operations.

In 2013, a 5.0 per cent change in exchange rates versus NOK would have had an estimated effect of NOK 27.0 million on the profit before tax.

Credit risks

Visma sells almost all of its products and services to other businesses at a credit and is hence exposed to credit risks.
In 2013, the company expenses bad debts corresponding to approximately 0.3 per cent of revenue and 2.4 per cent of total accounts receivable.

Credit risk is limited through:
Credit checks before establishment of new customer relations
Low average invoice due to the large number of small customers
Expedient follow up of unpaid due invoices

A high-quality products and services offering and customer satisfaction among the highest in the markets where Visma operates

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

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

Net cash flow from operating activities has historically been above 90.0 per cent of EBITDA. Any cash-flow risk is hence closely related with EBITDA-performance. In 2013 it is 92.4 per cent (97.3).

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 2013 to be sufficient given the current and expected activity level.

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

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

With 5 642 employees and more than 680 000 customers, Visma's international master insurance programme for general responsibilities is constructed to cover the liability and exposure. The management of Visma consider Visma's coverage sufficient for the projects where Visma is involved.

In 2010, The Norwegian tax authorities made a ruling that prevented Visma from using tax losses carried forward from a previous acquisition. Visma has disputed this decision and the case was lost in in Oslo District Court in October 2013. Visma has appealed the decision.

IT risks
As a technology company Visma is heavily dependent on it IT-operations and infrastructure. The outsourcing activities of Visma utilise software and IT-automation for its production, and even a few hours of downtime at the Visma IT-centre may have a short-term impact on the financial results of Visma and potential long-term consequences for customer-relationships.
Software development and customer support are also using Visma IT extensively and, like in most modern companies, almost all activities stop without IT. As an industry-leading high-tech company Visma is probably also a likely target for industrial espionage and hacking.
To limit and control the risks associated with the dependence on IT, Visma has organised its IT operations in a separate legal entity: Visma IT & Communication (VITC). VITC operates a central data-centre on two independent locations with fail-over functions. VITC is certified according to ISO20000 and is in the process of certifying according to ISO27000. Several parts of Visma BPO are certified according to SAS70.

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

OUTLOOK FOR 2014

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

The company expects increased demand for ERP solutions and outsourcing services. The high labour costs in the Nordic markets require businesses and the public sector to invest in productivity enhancing tools. While many enterprises will continue with tight cost-control and productivity measures, Visma expects that most companies also will continue to look for solutions to promote and support renewed growth. We also see that the HRM segment of the market is growing relatively faster than the ERP market. Visma will continue to build its position in this product category with a focus on areas that have logical links with other Visma systems and services, such as accounting software and payroll outsourcing.

Visma expects increasing demand for SaaS offerings in all of Visma's product areas. Visma intends to be a leader in the SaaS product development in its markets. During 2014, Visma will continue with launches of some new and innovative SaaS products that Visma believes will provide leading-edge software solutions to its customers and markets. The SaaS offerings will both attract new groups of users and will also provide growth opportunities through enhancement of existing products already installed at the customers' sites.

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

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

2014 will likely see increasing acquisition activity with a prioritization on SaaS and transaction-oriented businesses. The acquisitions will also complement the substantial internal R&D investments focused on developing SaaS/Cloud solutions for all primary product areas.

Oslo, 20 February 2014

GUNNAR BJØRKAVÅG
Chairman of the Board

WILLIAM CORNOG
Director

JACQUES GARAIALDE
Director

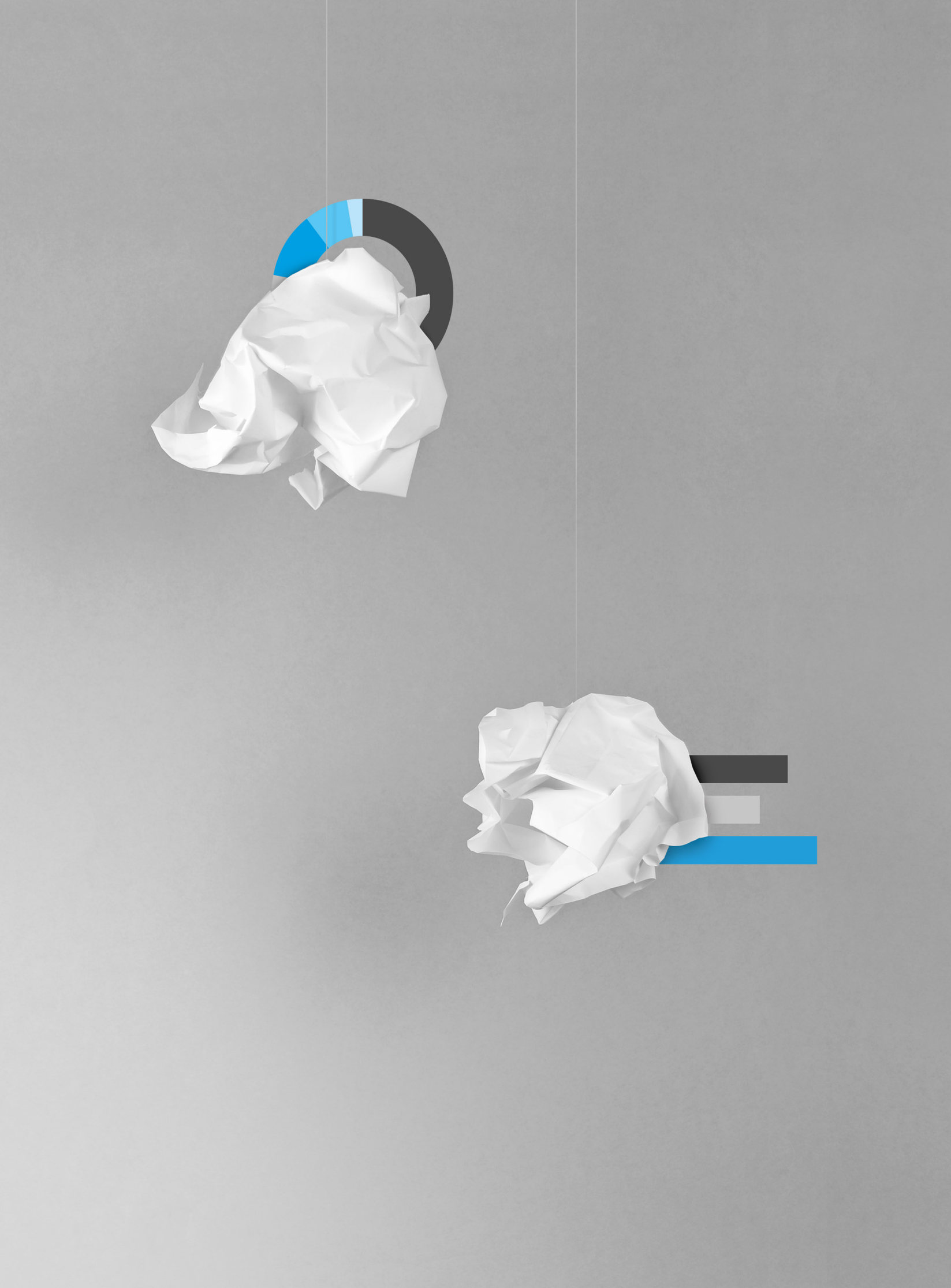
STANISLAS DE JOUSSINEAU
Director

HENRIK KRAFT
Director

NIC HUMPHRIES
Director

ANNABELLE CHARLOTTE PLUQUET
Director

ØYSTEIN MOAN
CEO



FINANCIAL INFORMATION

The overall market situation has been stable for Visma's core markets. Visma benefits from continued strong fundamentals in the Nordic markets. All Nordic countries have very strong public finances and, particularly Norway and Sweden, have enjoyed solid macroeconomic growth during 2013. Denmark and Finland showed steady improvement in 2013.

EBITDA growth 2013

SOFTWARE GLA
7.2%

SOFTWARE SMB
8.8%

BPO
8.2%

CONSOLIDATED ANNUAL ACCOUNTS

INCOME STATEMENT – 1 JAN. - 31 DEC.

CONSOLIDATED

(NOK 1 000)	Note	2013	2012
OPERATING REVENUE			
Sales revenue	2	6 452 354	5 748 523
Total operating revenue		**6 452 354**	**5 748 523**
OPERATING EXPENSES			
Sales and distribution cost		926 275	811 299
Payroll and personnel expenses	3,16	3 316 412	2 993 285
Depreciation and amortisation expenses	4,5	373 295	366 111
Other operating expenses	8,16	884 522	829 596
Total operating expenses		5 500 504	**5 000 291**
Operating profit		**951 850**	**748 233**
Result from associated companies	24	**5 393**	**5 824**
FINANCIAL ITEMS			
Financial income	9	34 746	29 191
Financial expenses	9	(267 773)	(238 108)
Net financial items		**(233 027)**	**(208 917)**
Profit before taxes		**724 217**	**545 139**
Taxes	10	**157 109**	**129 365**
Profit for the year		**567 107**	**415 774**
ATTRIBUTABLE TO:			
Equity holders of Visma AS		564 207	414 264
Non-controlling interests		2 900	1 510
EARNINGS PR SHARE IN TNOK			
Basic earnings per share	19	564 207	414 264
Diluted earnings per share	19	564 207	414 264

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK 1 000)

Profit for the year		**567 107**	**415 774**
OTHER COMPREHENSIVE INCOME			
Net gain (loss) on financial hedging instruments	20	(14 076)	(664)
Income tax		3 941	186
Exchange differences on translation of foreign operations	2	113 551	(29 516)
Income tax		(31 794)	8 264
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Net gain (loss) on defined benefit plan		(5 795)	0
Income tax		1 275	0
Other comprehensive income (loss) for the period, net of tax		67 102	(21 729)
Total comprehensive income for the period		**634 209**	**394 045**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of Visma AS		631 309	392 535
Non-controlling interests		2 900	1 510

STATEMENT OF FINANCIAL POSITION – 31 DEC.

CONSOLIDATED

(NOK 1 000)	Note	2013	2012
ASSETS			
Non-current assets			
Deferred tax assets	10	81 191	121 002
Goodwill	4,23	3 986 940	3 521 924
Patents and other intangible assets	4	465 621	468 767
Capitalized development expenses	4	125 664	128 151
Contracts & Customer relationships	4	671 327	643 085
Property	5	20 884	19 272
Machinery and equipment	5	133 487	125 624
Shares classified as available for sale	21	36 142	38 257
Investment in associated companies	24	86 160	80 767
Long-term receivables in Group companies	7	0	148 817
Other long-term receivables		9 788	13 293
Total non-current assets		**5 617 205**	**5 308 958**
Current assets			
Inventory		45 307	32 768
Accounts receivables	6	920 320	789 867
Other current receivables	7	180 412	129 120
Cash and cash equivalents	12	2 246 384	1 559 376
Total current assets		**3 392 423**	**2 511 132**
TOTAL ASSETS		**9 009 628**	**7 820 090**

(NOK 1 000)	Note	2013	2012
Equity			
Paid-in capital	14,15	165 000	165 000
Other reserves	13	3 786	-63 316
Retained earnings		1 783 532	1 367 934
Equity attributable to equity holders of the parent		**1 952 318**	**1 469 618**
Non-controlling interests		4 489	8 974
Total equity		**1 956 807**	**1 478 592**
Non-current liabilities			
Pension liabilities	3	(4 136)	(6 838)
Deferred tax liability	10	507 536	490 957
Financial hedging Instruments	20	116 953	103 257
Other long-term interest bearing loans and borrowings	12	4 183 143	3 974 693
Other long-term non interest bearing liabilities		114 667	8 430
Total non-current liabilities		**4 918 163**	**4 570 500**
Current liabilities			
Trade creditors		194 215	172 904
Public duties payable		351 121	314 110
Tax payable		50 977	24 064
Other current liabilities	22	1 538 345	1 259 919
Total current liabilities		2 134 658	1 770 997
Total liabilities		**7 052 821**	**6 341 137**
TOTAL EQUITY AND LIABILITIES		**9 009 628**	**7 820 090**
Secured liabilities and guarantees	17		

Oslo 20 February 2013

Gunnar Bjørkavåg
Chairman of the Board

William Cornog
Director

Jacques Garaialde
Director

Stanislas De Joussineau
Director

Henrik Kraft
Director

Nic Humphries
Director

Annabelle Charlotte Pluquet
Director

Øystein Moan
CEO

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

CONSOLIDATED

(NOK 1 000)	Note	2013	2012
Profit before taxes		**724 217**	**545 139**
Depreciation and amortisation expenses		373 295	366 111
Finance income	9	(34 746)	(23 851)
Finance expenses	9	267 773	239 108
Taxes paid		(62 812)	(60 983)
Changes in debtors		(130 453)	799
Changes in inventory and trade creditors		8 771	(2 125)
Changes in public duties payable		37 011	6 915
Changes in deferred revenue		101 735	59 178
Change in other accruals		(60 339)	(45 778)
Net cash flow from operations		**1 224 450**	**1 084 513**
Sale of (investment in) businesses	1	(295 256)	(195 525)
Investment in R&D software related to business combinations		(23 448)	(1 568)
Investment in tangible fixed assets related to business combinations		(8 112)	(3 725)
Capitalised development cost	4	(24 520)	(34 141)
Investment in tangible fixed assets	5	(60 213)	(49 449)
Sale of (investment in) shares	21	2 115	1 901
Net cash flow from investments		**(409 434)**	**(282 507)**
Repayments of interest bearing loans		(50 389)	0
Proceeds from interest bearing loans		0	300 000
Change in revolving credit facility		0	(200 222)
Change in long-term receivables		152 322	(36 751)
Payment of group contribution		(159 896)	(252 192)
Cash inflow from dividends		3 300	5 340
Cash inflow from interest		29 267	23 851
Cash outflow from interest		(244 688)	(211 930)
Net cash flow from financing activities		**(270 083)**	**(371 903)**
Net cash flow for the year		**544 933**	**430 103**
Cash and cash equivalents 1.1		1 559 376	1 162 654
Net foreign exchange difference		142 074	(33 380)
Cash and cash equivalents 31.12	**12**	**2 246 384**	**1 559 376**

STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED

(NOK 1 000)	Paid-in share capital Note 14	Other reserves Note 13	Retained earnings	Majority's share of equity	Non-controlling interests	Total equity
Equity as at 01.01.2012	**165 000**	**(41 587)**	**1 135 248**	**1 258 662**	**15 443**	**1 274 104**
Profit for the period			414 264	414 264	1 510	415 774
Net gain (loss) on financial hedging instruments, net of tax		(478)				
Exchange differences on translation of foreign operations, net of tax		(21 251)				
Net gain (loss) on defined benefit plan, net of tax						
Total comprehensive income for the period		**-21 729**	**414 264**	**392 535**	**1 510**	**394 045**
Group contribution to parent company			(181 578)			(181 578)
Changes to non-controlling interest;						
acquisition and arising on business combination (Note 1)					(7 979)	(7 979)
Equity as at 31.12.2012	**165 000**	**(63 316)**	**1 367 934**	**1 469 618**	**8 974**	**1 478 591**
Equity as at 01.01.2013	**165 000**	**(63 316)**	**1 367 934**	**1 469 618**	**8 974**	**1 478 591**
Profit for the period			564 207	564 207	2 900	567 107
Net gain (loss) on financial hedging instruments, net of tax		(10 135)		(10 135)		(10 135)
Exchange differences on translation of foreign operations, net of tax		81 757		81 757		81 757
Net gain (loss) on defined benefit plan, net of tax		(4 520)		(4 520)		(4 520)
Total comprehensive income for the period		**67 102**	**564 207**	**631 309**	**2 900**	**634 209**
Group contribution to parent company			(115 125)	(115 125)		(115 125)
Changes to non-controlling interest;						
acquisition and arising on business combination (Note 1)			(33 484)	(33 484)	(7 385)	(40 869)
Equity as at 31.12.2013	**165 000**	**3 786**	**1 783 532**	**1 952 318**	**4 489**	**1 956 807**

IFRS ACCOUNTING POLICIES 2013

CORPORTATE INFORMATION

The consolidated financial statements of Visma AS, for the year ended 31 December 2013 were authorised for issue in accordance with a resolution of the Board of Directors on 20 February 2014. Visma AS (hereafter the 'Company' or 'Visma' or the 'Group') is a limited liability company incorporated and domiciled in Oslo, Norway. The registered office of Visma AS is Karenslyst allé 56, 0277 Oslo, Norway. The Company is 100 % owned by Archangel AS. Information on its ultimate parent is presented in note11.

The Groups activities are described in note 2.

BASIS OF PREPARATION

The consolidated financial statements of Visma AS including all its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU except for the application of IFRS 8, Operating Segments.

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

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

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 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 (except for actuarial gains and losses)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Segment reporting

The Group does not fully apply to IFRS 8, Operating Segments as the Group reports its segments based on changes to the organisational structure implemented 1 January 2014. In line with realignment of the strategic focus of the Group, the financial reporting structure of the Group has been changed to mirror the new customer centric structure.

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

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

Functional currency and presentation currency

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Cash-generating units
A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In identifying whether cash inflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets), the management considers various factors including how management monitors the entity's operations (such as by product or service lines, businesses, geographical areas).

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

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

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

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when

an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

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

Internally generated intangible assets, excluding capitalised development costs, are not capitalised but are expensed as occurred.

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

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

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

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

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

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

Current/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. Revenue is recognized gross unless required to be recognised net by a Standard or Interpretation (IAS 1.32).

Visma Software SMB and GLA and Visma Software
The most common types of revenue streams in Visma Software SMB and GLA and Visma Software are:

License and maintenance fees
- Revenue from support agreements
- Software as a Service (SaaS)
- Revenue from sale of domains and web hosting services
- Revenue from procurement pooling services
- Sale of hardware
- Revenue from maintenance agreements
- Revenue from hourly based consulting
- Revenue from services in administration and collections of accounts receivables

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue from surveillance portfolios are based on specific agreements with clients and normally include a predefined percentage of payments made by the debtor. Such income is recognised when Visma receives payment from the underlying debtor. In addition the agreements normally include a predefined percentage of the delayed payment fee. Revenue related to issuance of payment reminders and debt collection on behalf of customers is normally being recognized when the debtor has made a payment and thus the fee is earned. An accrual is also made for debt collection fee based on ongoing debt collection matters.

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

Visma BPO
The most common types of revenue streams in Visma BPO are:
- Revenue from hourly based agreements
- Revenue from fixed price service agreements
- Revenue from personnel for hire

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

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

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

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

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

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

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

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

In addition to the defined contribution schemes, Visma has one defined benefit plan in Sweden covering 23 employees.

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

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

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

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

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

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

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

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

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

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

Useful life and residual value are reviewed at least annually and reflect the pattern in which the benefits associated with the asset are consumed. A change in the useful life or depreciation method is accounted for prospectively as a change in accounting estimate. Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

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

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

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

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

Inventories are reduced for estimated obsolescence.

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

Cash and cash equivalents
Cash and cash equivalents comprise bank deposits, other short-term highly liquid investments with original maturities of three

months or less and bank overdrafts. Restricted cash is included as cash and cash equivalents. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

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

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

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

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

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

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

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

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

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

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

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

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associates. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate' and its carrying value and recognizes the amount in the income statement.

Upon loss of significant influence over the associate, the Group measures and recognizes any retaining investments at its fair value. Any differences between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

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 assets with fixed or determinable cash flows that are not

quoted in an active market are classified as loans and receivables.

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

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

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

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

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

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

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

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

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

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

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

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

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

Should the hedging relationship no longer meet the criteria for hedge accounting as specified above, accumulated gains and losses that are recognized in equity up to this date remain in equity and are recognized in the income statement in accordance with the above guidelines when the transaction takes place.
If the hedged transaction is no longer expected to take place, accumulated unrealized gains or losses on the hedging instrument that have previously been recognized directly in equity are recognized in the income statement immediately.

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

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

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

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

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

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

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

Adoption of new and revised accounting standards and interpretations
The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to IFRS effective as of 1 January 2013:

- IAS 1 Presentation of Financial Statements -. Grouping in other comprehensive income (OCI)
- Improvements to IFRSs (2009-2011) – Amendment to IAS 1: Clarification of the requirements for comparative information
- IAS 12 Income taxes (Amendment) – Deferred tax Recovery of underlying assets
- Improvements to IFRSs (2009-2011) – Amendment to IAS 16: Classification of servicing equipment
- IAS 19 (Revised) Employee Benefits – defined contribution plans: removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and rewording.
- IFRS 7 Financial Instruments: Disclosures (Amendment) – New disclosure requirements – Offsetting of Financial Assets and Financial Liabilities
- IFRS 13 Fair Value Measurement – Establishes a single source of guidance under IFRS for all fair value measurements
- Improvements to IFRSs (2009-2011) – Amendment to IAS 32: Tax effect of distributions to holders of equity instruments

Visma implemented IAS 19 R in 2013. IAS 19R eliminates the corridor approach and recognises all actuarial gains and losses in Other Comprehensive Income as they occur. In addition all past service costs are recognised immediately and interest cost and expected return on plan assets are replaced with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The changes have been applied retrospectively with effect on the opening balance 1 January 2012.

The Group has not early adopted any other Standards or Interpretations in 2013. These amendments have had no effect on the Group's financial position, performance or its disclosures.

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

The Group anticipates that all of the below Standards, amendments and Interpretations will be adopted in the Group's financial statements for the period commencing 1 January 2014 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:

IAS 28 Investment in Associates and Joint Ventures
As a consequence of the new standards IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates has been renamed IAS 28 Investment in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. Within the EU/EEA area, the amendments are effective for annual periods beginning on or after 1 January 2014.

IAS 32 Financial Instruments: Presentation
IAS 32 is amended in order to clarify the meaning of "currently has a legally enforceable right to set-off" and the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments are effective for annual periods beginning on or after 1 January 2014.

IFRS 9 Financial Instruments: Classification and Measurement
IFRS 9, as issued, reflects the first phase of IASB's work on the replacement of IAS 39 and applies to the classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for accounting periods beginning on or after 1 January 2013, but amendments to IFRS 9 issued in December 2011 moved the mandatory effective date to 1 January 2015. Subsequent phases of this project will address hedge accounting and impairment of financial assets.

The Group will evaluate potential effects of IFRS 9 in accordance with the other phases as soon as the final standard, including all phases, is issued.

IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27. As a result, the Group has evaluated the entities to be consolidated pursuant to IFRS 10 and compared with the requirements of the current IAS 27.

Within the EU/EEA area, IFRS 10 is effective for annual periods starting on or after 2014.

IFRS 11 Joint Arrangements

This standard replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Ventures. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. All entities meeting the definition of a joint venture must be accounted for using the equity method. Within the EU/EEA area, IFRS 11 is effective for annual periods beginning on or after 1 January 2014.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 applies for enterprises with interests in subsidiaries, joint arrangements, associates and structured entities. IFRS 12 replaces the disclosure requirements that were previously included in IAS 27 Consolidated and Separate Financial Statements, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures. A number of new disclosures are also required, but has no impact on the Group's financial position or performance. Within the EU/EEA area, IFRS 12 is effective for annual periods beginning on or after 1 January 2014.

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 judgement 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, ASSETS & NON-CONTROLLING INTEREST

CONSOLIDATED
(NOK 1 000)

Name	Description	Acquisition date	Percentage of voting equity instruments acquired	Cost price	Cost associated with the acquisition [1]	Consideration total
Cresta AS/Østby Økonomiservice	Accounting Services - Asset	08/01/13	1 040	-	1 040	
Fredriksen Regnskapsservice AS	Accounting Services	08/01/13	100.00%	3 700	93	3 793
Svein Holtet AS	Accounting Services	08/01/13	100.00%	3 200	-	3 200
Xbase	Accounting Services - Asset	08/01/13		214	-	214
Maventa Oy	Acquisitions of non-controlling interest	25/01/13	49.00%	26 239	-	26 239
Kollektor AS	Estimate change from previous acquisitions	25/01/13		1 971	-	1 971
Lavit Oy	Accounting Services	03/02/13	100.00%	10 567	144	10 711
Pdata AB	ERP R&D	26/03/13	100.00%	36 320	103	36 423
Visma DevTrend AB	Accounting Services	6/03/13	100.00%	807	-	807
Mainpartner AS	Accounting Services	13/04/13	100.00%	6 500	92	6 592
Mekk Skandinavia	Accounting Services-Asset	24/04/13		2 000	-	2 000
Tilitoimisto	Accounting Services	02/05/13		866	-	866
Hartmanns outsourcing	Accounting Services	01/07/13		1 055	-	1 055
InExchange Factorum AB	E-invoices Services	05/07/13	100.00%	221 599	569	222 168
Duetto Group Oy	Collection Services	01/08/13	100.00%	38 469	426	38 895
Duetto-ohjelmat Oy	Collection Services	01/08/13	100.00%	4 274	-	4 274
Ordna Ekonomistyrning Sverige AB	Accounting Services	18/09/13	100.00%	5 623	113	5 736
Information Factory AB	Retail SW development	09/11/13	100.00%	32 690	135	32 825
InStore IT Innlandet AS*	Retail Field services	19/12/13	90.33%	9 767	-	9 767
InStore IT Midt Norge AS*	Retail Field services	19/12/13	90.10%	16 367	-	16 367
InStore IT Nord AS*	Retail Field services	19/12/13	90.10%	8 689	-	8 689
InStore IT Sør AS*	Retail Field services	19/12/13	91.00%	15 294	-	15 294
InStore IT Vest AS*	Retail Field services	19/12/13	100.00%	22 816	457	23 273
Total				**470 069**	**2 132**	**472 201**

* Included in total cost price of 72 933 for the InStore IT companies, 18 636 is acquisition of non-controlling interest.

The cash outflow on acquisition are as follows:	
Cost price (excluded costs associated with the acq.)	470 069
Last year earn-out, paid this year	14 408
Change in estimated earn-out	-
Deferred payment	(128 007)
Cash paid	**(356 471)**
Net cash acquired with the acquisitions	29 655
Net cash (outflow)/inflow	**(326 816)**
Other intangible assets acquired	23 448
Machinery and equipment acquired	8 112
Net investment in businesses	**(295 256)**

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.

Acquisition of Pdata AB

On 26 March 2013, Visma acquired 100% of the voting shares of Pdata AB. Pdata AB has a very strong position in the accounting office segment in the SME ERP market.

Inexchange Factorum AB

On 5 July 2013, Visma made an investment in the Swedish company InExchange Facturum AB.

Duetto Group Oy

On 1 August 2013, Visma acquired 100% of the voting shares of the Finish collecting company Duetto Group Oy.

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

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

(NOK 1 000)	Pdata AB	InExchange Factorum AB	Duetto Group Oy
Deferred tax assets	1 662	3 353	
Shares			6
Machinery and equipment	18	758	2 818
Property			
Other long-term receivables	728		
Trade receivables	3 685	6 846	1 166
Other short term receivables	298	708	6 027
Cash and cash equivalents	16 285		36
Other intangible assets	6 787	72 903	5 337
Contracts and customer relationship	9 502	70 785	13 464
Assets	**38 966**	**155 353**	**28 854**
Bank overdraft		2 261	2 164
Trade creditors	224	994	450
Deferred tax liability	6 175	27 060	3 893
Public duties payable	1 934	5 126	1 294
Tax payable	1 028	(55)	522
Other current liabilities	7 729	6 323	2 527
Liabilities	**17 090**	**41 710**	**10 850**
Fair value of net assets	**21 877**	**113 643**	**18 004**
Goodwill arising on acquisition	14 444	107 957	24 740
Consideration total	**36 320**	**221 599**	**42 744**
Revenue for the year	6 770	33 794	29 643
Revenue for the period before acquisition	4 953	14 915	16 337
Revenue contribution to the Visma Group	1 817	18 879	13 306
Profit for the year	3 183	(3 074)	240
Profit for the period before acquisition	2 782	4 885	2 325
Profit contribution to the Visma Group	401	(7 959)	(2 085)

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
Priorite Oy	Consulting business	15/01/14	100.0%	5.2 MEUR		5.2 MEU
Finnvalli Finland Oy	Software business	27/01/14	100.0%	10.8 MEUR		10.8 MEUR
Logium Oy	Software business	03/02/14	100.0%	12 MEUR		12 MEUR
Wallmob A/S	Retail Software business	07/02/14	50.1%	32 MDKK		32 MDKK

*estimate

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

NOTE 2 - SEGMENT INFORMATION

CONSOLIDATED

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

For management purposes, the Group is organised into three business units based on the market their customer operates in with different risk and rates of return. The Group and has three reportable segments as follows:

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

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

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

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

Transfer prices between business segments are set at an arm's length basis in a manner similar to transactions with third parties.

Visma AS and national holding companies are disclosed under "Other".

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

OPERATING SEGMENTS

	2013				
(NOK 1 000)	**Software SMB**	**BPO**	**Software GLA**	**Other**	**Total**
Revenue					
Total segment revenue	**3 100 411**	**1 855 431**	**2 667 439**	**100 323**	**7 723 604**
Internal revenue	499 529	82 674	588 724	100 323	1 271 250
External revenue on each group of similar products and services					
License and recurring	1 795 641	28 763	1 044 756	0	2 869 160
Transactions	427 096	890 946	21 456	0	1 339 497
Accounting serv. & consulting	99 561	832 261	813 795	0	1 745 617
Other	278 584	20 789	198 707	0	498 080
External revenue	**2 600 882**	**1 772 757**	**2 078 715**	**0**	**6 452 354**
Actual growth (external) %	6.5%	10.3%	22.4%		12.2%
Curr. adj. organic growth (external) %	3,8%	5,6%	8,7%		4.9%
EBITDA	**794 083**	**186 684**	**383 459**	**(39 081)**	**1 325 145**
EBITDA margin	30.5%	10.5%	18.4%		20.5%
Profit before tax	**601 621**	**139 725**	**288 962**	**(06 092)**	**724 217**
Assets	**4 986 566**	**1 483 310**	**2 683 756**	**(144 004)**	**9 009 628**

	2012				
(NOK 1 000)	Software SMB	BPO	Software GLA	Other	Total
Revenue					
Total segment revenue	**2 920 007**	**1 675 108**	**1 922 397**	**91 209**	**6 608 721**
Internal revenues	477 010	67 216	224 763	91 209	860 197
External revenue on each group of similar products and services					
License and recurring	1 695 721	15 340	795 234	0	2 506 295
Transactions	368 957	806 277	15 000	0	1 190 234
Accounting serv. & consulting	105 224	766 177	717 927	0	1 589 328
Other	273 094	20 099	169 474	0	462 666
External revenue	**2 442 997**	**1 607 892**	**1 697 634**	**0**	**5 748 523**
EBITDA	**701 914**	**172 621**	**275 241**	**(35 433)**	**1 114 343**
EBITDA margin	28.7%	10.7%	16.2%		19.4%
Profit before tax	**494 102**	**126 867**	**197 733**	**(273 563)**	**545 139**
Assets	**4 695 585**	**1 316 146**	**2 039 819**	**(231 460)**	**7 820 090**

Reconciliation	**2013**	**2012**
Profit before taxes	724 217	545 139
Net financial items	233 027	208 917
Result from associated companies	(5 393)	(5 824)
Depreciations and amortisations	373 295	366 111
EBITDA from operating segments	**1 325 145**	**1 114 343**
EBITDA	**1 325 145**	**1 114 343**

Assets for associated companies are disclosed under "Other".

GEOGRAPHICAL AREAS	2013			2012		
	Net sales	% of net sales	Long lived assets*	Net sales	% of net sales	Long lived assets*
Norway	3 154 067	48.9%	2 041 113	2 879 216	50.1%	2 312 510
Sweden	2 089 037	32.4%	1 488 846	1 791 128	31.2%	867 400
Denmark	361 490	5.6%	253 467	322 830	5.6%	239 353
Finland	607 866	9.4%	890 178	520 907	9.1%	766 847
Netherlands	239 894	3.7%	612 618	234 441	4.1%	575 816
Total	**6 452 354**	**100.0%**	**5 286 221**	**5 748 523**	**100.0%**	**4 761 927**

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

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

NOTE 3 - PAYROLL AND PERSONNEL EXPENSES

CONSOLIDATED

(NOK 1 000)	2013	2012
Salaries	2 546 025	2 250 552
Employer's national insurance contributions	442 551	390 402
Pension expenses	179 410	145 486
Other personnel expenses	148 426	206 845
Total	**3 316 412**	**2 993 285**
Average number of man-year	**5 642**	**5 385**

Pensions

Visma has contribution-based schemes in Denmark, Finland, Sweden and Norway. The company is for the Norwegian employees required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension (Lov om obligatorisk tjenestepensjon). The company's pension scheme meets the requirements of that law. The annual contribution to the scheme is expensed as the year's pension expenses. Visma has no obligation beyond the annual contribution. The Group's recognized pension liabilities of TNOK - 4 136 originating from acquired entities. Expenses related to the contribution plan were TNOK 178 914 in 2013 and TNOK 145 486 in 2012. In addition to the defined contribution-based schemes, Visma has one defined benefit plan in Sweden covering 26 employees. The net liability recognised based on the defined benefit scheme in the Group (Visma Consulting AB Sweden) amounts to NOK 4.1 million as of year end 2013.

NOTE 4 - GOODWILL AND OTHER INTANGIBLE ASSETS

CONSOLIDATED

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

Contracts and Customer relationships represent intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised under the straight-line method over a period of 4-7 years. These assets are tested for impairment where an indicator on impairment arises. Purchased rights represent intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised under the straight-line method over a period of 4-15 years. These assets are tested for impairment where an indicator on impairment arises. Technology represents intangible assets purchased through the effect of business combinations. The useful lives of these intangible assets were estimated as having a finite life and is amortised by using the declining balance method.
Trademark represents intangible assets purchased through the effect of business combinations and is amortised with 12 % by using the declining balance method. Development costs are internally generated and amortised under the straight-line method over a period of 4 years. Goodwill represents intangible assets purchased through the effect of business combinations. These assets are not amortised, but are anually tested for impairment or if an indicator on impairment arises. Reference is made to Note 23

INVESTMENT IN PURCHASED RIGHTS, GOODWILL, CONTRACTS AND CUSTOMER RELATIONSHIPS

(NOK 1 000)	Acquired (year)	Software rights	Capitalized development expenses	Contracts & Customer relationships	Goodwill
Cresta AS/Østby Økonomiservice	2013	-	-	-	1 040
Doxylon	2011	-	-	-	(30)
Duetto Group Oy,Fi	2013	4 232	903	13 464	20 749
Duetto-ohjelmat Oy,Fi	2013	-	203	-	3 991
Fredriksen Regnskapsservice AS,N	2013	-	-	-	2 508
Hartmanns outsourcing	2013	950	-	-	106
InExchange Factorum AB,S	2013	50 560	22 342	70 785	107 957
Information Factory AB,S	2013	8 173	-	11 442	15 358
InStore IT Sør AS,N	2013	-	-	3 220	7 318
InStore IT Vest AS,N	2013	-	-	2 798	6 769
Kollektor AS,N	2010	-	-	-	(1 748)
Lavit Oy	2013	-	-	3 698	8 253
Mainpartner AS	2013	-	-	1 950	4 294
Mekk Skandinavia	2013	-	-	-	2 000
Ordna Ekonomistyrning Sverige AB,S	2013	-	-	1 125	4 711
Pdata AB,S	2013	6 787	-	9 502	14 444
S4F Progress AB,S	2013	-	-	-	(547)
Svein Holtet AS,N	2013	-	-	-	2 400
Tilitoimisto	2013	-	-	-	811
Visma DevTrend AB,S EO	2008	-	-	-	807
Xbase	2013	-	-	-	214
Total		**70 702**	**23 448**	**125 429**	**218 313**

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 2012	**2 479**	**60 667**	**476 177**	**134 111**	**720 410**	**3 462 456**
Acquisitions	0	0	36 562	1 568	84 707	144 491
Additions	0	0		34 141	0	0
Amortisation	(287)	(7 603)	(110 121)	(41 669)	(145 320)	0
Exchange adjustments	(127)	(3 095)	14 114	(0)	(16 712)	(85 023)
At 31 December 2012	**2 066**	**49 969**	**416 733**	**128 151**	**643 085**	**3 521 924**
Carrying amount at 1 January 2012						
Cost	4 858	126 057	707 254	187 889	1 204 102	3 593 659
Accumulated amortisation and impairment	(2 379)	(65 390)	(231 077)	(53 778)	(483 691)	(131 203)
Carrying amount at 1 January 2012	**2 479**	**60 667**	**476 177**	**134 111**	**720 411**	**3 462 456**
Carrying amount at 31 December 2012						
Cost	4 731	122 962	757 930	223 598	1 272 097	3 653 127
Accumulated amortisation and impairment	(2 666)	(72 993)	(341 199)	(95 447)	(629 011)	(131 203)
Carrying amount at 31 December 2012	**2 066**	**49 969**	**416 733**	**128 151**	**643 085**	**3 521 924**

	2013	2012
The Group has incurred the following software research and development expenses	695 844	317 639

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

NOTE 5 - TANGIBLE FIXED ASSETS

CONSOLIDATED

(NOK 1 000)	Machinery and equipment	Property**	Total
At 1 January 2013	125 624	19 272	144 897
Investment	56 171	4 042	60 213
Investment from acquisition of subsidiary	8 112	0	8 112
Depreciation for the year	(56 418)	(2 429)	(58 848)
At 31 December 2013	**133 487**	**20 884**	**154 372**
At 1 January 2013			
Cost	592 019	27 020	619 040
Accum. depreciation	(468 089)	(6 056)	(474 145)
At 1 January 2013	**125 624**	**19 272**	**144 895**
At 31 December 2013			
Cost	656 301	31 063	687 364
Accum. depreciation	(522 814)	(10 178)	(532 993)
At 31 December 2013	**133 487**	**20 884**	**154 372**
Depreciation rates (straight line method)	*10-33.33%*	*0 - 4%*	

(NOK 1 000)	Machinery and equipment	Property**	Total
At 1 January 2012	**133 623**	**19 207**	**152 831**
Investment	49 384	64	49 449
Investment from acquisition of subsidiary	3 725	0	3 725
Disposal and scrap	0	0	0
Impairment	0	0	0
Depreciation for the year	(61 110)	0	(61 110)
Exchange adjustments	0	1	1
At 31 December 2012	**125 624**	**19 272**	**144 897**
At 1 January 2012			
Cost	538 909	26 955	565 864
Accum. depreciation	(406 979)	(6 056)	(413 035)
At 31 December 2012	**133 623**	**19 207**	**152 831**
At 31 December 2012			
Cost	592 019	27 020	619 040
Accum. depreciation	(468 089)	(6 056)	(474 145)
At 31 December 2012	**125 624**	**19 272**	**144 895**
Depreciation rates (straight line method)	*10-33.33%*	*0 - 4%*	

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

NOTE 6 - ACCOUNTS RECEIVABLES

CONSOLIDATED

(NOK 1 000)	2013	2012
Accounts receivables	942 808	808 415
Provision for bad debt	(22 487)	(18 548)
Accounts receivables	**920 320**	**789 867**

On a consolidated basis the provision for bad debts at 31.12.2012 is NOK 18.547.799 while at 31.12.2011 it was NOK 27.115.597.

CHANGES IN PROVISIONS FOR BAD DEBTS

(NOK 1 000)	2013	2012
Provisions for bad debt 1 January	**18 548**	**27 116**
Effect from (disposals) and acquisitions of business	645	5 139
Bad debts recognised as expense (expense reduction)	5 627	(10 174)
Recovered amounts previously written off	(2 332)	(3 533)
Provisions for bad debts 31 December	**22 487**	**18 548**

AGE DISTRIBUTION OF ACCOUNTS RECEIVABLES FROM INVOICED DATE

(NOK 1 000)	Current 0-30 days	31-60 days	61-90 days	91-180 days	181+ days	Year end	Provisions	Total
Trade receivables 2013	760 967	113 960	25 654	19 053	23 173	942 808	(22 487)	920 320
Trade receivables 2012	645 341	111 102	22 694	12 438	16 840	808 415	(18 548)	789 867

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 18 538 (TNOK 13 472 in 2012). Credit days varies between 15 and 30 days. There were no material individual items.
The company considers the provision for bad debt to be adequate.

NOTE 7 - OTHER CURRENT AND LONG-TERM RECEIVABLES

CONSOLIDATED

(NOK 1 000)	2013	2012
Other current receivables		
Prepaid expenses	63 985	48 346
Other short term receivables	60 380	32 604
Prepaid taxes	6 910	5 830
Revenue recognized not invoiced / work in progress	49 136	42 341
Total other short term receivables	**180 412**	**129 120**

Other long term receivables

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

CONSOLIDATED

(NOK 1 000)	2013	2012
Rent	317 760	297 849
Other office expenses	127 659	122 654
Telecom, postage and IT	98 119	103 761
Travel expenses	75 742	66 140
Car expenses incl leasing	24 404	19 531
Sales and marketing	122 605	110 647
Audit, lawyers' fees and other consulting services	88 714	92 066
Bad debt	29 519	16 947
Total other operating expenses	**884 522**	**829 596**

NOTE 9 - FINANCIAL INCOME AND EXPENSES

CONSOLIDATED

(NOK 1 000)	2013	2012
Financial income include:		
Dividend/transfer from investments	3 300	5 340
Other interest income	29 267	23 851
Foreign exchange gains*	2 179	0
Total financial income	**34 746**	**29 191**
Financial expenses include		
Interest expense	207 529	209 442
Foreign exchange losses *	0	2 745
Other financial expenses **	60 245	25 922
Total financial expenses	**267 773**	**238 108**

* Foreign exchange gains/losses are in all material respects associated with inter-company items that represent foreign exchange risk for the Group that is not considered part of a net investment.
** Other financial expenses consists mainly of funding fees amortized in connection with the long term interest bearing loans.

NOTE 10 - TAX ON ORDINARY PROFIT

CONSOLIDATED

Major components of income tax expense for the years ended 31 December 2013 and 2012 are:

(NOK 1 000)	2013	2012
Tax payable	102 770	75 247
Adjustments in respect of current income tax of previous years	0	8
Changes in deferred taxes	54 339	(54 110)
Income tax expense	**157 109**	**129 365**

NOTE 10 - TAX ON ORDINARY PROFIT - continued

CONSOLIDATED

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)	2013	2012
Ordinary profit before tax	**724 217**	**545 139**
28% tax on ordinary profit before tax	202 781	152 639
Permanent differences	(1 745)	(91)
Different tax rate in some group companies	(20 932)	(5 140)
Change in tax rates*	(18 814)	(7 072)
Loss (profit) from associated company	(1 510)	(1 631)
Tax from prior year	(1 469)	(3 013)
Dividend received	(543)	(2 004)
Recognised previous unrecognised tax loss	(658)	(4 324)
Tax expense	**157 109**	**129 365**
Effective tax rate	21.7%	23.7%

* Following countries have change the corporate tax with effect from 2014 affecting the temporary differences and defferred tax as at 31.12: **- Norway** changed corporate tax rate from 28% to 27% **- Finland** changed corporate tax rate from 24,5% to 20% **- Denmark** changed corporate tax rate from 25% to 24,5% **- Czech Republic** changed corporate tax rate from 25% to 19%

DEFERRED TAX AND DEFERRED TAX ASSETS

	Consolidated statement of financial position		Consolidated income statement	
(NOK 1 000)	2013	2012	2013	2012
Current assets/liabilities	47 807	33 868	13 939	(179)
Fixed assets/long term liabilities	396 696	407 436	(12 789)	91 276
Losses carried forward	(18 158)	(71 348)	53 190	(26 173)
Net deferred tax liability / (asset)	**426 345**	**369 956**	**54 339**	**64 924**
Recognised deferred tax asset	(81 191)	(121 002)		
Recognised deferred tax liability	507 536	490 957		
Net deferred tax liability / (asset)	**426 345**	**369 956**		

(NOK 1 000)	2013
Deferred tax opening balance	**369 956**
Taken to other comprehensive income	(3 940)
Change in group contribution related parties	(40 826)
Currency translation effects	1 200
Changes due to acquisitions	45 617
Taken to profit and loss	54 339
Deferred tax closing balance	**426 345**

Change in deferred tax in the statement of financial position includes deferred tax assets/liabilites related to fair value of FX interest rate swaps and aquisitions of companies that have not been recognized through profit and loss.

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

In 2010, local tax authorities in Norway made a ruling that prevented Visma from utilizing tax positions of an acquired business of MNOK 500 million. The tax position consisted of tax losses carried forward from the period 2004-2008 and goodwill. Visma has taken the case to court but lost in the first instance in 2013. Visma has appealed and is awaiting further court proceedings to be scheduled. As a consequence of the ruling made by the local tax authorities, local legislation in Norway required Visma to either pay according to the ruling or to issue a parent company guarantee regardless of the final outcome of the case. Visma has therefore issued a guarantee in the amount of MNOK 139. No provision has been recognized as a consequence of the case

NOTE 11 - RELATED PARTY DISCLOSURES

CONSOLIDATED

Visma AS	Registered office	Holding % **	Book value ***
Visma Danmark Holding A/S *	Copenhagen	100.00%	161 075 250
Visma Finland Holding OY *	Helsinki	100.00%	244 789 512
Visma Nederland Holding BV *	Amsterdam	100.00%	115 524 635
Visma Norge Holding AS *	Oslo	100.00%	1 521 587 447
Visma Sverige Holding AB *	Växjö	100.00%	6 080 187
Visma Hosting Holding AS	Oslo	100.00%	242 313 670
Visma Treasury AS	Oslo	100.00%	5 000 000
Total (NOK)			**2 296 370 701**

Visma Norge Holding AS	Registered office	Holding % **	Book value ***
Visma Software International AS*	Oslo	100.00%	477 036 285
Visma Software AS	Oslo	100.00%	54 738 310
Visma Unique AS	Oslo	100.00%	59 018 636
Visma Personnel Management AS	Oslo	100.00%	2 500 000
Visma Retail AS*	Baråker	100.00%	195 013 169
Visma IT & Communications AS	Oslo	100.00%	46 326 991
Visma Collectors AS*	Trondheim	100.00%	93 967 577
Visma Academy AS	Oslo	100.00%	1
Visma Advantage AS	Oslo	100.00%	44 463 565
Visma Personnel AS	Oslo	100.00%	14 314 587
Visma Services Norge AS*	Bergen	100.00%	195 535 950
Visma Commerce AS	Oslo	100.00%	12 845 694
Visma Retail Software AS	Baråker	100.00%	22 600 000
Kollektor AS	Limingen	100.00%	11 471 455
Visma Consulting AS	Oslo	100.00%	214 663 481
Visma Software Labs AS	Oslo	100.00%	88 733 470
Instore Technical Services AS	Barkåker	100.00%	79 820 008
Main Partner AS	Oslo	100.00%	708 130
InStore IT Vest AS	Fyllingsdalen	100.00%	32 678 000
InStore IT Innlandet AS	Furnes	90.33%	15 968 533
InStore IT Sør AS	Porsgrunn	91.00%	26 948 065
InStore IT Midt Norge AS	Trondheim	90.10%	17 324 110
InStore IT Nord AS	Tromsø	90.10%	15 149 342
Mamut Norge AS	Oslo	100.00%	25 554 324
Total (NOK)			**1 747 379 683**

Visma Danmark Holding A/S	Registered office	Holding % **	Book value ***
Visma Software A/S	Copenhagen	100.00%	58 946 298
Visma Retail A/S	Copenhagen	100.00%	2 500 000
Visma Services Danmark A/S*	Copenhagen	100.00%	113 692 500
Visma Consulting A/S	Copenhagen	100.00%	171 425 155
Total (DKK)			**346 563 953**

Visma Sverige Holding AB	Registered office	Holding % **	Book value ***
Visma Actit AB	Stockholm	100.00%	100 000
Visma Proceedo AB	Stockholm	100.00%	240 000
Visma Software AB, S	Malmø	100.00%	108 330 042
InExchange Factorum AB	Skövde	100.00%	246 088 258
Visma Spcs AB	Växjö	100.00%	900 674 345
Visma Retail AB	Norrtälje	100.00%	120 265 643
Visma Esscom AB	Bromman	100.00%	130 817 328
Visma DevTrend AB	Stockholm	100.00%	100 000
Visma Services AB	Stockholm	100.00%	140 208 912
PData AB	Växjö	100.00%	7 368 866
Visma Collectors AB	Helsingborg	100.00%	250 386 195
Visma Advantage AB	Stockholm	100.00%	30 674 009
Information Factory AB, S	Uppsala	100.00%	35 144 774
Visma Agda AB	Ängelholm	100.00%	28 974 547
Ordna Ekonomistyrning Sverige AB	Stockholm	100.00%	50 000
Visma IT & Communications AB	Växjö	100.00%	1 220 000
Visma Commerce AB	Linkøbing	100.00%	194 601 234
Visma Lindhagen AB	Stockholm	100.00%	1 000 000
Visma Consulting AB*	Kista	100.00%	250 966 832
S4F Progress AB	Fagersta	100.00%	2 800 000
Visma Malmö AB	Malmo	100.00%	1 000 000
Mamut AB	Stockholm	100.00%	19 745 732
Total (SEK)			**2 670 756 717**

Visma Finland Holding OY	Registered office	Holding % **	Book value ***
Duetto ohjelmat	Turku	100.00%	530 400
Visma Duetto Oy	Turku	100.00%	4 805 431
Visma Software OY	Espoo	100.00%	25 692 073
Visma Services Oy	Helsinki	100.00%	36 361 097
Maventa Oy	Helsinki	100.00%	4 957 962
Visma Solutions Oy	Lappeenranta	100.00%	40 397 913
Visma Passeli Oy	Pori	100.00%	19 628 572
Total (EUR)			**132 373 448**

Visma Nederland Holding BV	Registered office	Holding % **	Book value ***
Visma Software BV,NL	Schiphol-Rijk	100.00%	100 972 772
Total (EUR)			**100 972 772**

* Parent company in subgroup

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

*** Book value in the company accounts of the individual company in the Group. In the company accounts shares in subsidiaries are recognized according to the cost method.

NOTE 11 - RELATED PARTY DISCLOSURES - continued

CONSOLIDATED

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	6 155	13 161	1 222	757	0	0
Key managment personnel of the group:	0	0	0	0	0	0

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

The ultimate parent

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 2013, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 12 - BANK DEPOSITS AND LOANS

CONSOLIDATED

The consolidated accounts include cash and bank deposits of KNOK 2 246 384 (KNOK 1 559 376 in 2012).
Of this, restricted cash amounts to KNOK 214 720 (KNOK 166 071 in 2012), whereof KNOK 121 221 relates to guarantee liabilities.

Group account facilities

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

Interest bearing loans

The debt facilities were re-structured in September 2013 as part of an restructure of the debt profile in the Group. Related to this the senior debt facilities were extended and more institutions have become member of the debt syndicate, whereas the largest is Nordea. The financing benefits Visma with increased operational flexibility.

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

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

(NOK 1 000)	Interest*	Interest margin	Interest		Interest accrued	Nominal value 31.12.2013	Due in 2014	2015	2016	2017
Senior Visma AS	1.81%	3.00%	4.81%	NOK	1 809	1 128 000	100 000	0	0	1 028 0000
Senior Visma Sverige Holding AB	1.32%	3.00%	4.32%	SEK	24 680	1 775 000	0	0	0	1 775 000
Senior Visma Finland Holding OY	0.34%	3.00%	3.34%	EUR	1 072	100 000	0	0	0	100 000
Senior Visma Danmark Holding AS	0.54%	3.00%	3.54%	DKK	2 455	216 000	0	0	0	216 000
Senior Visma Nederland AS	0.34%	3.00%	3.34%	EUR	547	51 000	0	0	0	51 000
Total Visma group translated to NOK				**NOK**	**41 517**	**4 317 757**	**100 000**	**-**	**-**	**4 217 757**
Expected interests to be paid				NOK			163 454	163 454	163 454	163 454
Interest swap Visma AS				NOK	1 993	560 000				
Interest swap Visma Sverige Holding AB				SEK	7 310	900 000				
Interest swap Visma Finland Holding OY				EUR	184	50 000				
Interest swap Visma Danmark Holding A/S				DKK	1 287	110 000				
Interest swap Visma Nederland BV				EUR	358	26 000				
Total Visma group translated to NOK				**NOK**	**14 905**	**2 173 157**				

* 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	**2013**	**2012**
Interest bearing deposits	1.54%	1.75%
Revolving credit facility	1.00%	3.31%
Acquisition facility	5.90%	5.05%
Loan secured by mortgage	5.09%	5.40%

Acquisition financing Visma AS	
Acquisition financing national holding companies	4 217 757
Capitalised borrowing cost	(34 613)
Other none interest bearing long term borrowings	114 667
Total	**4 183 143**

Reference is made to note 20 for information about interest risk and interest hedging instruments

Trade payables are non-interest bearing and are normally settled on terms between 15 and 60 days.

NOTE 13 - OTHER RESERVES

CONSOLIDATED

(NOK 1 000)	Financial hedging instruments (net of tax)	Exchange differences on translation of foreign operations (net of tax)	Other changes	Total other reserves
As at 1 January 2012	**(73 867)**	**(19 432)**	**51 712**	**(41 586)**
Changes in 2012	(478)	(21 251	0	(21 729)
At 31 December 2012	**(74 344)**	**(40 684)**	**51 712**	**(63 316)**
Changes in 2013	(10 135)	81 757	(4 520)	67 102
At 31 December 2013	**(84 479)**	**41 073**	**47 192**	**3 785**

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

Financial hedging instruments

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

Exchange differences on translation of foreign operations

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

Other changes

SuperInvest AS went from being classified as "shares available for sale" to an associated company in August 2008. Fair value of the investment of MNOK 62 was considered as deemed cost at the date SuperInvest AS became an associate and no adjustment has been made to reverse previous fair value adjustments within other reserves. Visma implemented IAS 19R in 2013. IAS 19R eliminates the corridor approach and recognizes all actuarial gains and losses in Other Comprehensive Income as they occur. In addition all past service costs are recognized immediately and interest cost and expected return on plan assets are replaced with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The changes have been applied retrospectively with effect on the opening balance 1 January 2012. The net liability recognised based on the defined benefit scheme in the Group (Visma Consulting AB Sweden) amounts to NOK 4.1 million as of year end 2013.

NOTE 14 - SHARE CAPITAL AND SHAREHOLDER ISSUES

CONSOLIDATED

At 31.12.2013, 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 2013

Shareholders at 31.12.2013	**Holding (%)**
Archangel AS	100%
Total	**100%**

NOTE 15 - SHARES OWNED BY THE BOARD AND EXECUTIVE EMPLOYEES

CONSOLIDATED

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

	Holding
Board of Directors:	0.03%
Executive employees:	
Øystein Moan (CEO)	0.86%
Tore Bjerkan (CFO)	0.36%
Bjørn A.Ingier (Director Growth and Cross-sales)	0.30%
Eivind Gundersen (Division Director Visma Software SMB)	0.06%
Peter Fisher (Managing Director Visma Retail)	0.05%
Total	**1.65%**

CHAMUEL TOPCO AS

Shareholder/Nominee	Ordinary A-shares	Preference B-shares	Total # Shares	%
KKR funds	41 141 309	5 627 616 236	5 668 757 545	76,1%
Hg Capital	9 434 819	1 290 565 180	1 299 999 999	17,5%
VMIN 2 AS	7 292 991	323 269 669	330 562 660	4,4%
Other management	5 903 341	143 816 839	149 720 180	2,0%
Total	**63 772 460**	**7 385 267 924**	**7 449 040 384**	**100,0%**

Only ordinary A-shares have voting rights.

NOTE 16 - COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE GROUP

CONSOLIDATED

(NOK 1 000)	2013	2012
CEO SALARY AND OTHER REMUNERATION		
Salaries and benefits in kind	5 317	5 111
Bonus	3 500	2 500
Other	240	244
Total remuneration	**9 057**	**7 856**

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 51.147 in 2013.

(NOK 1 000)	2013	2012
REMUNERATION TO THE MANAGEMENT (does not include CEO)		
Salaries and benefits in kind	11 628	9 719
Bonus	3 595	2 900
Other	0	657
Total remuneration	**15 223**	**13 276**

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 2013 to TNOK 11 compared to TNOK 187 in 2012.

Remuneration to the board of directors

The Board will propose to the general meeting that the Board's remuneration for 2013 is set at TNOK 550 (TNOK 550) to the chairman of the Board.

NOTE 16 - continued

CONSOLIDATED

REMUNERATION TO THE AUDITORS	2013				2012			
(NOK 1 000)	Visma AS	Other Group companies	Other Auditors	Total	Visma AS	Other Group companies	Other Auditors	Total
Audit services	561	7 742	217	8 520	615	7 643	205	8 463
Other attestation services	162	580	0	742	40	678	0	718
Tax services	570	290	0	860	696	283	0	979
Other services	1 843	3 616	150	5 610	357	1 976	0	2 332
Total	**3 136**	**12 228**	**367**	**15 731**	**1 708**	**10 580**	**205**	**12 493**

All fees are exclusive of VAT.

NOTE 17 - SECURED DEBT AND GUARANTEE LIABILITIES

CONSOLIDATED

Debtor	Actual guarantee debtor	Creditor	Type of guarantee	Guarantee limit	
Visma Finland Holding OY, Fi	Visma Services Oy, FI	KOY Kanavaranta 3 - 7, Kanavaranta	lease of premises	KEUR	32
Visma Finland Holding OY, Fi	Visma Services Oy, FI	Technopolis Oyj, Jyväskylä	lease of premises	KEUR	27
Visma Finland Holding OY, Fi	Visma Services Oy, FI	Timo ja Marko Lehtoselle&Harjuntausta 4-6. Tampere	lease of premises	KEUR	5
Visma Finland Holding OY, Fi	Visma Services Oy, FI	RandH Kiinteistöt I Oy, Turku	lease of premises	KEUR	17
Visma Finland Holding OY, Fi	Visma Services Oy, FI	VVO Kodit Oy, Järvenpää	lease of premises	KEUR	7
Visma Sverige Holding AS	SF4 Progress AB, SE	Lunds Kommun, SE	liability	KSEK	900
Visma Sverige Holding AS	Visma Retail AB, SE	ApoPharm AB, SE	liability	KSEK	5 000
Visma Sverige Holding AS	Visma Retail AB, SE	Coop Butiker & Stormaknader AB, SE	liability	KSEK	2 400
Visma AS	Visma Finland Holding OY, FI	Exillion Rel Estate I Ky, Helsinki	lease of premises	KEUR	25 238
Visma AS	Visma Lindhagen AB, SE	Remulus Svealand 2AB, Stockholm	lease of premises	KSEK	182 602
Visma AS	Visma Malmö AB, SE	AB Remulus Bassängkajen Malmö, Malmö	lease of premises	KSEK	90 216
Visma AS	DSB Business Solution International	Dell Products, Dublin, IR	liability	KEUR	no limit
Visma AS	Visma AS, NO	Barcode 112 AS, Oslo	lease of premises	KNOK	45 233
Visma AS	Active 24 Norway AS, NO	Dell AS, Oslo	liability	KNOK	1 000
Visma AS	Visma IT & Communications AS, NO	Dell AS, Oslo	liability	KNOK	15 000
Visma Norge Holding AS	Visma Norge Holding AS, NO	Fram Eiendom AS, Oslo	lease of premises	KNOK	68 136
Visma Norge Holding AS	Visma Services Norge AS, NO	Thon Ski AS	lease of premises	KNOK	700
Visma Norge Holding AS	Visma Personell Management AS	AS Thor Dahl, Sandefjord	lease of premises	KNOK	41
Visma Norge Holding AS	Visma Software International AS, NO	Fredriksborg Eiendom AS, Fredrikstad	lease of premises	KNOK	1 205
Visma Norge Holding AS	Visma Services Norge AS, NO	Hans Gaarder Eiendom AS, Larvik	lease of premises	KNOK	286
Visma Norge Holding AS	Visma Services Norge AS, NO	Moengården AS, Eid	lease of premises	KNOK	156
Visma Norge Holding AS	Visma Services Norge AS, NO	Fjordpiren AS, Stavanger	lease of premises	KNOK	3 530
Visma Norge Holding AS	Visma Services Norge AS, NO	Havsutsikt AS, Mandal	lease of premises	KNOK	382
Visma Norge Holding AS	Visma Services Norge AS, NO	AS Thor Dahl, Sandefjord	lease of premises	KNOK	388
Visma Norge Holding AS	Visma Academy AS	Oslo Kemnerkontor	parent company guarantee	KNOK	139 415
Total guarantees				**KNOK**	**645 141**

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.

All securities granted will always be subject to local law.

NOTE 18 - COMMITMENTS

CONSOLIDATED

Operating lease commitments - Group as lessee

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

In addition the Group has entered into commercial property leases related to the Group's office buildings. These leases have remaining terms of between 1 and 10 years. As of 31.12.2013, 2096 square meters in the headquarter in Skøyen is subleased, at a yearly value of MNOK 6.8 and 4 293 square meters in the office in Bjørvika is subleased, at a yearly value of MNOK 9,6.

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

(NOK 1 000)	2013	2012
Within one year	377 289	372 311
After one year but no more than four years	1 131 867	1 116 934
More than five years	578 729	664 810

Total lease expenses in 2013 amounted to TNOK 397 200.

NOTE 19 - INFORMATION ON CALCULATION OF EARNINGS PER SHARE

CONSOLIDATED

The calculation is based on the following information:	2013	2012
Majority's share of the Group's profit/loss for the year (NOK 1,000)	564 207	414 264
Time-weighted average number of shares 31 December	1.00	1.00
Earnings per share (NOK)	**564 206 990**	**414 263 964**
Effect of dilution:		
Share options	-	-
Time-weighted average number of shares 31.12 including options	1.00	1.00
Diluted earnings per share (NOK)	**564 206 990**	**414 263 964**

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

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

NOTE 20 - FINANCIAL INSTRUMENTS

CONSOLIDATED

Market and technology risks

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

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

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

Financial risk

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations. The Group has also entered into derivative instruments for hedging purposes. The Group does not use financial instruments, including financial derivatives, for trading purposes. The Group's senior management oversees the management of these risks. Guidelines for risk-management have been approved by the board. The most significant financial risks for the Group are interest rate risk, liquidity risk, credit risk and exchange rate risk. The board and Management continuously evaluate these risks and determine policies related to how these risks are to be handled within the Group.

Credit risk

The Group are exposed to credit risk primarily related to accounts receivable and other current assets. The Group limits the exposure to credit risk through credits evaluation of its customers before credit are given. The Group has no significant credit risk linked to an individual customer or several customers that can be regarded as a group due to similarities in the credit risk. The risk is limited due to the large number of customers and small amounts beeing invoiced to each customer.The Group has guidelines for ensuring that sales are only made to customers that have not experienced any significant payment problems, and that outstanding amounts do not exceed certain credit limits. The Group has not provided any guarantees for third parties liabilities. The maximum risk exposure is represented by the carrying amount of the financial assets in the balance sheet. The Group regards its maximum credit risk exposure to the carrying amount of trade receivables (see Note 6) and other current assets (see Note 7).

Interest-rate risk

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

Derivative instruments designated as cash flow hedging instruments

Parts of the groups cash flow are related to interest rate risk. As a part of the refinancing in 2013, the group entered into interest rate contracts covering 50,5% of the loan amounts. Interest rate for loans with floating rate has been hedged using interest rate swaps, where the group receives floating rate and pays fixed rate. The hedge is expected to exactly offset changes in expected cash flows due to fluctuations in the interest rate over the term of the debt. The effectiveness of the hedge relationship will be periodically assessed during the life of the hedge by comparing the current terms of the swap and the debt to assure they continue to coincide. The table below shows the fair value of the interest swap contracts.

(NOK 1 000)	Fixed interest	Nominal value	Fair value*
Visma AS 05.09.13 to 05.12.17	2.91%	NOK 560 000	(13 247)
Visma Sverige Holding ABfrom 05.09.13 to 05.12.17	3.57%	SEK 900 000	(54 063)
Visma Finland Holding OY 2,2400% from 05.09.13 to 05.12.17	2.24%	EUR 50 000	(16 407)
Visma Danmark Holding A/S from 05.09.13 to 05.12.17	2.88%	DKK 110 000	(11 093)
Visma Nederland BV 2,6800% from 05.03.13 to 05.12.15	2.68%	EUR 26 000	(22 142)
Total			**(116 953)**

* Fair value adjustment as market to market value at year end 2013, for the remaining life of the contracts.

Liquidity risk

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

Exchange rate risk

The Group is exposed to changes in the value of NOK relative to other currencies (SEK, DKK and 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.

	Adjustments in exchange rate	Effect on profit before tax (NOK 1 000)
2013	± 5%	± 27 042
2012	± 5%	± 20 400

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.

	2013	2012
Interest-bearing debt	4 317 757	4 045 958
Less cash and cash equivalents	2 246 384	1 559 376
Net debt	**2 071 373**	**2 486 581**
Majority's equity	1 952 318	1 469 618
Total equity and net debt	**4 023 691**	**3 956 199**
Debt ratio	51%	63%

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.

	2013		2012	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Cash and cash equivalents	2 246 384	2 246 384	1 559 376	1 559 376
Trade receivables	920 320	920 320	789 867	789 867
Available-for-sale investments	36 142	36 142	38 257	38 257
Other non-current assets	9 788	9 788	162 110	162 110
Financial liabilities				
Revolving credit facility	0	0	0	0
Trade and other payables	194 215	194 215	172 904	172 904
Financial hedging instruments	116 953	116 953	103 257	103 257
Interest-bearing loans and borrowings				
Bank loans	4 283 144	4 283 144	4 045 958	4 045 958

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

Fair value hierarchy

As at 31 December 2013, the Group held the following financial instruments measured at fair value:

	31 Dec. 2013	Level 1	Level 2	Level 3
Assets measured at fair value				
Available-for-sale investments	36 142			36 142
Liabilities measured at fair value				
Financial hedging instruments	116 953		116 953	

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

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

NOTE 21 - AVAILABLE-FOR-SALE FINANCIAL ASSETS

CONSOLIDATED

(NOK 1 000)	Fair value 01.01.2012 IFRS	Additions and reductions	2013
Shares unlisted			
Project X International Ltd	27 442	3 361	30 802
Shares held by Visma Retail AS	6 397	(6 397)	0
Other	4 419	921	5 340
Total	**38 257**	**(2 115)**	**36 142**

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

NOTE 22 - CURRENT LIABILITIES

CONSOLIDATED

Other current liabilities	2013	2012
Deferred revenue	839 356	737 622
Short term interest bearing bank loans	100 000	0
Accrued interests	56 422	62 716
Deferred payment	13 339	2 117
Other short-term liabilities	529 227	457 465
Total other current liabilities	**1 538 345**	**1 259 919**

Ref. note 17 for security to guarantee short term debt

NOTE 23 - IMPAIRMENT TESTING OF GOODWILL

CONSOLIDATED

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

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

Key assumptions used in value-in-use calculations

The recoverable amount of the segments units has been determined based on a value in use calculation. Cash flow projections are based on budget for 2014 approved by management. For the period 2015-2018, management assumes an annual nominal increase in revenues of 3% and an annual EBITDA improvement of 0,5%. Management expects the Group's share of the market to be stable over the budget period. The discount rate applied to cash flow is 7.1% (2012: 7.1%) and cash flows beyond year 19 are extrapolated using a 0% growth rate (2012: 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)	2013	2012
Software CGU	1 837 986	1 582 978
BPO Accounting & Payroll CGU	740 750	634 622
Commerce Solutions CGU	315 239	294 448
Retail CGU	426 743	383 336
Consulting CGU	418 053	387 209
Hosting CGU	248 169	239 331
Total	**3 986 940**	**3 521 924**

The recoverable amounts for the different cash generating units are higher than the carrying amounts and no impairment loss is recognised in 2013. With regard to the assessment of value-in-use of the different cash generating units above, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the units to materially exceed its recoverable amounts. Estimated cash flows and growth rates used in determining the value in use exclude any estimated future cash inflows or outflows expected to arise from future restructuring or from improving or enhancing the asset's performance.

NOTE 24: INVESTMENTS IN ASSOCIATED COMPANIES

CONSOLIDATED

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

Visma AS has the following investments in associates:

(NOK 1 000)

Entity	Country	Ownership interest	Carrying amount 31.12.2012	Investments and reductions	Net profit (loss) 2013*	Carrying amount 31.12.2013	Fair value
SuperInvest AS - Group	Norway	22.2%	80 767	0	5 393	86 160	86 160
Total			**80 767**	**0**	**5 393**	**86 160**	**86 160**

* Adjusted for changes in the company's earnings in 2012, occurred after the presentation of Visma's consolidated financial statements.

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

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

Entity	Assets	Liabilities	Equity	Revenues	Profit (loss) for the year
SuperInvest AS - Group *	704 250	317 143	387 107	336 868	18 812
Total	**704 250**	**317 143**	**387 107**	**336 868**	**18 812**

* Unaudited numbers 2013.

NOTE 25: EVENTS AFTER THE BALANCE SHEET DATE

CONSOLIDATED

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

Visma has in 2014 acquired Finnvalli Finland Oy, Priorite Oy, Logium Oy and Wallmob A/S. Please refer to note 1 for more information.

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

PARENT COMPANY ANNUAL ACCOUNTS

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

VISMA AS

(NOK 1 000)	Note	NGAAP 2013	NGAAP 2012
OPERATING REVENUE			
Other revenue	1	62 284	51 286
Total operating revenue		**62 284**	**51 286**
OPERATING EXPENSES			
Payroll and personnel expenses	2	48 872	51 012
Depreciation and amortisation expenses		1 146	644
Other operating expenses	3	30 406	22 371
Total operating expenses		**80 424**	**74 027**
Operating profit		**(18 141)**	**(22 741)**
FINANCIAL ITEMS			
Financial income	4	881 213	360 321
Financial expenses	4	(50 004)	(42 996)
Net financial items		**831 209**	**317 325**
Profit before taxes		**813 068**	**294 584**
Taxes	5	**111 814**	**81 106**
Profit for the year		**701 254**	**213 478**
TRANSFERS AND ALLOCATIONS			
Transferred to / (from) retained earnings		701 254	213 478
Total transfers and allocations	6	**701 254**	**213 478**
Group contribution paid (net after tax)		328 462	230 731

BALANCE SHEET – 31 DEC

VISMA AS

(NOK 1 000)	Note	NGAAP 2013	NGAAP 2012
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax assets	5	279	0
Total intangible assets		**279**	**0**
Tangible fixed assets			
Property	7	18 780	17 372
Machinery and equipment		500	1 501
Total tangible fixed assets		**19 280**	**18 873**
Financial assets			
Shares in subsidiaries	7	2 296 371	1 581 748
Investment in associated companies	7	92 802	89 442
Total financial fixed assets		**2 389 173**	**1 671 189**
Total non-current assets		**2 408 732**	**1 690 062**
Current assets			
Inter-company receivables		1 071 143	375 382
Other current receivables	7	398	167
Total receivables		**1 071 541**	**375 549**
Cash and cash equivalents		60 997	59 331
Total current assets		**1 132 538**	**434 880**
TOTAL ASSETS		**3 541 270**	**2 124 942**

VISMA AS

(NOK 1 000)		NGAAP 2013	NGAAP 2012
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Paid-in capital			
Share capital		165 000	165 000
Total paid-in capital	6	**165 000**	**165 000**
Retained earnings			
Retained earnings		1 412 442	816 169
Total equity	6	**1 577 443**	**981 170**
Non-current liabilities			
Deferred tax liability	5	0	5 118
Other long-term interest bearing loans and borrowings		1 028 000	431 407
Total non-current liabilities		**1 028 000**	**436 525**
Current liabilities			
Short-term bank loans		100 000	0
Bank overdraft		373 301	368 674
Short term liabilities to group companies		449 947	320 460
Trade creditors		154	537
Public duties payable		1 625	2 686
Other current liabilities		10 800	14 890
Total current liabilities		**935 827**	**707 247**
Total liabilities		**1 963 827**	**1 143 772**
TOTAL EQUITY AND LIABILITIES		**3 541 270**	**2 124 942**
Secured liabilities and guarantees	7		

Oslo, 20 February 2013

Gunnar Bjørkavåg
Chairman of the Board

William Cornog
Director

Jacques Garaialde
Director

Stanislas De Joussineau
Director

Henrik Kraft
Director

Nic Humphries
Director

Annabelle Charlotte Pluquet
Director

Øystein Moan
CEO

CASH FLOW STATEMENT – 1 JAN. - 31 DEC.

VISMA AS

(NOK 1 000)	NGAAP 2013	NGAAP 2012
Ordinary profit / loss before tax	**813 068**	**294 584**
Depreciation and amortisation expenses	1 146	644
Cash inflow from interest	0	(3 448)
Cash outflow from interest	28 706	28 379
Group contribution received	(877 826)	(351 925)
Dividend/transfer from investments	(2 000)	(4 000)
Write-down of shares	3 497	0
Gain on sales of shares	(91)	(948)
Cash flow from operations	**(33 499)**	**(36 714)**
Changes in debtors	(383)	1 202
Changes in public duties payable	(1 061)	(2 002)
Non-cash related financial items	18 593	6 335
Change in intercompany receivables	(695 760)	12 640
Change in other accruals	688 540	183 240
Net cash flow from operations	**(23 572)**	**164 701**
Investment in tangible fixed assets	(1 553)	(37)
Sale of (investment in) shares	(1 127 909)	948
Net cash flow from investments	**(1 129 462)**	**912**
Received dividend/group contribution	825 866	280 305
Payment of dividend/group contribution	(320 460)	0
Cash outflow from refinancing	1 128 000	300 000
Repayments of interest bearing loans	(450 000)	(900 000)
Cash inflow from interest	0	3 448
Cash outflow from interest	(28 706)	(28 379)
Net cash flow from financing activities	**1 154 700**	**(344 627)**
Net cash flow for the year	**1 666**	**(179 014)**
Cash and cash equivalents 1.1	59 331	238 345
Net foreign exchange difference	2 179	0
Cash and cash equivalents 31.12	**60 997**	**59 331**

ACCOUNTING PRINCIPLES

The annual accounts for Visma AS are prepared according to the Norwegian Accounting Act 1998, generally accepted accounting principles and apply for the period 1January to 31 December 2013.

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 - REVENUE

VISMA AS

(NOK 1 000)	2013
Management service fee invoiced to group companies*	40 284
Invoiced marketing/branding expenses to group companies**	22 000
Total	**62 284**

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

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

NOTE 2 - PAYROLL AND PERSONNEL EXPENSES

VISMA AS

(NOK 1 000)	2013	2012
Salaries	25 946	30 612
Invoiced costs related to group management and management trainees being being employed in other group companies.	17 585	14 937
Employer's national insurance contributions	3 849	3 823
Pension expenses	496	506
Other personnel expenses	996	1 134
Total	**48 872**	**51 012**
Average number of man-years	**12**	**12**

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

NOTE 3 - OTHER OPERATING EXPENSES

VISMA AS

(NOK 1 000)	2013	2012
Rent	6 464	6 004
Other office expenses	11 736	5 385
Telecom, postage and IT	166	277
Travel expenses	1 090	676
Car expenses incl leasing	848	893
Sales and marketing	821	398
Audit, lawyers' fees and other consulting services	9 281	8 739
Total other operating expenses	**30 406**	**22 371**

NOTE 4 - FINANCIAL INCOME AND EXPENSES

VISMA AS

(NOK 1 000)	2013	2012
Financial income includes the following items:		
Dividend/transfer from investments and asscociated companies	417 395	4 000
Gain on sale of shares	91	948
Other interest income	(792)	3 448
Foreign exchange gains	2 179	0
Group contribution	462 431	351 925
Total financial income	**881 213**	**360 321**
Financial expenses include:		
Interest expense	27 914	28 379
Write-down of shares	3 497	0
Foreign exchange losses	0	2 745
Other financial expenses	18 593	11 872
Total financial expenses	**50 004**	**42 996**

NOTE 5 - TAX ON ORDINARY PROFITS

VISMA AS

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

(NOK 1 000)	2013	2012
Tax payable	0	(8)
Changes in deferred taxes	(5 397)	(1 802)
Adjustments in respect of current income tax of previous years	34	8
Effect of Group contribution	117 177	0
Income tax expense	**111 814**	**82 908**

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

(NOK 1 000)	2012	2013
Current assets/liabilities	0	(315)
Fixed assets/long term liabilities	(1 034)	18 593
Net temporary differences	(1 034)	18 277
Net deferred tax liability / (asset)	-279	5 118

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

(NOK 1 000)	2013	2012
Ordinary profit before tax	813 068	294 584
Permanent differences	3 506	(948)
Change in temporary differences	19 311	6 466
Non taxable dividend received from subsidiaries	(415 395)	0
Non taxable dividend received from Norwegian associated companies	(2 000)	(4 000)
Net group contribution received / (paid)	(418 490)	(296 102)
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)	2013	2012
Ordinary profit before tax	813 068	294 584
28% tax on ordinary profit before tax	227 659	82 484
Adjustments in respect of current income tax of previous years	34	8
Permanent differences	982	(265)
Effect change in corporate tax	10	0
Non taxable dividend received from Norwegian subsidiaries	(116 871)	(1 120)
Tax expense	**111 814**	**81 106**

NOTE 6 - MOVEMENT IN EQUITY

VISMA AS

(NOK 1 000)	Paid-in share capital	Retained earnings	Total equity
Equity as at 01.01.2013	**165 000**	**816 169**	**981 170**
Profit (loss) for the period		701 254	701 254
Group contribution		(104 981)	(104 981)
Equity as at 31.12.2013	**165 000**	**1 412 442**	**1 577 443**

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.

NOTE 7 - OTHER MATTERS

VISMA AS

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

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

CORPORATE GOVERNANCE

The Board of Directors of Visma AS (the company) is committed to the principles of good corporate governance in order to build trust and contribute to long-term value creation for the benefit of shareholders, employees and other stakeholders. The purpose of the principles is to ensure an appropriate division of roles between shareholders, the Board of Directors and the executive management, more comprehensively than is required by legislation.

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

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

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

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

The main principles for corporate governance in Visma are:

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

1. Implementation and reporting on corporate governance

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

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

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

Corporate values and ethical guidelines

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

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

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

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

Competence
Rely on your own skills and be eager to learn as well as to help col-

leagues to learn. Ensure that you are well-versed in your own products and services while focusing on the client's processes.

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

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

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

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

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

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

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

The Code of Conduct in brief:
Complete confidentiality must be maintained with respect to information about colleagues, clients and business associates.
Respect must be shown in all relationships, external as well as internal, based on principles such as equality and diversity.
Situations that might create external or internal conflicts of interest must be avoided.

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

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

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

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

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

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

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

2. Business

Visma's business is clearly defined in Section 3 of the company's Articles of Association: "The objective of the company is to own and manage shares in other companies, including companies that work with the development and sale of software, the sale of consulting services, commerce, agencies and other business activities, or that participate in other companies in connection with the above, and all related matters".

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

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

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

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

Concept
Visma's business concept is to supply software and services related to finance and administration to the private and public sectors in Europe. Our deliveries are made directly to the end customer through a large international network of distributors and resellers. An ever-in-

creasing proportion of our deliveries take place over the Internet as on-demand solutions.

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

3. Equity and dividends

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

The total group equity capital amounted to NOK 1 478 million as of 31 December 2013, corresponding to an equity ratio of 18.9 per cent. Visma's business activities are by nature relatively capital-light in terms of capital expenditure requirements in non-current assets although the organic growth of the company entails increasing working capital requirements. The company is also growing inorganically through acquisitions, and the company seeks to retain a capital buffer to maintain its investment flexibility. The equity level and ratio at the end of 2013 are considered appropriate in terms of the company's objectives, strategy and risk profile both in absolute and relative terms.

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

Capital increase
Visma has been a privately owned company since 2006. During this period, the Annual General Meeting has granted the Board mandates to increase the share capital only for defined purposes. All mandates are limited in time until the following AGM.

KKR completed its acquisition of 78 per cent of the equity in Visma in December 2010. The remaining shares in Visma are held by HgCapital (17.7 per cent) and the management. 293 of Visma's managers have invested in equity in parallel with KKR. The widespread investment scheme was initiated in order to ensure dedication and management stability for the future.

4. Equal treatment of shareholders and transactions with close associates

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

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

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

Transactions with close associates
In the event of substantial transactions between Visma and any of its Board members, executive management or close associates of these parties, the Board will arrange for a valuation from an independent third party, unless the transaction is subject to approval by the AGM. As a part of the equity-based acquisition in Visma made by KKR in 2010, the management also increased its ownership from 2.4 per cent to 5.3 per cent, including investments from a total of 293 managers in Visma made in parallel with KKR's acquisition of shares from HgCapital.

The Board will also arrange for an independent valuation of transactions between companies in the Visma Group if any of the companies have minority shareholders. No such transactions took place in 2013.

5. Freely negotiable shares

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

6. Annual General Meeting

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

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

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

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

7. Nomination Committee

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

8. Corporate Assembly and Board of Directors: composition and independence

Composition of the Board of Directors

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

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

The Board has the following members:

Gunnar Kjell Bjørkavåg, Chairman of the Board
Nicholas James Humphries
Jacques Raymond Garaïalde
Stanislas Jean Alban de Joussineau De Tourdonnet
William Lindsay Cornog
Henrik Juel Kraft
Annabelle Charlotte Pluquet

Board independence

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

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

Employee council

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

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

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

CEO

As of 31 December 2013, Øystein Moan, the CEO of Visma AS, has been the Chairman of the Board of the following wholly owned subsidiaries in Visma:
Visma Norge Holding AS
Visma Hosting Holding AS
Visma Treasury AS
Active 24 Holding AS
Visma IT& Communications AS
Instore Technical Services AS
Visma Main Partner AS
Visma Software International AS
Visma Software Labs AS
Visma Sverige Holding AB
Visma Danmark Holding A/S
Visma Finland Holding Oy
Visma Nederland BV

9. The work of the Board

Instructions for the Board

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

Financial reporting

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

Board evaluation of its own work

The Board evaluates its work on an annual basis.

Meeting structure

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

Board Committees

As of 31 December 2013, Visma AS's Board committees includes:

Remuneration committee

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

The remuneration committee has the following members:
Gunnar Kjell Bjørkavåg (Chair)
Jacques Raymond Garaïalde
William Lindsay Cornog.

Audit committee

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

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

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

The audit committee has the following members:
- Stanislas Jean Alban de Joussineau De Tourdonnet
- William Lindsay Cornog.
- Annabelle Charlotte Pluquet

10. Risk management

Important risk factors fall into the following key categories:
- Contractual risks
- Professional malpractice
- Cash-flow risks
- Risks of general market disruption

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

With more than 5 600 employees, professional malpractice may occur. Visma seeks to limit this through thorough recruitment processes as well as through training, quality systems and its Code of Conduct. Even with such measures, professional malpractice may occur and Visma has liability insurance in place to cover such incidents.

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

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

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

- The products and services provided are to a large degree mandatory and necessary regardless of market conditions
- Visma has 320 000 customers in Northern Europe utilising our products and services. On top of this more than 364 000 use us as a hosting partner
- Visma utilises both Microsoft-based technology, Open Source/Java technology and cloud based business solutions
- Visma offers a wider range of products and services than most of its competitors – hence there are opportunities for cross-selling more products with each customer

The system for internal control and risk management is under further development, partly engendered by preparations for participating in KKR's green portfolio scheme. This means that guidelines for corporate social responsibility are under evaluation for further development.

11. Internal Control of financial reporting

Visma AS's management is responsible for establishing and maintaining adequate internal control over financial reporting.

The internal control over financial reporting is a process designed under the supervision of the CEO, CFO and Internal Auditor to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external reporting purposes in accordance with International Financial Reporting Standards as adopted by the EU. The accounting policies applied by the company also comply with IFRS as issued by the International Accounting Standards Boards (IASB).

Every year the management assesses the effectiveness of internal control over financial reporting based on the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

12. Remuneration of the Board, Audit Committee and Nomination Committee

Remuneration of the Board must be at a competitive level to ensure the desired composition of the Board. The remuneration of the Board is not performance-related and there are no option programmes in place for Members of the Board as of 31 December 2013.

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

13. Remuneration of Executive Management

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

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

Incentive plans are linked to the company's earnings performance. Details about compensation to executive management are included in notes to the annual financial statement.

14. Information and Communication

Reporting of financial and other information

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

Dialogue with shareholders and the financial market

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

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

15. Takeovers

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

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

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

Evaluation of a bid

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

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

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

16. Auditor

The Group uses the same registered public accounting firm (independent auditor) in all material subsidiaries in which the company operates. The auditor is independent in relation to Visma and is appointed by the AGM. When evaluating the independent auditor, emphasis is placed on the firm's competence, capacity, local and international availability, and the size of its fee. The independent auditor's fee must be approved by the AGM.

The audit committee evaluates and makes a recommendation to the board of directors, the corporate assembly and the general meeting of shareholders regarding the choice of independent auditor, and it is responsible for ensuring that the independent auditor meets the requirements in Norway.

The audit committee is responsible for ensuring that the company is subject to an independent and effective external and internal audit. Every year, the independent auditor presents a plan for the audit committee for the execution of the independent auditor's work. The independent auditor is present at the board meeting that deals with the preparation of the annual accounts.

The audit committee considers all reports from the independent auditor before they are considered by the board of directors. The audit committee holds regular meetings with the independent auditor without the company's management being present.

The board of directors has delegated authority to the Internal Auditor to pre-approve assignments to be performed by the independent auditor. All audit-related and other services provided by the independent auditor must be pre-approved by the Internal Auditor.

In the annual consolidated financial statements and in the parent company's financial statements, the independent auditor's remuneration is split between the audit fee and fees for audit-related and other services. In the presentation to the AGM, the chair presents the breakdown between the audit fee and fees for audit-related and other services.

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To the Annual Shareholders' Meeting of
Visma AS

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Visma AS, comprising the financial statements for the Parent Company and the Group. The financial statements of the Parent Company comprise the balance sheet as at 31 December 2013, the statements of profit and loss and cash flow for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements of the Group comprise the statement of financial position as at 31 December 2013, the statements of income, comprehensive income, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

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

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion on the financial statements of the Parent Company

In our opinion, the financial statements of Visma AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the Group

In our opinion, the financial statements of the Group have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Group as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

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

Opinion on registration and documentation

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

Oslo, 28 March 2014
ERNST & YOUNG AS

Thomas Embretsen

Thomas Embretsen
State Authorised Public Accountant (Norway)

OUR PRESENCE

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

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