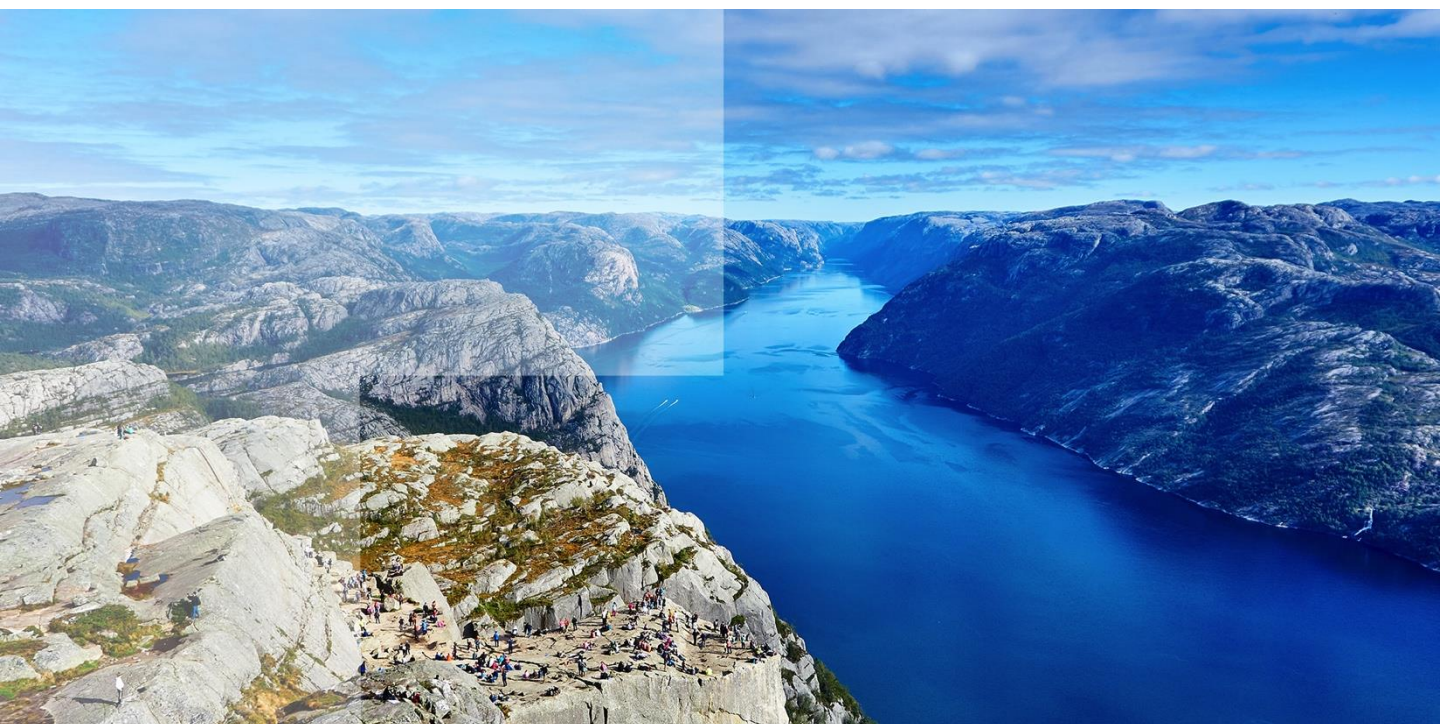




QUARTERLY REPORT 2016

Report for the 2nd quarter of 2016





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25%+ Growth in Revenue and NOK 1.0 billion H1 EBITDA

HIGHLIGHTS, SECOND QUARTER 2016

- Revenue of NOK 2,514 million, an increase of 26.7%
- EBITDA of NOK 524 million, an increase of 39.9%
- Revenue and EBITDA growth of 30%+ in SMB and GLA Software Divisions
- Revenue from SaaS Software solutions grew by 83%, year-on-year, reaching NOK 492 million
- First ever half year with over NOK 1 billion EBITDA
- Several strategic acquisitions closed during the quarter

Visma had another strong quarter with excellent top-line revenue and profit growth. Total revenue growth was 26.7% while EBITDA improved with an impressive 39.2% over Q2 2015 to reach NOK 524 million, yielding an EBITDA margin of 20.9%.

Visma continues its strongest growth in the two Software divisions. Revenues in Software GLA grew by an impressive 32.4% and Revenues in Software SMB grew by 30.3%, compared to the second quarter a year ago. SaaS and SaaS transactions continue to be the strongest driver of organic growth in Visma and Software SaaS Solutions revenue reached NOK 492 million. BPO division continued the trend in increasing revenue growth rate, growing at a strong 13.0% for the quarter.

A very active quarter with acquisitions with seven completed transactions. The most notable acquisitions were in the school admin software area. Visma acquired Starsoft, the leading Finnish school software system and VsWare, the leading Irish school software. These two SaaS software businesses will add to Visma's leading Norwegian position to make Visma one of the leading school software providers in northern Europe.

KEY FIGURES

(NOK in millions)	2nd quarter			1st half year			Year
	2016 Actual	2015 Actual	Growth	2016 Actual	2015 Actual	Growth	2015 Actual
Revenue	2 514	1 985	26,7 %	4 930	3 961	24,5 %	8 338
EBITDA	524	375	39,9 %	1 002	756	32,4 %	1 744
<i>EBITDA margin</i>	<i>20,9 %</i>	<i>18,9 %</i>		<i>20,3 %</i>	<i>19,1 %</i>		<i>20,9 %</i>
EBITA	494	352	40,1 %	941	711	32,3 %	1 638
EBIT	338	257	31,6 %	643	527	22,0 %	1 160
Net profit	208	136	52,9 %	384	291	32,3 %	624
Operational cash flow (after tax)	28	(135)	-121,0 %	1 173	815	43,9 %	1 448

FINANCIAL REVIEW – GROUP (SECOND QUARTER 2015 IN BRACKETS)

Revenue amounted to NOK 2 514 million (1 985) and EBITDA to NOK 524 million (375) in the second quarter of 2016. Revenue increased 26.7% over Q2 2015.

Group EBITA amounted to NOK 494 million in the second quarter (352), whereas net gain from associated companies amounted to NOK -2.7 million (-4.9). Net financial items were NOK -60 million (-66). Consequently, profit before taxes was NOK 274 million (185). Taxes amounted to NOK 67 million (49), and net income resulted in NOK 208 million (136) in the second quarter.

Cash flow from operations after tax amounted to NOK 28 million (-135) in the second quarter 2016. Cash outflow from investments was NOK 884 million (121) in the quarter, which is fixed assets and software R&D and investments in acquired businesses. At the end of the second quarter, the cash position of Visma was NOK 3 271 million (2 759).

Equity amounted to NOK 4 442 million at the end of the quarter (2 456), corresponding to an equity ratio of 29.5% (22.5%). Interest bearing debt amounted to NOK 5 934 million (4 657). The debt-facilities have maturity dates in the 4th quarter 2019.

OUTLOOK

The Nordic markets, where Visma has 97% of revenues, continue to be stable and have above average growth rates compared to Europe overall. The public finances in the markets where Visma operates are good shape. Norway and Sweden (75% of Visma revenue) have very strong public finances. Norway is feeling some short-term weakness, but still positive growth. Sweden is experiencing strong growth and Denmark continues to improve. Finland seems to be slowly emerging from recession. Regardless of the macroeconomic environment there are plenty of opportunities that will allow Visma to continue to achieve good organic growth.

The demand for SaaS services is steadily increasing. The growth in SaaS software and SaaS solutions revenue was 83% for the second quarter 2016 compared to Q2 2015 driven by strong organic growth and strategic SaaS acquisitions. Visma continues to invest considerably in SaaS and to lead the transition to SaaS in Visma's core SMB Software products and services. Visma's R&D focus and acquisition strategies are concentrated on SaaS. Visma continues its strategy of organic and acquisitive growth and Visma expects to make some interesting acquisitions during the coming quarter.

Visma Software SMB is the largest business area, contributing 41% of the Revenue and 59% of the EBITDA in the second quarter of 2016. Visma Software GLA accounted for 37% of Revenue and 27% of EBITDA. Visma BPO accounted for 22% of Revenue and 15% of EBITDA. Revenue growth in the first quarter was 26.7% for the overall Visma Group. Software SMB grew by 30.3%, BPO by 13.0% and Software GLA grew by 32.4%.

During Q2 2016, EBITDA in Visma grew an impressive 39.9% with an EBITDA-margin of 20.9% for the Group. Software SMB, the largest and most profitable division, grew EBITDA by 41.9% and achieved a margin of 29.9% even with significant SaaS R&D expenses included.

MARKETS

Visma is steadily launching new SaaS products, and heavy investment in SaaS continues. Services like procurement, accounting, payroll, debt collection and software consultancy are increasingly based on SaaS, and Visma is in the middle of a process of moving all our activities to a SaaS model. Our customers increasingly prefer subscription type of cost-models vs. large up-front investments.

The economic outlook in the Nordic markets is positive and stable in comparison to the EU uncertainties around Brexit. Visma's markets are minimally affected by the UK Brexit situation. Norway maintains positive, but low growth. Oil prices and the NOK seems to have stabilized, and the worst hit oil sector is showing signs of improvement. Sweden continues to be the best performer with one of the highest growth rates in Europe. The economic situation in Denmark is steadily improving and even Finland is showing a slow emergence from recession. Visma's core businesses in these markets generally continue to take market shares and show solid growth.

OWNERSHIP

Visma is currently jointly owned by three leading international private equity groups. HgCapital 36.5%, KKR 28.6%, and Cinven 28.6%. A broad management group holds approximately 6% of the shareholder equity in Visma. In addition to the stability of the main owners, the main owners have co-investors comprised of some larger Nordic and international pension funds. This constellation contributes to a stable ownership situation for the rest of the decade.

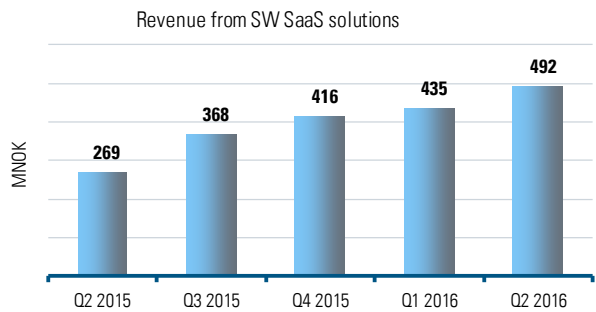
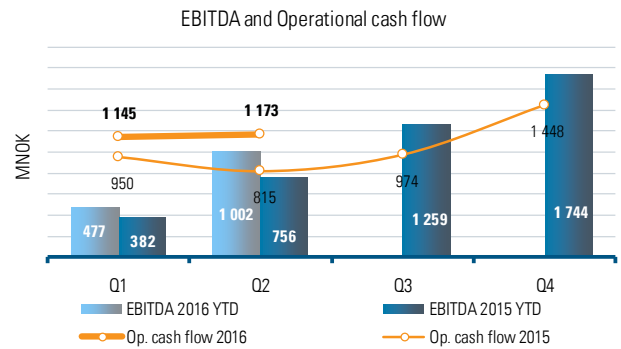
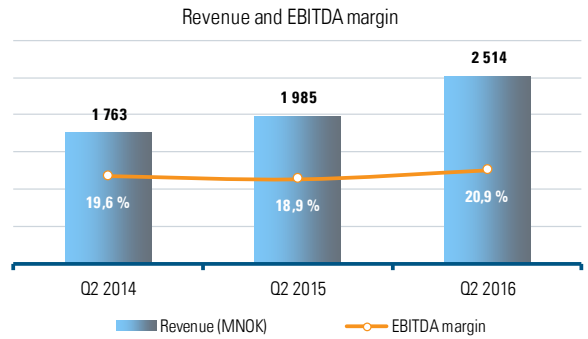
RISKS

Visma is exposed to the general economic climate in the countries where the company operates. However, the business risk is limited by the company's diversified customer base and a reasonably priced, high-quality portfolio of products and services. Although Visma is also involved in some very large IT projects, Visma believes associated risk is well counter-balanced as over 60% of total Visma revenue is generated in the well-diversified SMB segment.

DISCLAIMER

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

Oslo, July 11th, 2016
The Board of Directors of VISMA AS



VISMA SOFTWARE GLA

(NOK in millions)	2nd quarter			1st half year			Year
	2016	2015	Δ	2016	2015	Δ	2015
Segment revenue							
Software	446	339	31,9%	860	665	29,3%	1 451
Transaction Services	17	8	106,7%	31	17	81,2%	48
Consulting Services	362	270	34,0%	698	540	29,3%	1 109
Hosting and Infrastructure as a Service	21	14	-	41	29		62
Other	82	70	17,6%	152	120	26,5%	276
Total operating revenue	928	701	32,4%	1 781	1 370	29,9%	2 945
Growth	32,4%			29,9%			
EBITDA							
EBITDA	140	100	40,8%	250	184	35,7%	445
EBITDA margin	15,1%	14,2%		14,0%	13,4%		
EBITDA growth	40,8%			35,7%			

SHARE OF GROUP



Operating revenue



EBITDA

KEY FIGURES

Revenue 928 MNOK
Growth, QoQ 32,4 %

EBITDA 140 MNOK
EBITDA margin 15,1 %

FTE 2 641
Headcount 2 682

Enterprise Solutions

Revenue in Enterprise Solutions grew by 12% in Q2 compared to last year, with more than 16% growth in recurring and SaaS revenue.

Transition to cloud through hybrid services and investments in pure cloud services are prioritized areas for Enterprise Solutions. Currently, 33% of the CMRR is on true cloud services, and 56% of the R&D resources are working on cloud services.

Visma is delivering 5.3 million payslips on multiple Visma payroll solutions pr June 2016. Visma's true international payroll cloud solution, Visma.net Payroll, is in production with customers in the Netherlands, Norway and Sweden. The product has had positive feedback from the market and good sales.

Visma has acquired the assets of EasyCruit - a true international cloud service for recruitment that is well-positioned in the Netherlands, Denmark, Sweden and Norway. EasyCruit will be integrated as a part of Visma.net HRM

Through the acquisition of the Irish company School Thing (VSware), Enterprise Solutions has a state-of-the-art platform for School Administration Systems, including Time Tabling. Together with the acquired Finnish company StarSoft, Visma is gathering pace to reach our market ambitions within school administration systems.

Visma Unique has won 18 municipalities on the cloud offering Enterprise BI. There is good progress in the market and it is on track to reach the target of 60 municipalities within 2016.

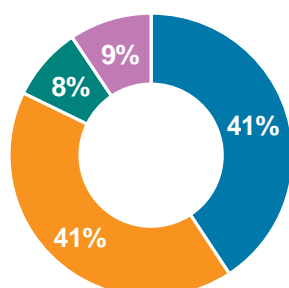
The acquired products from Aditro Public are now re-branded to Visma Public Sweden. Throughout 2016 several Visma cloud services will be integrated to Public Sweden to add value for our customers and be part of our hybrid strategy that will be a transition step towards a future pure cloud service.

IT & Communications

Transition to cloud is increasing even faster than anticipated when it comes to the activity in our enterprise agreements with our main public cloud vendors (Microsoft Azure and Amazon AWS). Alongside this we have established a dedicated cloud team in our organization to make sure we have the competence and the capacity to drive the transition to cloud at the required speed and quality.

Our new data center in Växjö, Sweden is in production with live customers and we are in the process of increasing the scope of our ISO certificates to include this location as well as other services that we deliver. During the remainder of the year and in 2017 even more of our services will be covered by our ISO certificates on 9001 (quality management), 27001 (information security) and 20000 (ITSM/ITIL operations processes).

SALES BY GEOGRAPHY



■ Norway ■ Sweden ■ Finland ■ Denmark

VISMA SOFTWARE GLA - continued

Software GLA at a glance

Management:

- Øystein Moan, Director GLA Division
- Jan Ivar Borgersen, Managing Director Enterprise Solutions
- Carsten Boje Møller, Managing Director Consulting
- Peter Fischer, Managing Director Retail
- Espen Håkonsen, Managing Director IT&C

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

Products and services:

- HRM and payroll cloud solutions
- ERP and financial management
- Procurement administration and notification
- Cloud solutions for schools, childcare and welfare
- Business intelligence and dashboards for municipalities and large accounts
- System development and integration
- Application management
- E-government solutions
- Case and document management
- E-commerce solution
- Information management & business intelligence
- Fishery control solutions
- Retail HQ and back office software
- Retail POS and self-service solutions (self-checkout, self-scanning, self-service-stations)
- Retail mobile solutions (mobile POS, mobile backoffice, apps)
- Retail hardware and IT infrastructure services
- Customer insights solutions and loyalty systems

Consulting

Results for the Consulting division in Q2 were solid and in line with expectations. Compared with last year Consulting division had strong growth and improvements of results. YTD Revenue grew 25,2 % and EBITDA 53,1 % (organically 12,1 % and 10,8 %).

All countries were performing quite well - especially Norway has had an exceptional come back since last year. Results from Norway and Denmark in particular were very strong the first half, but also Sweden seems to be improving in Q2. Likewise, Finland had a strong Q2. Nearshore Development Center in Lithuania is performing very well with very high customer satisfaction. bWise in Norway (Business Intelligence company) was acquired in May. Both newly acquired companies MIND4iT in Denmark and bWise in Norway are performing very well and according to expectations.

The Division had many important wins in Q2 in all countries, highlighted by the second big win this year with STAR (The Agency for Labour and Recruitment) in Denmark, a new Development contract over 6 years with an estimated value of 300 MDKK. In Norway, we closed important contracts with a value of well over 200 MNOK with Bufetat, Statens Vegvesen/Autosys, and Skattedirektoratet. In Finland we closed many new contracts, amongst them the European Chemicals agency (3 MEUR), National Institute for Health and Welfare (1,5 MEUR), Finnish Transport and Logistics association, and the National Board of Education.

Our markets are still in a positive development with many new large public tenders the coming quarter, Q3. Our pipeline looks good especially in Norway, Finland and Denmark.

Retail

In Q2 we entered the Finnish pharmacy market with a deal with the University Pharmacy in Finland.

Our international breakthrough with the win of Coop Hungary became official news in April. There is continued positive progress with international sales with expectations of a new major deal to be closed in the near future.

One of Visma Retail Division's strategies is to work with Thought leadership, and be experts in Retail, and thus building Visma Retail as a trusted advisor. This by visibly be engaged in selected areas in retail to position ourselves. Over the past years we've worked with thought leadership, specifically around topics such as mobility & mobile shopping solutions, Omni-Channel and Digitalization.

We are now in the progress of conducting our upcoming study, on the topic of customer insight and customer loyalty / disloyalty. In parallel, we are also conducting a study on the topic of Millennials. Both topics are of high relevance in the retail industry at the moment.

In Q2, we received high customer satisfaction (NPS) scores. Also, we see good potential of growing share of wallet with our customers with additional products and services from our broad portfolio.

VISMA SOFTWARE SMB

(NOK in millions)	2nd quarter			1st half year			Year
	2016	2015	Δ	2016	2015	Δ	2015
Segment revenue							
Software	754	553	36,2%	1 473	1 087	35,6%	2 438
Transaction Services	154	140	9,9%	299	281	6,5%	589
Consulting Services	46	24	90,6%	90	54	67,0%	111
Hosting and Infrastructure as a Service	51	48	6,6%	104	97	7,7%	201
Other	25	25	0,1%	48	48	0,9%	100
Total operating revenue	1 030	790	30,3%	2 015	1 567	28,6%	3 439
Growth	30,3%			28,6%			
EBITDA							
EBITDA	308	217	41,9%	595	439	35,7%	1 062
EBITDA margin	29,9%	27,4%		29,5%	28,0%		
EBITDA growth	41,9%			35,7%			

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Operating revenue

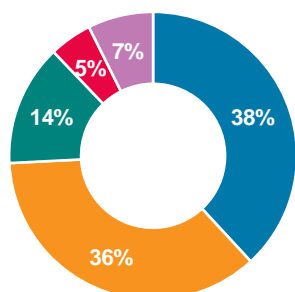


EBITDA

KEY FIGURES

Revenue	1 030 MNOK
Growth, QoQ	30,3 %
EBITDA	308 MNOK
EBITDA margin	29,9 %
FTE	2 555
Headcount	2 655

SALES BY GEOGRAPHY



■ Norway ■ Sweden ■ Finland
■ Netherlands ■ Denmark

Comments on the second quarter

The SMB division grew revenue by 30% for the second quarter in 2016. The growth is driven by acquisitions of various Software as a Service (SaaS) companies in the Nordics, strong organic SaaS growth in all present countries and a resilient recurring business model in all non-SaaS and hybrid areas. Currency adjusted pro forma organic growth is above 8%, and SaaS revenue is growing organically at a healthy 26%. SaaS comprises 45% of the Software revenue.

Revenue from transaction services is coming mostly from Debt Collecting Services in Norway, Sweden and Finland. This revenue class is up almost 10% from last year, as all three markets are doing well.

EBITDA growth of close to 42% is higher than revenue growth, and shows how we are able to reap synergies from acquisitions, while continuing to invest heavily in R&D simultaneously.

Software Entry-level & Mid-range

The growth in the entry-level pure cloud segment continues, reaching 330 000 customer contracts, over MNOK 972 CMRR and over 100 000 mobile users. Focus in the quarter has been on core market delivery of high-quality SaaS solutions in new and existing segments. Improvements and upgrades for the large existing on-premises customer bases continues. This will provide them cloud and automation benefits as part of their transition to SaaS.

Visma eAccounting, the entry-level small business pure cloud solution for Sweden, Norway, Denmark and the Netherlands continues its growth in 2016, reaching a total of 60 000 customers. Several new features, such as the eAccounting Time mobile app, implemented in the past quarter, will further strengthen Visma eAccounting as the preferred online solution in the entry-level segment and for accounting offices.

Visma.net, the pure SaaS mid-range offering, and hybrid services, continued to grow in both customers and users. This quarter also included release of important new features and add-ons to ensure continued growth. There is a solid pipeline of Visma.net Financials and Logistics implementations ongoing.

Strong organic SaaS growth in the acquired product lines of e-economic and SpeedLedger solidifies Visma's market leadership in the SaaS SMB segments in the Nordics. Investments in SaaS continues to outpace investments in on-premises solutions for the quarter. The expansion of Visma's development centers in central Europe and the Baltics is supporting increased delivery capability and margin improvement.

Significant operational focus has been on growth trends (electronic invoicing solutions tightly integrated with ERP), accounting office's transition to SaaS solutions, online HRM, and enabling our customer's employees through mobile apps.

Software SMB - continued

Software SMB at a glance

Management:

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

Target market:

- Small & medium sized businesses

Products and services:

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

Business Transactions

Business Transactions includes Visma's activities within Accounts Receivables Management (ARM), e-Invoicing and Pooled procurement. Q2 is normally a strong period for business transactions, and all business areas continued to show strong organic development during the second quarter. Especially the profitability development was strong, due to good scalability in the businesses as volumes increases.

Accounts receivables management

All Nordic collecting units continued to perform well in Q2 and continued the strong trend from Q1. It is still Sweden that performs strongest with a steady growing number of new debt collection cases. The largest customer in the history of the company was implemented in Q2 with positive effects going forward. The strong pressure on prices continues, but increased volumes and high efficiency compensates for this.

In Norway, Visma Collectors continue to perform according to plan and has spent part of Q2 to redefine the strategy and the positioning of the company. More resources has been allocated to utilize the potential within the Visma Group customer base with AutoCollect as the most important product. Number of new AutoCollect customers has increased significantly in Q2 and we expect this to accelerate even faster going forward.

E-invoicing

Visma's e-Invoicing services accelerated further during Q2 with Norway and Finland as the largest contributors. In Sweden the growth declined somewhat in Q2, but we expect this to be temporarily as the efficiency gains from implementing electronic invoicing with the customers is significant. Visma acquired a leading Danish e-invoice provider Sproom in Q2. Sproom will be integrated with Visma's ERP systems in Denmark enabling all Visma's customers in Denmark to take part in the efficiency gains this provides.

Pooled Procurement

Visma's area within Pooled Procurement continued to grow in Q2 - especially in Norway mainly due to onboarding of new clients from the vast Visma customer base, but also due to continued growth with the strategic suppliers. Sweden continues to grow, although at a slower pace, as the sales model are still in a planned transition to a more digital approach.

Hosting

Visma is offering web and domain name hosting solutions under two different brands: Active 24 in Western and Central Europe and Loopia in Sweden and Serbia. The restructuring of the business was completed in Q2 leading to a consolidation of the operations in the Nordics around the Loopia brand and a consolidation of the Central European operations to the business in Czech. Visma Hosting will now have two strong consolidated units as a basis for further growth. As market leader in Sweden, Loopia has continued to strengthen its position in Q2 through good growth, high customer satisfaction and a strong brand name.

VISMA BPO

(NOK in millions)	2nd quarter			1st half year			Year 2015
	2016	2015	Δ	2016	2015	Δ	
Segment revenue							
Software	27	14	97,1%	53	27	98,0%	59
Transaction Services	282	255	10,6%	586	527	11,3%	1 056
Consulting Services	242	220	10,0%	483	460	5,1%	823
Hosting and Infrastructure as a Service	1	0		2	0		0
Other	4	4	11,1%	9	9	8,5%	16
Total operating revenue	556	492	13,0%	1 134	1 022	10,9%	1 954
Growth	13,0%			10,9%			
EBITDA							
EBITDA	78	58	34,7%	157	133	18,8%	244
EBITDA margin	14,1%	11,8%		13,9%	13,0%		
EBITDA growth	34,7%			18,8%			

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Operating revenue



EBITDA

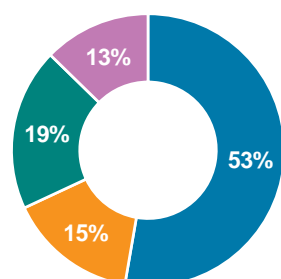
KEY FIGURES

Revenue 556 MNOK
Growth, QoQ 13,0 %

EBITDA 78 MNOK
EBITDA margin 14,1 %

FTE 2 215
Headcount 2 308

SALES BY GEOGRAPHY



■ Norway ■ Sweden ■ Finland ■ Denmark

Comments on the second quarter

In Q2 2016 revenues in Visma BPO ended at NOK 556 million, an increase of NOK 64 million (13%) compared to Q2 2015. For the 1H 2016 revenues increased by NOK 112 million (10,9%) compared 1H 2015.

Q2 2016 EBITDA ended at NOK 78 million, an increase of NOK 20 million 34,7% compared to Q2 2015. For the 1H EBITDA ended at NOK 157 million, an increase of NOK 24 million (18,8%) compared to 1H 2015. The EBITDA margin for the division is progressing in accordance to plan and has increased by 2.2 percentage points compared to Q2 2015 and 0.9 percentage point for the 1H compared 1H 2015.

The revenue and EBITDA growth is to some degree impacted by both M&A and currency fluctuations. Adjusting for currency and M&A the organic EBITDA growth YTD is 12.1%. Hence the improvement is to a large extent driven by the current strategic initiatives that enable revenues to grow at a lower cost base, made possible from cost cutting measures through near-shoring.

The relatively weakened Norwegian economy has had no or little impact to the BPO division's business. It is clear, however, that some customers are impacted by the downturn in the economy. This can be seen from increases in bankruptcies and loss on receivables in Norway. However, due to the vast number of customers in different sizes and industries, this has not made a significant impact on the division's financial figures. On the contrary, sales are strong and cost-cutting measures are succeeding in the current market. This will ensure further growth in BPO as demand for outsourcing services is expected to increase.

BPO Norway

For Q2 2016 Norway has reported revenues above plan and for the 1H shown a 2.8% revenue growth compared to 1H 2015. Reported EBITDA for Q2 2016 is also above plan, and the 1H EBITDA figures are now in line with management expectations, increasing by NOK 6,8 million (9,3%) compared to 1H 2015. The EBITDA increase in Q2, compared to Q2 2015, is all organic. Norway has had a 0.8 percentage point EBITDA margin increase and this would not have been possible without near-shoring capabilities.

Norway has continued a positive sales development in Q2 2016. Especially in the SME segment sales have been positive, but we do also notice that there are positive signals in the Large Account segment.

BPO- continued

BPO at a glance

Management:

- Roar Wiik Andreassen, Director BPO Division
- Rune Norbakk, Managing Director BPO Norway
- John Roitto, Managing Director BPO Finland
- June Mejlgård Jensen, Managing Director BPO Denmark
- Anders Fryxell, Managing Director BPO Sweden
- Rita Irgens, Managing Director, Visma Personnel Norway (Temp and Recruitment services)
- Rune Skåren, Managing Director, Visma Kollektor (Scanning & Workflow solutions)

Target market:

- Enterprises of all sizes looking to outsource parts of – or their – administrative processes

Products and services:

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

BPO Sweden

1H revenues are in line with 1H 2015, but behind plan. The revenue shortcoming has impacted EBITDA for the quarter negatively and EBITDA for 1H 2016 is 13% below 1H 2015. High attention is placed to increase onshore employee utilization.

BPO Finland

Q2 was a good quarter for Finland in terms of both revenues and EBITDA. The 1H revenues have grown by 5.3%, and EBITDA by 17.7% compared to 1H 2015. EBITDA margin has increased by 1.9 percentage points compared to the same period last year. This is a solid development, partly driven by the SaaS services in the service portfolio in Finland. As in previous quarters, it is the specialized units in Helsinki and Payroll that contributes the most to the growth.

BPO Denmark

Q2 2016 revenues in Denmark are well ahead of Q2 2015. Q2 2016 EBITDA is also according to plan. For the 1H, revenues are 6.7% above 1H 2015 while EBITDA is 50.4% above 1H 2015. Part of the growth in Denmark relates to M&A, but in general the improvements in Denmark are due to lean operations and Payroll growth, both in SW and Services.

CONDENSED INTERIM FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF INCOME

(NOK in thousands)	2nd quarter		1st half year		Year
	2016	2015	2016	2015	2015
OPERATING REVENUE					
Sales revenue	2 514 010	1 984 826	4 929 923	3 961 166	8 338 138
Total operating revenue	2 514 010	1 984 826	4 929 923	3 961 166	8 338 138
OPERATING EXPENSES					
Sales and distribution costs (COGS)	375 122	297 427	729 302	579 315	1 243 513
Gross profit	2 138 887	1 687 400	4 200 622	3 381 851	7 094 625
Payroll and personnel expenses	1 283 324	1 032 747	2 555 790	2 077 240	4 209 707
Bad debts	6 121	3 005	10 797	8 319	19 035
Other operating expenses	317 482	276 568	622 959	538 250	1 114 834
Total operating expenses	1 606 927	1 312 321	3 189 547	2 623 809	5 343 575
EBITDA before M&A expenses	531 960	375 079	1 011 075	758 043	1 751 049
M&A expenses	7 470	229	9 296	1 683	6 718
EBITDA	524 490	374 850	1 001 779	756 360	1 744 331
Depreciation tangible assets and capitalised R&D	30 876	22 563	60 573	45 099	106 531
EBITA	493 615	352 287	941 206	711 260	1 637 801
Amortisation intangible assets	156 068	95 770	297 816	183 866	478 295
Operating profit EBIT	337 547	256 518	643 389	527 395	1 159 506
Result from associated companies	(2 730)	(4 864)	(1 468)	(3 453)	(2 468)
FINANCIAL ITEMS					
Financial income	9 966	9 193	14 875	15 032	21 516
Financial expenses	(70 405)	(75 462)	(150 417)	(144 903)	(352 565)
Net financial items	(60 439)	(66 270)	(135 542)	(129 871)	(331 049)
Profit before taxes	274 378	185 384	506 379	394 071	825 989
Taxes	66 506	49 465	121 883	103 356	202 183
Net income	207 872	135 919	384 496	290 715	623 805
ATTRIBUTABLE TO:					
Equity holders of Visma AS	208 367	135 573	385 542	290 224	623 198
Non-controlling interests	(495)	346	(1 046)	490	607
EARNINGS PR SHARE					
Basic earnings per share (NOK in thousands)	208 367	135 573	385 542	290 224	623 198
Diluted earnings per share (NOK in thousands)	208 367	135 573	385 542	290 224	623 198
EBITDA margin	0	0	20,3 %	19,1 %	20,9 %

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK in thousands)	2nd quarter		1st half year		Year
	2016	2015	2016	2015	2015
Net income	207 872	135 919	384 496	290 715	623 805
Net gain (loss) on financial hedging instruments, net of tax	1 161	21 906	28 296	25 307	11 239
Exchange differences on translation of foreign operations, net of tax	(16 235)	15 873	(76 745)	(16 445)	203 318
Net gain (loss) on defined benefit plan, net of tax	2 358	2 800	2 567	3 607	6 309
Other comprehensive income (loss) for the period, net of tax	(12 715)	40 580	(45 882)	12 470	220 866
Total comprehensive income for the period	195 157	176 499	338 614	303 184	844 671
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of Visma AS	195 652	176 153	339 660	302 694	844 064
Non-controlling interests	(495)	346	(1 046)	490	607

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(NOK in thousands)	30 June 2016	30 June 2015	31 March 2016	31 December 2015
ASSETS				
Deferred tax assets	91 706	101 073	92 400	96 095
Patents and other intangible assets	1 524 351	637 724	1 020 990	1 014 713
Capitalised R&D cost own software	263 322	150 189	250 364	243 094
Contracts and customer relationships	1 419 300	890 428	1 352 342	1 314 929
Goodwill	6 703 821	4 813 308	6 433 318	6 379 886
Property, land and buildings	21 168	20 900	21 243	21 303
Machinery and equipment	133 220	138 509	137 729	134 009
Financial assets/Shares	43 824	43 636	43 749	44 011
Investment in associated companies	82 759	83 243	85 489	84 228
Other long-term receivables	16 261	12 582	17 444	17 252
Long term receivables from group companies	0	0	0	0
Total non-current assets	10 299 733	6 891 593	9 455 067	9 349 519
Inventory	45 134	40 762	41 206	39 057
Accounts receivables	1 064 355	897 448	1 090 338	1 108 007
Other current receivables	356 530	316 163	365 172	244 920
Cash and cash equivalents	3 271 184	2 758 779	3 183 773	2 915 318
Total current assets	4 737 203	4 013 151	4 680 489	4 307 302
TOTAL ASSETS	15 036 936	10 904 745	14 135 556	13 656 820
EQUITY AND LIABILITIES				
Paid-in capital	1 991 726	541 066	1 776 029	1 776 029
Other reserves	165 634	3 120	178 350	211 516
Retained earnings	2 280 250	1 906 307	2 071 883	2 170 287
Equity attributable to equity holders of Visma AS	4 437 611	2 450 493	4 026 262	4 157 832
Non-controlling interests	4 507	5 526	5 015	6 049
Total equity	4 442 118	2 456 018	4 031 277	4 163 880
Pension liabilities	(8 045)	443	(4 132)	(3 589)
Deferred tax liability	956 390	676 855	829 666	882 386
Financial hedging Instruments	154 563	177 968	156 091	191 795
Long-term interest bearing bank loans	5 187 617	4 558 482	5 295 496	4 792 652
Accrued funding fees	(21 029)	(22 006)	(22 531)	(12 204)
Other long-term non interest bearing liabilities	229 276	224 133	264 541	282 409
Long-term liabilities to group companies	0	0	0	0
Total non-current liabilities	6 498 773	5 615 875	6 519 132	6 133 450
Bank overdraft	746 187	98 986	0	529 352
Short-term interest bearing bank loans	100 000	100 000	100 000	100 000
Trade creditors	338 579	243 894	284 810	317 495
Public duties payable	414 596	363 012	625 001	438 372
Tax payable	(19 197)	129 280	15 943	37 828
Deferred revenue	1 374 689	1 160 727	1 722 002	1 095 766
Other current liabilities	1 141 190	736 951	837 391	840 676
Total current liabilities	4 096 044	2 832 850	3 585 147	3 359 489
Total liabilities	10 594 817	8 448 726	10 104 278	9 492 940
TOTAL EQUITY AND LIABILITIES	15 036 935	10 904 744	14 135 555	13 656 820

CONSOLIDATED STATEMENT OF CASH FLOWS

(NOK in thousands)	2nd quarter		1st half year		Year
	2016	2015	2016	2015	2015
Ordinary profit before tax	274 378	185 384	506 379	394 071	825 989
Depreciation tangible assets	17 836	15 941	34 723	31 784	69 979
Depreciation capitalised R&D cost	13 040	6 622	25 850	13 315	36 552
Amortisation patents and other intangible assets	71 549	40 558	132 912	75 870	214 374
Amortisation contracts and customer relationships	84 519	55 212	164 904	107 996	263 920
Tax paid	(53 396)	(38 858)	(93 419)	(83 137)	(286 661)
Changes in debtors	25 984	(7 092)	43 652	19 434	(191 124)
Changes in inventory and trade creditors	49 841	20 677	15 006	2 616	77 922
Changes in public duties payable	(210 405)	(203 919)	(23 776)	(31 409)	43 951
Changes in deferred revenue	(347 314)	(286 975)	278 923	242 795	177 835
Changes in other accruals	102 345	77 246	87 884	41 913	215 299
Net cash flow from operations	28 377	(135 203)	1 173 039	815 249	1 448 035
Sale of (investment in) tangible fixed assets	(8 814)	(11 646)	(27 142)	(19 500)	(51 093)
Sale of (investment in) R&D own software	(18 936)	(17 250)	(38 638)	(30 210)	(73 079)
Net cash flow from investments	(27 750)	(28 895)	(65 779)	(49 710)	(124 172)
Investment in tangible fixed assets related to business combinations	(4 439)	(292)	(6 658)	(1 139)	(3 644)
Investment in R&D software related to business combinations	(7 062)	(1 583)	(7 441)	(1 583)	(74 856)
Sale of (investment in) businesses	(844 670)	(90 006)	(1 164 597)	(760 897)	(1402 741)
Sale of (investment in) shares	(76)	(66)	186	(6 142)	(6 516)
Net cash flow from investments related to business combinations	(856 247)	(91 947)	(1 178 510)	(769 761)	(1487 758)
Repayments of interest bearing loans	0	0	(174 010)	(209 411)	(259 386)
Changes in bank overdraft	743 966	(626 113)	235 558	(81 744)	318 756
Changes in long term receivables/payables	1 183	(448)	991	(28)	(4 697)
Payment of Group contribution	0	0	(403 027)	(355 300)	(355 300)
Cash inflow from dividends	4 000	4 000	4 000	4 000	4 000
Net cash flow from share issues	215 697	0	215 697	50 671	50 671
Cash inflow from interest	5 966	5 193	10 875	11 032	17 516
Cash outflow from interest and fees	(3 625)	(5 441)	(155 402)	(130 239)	(325 410)
Net cash flow from financing activities	967 187	87 298	473 345	(911)	156 259
Net cash flow	111 567	(168 747)	402 095	(5 133)	(7 636)
Cash and cash equivalents, beginning of period	3 183 773	2 906 086	2 915 318	2 788 970	2 788 970
Net foreign exchange differences	(24 156)	21 440	(46 230)	(25 058)	133 984
Cash and cash equivalents, end of period	3 271 184	2 758 779	3 271 184	2 758 779	2 915 318
EBITDA to net cash flow from operations	0	(0)	117,1 %	107,8 %	83,0 %

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(NOK in thousands)	Attributable to equity holders of Visma AS				Non-controlling interests	Total equity
	Paid-in share capital	Other reserves	Retained earnings	Majority's share of equity		
Equity as at 01.01.2015	490 394	(9 350)	1 829 856	2 310 901	4 985	2 315 886
Issue of share capital	1 216 635			1 216 635		1 216 635
Profit for the period			623 198	623 198	607	623 805
<i>Net gain (loss) on financial hedging instruments, net of tax</i>		11 239		11 239		11 239
<i>Exchange differences on translation of foreign operations, net of tax</i>		203 318		203 318		203 318
<i>Net gain (loss) on defined benefit plan, net of tax</i>		6 309		6 309		6 309
Total comprehensive income for the period		220 866	623 198	844 064	607	844 671
Group contribution	69 000		(281 652)	(212 652)		(212 652)
Changes to non-controlling interest; acquisition and arising on business combination			(1 115)	(1 115)	457	(659)
Equity at end of period	1 776 029	211 516	2 170 287	4 157 832	6 049	4 163 880
Equity as at 01.01.2016	1 776 029	211 516	2 170 287	4 157 832	6 049	4 163 880
Issue of share capital	215 697		0	215 697		215 697
Profit for the period			385 542	385 542	(1 046)	384 496
<i>Net gain (loss) on financial hedging instruments, net of tax</i>		28 296		28 296		28 296
<i>Exchange differences on translation of foreign operations, net of tax</i>		(76 745)		(76 745)		(76 745)
<i>Net gain (loss) on defined benefit plan, net of tax</i>		2 567		2 567		2 567
Total comprehensive income for the period		(45 882)	385 542	339 660	(1 046)	338 614
Group contribution			(275 578)	(275 578)		(275 578)
Changes to non-controlling interest; acquisition and arising on business combination			0	0	(496)	(496)
Equity at end of period	1 991 726	165 634	2 280 251	4 437 611	4 507	4 442 118

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

NOTE 1 – ORGANISATION AND BASIS OF PREPARATION

General information and organisation

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

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

Visma's condensed interim financial statements for the second quarter of 2016 were authorised for issue by the board of directors on July 11th 2016.

Basis of preparation

These condensed interim financial statements are prepared in accordance with International Reporting Standard IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The condensed interim financial statements do not include all the information and disclosures required by Financial Reporting Standards (IFRSs) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the Visma annual financial statements. A description of the significant accounting policies applied is included in the Visma annual financial statements for 2015 and applies to these condensed interim financial statements, except for the adoption of new standards and interpretations as of January 1, 2016.

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

The condensed interim financial statements are unaudited.

Changes to significant accounting policies in the current period

There have been no significant changes to accounting policies in 2016 compared to the annual financial statements for 2015.

Use of estimates

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

NOTE 2 – SEGMENT INFORMATION

Visma's operations are managed through the following operating segments: Software Entry level, Software Mid-range, Accounts Receivables Management, Hosting, Enterprise Solutions, Consulting, Retail, Visma IT& Communications and Business Process Outsourcing.

Visma reports its business through three reporting segments, Government and Large Accounts (Visma Software GLA), The Small and Medium Business (Software SMB) and Business Process Outsourcing (Visma BPO).

Visma BPO corresponds to the operating segment BPO, whereas Software SMB correspond to the aggregations of Software Entry level, Software Mid-range, Accounts Receivables Management and Hosting into one reporting segment and Software GLA correspond to the aggregations of Enterprise Solutions, Consulting, Retail and Visma IT& Communications into one reporting segment. These aggregations has its basis in similar economic characteristics, the nature of products, services and the type and class of customers and the market their customer operates in.

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

Visma AS and national holding companies are disclosed under Other.

NOTE 2 – SEGMENT INFORMATION continued

Segment data for the second quarter of 2016 and 2015 are presented below. The measurement basis of segments profit is Net operating income. Deferred tax assets, pension assets and non-current financial assets are not allocated to the segments.

OPERATING SEGMENTS

2nd quarter (NOK in thousands)	2016					2015				
	SOFTWARE SMB	BPO	SOFTWARE GLA	OTHER	TOTAL	SOFTWARE SMB	BPO	SOFTWARE GLA	OTHER	TOTAL
Revenue										
Total segment revenue	1 245 916	611 008	1 230 904	39 010	3 126 837	939 501	532 122	904 552	34 770	2 410 945
Internal revenue	216 303	54 881	302 634	39 010	612 828	149 243	39 760	203 428	33 688	426 118
External revenue on each group of similar products and services										
Software	753 539	27 141	446 456	0	1 227 136	553 352	13 771	338 583	0	905 706
Transaction Services	153 765	282 221	17 052	0	453 039	139 874	255 067	8 250	0	403 191
Consulting Services	46 483	241 795	361 719	0	649 996	24 392	219 842	269 989	0	514 224
Hosting and infrastructure as a service	50 971	881	20 678	0	72 529	47 798	0	14 244	0	62 041
Other	24 855	4 089	82 364	0	111 309	24 841	3 682	70 059	1 082	99 664
External revenue	1 029 613	556 127	928 270	0	2 514 010	790 258	492 363	701 124	1 082	1 984 826
Actual growth (external) %	30,3 %	13,0 %	32,4 %		26,7 %					
EBITDA	307 573	78 348	140 193	(1 624)	524 490	216 728	58 167	99 576	379	374 850
EBITDA margin	29,9 %	14,1 %	15,1 %		20,9 %	27,4 %	11,8 %	14,2 %		18,9 %

1st half year (NOK in thousands)	2016					2015				
	SOFTWARE SMB	BPO	SOFTWARE GLA	OTHER	TOTAL	SOFTWARE SMB	BPO	SOFTWARE GLA	OTHER	TOTAL
Revenue										
Total segment revenue	2 440 407	1 239 327	2 370 904	78 325	6 128 964	1 862 205	1 099 162	1 765 149	69 991	4 796 508
Internal revenue	424 959	105 466	590 291	78 325	1 199 041	295 561	77 104	394 913	67 763	835 341
External revenue on each group of similar products and services										
Software	1 473 177	53 469	859 635	0	2 386 281	1 086 676	27 006	665 067	0	1 778 748
Transaction Services	299 430	586 395	30 825	0	916 650	281 267	526 736	17 010	0	825 013
Consulting Services	90 372	483 034	697 923	0	1 271 329	54 120	459 741	539 593	0	1 053 455
Hosting and infrastructure as a service	104 017	1 661	40 589	0	146 268	96 571	0	28 733	0	125 304
Other	48 453	9 303	151 641	0	209 397	48 010	8 575	119 832	2 228	178 646
External revenue	2 015 448	1 133 861	1 780 613	0	4 929 923	1 566 644	1 022 058	1 370 236	2 228	3 961 166
Actual growth (external) %	28,6 %	10,9 %	29,9 %		24,5 %					
EBITDA	595 276	157 404	249 824	(726)	1 001 779	438 531	132 519	184 161	1 148	756 360
EBITDA margin	29,5 %	13,9 %	14,0 %		20,3 %	28,0 %	13,0 %	13,4 %		19,1 %

Reconciliation	2nd quarter		1st half year	
	2016	2015	2016	2015
Profit before taxes	274 378	185 384	506 379	394 071
Net financial items	60 439	66 270	135 542	129 871
Result from associated companies	2 730	4 864	1 468	3 453
Depreciations and amortisations	186 944	118 333	358 390	228 965
EBITDA	524 490	374 850	1 001 779	756 360
EBITDA in operating segments	524 490	374 850	1 001 779	756 360

GEOGRAPHICAL AREAS

(NOK in thousands)	2016			2015		
	Net sales	%	Long lived assets	Net sales	%	Long lived assets
Norway	2 061 334	41,8 %	3 409 661	1 912 244	48,3 %	3 015 589
Sweden	1 630 803	33,1 %	2 403 813	1 162 084	29,3 %	1 426 769
Denmark	457 999	9,3 %	1 887 011	243 477	6,1 %	287 544
Finland	630 895	12,8 %	1 399 517	503 773	12,7 %	1 147 625
Netherlands	148 892	3,0 %	810 791	139 588	3,5 %	614 123
Total	4 929 923	100,0 %	9 910 794	3 961 166	100 %	6 491 650

NOTE 3 – BUSINESS COMBINATION

A total of NOK 856.2 million in acquisition payments were made during the second quarter.

The payments refer to the acquisitions of bWise AS, Tripletex AS, StarSoft Oy, School Thing Ltd, Doneco ApS, Sproom A/S, Suomen Onlineallekirjoitus Oy and EasyCruit for a total of 791.4m, as well as earn-out payments and payments for purchased IP rights of 64.8m.

Software SMB Division

During Q2, Visma acquired Tripletex AS, a Norwegian SaaS ERP solution for the SMB segment, the Danish e-invoicing provider Sproom A/S and the Finnish eSignature solution Suomen Onlineallekirjoitus Oy.

Software GLA Division

During the second quarter, Visma acquired two providers of School administration systems: StaSoft Oy from Finland and the School Thing Ltd, provider of the Irish SaaS school system VSware. Through these acquisitions, Visma strengthens its portfolio of school systems and public sector SaaS solutions. Furthermore, the BI consulting company bWise AS, including its subsidiary bWise applications AS were acquired on May 10th, adding to Visma's already strong BI-consulting capabilities. Lastly, Visma also closed the asset deal for the SaaS recruitment system EasyCruit during the second quarter of 2016.

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

	Tripletex AS	Starsoft Oy	bWise AS
(NOK in thousands)	04.04.16	05.04.16	10.05.16
Deferred tax assets	58		
Shares			1 000
Other intangible assets		175	288
Machinery and equipment	224	1 058	1 642
Property			284
Other long-term receivables	431	114	
Inventories			
Trade receivables	4 747	1 374	19 431
Other short term receivables	9 744	7 313	1 136
Cash and cash equivalents	12 653	31 549	9 575
Assets	27 857	41 583	33 356
Other long-term liabilities			
Deferred tax liability			
Bank overdraft			1 214
Trade creditors	1 400		5 169
Public duties payable	5 926		6 181
Tax payable	1 034		198
Other current liabilities	11 503	32 913	9 018
Liabilities	19 864	32 913	21 780
Fair value of net assets	7 993	8 670	11 576
Non-controlling interests			(105)
Goodwill arising on acquisition	120 157	98 117	66 159
Other intangible assets	81 550	71 876	11 090
Contracts and customer relationship arising on acquisition	58 250	51 340	33 270
Deferred tax liability	(34 950)	(24 643)	(11 090)
Total acquisition cost	233 000	205 360	110 899
Net cash acquired with the subsidiary	(12 653)	(31 549)	(8 361)
Cash paid	233 000	205 360	64 699
Net cash outflow	220 347	173 811	56 339
Deferred payment	0	0	46 200

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