Annual Report 2012

CISION
Power your story.

Contents

About Cision

Cision's software, services and tools help PR and marketing professionals around the globe tell their stories through media channels that are constantly evolving.

Short facts about Cision

PR and marketing professionals use Cision's products to help manage all aspects of their campaigns in a single platform – from identifying key media and influencers to connecting with audiences; monitoring traditional and social media; and analyzing outcomes. Journalists, bloggers, and other influencers use Cision's tools to research story ideas, track trends, and maintain their public profiles.

Launched in October 2007, CisionPoint rapidly became the standard campaign management platform for customers worldwide, including Fortune 500 corporations, FTSE 250 companies, global public relations firms, non-profit organizations, universities, and small businesses. Winner of the 2013 and 2012 CODiE Awards for Best Media & Information Monitoring Solution and Best Online Business Information Service respectively, CisionPoint has been a CODiE Award finalist twelve times in the past five years. Cision also won the 2011, 2010 and 2009 CODiE Awards for Best Marketing/PR Solution, Best Social Media Aggregator Service and Best Online News Service respectively. The awards are sponsored by the Software and Information Industry Association in the US.

Cision employs about 1,050 people with a presence in North America and Europe. The Company's employee base includes a diverse group of experienced professionals in software development, information services management, sales, marketing and PR. Cision AB is quoted on the Nordic Exchange. The Company had revenues of about SEK 1.0 billion in 2012.

	Europe	North America
Markets	Sweden Finland Norway UK Germany Portugal	USA Canada
Revenue 2012	SEK 222 million	SEK 762 million
Average number of employees 2012	346	823

The year in brief

Financial development

- Total revenue SEK 976 million (958)
- Operating profit SEK 82 million (109)
- Operating profit excluding non-recurring items SEK 126 million (121)
- Operating margin excluding non-recurring items 12.9 % (12.6)
- Profit after tax SEK 63 million (78)
- Earnings per share[2] SEK 4.24 (5.21)
- Operating cash flow SEK 100 million (81)

Important events during 2012

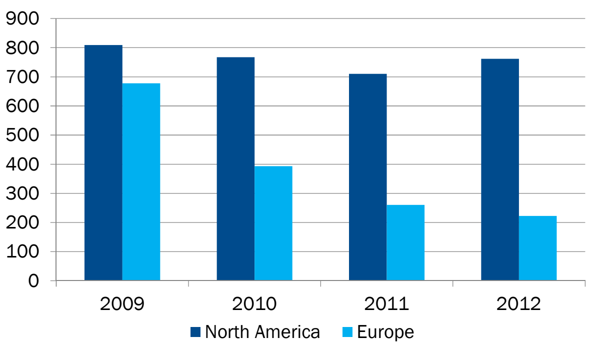
- On June 12, 2012 Cision announced a legal settlement with Dow Jones regarding an alleged rights infringement in the US. The costs relating to the settlement were reported in the second quarter result as a non-recurring item, amounting to SEK 45 million which included a confidential settlement amount, the cost of legal and professional fees and the cost of implementing changes to production processes. This resolved the contingent liability reported in the first quarter 2012.
- On June 25, 2012, Cision announced the divestment of its US print monitoring business. The transition of customer orders was completed during the fourth quarter of 2012, enabling the full closure of the US print monitoring business, which led to a decrease of approximately 150 staff. The divested print monitoring business had revenues of about SEK 70 million in 2011.
- On October 16, 2012, Cision signed an agreement with Newsright in the US that allows original news content from nearly 1,000 digital publications to be available for distribution to Cision's clients for their internal use.
- On October 30, 2012, Cision announced an agreement with LexisNexis® which seamlessly integrates LexisNexis® worldwide content from more than 20,000 news sources with Cision's broadcast and eNews Internet monitoring, all easily accessed using CisionPoint software.

Importants events after the balance sheet date

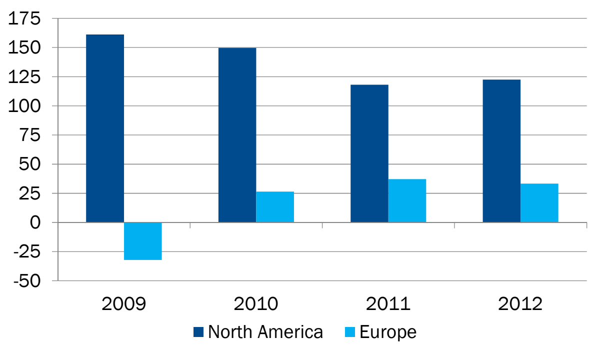
- Cision secured a new loan facility of USD 75 million with an expiration date in the first quarter of 2016.
- In February 2013, Hans Gieskes was succeeded by Peter Granat as President and CEO of Cision AB. Peter Granat remains in his role as CEO for the business in North America.

The Group in brief	2012	2011[5]
Total revenue, SEK million	975.9	958.3
Operating profit[1], SEK million	126.2	120.7
Operating profit, SEK million	81.6	109.3
Operating margin[1], %	12.9	12.6
Operating margin, %	8.4	11.4
Operating cash flow, SEK million	99.6	80.9
EBITDA margin, %	18.6	18.0
Interest-bearing net debt, SEK million	349.0	400.2
Interest-bearing net debt/EBITDA	1.9	2.3
Earnings per share[2], SEK	4.24	5.21
Dividend per share[3], SEK	2.00	–
Equity per share[2], SEK	67.9	66.8

Revenue by region[4], SEK million



Operating profit by region[1,4], SEK million



1 Excluding goodwill impairment and non-recurring items.
2 Data per share after full dilution.
3 Board of Directors' proposed dividend for 2012.
4 Excluding other and eliminations.
5 Adjusted, see note 30.

CEO's statement

Peter Granat stepped into the role of CEO on February 25, 2013. Here he gives his views on the business and his desire to capitalize on the transformation of Cision by investing in employees and products to drive future growth.

Continued growth in subscription services

During the year we continued our focus on organic growth for the Company as a whole. We saw good growth in our subscription business which now accounts for around 65 % of the business, while our professional services business was relatively flat and our remaining transactional business continued its structural decline. With time the drag on overall growth by the declining transactional revenue will decrease.

We continued our strategy of "digital first" and turned our attention to transforming our US business, completing the long desired divestment of our US print monitoring business. The print monitoring business was a sizeable slice of revenue, around MSEK 70, and was a steadily declining business. The divestment was more complicated than the previous seven similar divestments in Europe during the past four years; primarily due to the scale and tight integration of the US business. Even so it was completed on schedule during the fourth quarter, resulting in a more digital, leaner and more focused Cision US.

We continued to execute on building strategic content partnerships, expanding our licensing agreements with major content providers and copyright organizations. We were named the Salesforce Marketing Cloud Strategic Partner of the Year and we're now the only PR and marketing software supplier to fully integrate LexisNexis® global news content. We also entered into an agreement with NewsRight to access and use digital content from top U.S. news publications, including from behind paywalls.

Our success in integrating digital media monitoring from millions of sources in our software offers our clients ever-expanding access to the content they seek to monitor their corporation reputation. As a result Cision was named the Best Media and Information Monitoring Solution of 2013 by the Software and Information Industry Association (SIIA) in the US market.

Solid financial improvements

In spite of an uncertain economic outlook in Europe, our European business performed well in 2012. Revenue in Germany grew by 39 % - as Europe's largest economy, Germany is an important part of our future in Europe.

In addition to a full year of growth Cision also reports a continuing improvement in its financial results. The operating margin in 2012 was 12.9 % (12.6) and the group's EBITDA also improved to 18.6 % (18.0). The good cash flow during the year also helped to reduce net debt to new low levels. The North American business faced a challenging year and despite the many changes was able to continue to produce a good EBITDA margin of 21.5 %. In Europe, we consolidated our position building upon the improvements of the last two years and the EBITDA margin is now at a sustainable level around 18.7 %. The Group is now in good financial health to face the future.

Investments in sales and marketing

Across Cision's worldwide operations we continued to increase our focus on software subscription growth, by increasing our sales and marketing investments. We ended the year with some 200+ quota carrying sales reps, looking to capitalize on the success of our award winning CisionPoint platform at a time when spending on Public Relations is looking to gain an increased share of the overall marketing spend by corporations around the world.

While we have started to increase our investments in sales and marketing, it will take time for the results to become visible in actual revenue and operating profit. We have invested in rigorous training initiatives to accelerate ramp-up time for new sales professionals and to reinforce our ongoing commitment to the highest caliber service levels. The ROI can be modeled quite well: our sales people sell subscriptions and every sale results in a life time value of perhaps 4-5 times the original contract value because of our high renewal rates. In addition to this we are constantly developing new and innovative software features and bundled information services which enable us to upsell new services to existing customers.

Valuing our employees

At the end of the year we had a higher percentage of our people in customer facing and product innovation roles than ever before. These are the employees who spearhead our growth objectives and drive our ambition to remain the innovative global market leader in PR/Earned media marketing software.

We continue to execute on our core values of Work Passionately, Drive Innovation and Be Accountable but added two new values in the organization this year – Value People and Communicate Openly. We launched a new social employee performance management platform to improve performance across the entire organization through transparent goals, continuous feedback and meaningful recognition.

Outlook for 2013

While the general economic outlook at the start of 2012 was at best uncertain, we have seen further evidence in the past year that during recessions and economically challenging times we only see a modest impact on our business. The principal reason for this relative resilience is that our customers are likely to cut back first on advertising ("paid media") rather than PR ("earned media") during recessions.

Looking ahead to 2013, our ambition and overall growth potential over the longer term remain unchanged, even though the economic outlook, especially in Europe, is still uncertain. We will continue to make focused investments and manage our costs in order to minimize any general economic impact on our business. And we will continue to execute our digital first strategy and develop strategic content partnerships where appropriate.

In February 2013 we secured a new long term loan facility to replace our existing facility and this development gives us added confidence that Cision is moving in the right direction and with the right level of momentum for the future.

I'm very happy to be given the opportunity to lead the continued transformation of Cision that was started by our former CEO, Hans Gieskes. Hans successfully executed many key objectives to position Cision as a global market leader and I want to thank him for his contributions. I look forward to building upon his success and the continued development of the Cision business.

Finally, the Cision AB Board and I are deeply grateful for the outstanding performance of our employees during this past year and look forward in 2013 to building upon the foundations laid down by their hard work and dedication.

Stockholm in March 2013

Peter Granat
President and CEO

Business concept and strategy

Business concept

Cision provides PR and marketing professionals with software tools and services to simplify tasks and be successful in an increasingly complex largely digital media landscape.

Strategy

Cision's strategy for the period 2013–2015 is to continue the transformation of the Company that started in 2009, by pro-actively bringing about change in how the Company operates, leveraging its core strengths:

- Changing the revenue mix, by increasing the share of revenues from subscriptions, through continued investment in product development and adaptation of the business model.
- Reducing fixed costs, by focusing on integration and data enhancement of monitoring content produced by supply chain partners, rather than producing such content within Cision.
- Continue to emphasize increased investments in sales and marketing focused on growing revenues by leveraging the success of CisionPoint and up-selling to the majority of customers who currently only subscribe to one or two of Cision's services.
- Strengthening Cision's unique industry characteristic of a strong presence in North America and Europe, by making selective fill-in acquisitions in these markets.

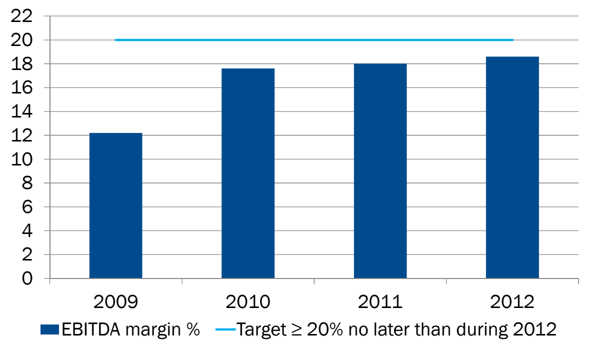
Financial targets

Based on Cision's strategy, the following financial targets have been adopted:

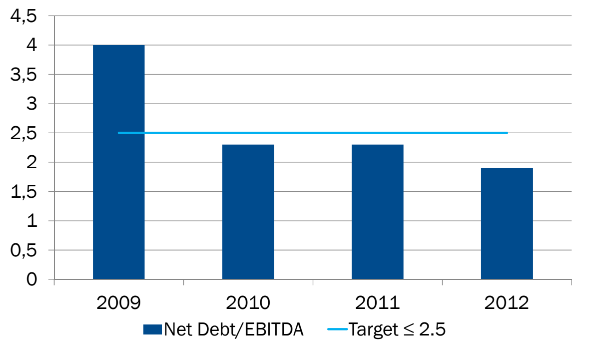
- Focus on revenue growth while maintaining EBITDA margins of around 20 %.
- Interest-bearing net debt/EBITDA not to exceed the ratio 2.5.

Cision's dividend policy over the longer term is to distribute up to 50 % of Group earnings after tax in the form of dividend.

Development EBITDA margin 2009-2012



Development interest bearing net debt/EBITDA 2009-2012



Five year summary

Income Statement, SEK in millions	2012	2011[2]	2010	2009	2008
Total revenue	975.9	958.3	1,131.8	1,475.9	1,783.2
Gross Profit[1]	639.1	587.7	660.8	729.1	866.6
Gross profit	639.1	587.7	655.4	721.6	858.6
Operating profit[1]	126.2	120.7	142.1	96.3	124.6
Operating profit	81.6	109.3	122.7	–259.6	–172.6
EBITDA	181.2	172.9	199.0	179.8	225.2
Profit before tax	**57.8**	**82.6**	**83.2**	**–341.1**	**–223.3**
Tax	5.1	–4.9	–27.1	–26.6	–49.5
Net profit/loss for the year	**62.9**	**77.6**	**56.1**	**–367.7**	**–272.8**

Balance sheet, SEK in millions	Dec. 31, 2012	Dec. 31, 2011[2]	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008
Goodwill	1,334.7	1,404.6	1,418.7	1,476.4	1,802.7
Other fixed assets	117.4	144.4	162.8	187.2	281.1
Current assets	240.5	266.2	334.2	329.8	419.4
Tax assets	42.5	47.5	32.3	29.3	63.3
Liquid assets	55.8	50.9	101.6	143.5	162.3
Total assets	**1,790.9**	**1,913.5**	**2,049.6**	**2,166.2**	**2,728.8**
Shareholders' equity	1,007.6	992.2	902.3	681.3	1,090.4
Long-term liabilities[3]	1.6	465.7	569.6	556.9	842.2
Tax liabilities	165.4	179.6	166.2	154.8	175.6
Current liabilities[3]	616.2	276,1	411.5	773.2	620.6
Total shareholders' equity and liabilities	**1,790.9**	**1,913.5**	**2 049,6**	**2,166.2**	**2,728.8**

Key financial highlights	2012	2011[2]	2010	2009	2008
Gross margin[1], %	65.5	61.3	58.4	49.4	48.6
Operating margin[1], %	12.9	12.6	12.6	6.5	7.0
Profit margin, %	6.4	8.1	5.0	–24.9	–15.3
Return on equity, %	6	8	7	neg	neg
Return on operating capital, %	5	7	8	neg	neg
Return on operating capital[1], %	8	8	9	6	6
EBITDA margin, %	18.6	18.0	17.6	12.2	12.6
Interest-bearing net debt/EBITDA	1.9	2.3	2.3	4.0	3.2
Operating capital, SEK million	1,478.6	1,530.6	1,493.3	1,530.5	1,926.6
Operating capital excluding goodwill, SEK million	143.9	126.1	74.5	54.1	124.0
Interest-bearing net debt, SEK million	349.0	400.2	457.1	723.7	724.0
Debt/equity ratio, %	35	40	51	106	66
Equity/assets ratio, %	56	52	44	31	40
Interest coverage, multiple	4.1	5.0	3.3	–0.5	1.4
Free cash flow, SEK million	29.6	44.5	5.4	–48.5	20.4
Operating cash flow, SEK million	99.6	80.9	104.9	89.7	135.7
Acquisition value of acquired operations, SEK million	–	–	18.9	2.8	8.3
Number of employees at year-end	1,049	1,180	1,298	1,629	2,451

Data per share[4]	2012	2011[2]	2010	2009	2008
Earnings per share before dilution, SEK[4]	4.24	5.22	4.03	–3.48	–3.66
Earnings per share after dilution, SEK[4]	4.24	5.21	4.01	–3.47	–3.66
Operating cash flow per share, SEK	6.71	5.43	7.51	0.84	1.82
Shareholders' equity per share before dilution, SEK	67.90	66.86	60.52	9.14	14.63
Shareholders' equity per share after dilution, SEK	67.90	66.79	60.52	9.14	14.63
Dividend[6], SEK	2.00	–	–	–	–
Profit before dilution, SEK thousand	62,852	77,647	56,058	–367,670	–272,781
Profit after dilution, SEK thousand	**62,852**	**77,647**	**56,058**	**–367,670**	**–272,781**
Average No of shares before dilution[4,6], thousand	14,840	14,881	13,924	105,764	74,544
Potential shares, thousand	–	16	42	737	–
Average No of shares after dilution[4,6], thousand	14,840	14,897	13,966	106,501	74,544
Number of shares at year-end, thousand	**14,910**	**14,910**	**14,910**	**74,544,418**	**74,544,418**

1 Excluding goodwill impairment and non-recurring items.
2 Adjusted, see note 30.
3 Current liabilities per December 31, 2012 include SEK 405 million relating to the Group's syndicated loan facility. Note however the section 'Events after the balance sheet date' in Board of Directors report, relating to a new loan agreement that will replace the, as of December 31 2012, current agreement.
4 Including new share issue 2010. 2009 has been translated according to the same principles. Previous periods have not been translated. The reverse share split with record date May 5, 2011, whereby ten old shares were consolidated into one new share, has been taken into consideration, also retroactively translated for 2010 but not earlier periods.
5 Board of Directors' proposed dividend for 2012.
6 The new share issue that was ongoing between March 24 and April 12, 2010 has been affecting the calculation of the average number of shares since the issue contained a bonus issue component. The bonus issue component arose because the issue price was lower than the equivalent underlying value of the share. The calculated adjustment factor for the calculation of the average number of shares amounted to 14.19. Previous reported earnings per share have thus been adjusted.

The share

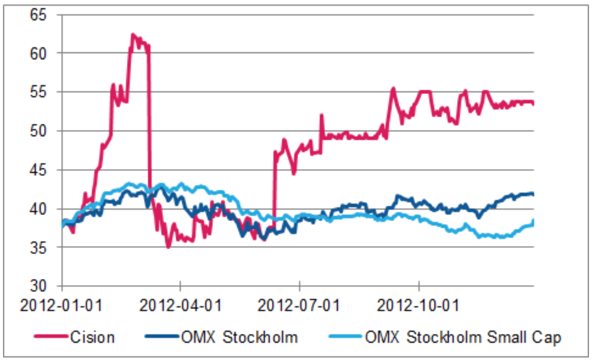
Share price performance and trading

Cision’s shares are listed on the Nordic Exchange. Cision’s market capitalization as of December 31, 2012 was SEK 798 million. In 2012, approximately 6.8 million shares were traded. The price of the Cision share increased by 45 % during the year, from SEK 37.00 to SEK 53.50, while OMX SPI during the same period increased by 12 %. In 2012, the share reached a high of SEK 62.50 (February 24, 2012) and a low of SEK 34.20 (March 22, 2012).

Share capital

The share capital in Cision AB amounted to SEK 223,643,754 as of December 31, 2012, divided among 14,909,583 shares, each with a par value of SEK 15.00. All shares carry an equal right to the Company’s earnings and assets, as well as an entitlement of one vote each. Of the 14,909,583 shares, Cision holds 69,442 shares purchased in relation to the 2011 share-based incentive program.

Share performance 2012



Shareholdings	No. of share-holders	No. of shares	% of votes
1–1,000	12,071	794,643	5.33
1,001–10,000	253	746,143	5.00
10,001–50,000	27	670,305	4.50
50,001–100,000	9	697,148	4.68
100,001–	21	12,001,344	80.49
Total	12,381	14,909,583	100.00

Source: Euroclear Sweden AB

Ownership structure

At year-end 2012, Cision had 12,381 shareholders, according to the share registry maintained by Euroclear Sweden AB (Swedish Central Securities Depository). Swedish private individuals owned about 10 % of the shares and Swedish institutional investors such as pension funds and insurance companies owned approximately 63 % of the shares. Foreign investors owned 28 % of the shares. The ten largest share-holders had a combined holding of 70 % of the shares. The number of shareholders decreased during the year.

10 Largest shareholders, December 31, 2012

Shareholders	No. of shares	% of share capital
Fairford Holdings Finance AB	1,924,320	12.9
Cyril Acquisition AB	1,903,443	12.8
Lannebo Funds	1,645,507	11.0
Harris Associates Funds	1,209,679	8.1
Accendo Capital SICAV-SIF	1,038,028	7.0
Fourth Swedish National Pension Fund	722,927	4.8
SHB Funds	632,909	4.2
Unionen	566,758	3.8
Avanza Pension Insurance AB	486,804	3.3
Skandia Life Insurance	363,350	2.4
Subtotal	**10,493,725**	**70.3**
Other shareholders	4,415,858	29.7
Total	**14,909,583**	**100.0**

Source: SIS Ägarservice

Incentive Programs

Incentive programs are described in Note 8 on pages 52-54.

Analysts who continuously cover Cision

- Enskilda Securities – Stefan Andersson
- Handelsbanken – Rasmus Engberg
- Redeye – Victor Höglund

Cision's offer

Cision gives PR and marketing professionals the power to deliver stories more effectively, to reach audiences more strategically, to deepen a story's impact and heighten the marketer's performance and productivity.

Cision campaign management platform CisionPoint is available in nine languages, and is used by 49 of the top 50 PR agencies in the US, corporations, nonprofits, universities, government organizations and solo practitioners. This software makes it easy for users to master the key processes of managing a communications campaign through a single platform that integrates capabilities to plan their story, get it out, track it and then measure its results.

PLAN YOUR STORY

Cision helps customers to find detailed media contact profiles and editorial opportunities anywhere in the world. The Cision Media Database lists more than 1.5 million media and influencer contacts in traditional, social and emerging media across North America and Europe.

Case in Point

When disaster-relief organization Sparkrelief needed to raise awareness and speed assistance to victims of Hurricane Sandy – one of the biggest natural disasters to hit the U.S. – it turned to CisionPoint to quickly find and reach media and influencers. Cision software saved Sparkrelief volunteers nearly 100 hours in coordinating its media presence, making disaster relief far more effective because those volunteers were able to spend that time helping people in need.

GET YOUR STORY OUT

Cision enables customers to connect with the right audiences across all media channels with its social media and traditional news distribution services, or to contact influencers directly through their preferred contact method.

Case in Point

When Wave Hill Public Garden needed to find a way to reach its multiple audiences, it used Cision Social Publish to post diverse messaging to its search-optimized social media newsroom and Twitter. In the first weeks of adopting Cision as its primary way of using social media to tell its story and distribute content to its audiences, Wave Hill saw an increase in visibility and 53 percent more Twitter followers.

TRACK YOUR STORY

Cision offers a media monitoring service which tracks social media, online, print, and broadcast coverage of over 100 million sources worldwide. The customer gets instant access to a variety of metrics to understand who's covering their story, how, when and why.

Case in Point

When the Mile High United Way used Cision to move from traditional, one-way communications to a more interactive model to tell their story, they also needed a way to monitor their coverage and engagement. Cision was the only provider that was able to monitor both social and traditional media, help spot trends, connect with influencers and audiences, communicate its story, keep the team on the same page, and show ROI.

MEASURE YOUR STORY

Cision's media analysis tools enable communicators to quantify the impact of campaigns, determine the return on investment and make more informed decisions.

Case in Point

Cision Global Analysts has been assisting a major international consulting company in building and refining a customized global PR analysis program for nearly a decade. By providing a public relations program for senior management based on research and analysis tailored specifically to the company's global business needs, the client has been able to secure increased support from senior management.

Significant Awards

The Cision campaign management platform has received five CODiE Awards since 2009. The CODiE Awards, established in 1986 and sponsored by the *Software and Information Industry Association* in the US, are the global software industry's only peer-reviewed competition.

Cision PR software's CODiE awards history
2013 Best Media and Information Monitoring Solution
2012 Best Online Business Information Service
2011 Best Marketing/PR Solution
2010 Best Social Media Aggregation Service
2009 Best Online News Services

In addition, in 2010, Cision received the Product Development of the Year Award from the *Data Publishers Association* in the UK.

Product Enhancements

Cision continuously enhances its products and services to maximize the benefit for customers. During 2012, Cision introduced the following improvements to its software:

- Powerful new search capabilities that allow users to search, filter, build media lists and drive insights from the comprehensive Cision Media Database faster and easier than ever. Summaries and graphic reports give communicators insight into results like media type, geographic distribution, and other criteria that enable them to better understand who and where their key media and influencers are.
- The introduction of Cision Influencer Lists, which provide easy access to digital influencers from both traditional and social media by topic and region. Marketers and PR pros can follow and engage influencers through their social profiles (Twitter, LinkedIn, Facebook and Google+), and find pitching tips, pet peeves and contact preferences by reading in-depth profiles.
- The ability for clients to share their stories on Pinterest directly from their Social Media Newsrooms.
- The launch of Social Influencer Search, a new way for users to find digital influencers publishing content about a particular topic on blogs or Twitter.
- Enhancements to Cision's Mobile Application, enabling users to access a full suite of outlet and contact information from the Cision Media Database through their smartphone or tablet.

Cision Services

CisionPoint Services was introduced for clients who need day-to-day help or high-level strategic expertise to monitor and analyze their news coverage or identify influencers. Services include news-article and social-conversation filtering; sentiment/tone categorization; tagging and organizing items for easy search and retrieval; and custom daily and monthly reporting. The Services team can also develop lists that identify the most influential people who shape perceptions about a particular product, industry or brand. The reports include contact information and influencer profiles, and are based on criteria such as blog posts, comments and unique comments, views, votes, followers and fans.

In addition to CisionPoint Services, Cision Global Analysts is a team of experts who develop customized measurement programs that assist organizations in developing and refining communication strategies, and proving the ROI of PR campaigns. The team provides expert media analysis; statistical modeling and media analytics; performance measurement and reporting; as well as insights and recommendations. It also offers the Cision Social Analysis Suite, which includes over 25 social media measurement and methodologies and expert consulting.

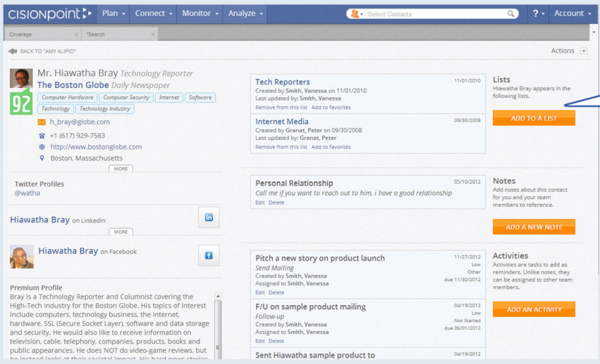
Content Partnerships

During 2012, Cision entered into two key content partnerships to provide clients with the most comprehensive news and information monitoring solution available to public relations and marketing professionals.

The first was an expansion of Cision's exclusive partnership with LexisNexis® which seamlessly integrates LexisNexis® worldwide content from more than 20,000 news sources with Cision's broadcast and internet monitoring. The LexisNexis® agreement also gives subscribing Cision clients the right to share its content internally.

The second is a new relationship with NewsRight, LLC which allows original news content from nearly 1,000 digital publications to be available for distribution to Cision clients for their internal use.

CisionPoint



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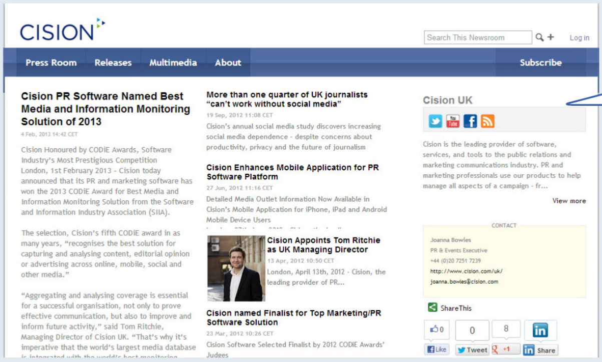

Get your story out

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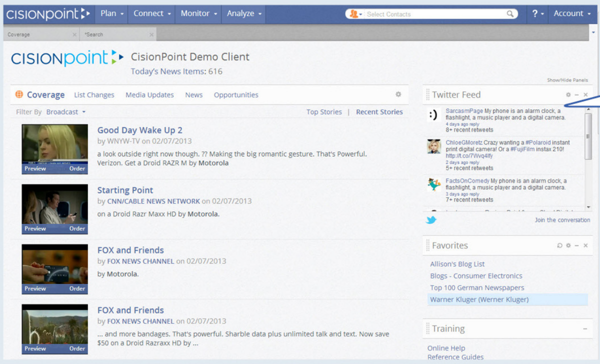
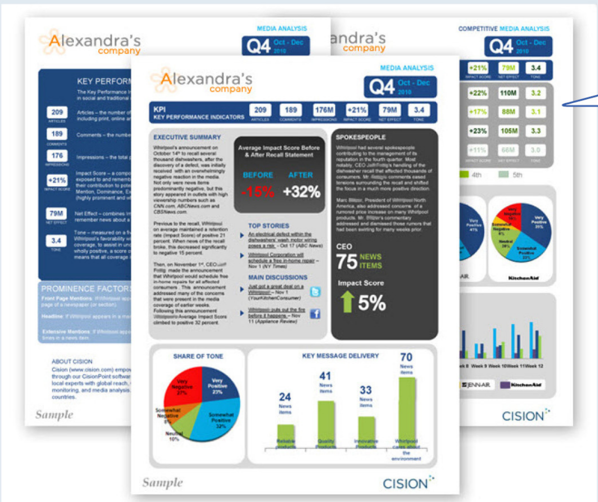


Track your story

Cision offers a media monitoring service which tracks social media, online, print, and broadcast coverage of over 100 million sources worldwide. The customer gets instant access to a variety of metrics to understand who's covering their story, how, when and why.



Measure your story

Cision's media analysis tools enable communicators to quantify the impact of campaigns, determine the return on investment and make more informed decisions.

Customers

Cision software and services are used by virtually every sized organization in nearly every industry. The Company currently has more than 13,000 customers among its global customer base. Users of our services are typically marketing, public relations and communications professionals working at companies, agencies and government organizations. Cision's media database contains information for over 1.5 million contacts, outlets and editorial opportunities includeing members of the media, journalists, freelancers and digital influencers. This database represents a source of future customer opportunity as Cision expands its service offerings to include new and better ways for communications professionals and media members of every kind to engage and interact.

The market

Cision continues to anticipate and proactively respond to the rapid changes in the media and communications market — while remaining committed to its mission to help the world's communicators power their stories through its software and services. In the past years, the industry has rediscovered the effectiveness of corporate storytelling for advancing corporate communications objectives. The ways and means of getting these stories to the marketplace continue to evolve.

Market trends

The rise of Content Marketing

The increase in content and data over the past decade fueled by our increasingly connected world has sparked an immediate need for a reevaluation of how brands and organizations market their products and services. There is a revolution in how consumers find, digest and share content that has changed the way marketers and PR pros think about managing their brand's reputation and amplifying their news.

Content Marketing is essentially Story Marketing, the central function of public relations. It's all about telling engaging, persuasive and credible narratives to raise awareness – or change perceptions – about a brand. According to a 2012 study conducted by the Content Marketing Institute and MarketingProfs, marketers, on average, spend over a quarter of their marketing budget on content marketing and 60 % report that they plan to increase their spend on content marketing over the next 12 months.

Cision anticipated this trend early and enhanced its software functionality and services to empower marketers to create, curate and amplify their content across multiple channels using the Cision Social Newsroom tools.

The increasing demand for brand insights and corporate reputation benchmarking

A company's brand and corporate reputation continue to be two of its most important assets. Brands face an unprecedented amount of scrutiny as social media allows vast networks of customers and consumers to share their experiences about a brand – both good and bad – and the 24-hour global news cycle ensures that news spreads far and fast. Corporate reputations that took years to build can face significant threats literally overnight. This unforgiving media environment drives the need for PR software platforms that offer extensive media monitoring and measurement capabilities, as well as professional services to assist in the event of a crisis. Cision's provides a full range of software and services-based monitoring and measurement. Cision Global Analysts, a team of highly-specialized consultants that typically work with the most senior levels of a client's organization, address these needs. To help clients with day-to-day insights and monitoring of their brand reputation, Cision introduced CisionPoint Services, providing clients with services like news article and social conversation filtering; sentiment/ tone categorization; tagging and organizing items for easy search and retrieval; and custom daily and monthly reporting.

The role of marketing professionals in traditional public relations activities

The changing mix of paid, earned and owned media not only increases the areas of ownership for Cision's core customer base of PR professionals, but also opens a significant new customer segment as marketing professionals approach their duties in a more media-integrated manner.

Copyright compliance and fair use

With mobile social media enabling instant, casual real-time distribution and sharing of information among millions of users, the challenge of copyright protection has become more complex than ever. For marketers and professional communicators especially, these challenges — not to mention the risks and potential liabilities — are profound. Cision works hard to meet the needs of customers who need to know what is published about them. Cision is committed to respecting and protecting the intellectual property rights of publishers and content providers.

As copyright laws continue to evolve, Cision is actively participating in the global effort to develop practical solutions for copyright protection and digital rights management. In Europe, Cision has partnered with the Newspaper Licensing Agency (NLA) in the UK and PMG, in Germany, to ensure all organizations have access, and can share, the news they need while ensuring they are copyright compliant. While there is no single governing agency in the US, Cision is supporting multiple organizations dedicated to establishing standards and best practices that can reduce and eventually eliminate misuse of intellectual property, and avoid copyright infringement.

A move towards Paid Content

More than one-fifth of U.S. newspapers now require a paid subscription for full access to digital content, twice the number that did a year ago. Monitoring and sharing content behind “paywalls” is a challenge for communicators and Cision is working closely with publishers to access this content. Cision partnered with NewsRight in 2012 to provide clients with the ability to monitor more than 1,000 digital publications includeing content behind paywalls. It is critical for today’s PR and marketing professionals to have full access to traditional media, broadcast, blogs, social networking sites, video- and photo-sharing sites, online opinion forums and all forms of digital content. Cision is dedicated to providing its customers with easy access to the content they need to monitor, analyze and share across all media types through one campaign management software solution.

The rise of Big Data and its impact on productivity, growth, and innovation

In virtually every industry, the amount of data now available to organizations is exploding, and the marketing communications industry is not immune. The impact of social media is evident with over 30 billion pieces of content shared on Facebook alone every month. With the increasing availability of online content, Cision recognizes the need to aggregate, normalize and provide insight into this data. According to the McKinsey Global Institute study “Big data: The next frontier for innovation, competition and productivity,” the ability to store, combine and analyze data and then use the results to spur growth has become more accessible as cloud computing continues to lower costs and other technology barriers.

Cision’s continued investments in technology to aggregate and index traditional and social media enables the Company to provide unique insights to its customers as to how influencers and media coverage are impacting their brand’s reputations to help shape future campaigns. And with the growth in data in its global media database, Cision developed a completely new way to search its database so clients could be more efficient and effective in their outreach. Users found the new search function to be quicker, more intuitive, and gave them the ability to target their searches more than ever before.

An increase in smartphone and tablet usage demands more mobile accessible tools

According to Pew Research Center, adult ownership of smartphones in the US increased from 35 % to 45 % and tablets from 11 % to 25 % in the past year. Communicators require applications that work on mobile devices, not only to perform workflow activities but to share information with other mobile users such as employees, shareholders and constituents. Cision has developed several mobile applications for its software users to perform tasks and access outputs on mobile devices. In the summer of 2012, Cision enhanced its Cision Media Database mobile application, allowing users to search for and access a full suite of outlet and influencer data through their smartphone or tablet, and made it easier for users to share information by email.

Competitors

The market for the Company’s services is fragmented. Usually Cision’s competitors mainly offer one or two of the four service areas that Cision offers. Many are local players or have a strong presence on only one continent. However, Cision believes that market trends indicate that a growing number of participants will, through mergers and acquisitions, increase their global presence and expand their selection of services.

Examples of Cision competitors in North America are Vocus, PR Newswire, Business Wire, and Marketwire. In the European market examples of Cision competitors are Gorkana Group, PR Newswire, MyNewsdesk, Meltwater, Precise, and Infopaq.

Positioning

Cision has a strong position as a global partner through a distinct brand and international presence. Cision is focused on a standardized global offering under a uniform brand name and identity. Serving as a global partner offers customers advantages in terms of competence, cost and competitiveness.

Global offer

Cision has a unique market position through its strong geographic presence in Europe and North America. In addition, Cision has partners in many countries, providing the Company with unique opportunities to offer a global service. Cision is one of the few companies in the industry that can offer global services based on a strong presence in local markets, giving Cision an edge in its ability to work across cultures and borders when serving leading multinational companies and fast-growing enterprises of all sizes and ambitions.

Integrated services

Cision is constantly developing its services in order to retain its leading position in the market. With CisionPoint software and services, customers can efficiently and effectively manage the entire communications process through planning, follow up and analysis of their communications. This offer is the market leader, which is still dominated by companies that offer individual services within Cision’s selection of services.

Leading media database and extensive digital media monitoring

Cision offers its customers one of the world’s leading media databases. Over 1.5 million media contacts and Social Media influencers in more than 200 countries gives Cision a leading position. Moreover, through its partners, Cision offers the market’s most extensive global digital media monitoring in many countries.

Risks and risk management

Cision's operations and profitability are impacted by a number of factors. The risks the Group is exposed to can be classified as market-related, operations-related and financial. Risk management is a constant priority for the Group, and it is regularly reviewed in order to achieve balanced risk exposure. The following summary lists significant risks and how Cision manages them.

Market-related risks

Macroeconomic developments

The clients' level of activity and investment opportunities are affected by the economy and business climate. An economic downturn could impact Cision's earning capacity. Cision's diverse client base, both geographically and in terms of industry, helps to spread the risks.

Copyright and data protection

Access to reasonably priced information is essential to the manner in which Cision conducts its operations. The application of copyright and data protection laws varies in the markets where Cision is active. Increased access to digital information drives copyright and data protection issues and brings them to the forefront in an environment in which the trend is to strengthen these laws. A tightening of copyright and data protection laws that limits the opportunity to distribute information, or demands for higher compensation by rights holders, could have a direct impact on Cision's earning capacity. Cision continuously works on strengthening relationships and establishing collaboration agreements with copyright holders.

Increased competition and new entrants on the market

Cision operates in a changing industry characterized by rapid technological development. Access to information on the internet has lowered the barriers to entry, leading to several new entrants in the market and increased competition, also due to the fact that several of Cision's markets are undergoing a consolidation phase. The value, and therefore the price, of certain information is steadily declining, which requires the creation of value-added services for the clients in addition to the provision of information. Cision's competitiveness is strengthened by the breadth and depth of its offering, and its ability to offer bundled integrated services through its campaign management platform CisionPoint.

News Agenda

Monitoring revenue is partly dependent on the number of business news items of relevance to the clients. This varies depending on the season and any events that lessen the amount of business news in the media, such as natural disasters. The positive trend relating to the quantity of accessible information in digital media has more than offset the decline in volume from printed and broadcast media. This volume dependency within monitoring has been reduced through modifications to the service mix and pricing model. Cision has increased the level of recurring revenue by increaseing the percentage of value-added services and shifting the pricing model toward subscription-based revenues.

Operations-related risks

Service development

A client-focused service development is critical to maintaining and increasing Cision's competitiveness. Services are developed to meet local client needs as well as the needs of large, international companies and organizations. The Cision Group is moving toward a more uniform offering to take better advantage of economies of scale in its service development. The majority of the Group's services are provided through its software application CisionPoint.

Technology development

The rapid changes in technology affect both client solutions and internal production processes. Clients require digital deliveries and understand the need for an integrated web-based offering. Cision continuously develops its web-based services based upon common IT platforms shared within the Group to meet its clients' needs.

Client dependency

Cision's services help clients to increase the efficiency of their communications and make better-informed business decisions. This demand is not industry-specific. Cision is therefore less sensitive to developments in specific industries or client groups. Also, no single client accounts for more than about 3 % of the Group's total revenue, which reduces Cision's exposure in case of the loss of an individual client.

Supplier dependency

Cision aims to outsource non-strategic aspects of work processes within production to reduce fixed costs, take advantage of time zone differences, and reduce expenses. Subcontractor-related quality deficiencies, delays, or interruptions have a negative impact on Cision's delivery to customers and can therefore damage Cision's reputation. Cision proactively monitors and follows up on delivery quality from subcontractors and partners.

Leaders and employees

Cision is a service Company where the ability to attract, develop and retain competent employees is crucial to its success. Cision operates in a rapidly changing market and is dependent on senior executives with the ability to carry out strategic and operational changes. Increasing digitization of the business and the development of the service offering increase the need for competence in fields such as Sales and Marketing and IT development. Cision is working to identify and develop leaders and other employees to ensure access to the right competence and future leaders in both the local subsidiaries and at the Group level. Cision's intellectual property consists of jointly developed solutions, service platforms, documented methods and procedures that reduce dependency on individual key persons.

Security issues

Security issues are crucial to Cision, since the Company handles confidential client information. Cision offers listed companies assistance with the distribution of price-sensitive information and the provision of information as required by

EU directives and local legislation. Cision has developed routines and processes for employees who handle sensitive information and to ensure that any information that belongs to its clients is handled in accordance with applicable legislation, stock exchange listing agreements and other capital market regulations. Cision conducts periodic IT security audits of its infrastructure and applications. The Group has insurance protection for liability risks and loss of income in the event of disruptions.

Acquisitions

Cision's strategy includes acquisition. The assets of acquired companies are normally limited in scope and can account for only a small part of the acquisition cost. The major part might consist of goodwill. The value of goodwill is dependent on the long-term earning capacity of the acquired business. Changes in market conditions in terms of competitiveness will therefore have a direct impact on the valuation of goodwill. Cision works with a methodology and model for risk analysis, evaluation, implementation and integration of acquisitions. Cision generally acquires companies with good profitability, stable cash flows, established client bases and recognized trademarks, which reduces investment risk.

Financial risks

The Board of Directors of Cision has established a financial policy intended to act as a framework for Cision's financial activities and to provide guidelines for the management of financial risks. The objective is to limit any financial risks that arise in connection with borrowing, investments and foreign currency transactions. Financial risks and risk management are described in Note 2.

It should be noted that the availability of reasonably priced financing in the market place is dependent upon external market influences beyond Cision's control.

Board of Directors' report

The Board of Directors and the President of Cision AB (publ), corporate identity number 556027-9514, with its registered address in Stockholm, Sweden, are pleased to present the annual report and consolidated financial statements for the fiscal year 2012.

The annual report has been approved for public release, by the Board of Directors, on March 15, 2013. The consolidated and Parent Company income statements and balance sheets will be presented for adoption at the Annual General Meeting on April 9, 2013. Unless stated otherwise, amounts in brackets refer to previous year, 2011.

Group operations and structure

Cision offers services and software solutions to the public relations and marketing communications industry. It creates value for clients by providing an integrated software platform includeing tools that identify key media influencers, connect with audiences, monitor traditional and social media and analyze outcomes. The business is tracking three lines of business: Subscriptions, Transactional services and Professional Services across its Operations over four service areas: Plan, Connect, Monitor and Analyze. Cision's principal geographic markets are Western Europe and North America, with partners in other regions.

Restatement of 2011 and 2012

The Annual Report for 2012 includes certain amendments of Income Statement and Balance Sheet data, for 2011 and 2012, compared with information shown in the year-end report, which was published on February 7, 2013. The amendments are due to an incorrect handling of deferred revenue in connection with a large contract in North America and the restatements are made on 2011 and 2012 Group figures. See Note 30 in the Financial Overview for more details.

Market outlook

Cision believes that the long-term growth prospects for software and services for the PR industry are good. The impact of social media on consumers is expected to overtake the impact of print and radio/TV media over time, with PR professionals today taking the lead to incorporate such "Earned Media" into a Company's overall marketing mix. The information available to marketing and PR professionals is increasing in volume, complexity, and urgency, as consumers increasingly share opinions instantly using the internet and social media. Consequently, Cision believes that integrated PR software solutions, such as CisionPoint, have become essential for PR professionals to help them manage their daily tasks and increasingly also for other marketing professionals includeing companies that do not have PR departments. Historically, economic recessions have impacted companies like Cision, but less so than other media-related industries such as "paid for" advertising-driven businesses.

Five year summary

SEK million	2012	2011	2010	2009	2008
Net sales	976	958	1,132	1,476	1,783
Organic growth, %	3.6	−0.8	−4.8	−12.6	−2.9
Currency effect on revenue	30	−86	−59	136	−31
Operating profit	82	109	123	−260	−173
Operating profit[1]	126	121	142	96	125
Operating margin[1], %	12.9	12.6	12.6	6.5	7.0
Currency effect on operating profit[1]	4	−14	−8	22	–
EBITDA	181	173	199	180	225
EBITDA margin, %	18.6	18.0	17.6	12.2	12.6
Net debt/EBITDA	1.9	2.3	2.3	4.0	3.2
Net profit	63	78	56	−368	−273
Operating cash flow	100	81	105	90	136
Free cash flow	30	45	5	−49	20
Earnings per share[2,3]	4.24	5.21	4.01	−3.47	−3.66
Operating cash flow per share[2,3]	6.71	5.43	7.51	0,84	1.82
Free cash flow per share[2,3]	2.00	2.98	0.39	−4.55	2.74
Number of employees at year-end	1,049	1,180	1,298	1,629	2,451

1 Excluding goodwill impairment and non-recurring items.
2 Data per share after full dilution. The reverse share split with record date May 5, 2011, whereby ten old shares were consolidated into one new share, has been taken into consideration, also retroactively for previously reported periods.
3 Including new share issue 2010. 2009 has been translated according to the same principles. Previous periods have not been adjusted.

Important events

- On June 12, 2012 Cision announced a legal settlement with Dow Jones regarding an alleged rights infringement in the US. The costs relating to the settlement were reported in the second quarter result as a non-recurring item, amounting to SEK 45 million which included a confidential settlement amount, the cost of legal and professional fees and the cost of implementing changes to production processes. This resolved the contingent liability reported in the first quarter 2012.
- On June 25, 2012, Cision announced the divestment of its US print monitoring business. The transition of customer orders was completed during the fourth quarter of 2012, enabling the full closure of the US print monitoring business, which led to a decrease of approximately 150 staff. The divested print monitoring business had revenues of about SEK 70 million in 2011.
- On October 16, 2012, Cision signed an agreement with Newsright in the US that allows original news content from nearly 1,000 digital publications to be available for distribution to Cision’s clients for their internal use.
- On October 30, 2012, Cision announced an agreement with LexisNexis® which seamlessly integrates LexisNexis® worldwide content from more than 20,000 news sources with Cision’s broadcast and eNews Internet monitoring, all easily accessed using CisionPoint software.
- During the year the Cision Executive team was reorganized. Peter Granat, the former COO in North America, succeeded Joe Bernado as CEO of North America following his retirement in March 2012. In August 2012 the CEO for Europe, Yann Blandy, resigned to take up a position as CEO of another Swedish listed Company, his direct reports reported into the Group CEO during the year. For further changes in the Cision Executive team after the closure of 2012, see “Events after the balance sheet date” on page 19.
- Cision's operating profit increased during 2012, reaching EBITDA margins close to the Group's stated financial target of 20 %. Due to the improved profitability and improved free cash-flow, the Group's financial position also improved during the year, with net debt/EBITDA at 1.9 as of December 31, 2012, which is below the Group’s financial target of <2.5.

The Group’s development

SEK million	2012	2011
Total revenue	976	958
Organic growth, %	3.6	−0.8
Currency effect on revenue	30	−86
Operating profit[1]	126	121
Operating margin[1], %	12.9	12.6
Currency effect on operating profit[1]	4	−14
EBITDA	181	173
EBITDA margin, %	18.6	18.0
Net profit	63	78
Employees, end of period	1,049	1,180

[1] Excluding non-recurring items.

Revenue for 2012 has grown with SEK 18 million, and this includes a positive organic growth of 3.6 % amounting to SEK 33 million and a positive currency impact of SEK 30 million, which was offset by the effect of divestments made in Finland in 2011 and in the US in 2012, which negatively impacted growth by SEK 45 million.

For 2012, Operating profit excluding non-recurring items reached SEK 126 million compared with SEK 121 million for the same period last year and was positively impacted by a currency effect of SEK 4 million. Operating Margin was 12.9 % (12.6) and EBITDA margin was 18.6 % (18.0), further evidence of the solid improvement in business performance.

In 2012, Subscription revenue grew by 7 % and as a proportion of total revenue amounted to 65 % (62), whereas transactional revenue and revenue from professional services amounted to 18 % (21) and 17 % (17) respectively. The total number of reported customers amounted to 12,550 (13,305). The decline includes the effect of divested US print monitoring customers, the transition of customers from old legacy platforms in Europe and the continued decline in the remaining traditional monitoring service customers. Customers on CisionPoint increased to 9,150 (73 % of total customers) (Dec 31, 2011; 8,943, 67 % of total customers).

The Group’s financial net for 2012 improved to SEK −24 million (−33). The financial net for 2012 has reduced mainly due to lower debt levels.

The tax cost for 2012 amounted to SEK 5 million (−5) and was positively impacted by a write up of the Group’s deferred tax assets of SEK 5 million, and similar to 2011 the tax includes a positive deferred tax effect of SEK 18 million from deductible goodwill amortization in the US.

Development by region

Cision North America

SEK million	2012	2011
Total revenue	762	710
Organic growth, %	5	0
Currency effect on revenue	30	−72
Operating profit[1]	122	118
Operating margin[1], %	16.1	16.6
Currency effect on operating profit[1]	5	−13
EBITDA	164	156
EBITDA margin, %	21.5	22.0

[1] Excluding non-recurring items.

Organic growth for 2012 in North America amounted to 5 % with US growth at 7 %. The divestment of the print monitoring business and the extraordinary boost to broadcast monitoring experienced in 2011, may lead to slower comparable growth in the shorter term. The divestment of the print monitoring business brings opportunities with a more focused digital business in the region to leverage the investments made in sales and marketing to drive subscription growth. However, it does also present a short term challenge because many customer contracts were bundled and will have to be updated for current services. This process has been initiated in the fourth quarter and has developed well. In the region, operating margins of 16.1 % is only slightly down on last year.

Cision Europe

SEK million	2012	2011
Total revenue	222	261
Organic growth, %	2	−3
Currency effect on revenue	−2	−11
Operating profit[1]	33	37
Operating margin[1], %	14.9	14.3
Currency effect on operating profit[1]	−1	−1
EBITDA	42	46
EBITDA margin, %	18.7	17.6

[1] Excluding non-recurring items.

Europe improved the organic growth trend to 2 % in 2012. In Portugal the economic conditions remain difficult, however the business is still performing well. In the Nordics, additional investments in sales and marketing show some signs of paying off, in what is a very competitive market. In the UK revenue dipped a little which was mainly due to a reduction in transactional revenue, whilst in Germany revenue was up 39 % for the year with increased focus on Sales and Marketing. In Europe, operating margins improved to 15 % (14 %). The Nordics and Portugal reported strong margins and the UK operation shows signs of returning to profitability. The German operation is still in a phase of growth and as such made acceptable start-up losses.

Non-Recurring Items

Non-recurring items affecting the operating profit for January-December 2012 amounted to SEK 45 million (−11), which included a confidential settlement amount, the cost of legal and professional fees and the cost of implementing changes to production processes. See also non-recurring items, note 9.

Investments

Gross capital expenditures amounted to SEK 33 million (49) mainly consisting of the development of the Group's software systems, in particular the CisionPoint software platform. Capitalized development cost for 2012 amounted to SEK 19 million (32), whereas amortization amounted to SEK 35 million (31). As of December 31, 2012, the book value of capitalized development amounted to SEK 75 million (90).

Financial position

SEK million	2012	2011
Shareholders equity	1,008	992
Equity per share, SEK	67.9	66.9
Interest bearing net debt	349	400
Net Debt/EBITDA	1.9	2.3
Working Capital[1]	32	−13
Liquid Assets	56	51

[1] Including exchange rate effects.

As of December 31, 2012, the Group utilized approximately USD 62 million of its syndicated loans; this was reduced by repayments of approximately USD 5 million during 2012.

The ratio Interest Bearing net debt/EBITDA was 1.9 as of December 31, 2012. During the year of 2012, net debt decreased by SEK 51 million, partly due to exchange rate effects which decreased net debt by SEK 19 million and positive free cash flow of SEK 30 million.

Goodwill

Goodwill amounted to SEK 1,335 million (1,405) as of December 31, 2012, decreased by SEK 70 million due to exchange rate effects. The goodwill as of December 31, 2012, is related to Cision Europe, mainly relating to Portugal and Sweden, SEK 111 million, and Cision North America which includes Cision's activities in USA and Canada, SEK 1,224 million.

Cash flow

SEK million	2012	2011
Operating Cash Flow	100	81
Free Cash Flow	30	45

For the full year compared to last year operating cash flow improved by SEK 19 million or 23 % and free cash flow was SEK 15 million lower compared to last year, but was affected by a SEK 45 million cost relating to a settlement made in June 2012.

Divestments

On June 25, 2012, Cision announced the divestment of its US print monitoring business. The transition of customer orders was completed during the fourth quarter of 2012, enabling the full closure of the US print monitoring business, which led to the decrease of approximately 150 staff at a cost of SEK 11 million. The total cost relating to the closure of the print monitoring business including other non-staff related costs amounts to SEK 13 million and has been offset against the purchase price of the print monitoring business of SEK 14 million. The net gain of SEK 1 million is recognized as other revenue. In addition, until December 2015 Cision has a revenue sharing agreement with BurellesLuce depending upon the renewal of print monitoring customers. In 2012, Cision recognized SEK 2 million relating to royalties receivable from the revenue sharing agreement.

Acquisitions

Cision made no acquisitions in 2012.

Operating capital

Operating capital is defined as fixed assets, operating current assets less operating current liabilities and current provisions. Tax assets and tax liabilities are not included. A large part of operating capital consists of goodwill arising from business acquisitions. In total, operating capital amounted to SEK 1,479 million (1,531) and operating capital excluding goodwill was SEK 144 million (126).

SEK million	2012	2011
Goodwill	1,335	1,405
Other fixed assets	114	141
Operating current assets	238	254
Provisions for non-recurring items	−3	−6
Operating current liabilities	−206	−263
Operating capital	**1,479**	**1,531**
Less goodwill	−1,335	−1,405
Operating capital excl. Goodwill	**144**	**126**

Working capital
Working capital is defined as current operating assets less current operating liabilities. Working capital as of December 31, 2012 amounted to SEK 32 million (-13). The change in working capital compared to last year is due to the continuing shift of customers moving away from paying in advance for longer term contracts which has affected working capital by reducing deferred revenue.

Share capital
The share capital amounted to SEK 223,644 thousand (223,644) on the balance sheet date. The share capital was represented by 14,909,583 (14,909,583) shares, with a nominal value of SEK 15.00 (15.00). Cision holds 69,442 treasury shares purchased in the third quarter of 2011 to hedge the 2011 LTI program. Please refer to the detailed information on page 53 (Note 8).

Dividend
Cision's dividend policy over the longer term is to distribute up to 50 % of Group earnings after tax in the form of dividend. For 2012, the board proposes a dividend of SEK 2.00 per share.

No dividend was paid during 2012 for the fiscal year 2011.

Financial instruments and risk management
The Board of Directors has established a financial policy as a framework for the Group's financial activities and to provide guidelines and rules for managing financial risks. The goal of the finance operations is to make optimal use of the Group's overall liquidity, optimize the Group's financial net and provide an overall assessment of, and control over, the Group's financial risks. In addition to the financial policy, which is reviewed annually, the Board of Directors establishes financial limits a calendar year at a time. For a further description of financial risks, exposure and financial instruments, see Note 2.

Corporate governance
The articles of association do not contain any provisions on the appointment and dismissal of Board members or on amendments to the articles. Detailed information on corporate governance can be found in the corporate governance section.

Research and development
Within its strategic guidelines, the Group develops client focused services based on shared services, methods and IT platforms. The largest projects during the year were as follows:

- Further development of the CisionPoint software platforms for the North American as well as the European market. The CisionPoint software platform provides clients with a better interface with greater functionality.
- Development of new features and infrastructure for services, which are delivered through the CisionPoint software platform.

Total research and development expenditures in 2012 amounted to SEK 62 million (77).

Employees and remuneration
The average number of employees for 2012 was 1,169, a decrease of 78 compared to the average number of employees in 2011, mainly due to the divestment in the US during the second quarter of 2012 and in Finland during the second quarter of 2011. As of December 31, 2012, Cision had 1,049 employees, a decrease of 131 compared with December 31, 2011, largely due to the significant reduction in production staff in the US as a result of the print monitoring divestment. The majority of these employees left the business in the fourth quarter. This decrease was partially offset by additional investment in new sales headcount in the US, Canada, Germany and Nordics.

For information on the distribution of the average number of employees and salaries, as well as a description of the guidelines on remuneration for senior executives, see Note 8. The Board's proposed guidelines for remuneration for senior executives, approved at the Annual General Meeting in March 2012, have been applied during 2012.

Events after the balance sheet date
Cision has secured a new loan facility to replace the current facility. The new facility has been arranged with a reduced number of banks from Cision's current syndicated loan banks, with a facility limit of USD 75 million and an expiration date in the first quarter of 2016. The loan terms include customary financial covenants, as well as a reduction of the facility, for a total of USD 10 million during 2014-2015.

In February 2013, Hans Gieskes stepped down as President and Chief Executive Officer of Cision and was succeeded by Peter Granat, effective immediately. Peter Granat remains in his role as Chief Executive Officer for the business in North America.

Material risks and uncertainties
Cision's competitive strength depends upon the ability to attract and retain competent personnel who are customer focused and able to deliver a software-as-a-service product; by the successful conversion of customers to digital offerings, based upon analyzed information that provide customer insights delivered through a digital production process.

The main risks and uncertainties over the next 12 months are as follows:

- Economic recessions may have a negative impact on Cision's earning capacity.
- Certain revenue streams are negatively affected by the declining supply and demand for print and broadcast media.
- Non-recurring items may arise in order to improve cost efficiency, particularly in the area of Monitoring operations.
- The application of copyright and data protection laws varies in the markets where Cision is active. Increased access to digital information drives copyright and data protection issues and brings them to the forefront in an environment in which the trend is to strengthen these laws. A tightening of copyright and data protection laws that limits the opportunity to distribute information, or

demands for higher compensation by rights holders, could have a direct impact on Cision's earning capacity.

- More than 90 % of the Group's total revenue is in currencies other than Swedish kronor; consequently, currency fluctuations could have a major impact on the consolidated income statement.
- The Group has a net debt position financed by a syndicated loan facility, which expires in the first quarter of 2016. The current syndicated loan facility is contingent upon certain covenants; if these are not met, the lenders may require a renegotiation of terms and the loan may become due for repayment.

For a more thorough explanation of material risks and uncertainties faced by the Cision Group and the Parent Company, please refer to the detailed information on pages 14-15 (Risks and Risk Management) and 45–48 (Note 2).

Future outlook

Cision has a positive view on the long-term market development for the Company's services. Execution of the Company's four-fold strategy as presented on page 6 is expected to contribute to increased competitiveness in the future.

Cision does not issue forecasts.

Parent Company

The Parent Company's operations comprise parts of Group management and Group development resources. For the period January–December 2012, operating revenue amounted to SEK 62 million (67) with a profit before tax of SEK 37 million (79). As of December 31, 2012, shareholders' equity amounted to SEK 949 million (941) and the improvements in the year relates to net profit of the year, SEK 42 million, and net investment in business abroad, SEK −35 million. Long term Liabilities as of December 31, 2012 decreased to SEK 0 million (267) and current liabilities increased to SEK 304 (45) million mainly due to the reclassification of the syndicated loan facility to a short term liability. Investments in other fixed assets amounted to SEK 6 million (7) for the period January–December 2012.

Commercial terms are applied to sales between Group companies. No significant changes have taken place in relationships or transactions with related parties compared with those described in the Annual Report for 2011. The Parent Company reports Group contribution as appropriation, see Accounting Principles (Note 1).

Proposals for the Annual General Meeting

Dividend

Cision's policy over the longer term is to distribute up to 50 % of Group earnings after tax in the form of dividend. For the financial year 2012, the Board proposes a dividend of SEK 2.00 per share, due to the Group's positive development in 2012.

Authorization for the Board to decide on Cision AB's acquisition of its own shares

The Board of directors proposes that the Annual General Meeting resolves to authorize the Board of directors to, on one or several occasions, for the period until the date of the 2014 Annual General Meeting, resolve on acquisitions of the Company' own shares. Such acquisitions shall be made on NASDAQ OMX Stockholm at a price within the, at each time, registered share price interval, being the interval between the highest buying rate and the lowest selling rate. The Company's acquisitions of own shares may only be made to the extent that the Company's holding of own shares after the acquisition does not exceed one-tenth of all shares in the Company. The purpose of the Board of directors' proposal is to offer the Board of Directors greater flexibility in order to adapt the Company's capital structure and thereby contribute to increased shareholder value.

Proposal for guidelines for remuneration to senior executives and proposal for a share based long-term incentive plan

A. The Board of Directors' proposal for guidelines for salary and other remuneration to Cision AB's Chief Executive Officer and senior executives

The Board of Directors' below proposal for guidelines for salary and other remuneration to Cision AB (publ)'s (the "Company") Chief Executive Officer ("CEO") and senior executives has been prepared in order to secure that the Cision Group offers a reward system that is competitive, business driven, performance focused and meets the highest standard on ethics and morale.

For a description of the Company's outstanding remuneration programme, reference is made to note 8.

Guidelines for salary and other remuneration of the Company's CEO and senior executives

The Board of Directors proposes that the Annual General Meeting 2013 approves the board's proposal regarding guidelines for salary and other remuneration of the CEO and senior executives of the Company. The proposed guidelines mainly correspond to the guidelines for remuneration that have been applied in previous years and are based on existing agreements between the Company and the Company's senior executives. The guidelines apply to the CEO, senior executives that report directly to the CEO as well as selected other senior executives in the Company Group. The remuneration structure for the Company's senior executives shall comprise of both fixed and variable salary, pension, other benefits and when appropriate a long-term incentive plan.

Fixed salary

The Company shall offer market level terms that enable the Company to attract, develop and retain senior executives. The fixed salary level is based on what the local market pays for an equivalent position, based on qualification and performance and is therefore a market-based salary. The fixed salary is reviewed on a yearly basis.

Short-term incentive plan (STI)

The variable cash remuneration is paid in the form of an annual performance based bonus. The target bonus for the Company's senior executives varies depending on their position. The target bonus for the CEO is 50 % of the fixed annual salary and the maximum bonus is 100 % of the fixed annual salary when performance exceeds targets. For the Company's senior executives being part of the executive committee the target bonus is 50 % of the fixed annual salary and the maximum bonus is 100 % of the fixed annual salary, and for other senior executives the target bonus is 20-35 % of the fixed annual salary and the maximum bonus is 40-70 % of the fixed annual salary. The bonus is, for the CEO and the senior executives being part of the executive committee, based on the Company's achieved operating result (EBIT) and organic growth in revenue for the financial year 2013 on Group level as compared to budget. For other senior executives the bonus is based on the achieved operating result (EBIT) and organic growth in revenue for the financial year 2013 as compared to budget, calculated based on a Group, division or country level depending on their position. For each individual and based on position, the allocation of bonus is based on a weighting of the two components (EBIT and organic growth in revenue). In order for any bonus to be payable, at least 90 % of the target according to budget for either of the components must be attained. Maximum bonus will be payable upon attainment of 120 % of both the EBIT target and the target for organic growth in revenue according to budget. The cash bonus earned during 2013 under this incentive plan will, on the basis of the current composition of the senior executive team of the Company, amount to a maximum of approximately 70 % of the total annual fixed salary for the CEO and the other senior executives participating in the STI programme.

Long-term incentive plan (LTI)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long term share-related incentive plan, in accordance with the Board's proposal set out in section B below. Since earlier the Company has one ongoing share and share price related incentive program, adopted at the Annual General Meeting held in 2011. The Board of Director's proposal for LTI 2013 set out in section B below, corresponds in all material respects to the long term share-related incentive program approved by the 2011 Annual General Meeting (LTI 2011).

Pension

The basic principle with respect to pension arrangements shall be that the terms and conditions correspond with market terms in the country where the Company's senior executives are domiciled. The retirement age for the executives varies in accordance with local customs. For the CEO, the Company shall allocate an amount corresponding to 20 % of the CEO's qualifying salary for pension and insurance solutions. The Company's senior executives follow local practice for supplementary pensions for salaried employees or corresponding arrangements. Other pension allocations are made in accordance with local customs and after approval from HR and the CEO.

Other benefits

The Company's CEO and senior executives are eligible for customary benefits connected with their position, such as health care, medical insurance and a Company car or car allowance. Benefits vary between the countries and are based on local customs.

Severance payment and notice period

The CEO's employment contract is valid until further notice, with a mutual notice period of six months. The CEO is entitled to a severance payment equal to the annual base salary of the CEO. The notice period for the Company's senior executives varies between three and six months. For the Company, the notice period is six months. The Company's senior executives are entitled to severance payment equal to six to twelve monthly salary. Further, where the Board of Directors deems it required in order to secure the Company's need for continuity in the senior executive team in connection with significant changes to the structure or ownership of the Company, additional arrangements for senior executives may be implemented in relation to notice periods, severance payments and financial incentives to remain in the Company's service.

Preparation and resolution

In respect of the CEO, the compensation committee proposes, after discussions between the Chairman of the board and the CEO, the salary, criteria for variable remuneration and other terms of employment, which are then approved by the board. For the Company's other senior executives, the CEO proposes terms and conditions which are then approved by the compensation committee and reported to the Board of Directors.

The Board of Directors shall have the right to deviate from these principles in individual cases if there is a solid business rationale and good reason for such a decision.

B. Resolution regarding a share based long-term incentive plan (LTI)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long-term share based incentive program ("**LTI 2013**"). The purpose of the program is to incentivise the senior executives and key employees of the Company to act in order to achieve the Company's long-term goal and create shareholder value.

1. Implementation of LTI 2013

The Board of Directors proposes that LTI 2013 is implemented in accordance with the following main principles. No more than 18 senior executives and key employees in the Company will be offered to participate in LTI 2013. To these executives and key employees, an amount corresponding to no more than 50 %, of any bonus earned pursuant to the STI programme will (in addition to the cash bonus paid under STI), be paid out in the form of shares in the Company (the "**Performance Shares**"). The aggregate number of Performance Shares so payable shall not exceed a number corresponding to 1 % of the total number of shares in the Company, adjusted for performance share issues, share splits, preferential rights issues and similar measures (the "**Maximum Number**"). Should the aggregate amount of bonus payable to the participants under LTI 2013 correspond to a number of Performance Shares in excess of the Maximum Number (when purchased at the trading price set out below), the number of Performance Shares attributable to each participant will be reduced with such participant's pro rata portion of the excess number of shares.

Provided that applicable performance criteria are met, the bonus under LTI 2013 will be determined in early 2014, provided further that the participant is still employed by the Company (or any company within the Company's group) on the date of such determination, and that the participant has not given or received notice of termination on such date. The bonus under LTI 2013 will be distributed after the 2016 Annual General Meeting of the Company. The distribution of the Performance Shares will, however, be made only if the participant remains employed with the Company as per the day of distribution of Performance Shares (save for where the participant's position has been vacated pursuant to termination by the participant's employer for reasons other than circumstances relating to the participant personally or by reason of retirement at a customary age, in which case the participant shall remain entitled to any Performance Shares determined in respect of such participant unless the Board of Directors on a case by case basis resolves otherwise; or where the participant's position has been vacated due to death or long-term illness, in which case the participant shall remain entitled to any Performance Shares determined in respect of such participant).

The calculation of Performance Shares awarded to each participant will be based on the average volume-weighted share price on NASDAQ OMX Stockholm during the two week period immediately following the day of the Company's Annual General Meeting held on 9 April, 2013.

The costs for LTI 2013 (in the form of accountable salary costs, social security contributions and other necessary expenses related to the delivery of Performance Shares to the participants) may, based on the proposed number of participants, be estimated to SEK 5.7 million in the event of no change in the trading price of the Company's shares and SEK

6.1 million in the event of a doubled trading price of the Company's shares, as per the date of delivery of the Performance Shares, compared to the current trading price of the Company's shares as per the last trading day before the date of publication of the notice to the Annual General Meeting. These cost estimates are based on the assumption that own shares can be acquired in order to secure delivery of Performance Shares as proposed in item 2 below.

Participants in LTI 2013 are only entitled to distribution of a whole number of shares. Any part of the amount on which the bonus under LTI 2013 is based which is not paid in the form of Performance Shares shall not entitle the participant to any other form of remuneration.

The Board of Directors shall be entitled to resolve upon a reduction in the distribution of Performance Shares if the Board of Directors considers that a distribution in accordance with the above terms – taking into consideration the financial results and position of the Company – would be manifestly unreasonable.

The Board of Directors shall be responsible for the details and the managing of LTI 2013 within the framework guidelines set out in this proposal, and shall furthermore be entitled to make such minor adjustments as may be required further to legal or administrative conditions.

2. Authorisation of the Board of Directors to resolve on acquisition of own shares for LTI 2013

In order to make possible the distribution of Performance Shares in accordance with LTI 2013, and to secure for future cash flow effects due to payments of social security related thereto, the Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to resolve, on one or more occasions (however before the date of the 2014 Annual General Meeting), upon the acquisition of own shares. Such acquisitions shall be made on NASDAQ OMX Stockholm at a price within the, at each time, registered share price interval, being the interval between the highest buying rate and the lowest selling rate. No more than a number of shares corresponding to the sum of (i) the Maximum Number and (ii) an additional amount of shares corresponding to 10.5% of the Maximum Number may be so acquired.

3. Transfer of Performance Shares to participants of LTI 2013

In order to distribute Performance Shares in accordance with LTI 2013, the Board of Directors proposes that the Annual General Meeting resolves on the transfer of own shares. The maximum amount of shares which may be so transferred corresponds to such number of shares which the Board of Directors may acquire in accordance with item 2 above. Shares may be so transferred no later than June 30, 2016. The right to acquire shares shall reside in the participants of LTI 2013, with a right for each participant to acquire the number of shares determined in accordance with the terms and conditions of LTI 2013. Transfer shall be made against no consideration and as soon as practically possible following such time as the participants have earned the right to distribution of Performance Shares in accordance with LTI 2013.

The reason for the deviation from the shareholders' preferential rights in respect of the transfer of the Company's own shares is to allow the Company to transfer Performance Shares to the persons participating in LTI 2013.

Nomination committee proposals

On March 8, 2013, Cision's nomination committee announced its proposals for resolutions for Cision's Annual General Meeting, which includes that Hans-Erik Andersson, Alf Blomqvist, Scott Raskin and Rikard Steiber are re-elected as Directors of the Board and that Catharina Stackelberg-Hammarén, Thomas Tarnowski and Peter Granat are elected as new Directors of the Board. Hans-Erik Andersson is proposed as the Chairman of the Board. Anders Böös and Gunilla von Platen have declined re-election. Hans Gieskes resigned as a Director of the Board on February 22, 2013. Fairford Holding Finance AB has, on principle grounds, registered a dissenting opinion against the decision to nominate Thomas Tarnowski to the board.

Other proposals for the Annual General Meeting

A complete set of proposals for the Annual General Meeting is posted on the Company's website http://corporate.cision.com/Corporate-Governance-/Annual-General-Meeting/Annual-General-Meeting-2013/.

Proposed distribution of earnings

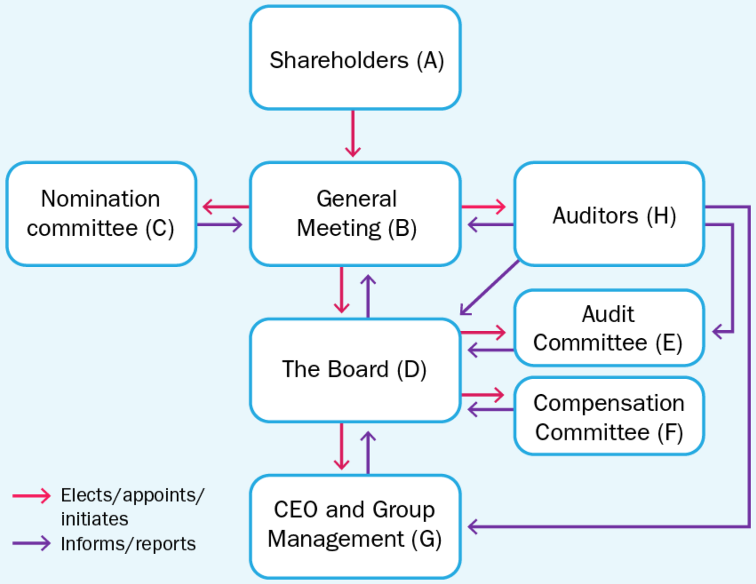
See the "Proposed distribution of earnings" chapter.

Financials and notes

The earnings and financial position of the Group and Parent Company are presented in the following income statements, statements of comprehensive income, balance sheets, shareholders' equity, statements of cash flows and notes to the financial statements. Hereafter all amounts are shown in SEK in thousands, unless stated otherwise.

Corporate governance report

The corporate governance report consists partly of the following section on corporate governance from a general point of view, page 23–27, partly of the description of the Board of Directors, page 28, and the senior management, page 29.



External rules
The following external rules impact Cision's corporate governance:
- Companies Act
- Annual Accounts Act
- Swedish Code of Corporate Governance
- Stockholmsbörsen's listing agreement

Internal rules
The following internal rules impact Cision's corporate governance:
- Articles of Association
- Board's rules of procedure
- Instruction for audit and compensation committees
- Instruction for the President
- Internal governing documents and policies

Letters A–G in the illustration above corresponds to related paragraphs below. The overview illustrates how the responsibility for management and control of Cision is divided.

Swedish Code of Corporate Governance

Cision has applied the Swedish Code of Corporate Governance ("The Code", presented in detail at www.bolagsstyrning.se) since July 1, 2008, and reports one deviation, as stated below:

Number of members of the audit committee (Code 7.3)
The Code provides that the number of members be no fewer than three. The number of members of the audit committee that was appointed by the Board in March 2012 was two. The Board's opinion is that two members are enough for the audit committee to be able to fulfil its function, given the scope and complexity of Cision's operations.

Ownership structure (A)

Cision's largest shareholders are institutional investors. Per Euroclear, as of year-end 2012, Swedish institutional investors owned 63 percent of the share capital. Foreign investors owned 28 percent of the share capital. As of December 31, 2012 the ten largest shareholders held, in total, 70 percent of the share capital and there were 12,381 shareholders. Based on information from SIS Ägarservice, three owners each control more than 10 percent of the Company's share capital and votes as of December 31, 2012. Please see the section on The Share, page 8, for additional shareholder information.

General Meeting (B)

The General Meeting is Cision's highest decision-making forum. Cision does not apply any special arrangements regarding the General Meeting's function, neither due to regulations in the articles of association nor, as far as the Company is aware according to Swedish laws or through shareholder agreements. The shareholders exercise their influence over the Company at the General Meeting and through the Company's nomination committee. Every share in Cision represents one vote at the General Meeting. Shareholders attending the Annual General Meeting (AGM) 2012 and 2011 represented 57 and 63 percent, respectively, of the Company's total number of shares and votes.

The AGM held on March 26, 2012 adopted resolutions such as:

- Re-election of Anders Böös, Gunilla von Platen, Hans-Erik Andersson, Hans Gieskes and Alf Blomqvist, as well as election of Scott Raskin and Rikard Steiber as directors. Thomas Heilmann resigned on January 9, 2012. Anders Böös was elected Chairman of the Board.
- The current nomination procedure for Board members will continue to serve as the basis for upcoming nomination work.
- Board fees of SEK 2,000,000 should be distributed as follows: SEK 750,000 to the Chairman, SEK 250,000 to each member not employed by the Company. In addition members of the audit committee will be paid compensation of SEK 300,000 per year, including SEK 200,000 for the Chairman of the audit committee, and members of the compensation committee will be paid SEK 150,000 per year, including SEK 100,000 to the Chairman of the compensation committee.

- Adoption of principles for remuneration and other terms of employment for the Chief Executive Officer and officers of the Company reporting to the Chief Executive Officer.

The next AGM of Cision will be held on April 9, 2013. Information on the right of shareholders to bring a matter before the AGM can be found on the website, http://corporate.cision.com/Corporate-Governance-/Annual-General-Meeting/Annual-General-Meeting-2013/.

The Company's articles of association do not have any special regulations on the appointment or dismissal of Directors of the Board or regarding changes of the articles of association. As of December 31, 2012 the Board was not authorized by the AGM to issue new shares or acquire treasury shares. As of December 31, 2012 the articles of association did not impose any limitations on the number of votes each shareholder may cast at a General Meeting either.

Principles of compensation for senior executives

The AGM adopts the principles of remuneration and other terms of employment for the Chief Executive Officer, senior executives that report directly to the Chief Executive Officer as well as selected other senior executives in the Company group. The aim is to offer a reward system that is competitive and on market terms in order to attract and retain qualified employees. Compensation consists of a base salary, variable remuneration, pension, long-term incentive program and other benefits. The market-based base salary is renegotiated on a yearly basis. The variable cash remuneration is paid in the form of an annual performance based bonus. The target bonus for the Company's senior executives varies depending on their position. The target bonus for the Chief Executive Officer for 2012 is 50 percent of the fixed annual salary and the maximum bonus is 100 percent of the fixed annual salary when performance exceeds targets. For the Company's senior executives being part of the executive committee the target bonus is 50 percent of the fixed annual salary and the maximum bonus is 100 percent of the fixed annual salary, and for other senior executives the target bonus is 20-35 percent of the fixed annual salary and the maximum bonus is 40-70 percent of the fixed annual salary. The bonus is based on the Company's achieved operating result (EBIT) and organic growth in revenue for the financial year 2012 on group level as compared to the budget for this item. For other senior executives the bonus is based on the achieved operating result (EBIT) and organic growth in revenue for the financial year 2012 as compared to budget, calculated based on a group, division or country level depending on their position. For each individual and based on position, the allocation of bonus is based on a weighting of the two components (EBIT and organic growth in revenue). In order for any bonus to be payable, at least 90 percent of the target according to budget for either of the components must be attained. Maximum bonus will be payable upon attainment of 120 percent of both the EBIT target and the target for organic growth in revenue according to budget. Pensions are defined contribution and are paid on a fixed percentage of base salary, the percentage ranges from 10% to 20% for senior executives. The Chief Executive Officer's compensation is proposed by the compensation committee, after discussions between the Chairman and the Chief Executive Officer, and approved by the Board. For other members of management, the Chief Executive Officer proposes compensation, which is then approved by the compensation committee and reported to the Board. The Board has the right to deviate from these principles if, in individual cases, there are reasons for such a decision.

The AGM passed a resolution on March 31, 2011, and will adopt a resolution at the next AGM to be held on April 9, 2013, to initiate three-year incentive programs. For the detailed information about long-term incentive programs and on compensation and employment terms, please see Note 8.

Nomination committee (C)

The 2004 AGM decided to appoint a nomination committee. In accordance with the decision passed by the AGM held in 2012, in addition to the Chairman of the Board of Cision, the nomination committee shall consist of representatives of the four largest shareholders. If any of them declines, the right will pass to the next shareholder in terms of size of shareholding. The nomination committee will elect a chairman from among its members. Prior to the AGM the committee will draft a proposal for resolution by the AGM on the Chairman of the AGM, Board members and the Chairman of the Board, Board members' fees, the nomination process, auditors' fees and, when applicable, election of the auditors. In accordance with the decision of the AGM held in 2012 the Chairman of the Board contacted the four largest shareholders in the Company as per August 31, 2012. The members appointed to Cision's nomination committee were Bengt A. Dahl, representing Fairford Holdings Finance AB, Göran Espelund, representing Lannebo Fonder AB, Roger Hagborg, representing Cyril Acquisition AB, Mark H. Shay, representing Accendo Capital SICAV-SIF, and Anders Böös, Chairman of the Board of Cision AB. The nomination committee appointed Göran Espelund to serve as Chairman. The composition of the nomination committee was announced on September 18, 2012. Leading up to the AGM in April 2013 the nomination committee held five meetings. The nomination committee's proposal is made public no later than in connection with the AGM notice. No compensation was paid to the committee.

Board of Directors (D)

The AGM appoints the directors and deputy directors for Cision AB. According to the articles of association, the Board of Directors will consist of at least five and at most ten members with at most two alternates. As of year-end 2012, Cision's Board of Directors consisted of seven directors, without deputies, elected by the AGM in March 2012. One of the directors elected by the AGM is a woman. Cision's Chief Financial Officer served as Secretary of the Board during 2012. All Board members elected by the AGM, with the exception of the Chief Executive Officer, were considered independent of the Company as of year-end 2012. All directors except Alf Blomqvist were also to be considered as independent of the Company's major shareholders. Alf Blomqvist is a member of the Advisory Board of Fairford Holdings Europe AB, which as of December 31, 2012, owned about 13 percent of share capital in Cision AB.

The Board annually establishes rules of procedure that govern, among other things, meeting procedures, the delegation of responsibility within the Board, including the Chairman's duties, the delegation between the Board and the Chief Executive Officer, and how committee work is conducted. The Board has also issued instructions to the Chief Executive Officer, includeing instructions on financial reporting to the Board. Further, the Board has adopted a number of governing documents and policies. The Board supervises the Chief Executive Officer's work through periodic monitoring of operations during the year and is responsible for ensuring that the organization, management and guidelines for managing the Company's affairs are appropriate and that satisfactory internal control is in place. The Board is also responsible for development and monitoring of the Company's strategies through plans and objectives, decisions on acquisitions and divestments, and major investments. Moreover, the Board adopts the semi-annual and annual financial statements. Other than the committees specified below, there is no particular delegation of responsibility on the Board. The Chairman ensures that the Board's work complies with laws and regulations, current rules for listed companies and the Board's internal governing documents. The Chairman oversees operations in dialogue with the Chief Executive Officer and is responsible, together with the Chief Executive Officer, for ensuring that other Board members receive the information needed for discussions and decisions. The Chairman is responsible for an annual evaluation of the Board's work. In early 2013 the Board evaluated its work and that of its Chief Executive Officer for 2012.

A director of the Board, Thomas Heilmann, tendered his resignation from Cision's Board of Directors on January 9, 2012. The resignation came into force on January 10, 2012 when the application for changes in the composition of the Board of Directors was received by the Swedish Companies Registration Office.

For a presentation of the Directors of the Board, please refer to page 28.

Board work

In fiscal year 2012 the Board held 15 meetings at which minutes were kept, of which 9 were ordinary meetings and 6 were extra meetings. All meetings were held in Stockholm, except a strategy meeting which was held in Chicago. The Board primarily addressed the following issues:

- Development of the Company's strategic focus
- Trends regarding the Company's market and competitors
- Compliance control and legal matters
- Sale of Print Monitoring operations in the US
- Organizational development
- Financing and debt levels
- Business plan for 2013
- Financial policy and financial frameworks as well as revision of governing documents

Members of management presented at Board meetings. The Company's auditors presented their conclusions and suggestions following their audit at the Board meeting in February 2012. On one occasion during the year the Board also had the opportunity to meet the Company's auditors without the presence of the Chief Executive Officer or other members of senior management.

Attendance at Board meetings and committee meetings during 2012

	Board meetings	Audit committee meetings	Compensation committee meetings
Hans-Erik Andersson	15	7	
Alf Blomqvist	14		4
Anders Böös	15	7	
Hans Gieskes	15		
Gunilla von Platen	14		4
Scott Raskin[1]	8		
Rikard Steiber[1]	9		

[1] Elected by the AGM March 26, 2012

Audit committee (E)

The audit committee follows a written instruction approved by the Board and its main duty is to prepare issues involving risk assessment, internal control, financial reporting and audits. The audit committee has a decision mandate in certain issues and in major issues the committee prepares documentation for decision-making purposes for the Board.

The purpose of the committee's work is to ensure compliance with established principles of financial reporting and internal control and that the Company maintains a productive relationship with the auditors.

During 2012, the audit committee consisted of Hans-Erik Andersson (Chairman) and Anders Böös, appointed by the Board of Directors.

Audit committee's work

The audit committee met seven times in 2012. During the year its work focused on quarterly reporting, audits, internal control, governing documents within the finance function, the Code, follow-up of certain reporting-related assessments for 2012 and tax issues. The audit committee also examined the Company's quarterly reports for 2012 prior to publication. The auditors attended two meetings and reported, among other things, on their observations from periodic examinations and the audit of the annual financial statements for 2011, as well as interim financial statements and the interim report for the period January–September 2012.

Compensation committee (F)

The compensation committee, which follows a written instructtion approved by the Board, prepares and establishes principles of compensation and other terms of employment for the Chief Executive Officer and other executives directly subordinate to the Chief Executive Officer. It also prepares and establishes proposals for share-related incentive programs and other company-wide incentive programs. The compensation committee has a decision mandate for certain issues and on major issues the committee prepares documentation for decision-making purposes for the Board. During 2012, the compensation committee consisted of Alf Blomqvist (Chairman) and Gunilla von Platen, appointed by the Board of Directors.

Compensation committee's work

The compensation committee met four times in 2012. During the year its work focused on review of compensation and compensation principles for senior executives, proposals for share-related incentive programs and governing documents for the compensation policy and the Code of Conduct.

Management (G)

The relationship between the Board and the Chief Executive Officer is governed by the rules of procedure and supplementary instructions to the Chief Executive Officer. The Chief Executive Officer is responsible for day-to-day management and operational control as well as drafting proposals for business plans, business controls, the Group's financing, capital structure and risk management. The instructions to the Chief Executive Officer also govern quorums and delegation rights. It is the duty of the Chief Executive Officer to report at every Board meeting on the Company's financial position and development as well as provide all Board members and auditors with monthly financial reports. During the year Cision's operations were organized in two geographical divisions: North America and Europe. In addition Cision has a number of Group-wide central functions.

Cision's organization is based on the principle of decentralized responsibility and authority. The divisions have full responsibility for managing and developing their operations and services in accordance with the Group's strategic direction and overall objectives. Control of the divisions is based upon annual business plans based on group-wide strategies. The Group has set objectives for each division for organic growth and operating margin (EBIT) based on overall financial objectives. To achieve profitable growth, Cision combines the benefits of a decentralized organization with the economies of scale that the Group's size offers. Economies of scale can be achieved mainly in business and service development, IT development and operation, and coordination of outsourcing in production. Group management in 2012 consisted of Cision's Chief Executive Officer, Chief Financial Officer and the division Chief Executive Officers for North America and Europe. Following the departure of the Division Chief Executive Officer for Europe, the responsibilities were taken by Cision's Chief Executive Officer. Cision is managed and developed in accordance with the strategy laid down by the Board and in other plans and objectives that have been adopted. Group Management is also responsible for maximizing economies of scale and synergies, as well as for ensuring that shared experience and best practices contribute to more efficient business processes.

For a presentation of the Chief Executive Officer and the Group Management, please refer to page 29.

Auditors (H)

The accounting firm Ernst & Young and Chief Auditor Michael Forss were elected by the AGM in March 2012 until the AGM to be held in 2013. The auditors follow an audit plan presented annually to the Board. Every year in May the audit committee and auditors discuss their approach to the year's audit and any special considerations. In December the auditors report to the audit committee on their audit of the financial statements as of September 30 and on the internal control audit. Lastly, the auditors present a report on their audit of the annual financial statements at the Board's meeting in February of the following year. During the year the auditors reviewed Cision's interim report for the period January–September 2012. Michael Forss has held the position as Chief Auditor's since 2011. Aside from Cision, he serves as auditor for Jeeves Information Systems AB (publ), Telenor Sverige AB, Schibsted Sverige AB, Hewlett-Packard Sverige AB, Synsam Sverige AB, Apple AB, among others. He has no assignments for companies affiliated with Cision, its major shareholders or the Chief Executive Officer. Ernst & Young auditing fees for 2012 amounted to SEK 2,867,000 (3,474,000). Fees for work other than auditing performed by Ernst & Young, mainly tax advice, amounted to SEK 1,694,000 (927,000) in 2012. For advice on accounting and tax, Cision uses PricewaterhouseCoopers.

Internal control

According to the Companies Act, the Board must ensure that the Company's organization is designed so that accounting, asset management and the Company's financial situation in other respects are controlled in a satisfactory manner. The Board is responsible for the Company's internal control, the overall purpose of which is to protect the shareholders' investment and the Company's assets. Internal control comprises methods and processes to safeguard assets, ensure compliance with established guidelines and control the accuracy and reliability of internal and external financial reporting. Internal control also improves operating efficiency and limits the level of risk in operations. Cision's framework for internal control is based on the guidelines and recommendations published by COSO (Committee of Sponsoring Organizations).

Control environment

The basis of internal control consists of the control environment with the organization, decision-making channels, delegation of decision-making authority and responsibilities documented and communicated in governing documents as well as the culture that the Board and Management communicate and base their actions on. Governing documents within Cision include:

- Procedural rules of the Board of Cision AB.
- Instructions to the audit committee and compensation committee of Cision AB.
- Instructions to the Chief Executive Officer of Cision AB including rules on certification and authorization.
- Instructions to the Group's subsidiary Presidents, including rules on certifications and authorization. This governing document covers the delegation of responsibility between the subsidiary Presidents and the Chief Executive Officer, the local President's authority and the group-wide policies and guidelines that are binding for all subsidiaries of the Group.
- Code of conduct. The code is an expression of the values and guidelines that apply within the Group with regard to business ethics, freedoms and rights. Cision follows the laws and regulations in the markets where it is active. Cision conducts its operations with high demands on integrity and ethics.
- Financial policy. The Group's finance function follows the framework for financial risk management adopted by the Board. The financial policy and financial framework are updated annually. The goal is to limit the financial risks that arise in connection with borrowing, investments and foreign currency transactions.
- Insurance policy. The policy describes risk management, delegation of responsibilities and the scope of global and local insurance protection.
- Information policy. The information policy describes the Group's principles for releasing information to the stock market and other external and internal stakeholders. The goal is to provide all market players with simultaneous, accurate, appropriate and reliable information on Cision.

- Compensation policy. The policy describes the principles of compensation (salaries, pensions, benefits and bonuses) for senior executives.

These governing documents, together with laws and other external regulations, serve as a framework that forms the basis of the Group's process for internal control and risk management. Cision's governing documents are revised annually by the Board. Since 2001 the "Cision Financial Manual" has been applied throughout the entire Group. This manual provides guidelines, policies, principles and routines for accounting, reporting and control to Cision's finance function. Managers at various levels of the Company are responsible for ongoing work with the internal control and risk management within each area of responsibility.

Risk assessments and control activities

The Board evaluates strategic risks and opportunities at the highest level and formulates the Group's strategy. See also the section on Risks and risk management, pages 14-15. Responsibility for managing operating risks lies with the Group management and the management within each country. They are responsible for identifying, evaluating and managing risks as well as implementing and maintaining control systems in accordance with the Board's policies. Control activities consist of clear delegation of responsibility, decision-making processes and rules, detailed analyses of results and follow-ups of business plans and forecasts. Follow-ups and feedback are provided at Board meetings and via monthly and quarterly reporting on financial developments. The Board has ultimate responsibility with regard to internal control of financial reporting. The audit committee follows up and evaluates this area and provides the Board with periodic feedback.

Cision's central finance function performs an annual risk assessment with regard to financial reporting, which is presented and discussed in the audit committee. Based on this risk assessment the central finance function carries out a number of different control activities in order to ensure proper internal control. Self-evaluations are performed by each subsidiary with regard to, for example, the financial statements process, which is audited and controlled by the central finance function. Annual accounts and their quality are confirmed by the subsidiary Presidents as well as the Chief Financial Officers through signature of Representation Letters at each annual year-end closing.

Internally appointed, qualified Chief Financial Officers carry out an audit of the subsidiaries' finance function and financial statements process, according to an annually adopted audit program. The objective is for all subsidiaries to undergo such an audit during a two-year period. During 2012 such audits were carried out for Cision's operations in the US, Canada and Portugal. The Group's central finance function periodically performs a more comprehensive evaluation of efficiency, organization and quality within selected subsidiaries, focusing mainly on identification of areas needing improvement rather than on control. One person within the central finance function has been appointed to be responsible for coordination and follow-up of internal control activities as detailed above.

Information and communication

Policies, guidelines and instructions are available on the Company's intranet. To ensure the quality of financial reporting, information is shared and a dialogue is maintained between the Company's central finance function and the subsidiaries' Chief Financial Officers and controllers through monthly reviews of financial results, quarterly reviews of business plans and forecasts, quarterly web conferences and annual financial conferences. Together with the Company's IT function, Cision's group finance function also implements actions to secure the group's IT security in relation to financial communication.

Control model

Each year the Board adopts an annual business plan that build on group-wide strategies. Based on the Group's long-term strategy and financial targets, measurable targets for 2012 were set, such as organic growth and operating margin (EBIT) for each division and country. In addition, other key performance indicators were defined and provided with measurable objectives.

Follow-ups

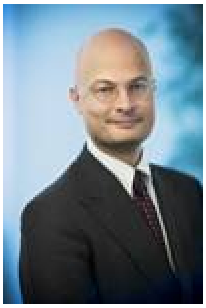
The Board ensures the quality of the financial reporting by continually reviewing information on financial developments, financial risk management and reports from the Company's auditors. The Board receives monthly financial reports and a detailed quarterly report that includes a review of plans and forecasts for the next twelve months in a format of its choosing. Follow-ups are made against business plans, financial targets and other key financial indicators. Moreover, goodwill is tested for impairment, which is annually verified by the Company's auditors. In connection with the impairment test, the Board evaluates the assumptions that the test is based on and studies the outcome.

All legal entities report their financial results on a monthly basis in the Group's accounting system according to the Group's accounting principles (IFRS). Reporting is consolidated and serves as the basis for quarterly reports and monthly operational follow-ups of sales, results, cash flow and other key financial indicators and trends for the Group. Local accounting managers are responsible for ensuring that reported financial information is accurate, thorough and timely, for compliance with established policies and guidelines, and for introducing routines for internal control of financial reporting. Cision has a central business control function responsible for operational follow-ups and financial control of divisions and subsidiaries as well as for ensuring that internal financial information is transparent and relevant. Follow-ups serve as a basis for analysis and measures by management and controllers at various levels. Each country has a business controller who is responsible for analysis of revenue, expenses and profitability from a commercial perspective, as well as investments and project follow-ups. The Group's business controllers also participate in the steering groups for major development projects. In connection with the quarterly accounts, reviews are conducted with each country in which the Chief Executive Officer, Chief Financial Officer, business controllers and the management from each country and division take part. The reviews cover developments relating to markets, clients, revenue and profit, with comparisons against objectives in the business plans.

Opinion with regard to special audit function

Based on the internal control system regarding financial reporting described above, in 2012 the Board evaluated Cision's need for a special audit function (internal audit). It is the Board's opinion that in view of the methods of the internal control system along with the Company's size and complexity, Cision does not need a special, dedicated function for internal audit.

Board of Directors

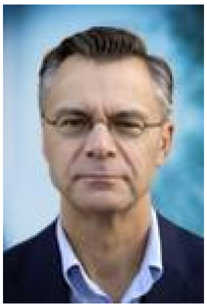


Anders Böös
Chairman

Danderyd, Sweden, born 1964. Chairman since 2006. Professional independent director. Former President of H&Q AB and Drott AB. Chairman of Industrial and Financial Systems IFS AB. Director of the Board of Investment AB Latour, East Capital Baltic Property Fund AB, Newsec AB, Tundra Fonder AB and Stronghold Invest AB.

Holding in Cision AB (through endowment assurance): 200,000 shares.

Anders Böös is to be considered as independent with respect to Cision, its senior management and the major shareholders in Cision.



Hans-Erik Andersson

Danderyd, Sweden, born 1950. Director of the Board since 2008. Business economist. Adviser. Former President and CEO of Skandia Försäkringsaktiebolag. Chairman of Erik Penser Bankaktiebolag and Canvisa Consulting AB. Director of the Board of Gjensidige Forsikring ASA.

Holding in Cision AB: 14,100 shares, of which 1,100 shares through endowment assurance.

Hans-Erik Andersson is to be considered as independent with respect to Cision, its senior management and the major shareholders in Cision.

Gunilla von Platen

Stockholm, Sweden, born 1972. Director of the Board since 2006. Business Administrator. Founder, owner and Chairman of the Board of Xzakt Kundrelation AB and LEG Communications AB. Former sales manager for Skandia Insurance Company in Gothenburg and sales manager for Kalix Tele 24 AB. Owner and chairman of GVP Holding AB, GS Holding AB and GS Real Estate Holding AB. Part-owner and director of the board of Kinvest AB and GSS Förvaltning AB. Part-owner of GSS Fastigheter AB. Deputy director of the board of Silvia Samuelsson Förvaltning AB and Stiftelsen 100%.

Holding in Cision AB (through company): 19,380 shares.

Gunilla von Platen is to be considered as independent with respect to Cision, its senior management and the major shareholders in Cision.

Alf Blomqvist

Stockholm, Sweden, born 1956. Director of the Board since 2009. Partner of Vadestra Value. Former CEO of Ledstiernan AB (publ) and Head of Corporate Finance at Swedbank Markets. Chairman of Appello Systems AB and Destination Fjällen Sverige AB. Director of the Board of GuidePal Group AB and B3IT Management AB. Member of the Council of the Swedish AIM and the Advisory Board at Fairford Holdings Europe AB.

Holding in Cision AB (through company): 2,000 shares.

Alf Blomqvist is to be considered as independent with respect to Cision and its senior management, but dependent with respect to the major shareholders in Cision.

Scott Raskin

San Francisco, USA, born 1961. Director of the Board since 2012. Graduated from the McCombs School of Business at the University of Texas, Austin, USA. President and CEO at Mindjet. Former Chief Operating Officer at Telelogic AB and Vice President of Sales and Corporate Development at Nexgenix. Director of the Board and former chairman of the San Francisco Bay Chapter of the Young Presidents' Organization (YPO).

Holding in Cision AB: 0 shares.

Scott Raskin is to be considered as independent with respect to Cision AB, its senior management and the major shareholders in Cision AB.

Rikard Steiber

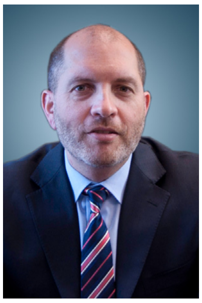
San Francisco, USA, born 1969. Director of the Board since 2012. Graduate from SDA Bocconi, Italy and Chalmers University of Technology, Sweden. Executive Vice President and Chief Digital Officer at Modern Times Group MTG AB (publ). Former Global Marketing Director for Google's Mobile & Social Advertising business, European Marketing Director at Google, CEO and co-founder of XLENT Strategy and Digiscope Consulting and co-founder and Senior Director at Scandinavia Online AB.

Holding in Cision AB: 5,000 shares.

Rikard Steiber is to be considered as independent with respect to Cision AB, its senior management and the major shareholders in Cision AB.

Shareholding as of December 31, 2012 unless otherwise indicated.

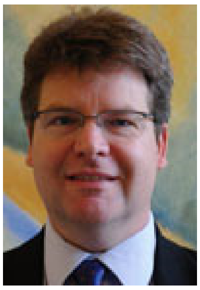
Senior management



Peter Granat

President and Chief Executive Officer, born 1970. Employed since 2003. Holds an MBA from Kellogg School of Management. Former Senior Vice President, Business Development at MediaMap.

Holding in Cision AB: 2,332 shares.



Tosh Bruce-Morgan

Executive Vice President & CFO, born 1965. Employed since 2009. FCMA and holds a BA Hons in Business Studies from Glamorgan University. Former CFO at VNU Business Media Europe.

Holding in Cision AB: 0 shares.

Shareholdings as of December 31, 2012 unless otherwise indicated.

Proposed distribution of earnings

The following unappropriated earnings in the Parent Company are at disposal of the Annual General Meeting:

Retained earnings	561,770,904
Fair value reserve	–115,576,543
Share premium reserve	136,493,405
Net result for the year	42,444,987
Total	**625,132,753**

For 2012, The Board proposes a dividend of SEK 2.00 per share (SEK 29,819,166) and the remaining amount to be carried forward into new account in the Parent Company (SEK 595,313,587). As a basis for the dividend proposal, the Board of Directors has made an assessment in accordance with Chapter 18, Section 4 of the Swedish Companies Act. The Board of Directors has considered the Parent Company's result and financial position and the Group's position in general. In this respect, the Board of Directors has taken into account known commitments that may have an impact on the financial positions of the Parent Company and its subsidiaries. The proposed dividend does not limit the Group's ability to make investments or raise funds, and it is the assessment of the Board of Directors that the proposed dividend is well-balanced considering the nature, scope and risks of the business activities as well as the capital requirements for the Parent Company and the Group.

Consolidated income statement

SEK in thousands	Note	2012	2011[3]
Revenue	3, 4	972,280	954,783
Other revenue[1]		3,661	3,563
Total revenue		**975,941**	**958,346**
Production costs[2]	4, 5	–336,801	–370,623
Gross profit		**639,140**	**587,723**
Selling and administrative expenses[2]	4, 5, 6, 9	–557,580	–478,379
Operating profit	7, 8	**81,560**	**109,344**
Financial income	4, 11	1,378	2,665
Financial expenses	4, 12	–25,180	–35,280
Capital gain/loss divestment of subsidiaries	28	–	5,867
Profit before tax		**57,758**	**82,596**
Tax	13	5,094	–4,949
NET PROFIT FOR THE YEAR		**62,852**	**77,647**
Depreciation/write–down included in operating profit[2]	15, 16	–55,021	–52,112
Non–recurring items included in operating profit	9	–44,595	–11,396

1 Other revenue mainly refers to the divestment of the US print monitoring business; SEK 799 thousand in net gain and SEK 2,324 thousand relating to royalties from the revenue sharing agreement.
2 Depreciation and write–down of tangible and other intangible assets are reported as; Production cost amounting to SEK –7,682 thousand (–8,285) and Selling and administrative expenses amounting to SEK–47,339 thousand (–43,827) in the consolidated income statement.
3 Adjusted, see note 30.

Profit per share, SEK	2012	2011[3]
Before dilution	4.24	5.22
After full dilution[1]	4.24	5.21
Dividend[2]	2.00	–
Profit before dilution, SEK thousand	62,852	77,647
Profit effect after dilution	**62,852**	**77,647**
Average number of shares before dilution, thousands	14,840	14,881
Potential shares, thousands	–	16
Average number of shares after dilution, thousands	**14,840**	**14,897**

1 As of the current situation the LTI program does not cause any dilution.
2 The Board of Directors proposes a dividend of SEK 2.00 per share for the fiscal year 2012.
3 Adjusted, see note 30.

Statement of comprehensive income

SEK in thousands	Note	2012	2011[3]
Net profit for the year		62,852	77,647
Other comprehensive income			
Translation difference for the year	21	–60,706	16,278
Net investment in foreign operations	21	13,865	–4,747
Market valuation of financial instrument	21	–465	–113
Other	21	12	–
Other comprehensive income[1]		–47,293	11,418
Total comprehensive income for the year[2]		**15,559**	**89,065**

1 No tax is reported on items recognized in other comprehensive income. In cases where it may be applicable it is not relevant since it refers to Swedish companies that are not in tax position.
2 Net profit for the year and total comprehensive income of the year is attributable in its entirety to the Parent Company's shareholders. No minority interest exists.
3 Adjusted, see note 30.

Consolidated balance sheet

SEK in thousands	Note	Dec. 31, 2012	Dec. 31, 2011[1]
ASSETS	4		
Fixed assets			
Intangible fixed assets			
Goodwill	14	1,334,724	1,404,576
Other intangible fixed assets	15	76,775	93,336
		1,411,499	**1,497,912**
Tangible fixed assets			
Equipment	16	37,551	48,054
		37,551	**48,054**
Other fixed assets			
Deferred tax assets	13	37,729	33,245
Other financial fixed assets	17	3,041	2,990
		40,770	**36,235**
Total fixed assets		**1,489,820**	**1,582,201**
Current assets			
Accounts receivable	18	198,212	219,855
Tax assets	13	4,776	14,215
Derivatives	2	6	242
Prepaid expenses and accrued income	20	29,294	34,916
Other current receivables		12,994	11,180
		245,282	**280,408**
Liquid assets	2	55,767	50,922
Total current assets		**301,049**	**331,330**
TOTAL ASSETS		**1,790,869**	**1,913,531**

SEK in thousands	Note	Dec. 31, 2012	Dec. 31, 2011[1]
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	21		
Share capital		223,644	223,644
Other paid-in capital		230,857	230,995
Reserves		-113,182	-65,876
Retained earnings		666,292	603,428
Total shareholders' equity		**1,007,611**	**992,191**
Liabilities	4		
Long-term liabilities			
Deferred tax liability	13	165,413	179,562
Provision for non-recurring items	9	–	2,148
Other long-term liabilities	22	1,614	463,580
Total long-term liabilities		**167,027**	**645,290**
Current liabilities			
Provision for non-recurring items	9	2,532	6,472
Accounts payable	2	24,979	40,401
Tax liabilities	13	491	2,669
Short term loans	23	404,933	–
Bank overdraft facility	24	–	383
Derivatives	2	230	13
Accrued expenses and deferred income	25	179,860	221,847
Other current liabilities	26	3,205	4,266
Total current liabilities		**616,230**	**276,051**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,790,869**	**1,913,531**

[1] Adjusted, see note 30.

Consolidated shareholders' equity

2011 SEK in thousands	Share capital	Other paid–in capital	Translation reserves	Fair value reserve	Retained earnings and net profit for the year	Total[1]
Opening balance, January 1, 2011	223,644	229,840	–83,198	355	531,684	902,324
Adjustments to opening balance of						
Net investment in foreign operations	–	–	5,549	–	–5,549	–
Other adjustments to opening balance	–	–	–	–	3,038	3,038
Adjusted opening balance, January 1, 2011	*223,644*	*229,840*	*–77,649*	*355*	*529,173*	*905,362*
Comprehensive income						
Net profit for the year	–	–	–	–	77,647	77,647
Other comprehensive income						
Translation difference for the year	–	–	16,278	–	–	16,278
Net investment in foreign operations	–	–	–4,747	–	–	–4,747
Market valuation, financial instruments	–	–	–	–113	–	–113
Total other comprehensive income	–	–	11,531	–113	–	11,418
Total comprehensive income	–	–	11,531	–113	77,647	89,065
Transactions with company's owners						
Repurchase of own shares	–	–	–	–	–3,392	–3,392
Share based payments						
Value of employee services	–	1,155	–	–	–	1,155
Total transactions with company's owners	–	1,155	–	–	–3,392	–2,237
Closing shareholders' equity, December 31 2011	223,644	230,995	–66,118	242	603,428	992,191

1 Adjusted, see note 30.

2012 SEK in thousands	Share capital	Other paid–in capital	Translation reserves	Fair value reserve	Retained earnings and net profit for the year	Total
Opening balance, January 1, 2012	223,644	230,995	–66,118	242	603,428	992,191
Comprehensive income						
Net profit for the year	–	–	–	–	62,852	62,852
Other comprehensive income						
Translation difference for the year	–	–	–60,706	–	–	–60,706
Net investment in foreign operations	–	–	13,865	–	–	13,865
Market valuation, financial instruments	–	–	–	–465	–	–465
Other	–	–	–	–	12	12
Total other comprehensive income	–	–	–46,841	–465	12	–47,293
Total comprehensive income	–	–	–46,841	–465	62,864	15,559
Transactions with company's owners						
Repurchase of own shares	–	–	–	–	–	–
Share based payments	–	–	–	–	–	–
Value of employee services	–	–138	–	–	–	–138
Total transactions with company's owners	–	–138	–	–	–	–138
Closing shareholders' equity, December 31 2012[1]	223,644	230,857	–112,959	–223	666,292	1,007,611

1 Shareholders' equity is attributable in its entirety to the Parent Company's shareholders. No minority interest exists. No tax is reported on items recognized in equity. In cases where it may be applicable it is not relevant since it refers to Swedish companies that are not in a tax position.

Consolidated statements of cash flow

SEK in thousands	Note	2012	2011[4]
Operating activities			
Net profit for the year		62,852	77 647
Adjustment for items included in Net Profit			
Tax	13	–5,094	4 949
Net financial income and expenses	11, 12	23,802	32,615
Capital gain/loss divestment of subsidiaries	28	–	–5,867
Capital gain/loss divestment of net assets[1]	28	–799	–
Reported cost for non–recurring items	9	44,595	11,396
Depreciation	15, 16	55,021	52,112
Other non–cash items		2,741	449
Non–recurring paid	9	–50,208	–6,741
Interest received		–509	3,218
Interest paid		–23,206	–27,076
Income tax paid/received		3,968	–5,840
Change in working capital [2]	4	–50,064	–52 479
Cash flow from operating activities		**63,100**	**84,382**
Investing activities			
Business divestments	28	8,080	33,580
Investment in intangible fixed assets	15	–18,948	–31,884
Investment in tangible fixed assets	16	–14,512	–17,445
Divestments in tangible fixed assets		–	9,414
Increase/decrease in financial fixed assets		2,786	694
Cash flow from investing activities		**–22,594**	**–5,641**
Financing activities			
Repurchase of own shares	21	–	–3,392
Amortization of debt		–33,604	–126,197
Increase/decrease in current financial liabilities		–383	313
Cash flow from financing activities		**–33,987**	**–129,276**
Cash flow for the year		**6,520**	**–50,535**
Liquid assets at beginning of year	2	50,922	101,566
Translation difference in liquid assets		–1,675	–109
Liquid assets at year–end		**55,767**	**50,922**
Operating cash flow[3]		**99,595**	**80,906**
Free cash flow[3]		**29,640**	**44,467**

1 Included in Other revenue.
2 Excluding exchange rate effects.
3 For definition of operating and free cash flow see Definitions and glossary.
4 Adjusted, see note 30.

Parent Company income statement

SEK in thousands	Note	2012	2011
Revenue	3, 4	61,790	66,634
Operating revenue		**61,790**	**66,634**
Operating costs			
Other external expenses	6, 7	–60,405	–62,984
Staff costs	8	–11,602	–20,390
Depreciation	15, 16	–5,451	–5,452
Operating profit		**–15,668**	**–22,192**
Result from financial investments			
Result from shares in the Group companies[1]	10	–16,144	42,343
Financial income	11	70,114	72,913
Financial expenses	12	–15,335	–30,061
Profit after financial items		**22,967**	**63,003**
Appropriation[1]		**14,374**	**15,882**
Profit before tax		**37,341**	**78,885**
Tax	13	5,104	11,709
NET PROFIT FOR THE YEAR		**42,445**	**90,594**

1 The 2011 results have been restated for the change in accounting principle for group contributions. Group contributions of SEK 15,882 thousand previously reported in Income from participations in Group companies have been retroactively adjusted and reported as an appropriation.

Statement of comprehensive income

SEK in thousands	Note	2012	2011
Net profit for the year		42,445	90,594
Other comprehensive income			
Net investment in foreign operations		–34,676	10,281
Other comprehensive income		–34,676	10,281
Total comprehensive income for the year[1]		**7,769**	**100,875**

1 Net profit for the year and total comprehensive income of the year is attributable in its entirety to the Parent Company's shareholders. No minority interest exists.

Parent Company balance sheet

SEK in thousands	Note	Dec. 31, 2012	Dec. 31, 2011
ASSETS			
Fixed assets			
Intangible fixed assets			
Other intangible fixed assets	15	17,001	16,517
		17,001	**16,517**
Tangible fixed assets			
Equipment	16	366	532
		366	**532**
Financial fixed assets			
Deferred tax assets	13	37,491	32,491
Shares in Group companies	19	546,258	546,258
Receivables from Group companies		564,236	605,357
Other financial fixed assets	17	2,227	2,227
		1,150,212	**1,186,333**
Total fixed assets		**1,167,579**	**1,203,382**
Current assets			
Accounts receivable	18	293	1,144
Receivables from Group companies		58,166	21,365
Tax assets	13	272	2,260
Prepaid expenses and accrued income	20	3,054	4,123
Other current receivables		1,593	9,397
		63,378	**38,289**
Liquid assets	2	22,416	12,009
Total current assets		**85,794**	**50,298**
TOTAL ASSETS		**1,253,373**	**1,253,680**

SEK in thousands	Note	Dec. 31, 2012	Dec. 31, 2011
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	21		
Restricted equity			
Share capital (14,909,583 shares at quota value SEK 15.00)		223,644	223,644
Statutory reserve		100,120	100,120
		323,764	**323,764**
Non-restricted equity			
Retained earnings		561,771	471,177
Fair value reserve		-115,577	-80,928
Share premium reserve		136,493	136,493
Net profit for the year		42,445	90,594
		625,132	**617,336**
Total shareholders' equity		**948,896**	**941,100**
Liabilities			
Long-term liabilities			
Liabilities to Group companies	22	211	211
Other long-term liabilities	22	–	267,264
Total long-term liabilities		**211**	**267,475**
Current liabilities			
Provision for non-recurring items	9	693	358
Accounts payable	2	4,740	5,492
Liabilities to Group companies		25,052	29,498
Short term loans	23	267,264	–
Bank overdraft facility	24	–	383
Accrued expenses and deferred income	25	6,282	9,305
Other current liabilities	26	235	69
Total current liabilities		**304,266**	**45,105**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,253,373**	**1,253,680**
Pledged assets	27	–	–
Contingent liabilities	27	214,799	255,688

Parent Company shareholders' equity

2011 SEK in thousands	Share capital	Statutory reserve	Fair value reserve	Share premium reserve	Retained earnings and net profit for the year	Total
Opening balance, January 1, 2011	223,644	100,120	–92,338	136,493	474,569	842,488
Net investment in foreign operations	–	–	10,281	–	–	10,281
Net profit for the year	–	–	–	–	90,594	90,594
Total change in net assets, excl. transactions with company's owners	–	–	10,281	–	90,594	100,875
Repurchase of own shares	–	–	–	–	–3,392	–3,392
Share based payments						
Value of employee services	–	–	1,129	–	–	1,129
Closing shareholders' equity, December 31, 2011	223,644	100,120	–80,928	136,493	561,771	941,100

2012 SEK in thousands	Share capital	Statutory reserve	Fair value reserve	Share premium reserve	Retained earnings and net profit for the year	Total
Opening balance, January 1, 2012	223,644	100,120	–80,928	136,493	561,771	941,100
Net investment in foreign operations	–	–	–34,676	–	–	–34,676
Net profit for the year	–	–	–	–	42,445	42,445
Total change in net assets, excl. transactions with company's owners	–	–	–34,676	–	42,445	7,769
Share based payments						
Value of employee services	–	–	27	–	–	27
Closing shareholders' equity, December 31, 2012[1]	223,644	100,120	–115,577	136,493	604,216	948,896

[1] Shareholders' equity is attributable in its entirety to the Parent Company's shareholders. No minority interest exists.

Parent Company statements of cash flow

SEK in thousands	Note	2012	2011
Operating activities			
Net profit for the year		42,445	90,594
Adjustments for items included in Net Profit			
Tax	13	–5,104	–11,709
Net financial items	11, 12	–54,779	–42,852
Result from shares in Group companies[1]	10	16,144	–42,343
Reported cost for non–recurring items	9	1,261	72
Depreciation/write–downs	15, 16	5,451	5,452
Other non–cash items		–14,540	–15,492
Non–recurring items paid	9	–926	–358
Interest received		69,331	65,153
Interest paid		–13,615	–18,532
Dividends received		25,596	16,321
Income tax paid/received		2,178	–2,458
Change in working capital		8,600	53,535
Cash flow from operating activities		**82,042**	**97,383**
Investing activities			
Subsidiary acquisition	28	–	–23
Divestment of subsidiaries		4,543	40,825
Investment in intangible fixed assets	15	–5,770	–7,431
Change loan to subsidiaries		–46,986	–
Paid group contribution		–41,720	–80,751
Granted and received group contribution		15,882	3,168
Increase/decrease in financial fixed assets		2,981	342
Cash flow from investing activities		**–71,070**	**–43,870**
Financing activities			
Repurchase of own shares	21	–	–3,392
Amortization of debt		–	–86,050
Cash flow from financing activities		**–**	**–89,442**
Cash flow for the year		**10,972**	**–35,929**
Liquid assets at beginning of year		12,009	50,466
Translation difference in liquid assets		–565	–2,528
Liquid assets at year–end		**22,416**	**12,009**

[1] The 2011 results have been restated for the change in accounting principle for group contributions. Group contributions of SEK 15,882 thousand previously reported in income from participations in Group companies have been retroactively adjusted and reported as other non-cash items paid.

Notes to the consolidated and Parent Company financial statements

Contents

Accounting principles and notes

Note 1 – Accounting principles

The consolidated accounts are prepared in accordance with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and the interpretations issued by the IFRS Interpretations Committee in force as of December 31, 2012, which have been approved by the European Commission for application within the EU. The Swedish Financial Reporting Board's recommendation RFR 1, Supplementary accounting rules for Groups, has been applied. All of the above regulations have been applied consistently in the year presented in the annual report.

Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, except some financial assets and financial liabilities (including derivative instruments) being revalued at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the chapter "Critical estimates and assumptions" in this note.

New standards and interpretations that entered into force during 2012 have not had any material impact on the Group's financial position.

Reporting in the Parent Company

The Parent Company has mainly prepared its annual report in accordance with the Annual Accounts Act and the recommendation RFR 2 of the Swedish Financial Reporting Board. This means that the Parent Company, in the annual report for the legal entity, will apply all IFRS standards and pronouncements approved by the EU to the greatest extent possible within the framework of the Annual Accounts Act, and taking into account the connection between accounting and taxation. The Parent Company's accounting principles are the same as those of the Group and are contained in this note. Any cases where the Parent Company's accounting principles deviate from those of the Group have been described in the relevant sections.

Consolidated accounts

The consolidated accounts comprise the Parent Company, Cision AB, and those companies in which Cision AB at year-end, directly or indirectly, held more than 50 % of the voting rights or otherwise had a decisive influence. All Group companies are 100 %-owned and the Group does not comprise any associated companies.

The consolidated financial statements have been prepared in accordance with IAS 27 and IFRS 3 on consolidated accounts and by applying the purchase accounting method. Subsidiaries are included in the consolidated accounts from the day when decisive influence is transferred to the Group and are excluded when the decisive influence ends.

The cost of an acquisition consists of the fair value of the assets offered as compensation, of equity instruments issued, and arisen or assumed liabilities as of the transfer date. The surplus comprised of the difference between the acquisition value and the fair value of the Group's share of identifiable, acquired net assets is recognized as goodwill. In the consolidated accounts, transaction costs are expensed in the period they arise and any subsequent adjustments to a contingent purchase consideration are made in the income statement. The acquiring company includes transaction costs and contingent purchase consideration as part of the cost. If the acquisition value is less than the fair value of the acquired subsidiary's net assets, the difference is recognized directly through profit or loss.

All intra-Group transactions, i.e. revenue, expenses, receivables, liabilities, unrealized gains and Group contributions, have been eliminated. Where necessary, the subsidiaries' accounting principles have been adjusted in order to ensure consistent accounting within the Group. The consolidated income statement includes companies acquired during the year as of the date possession is taken. Companies divested during the year are excluded as of the date of divestment.

Revenue recognition

Cision is following up on Subscription revenue, Professional Services revenue and Transactional revenue. The majority of the Group's clients receive services through CisionPoint, a web-based software platform. Revenue is mainly reported as follows:

Subscription fees are either paid in advance or quarterly/monthly and are recognized in revenue over the life of the contract.

Professional Services are either paid in advance or quarterly/monthly and are recognized in revenue over the life of the contract. Some contracts are recognized in revenue upon delivery of the service to the client.

The Transactional revenue consists of fixed start-up fees and variable fees for each distribution. Start-up fees are recognized in revenue when the service begins since these fees generally are not matched by an individual performance but are one-time fees without any real uncertainties. Distribution fees are recognized in revenue upon delivery of the service. One example of such revenue is the fee for broadcast content.

All sales are reported net after value-added tax, discounts, returns and shipping. Intra-Group revenue is eliminated.

The Parent Company's operations comprise both support functions and portions of development resources for the Group. The biggest revenue streams in the Parent Company comprise intra-Group invoicing for the Group's support units as well as royalties on software platforms and brands, for which Cision AB owns the intellectual property and economic rights.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the Group as the Group CEO and Group management.

Cision reports on two geographic segments, Cision North America and Cision Europe, which reflects Cision's internal reporting and organizational structure. Segment reporting also includes Other and Eliminations, which are presented in separate columns. Other includes the Parent Company and a small number of companies without any operating activities.

Up to 2011, the Group management monitored revenues that the operating segments, North America and Europe, received from the services that Cision offered: Plan, Connect, Monitor and Analyze. Increasingly these services have been bundled in to subscription packages making the revenue allocation between service lines less meaningful. Beginning in 2012, Cision is following up on Subscription revenue, Professional Services revenue and Transactional revenue. These are all distributed through the web-based software solution CisionPoint. This change has no effect on the Company's financial position or reporting of the operating segments.

Translation of foreign currencies

The Parent Company's functional currency and reporting currency is Swedish kronor (SEK). Group companies report in their functional currency, which for Cision means the official national currency in the country where operations are conducted.

Key exchange rates used in the financial statements

Country	Currency	Average exchange rates 2012	Average exchange rates 2011	Balance sheet date exchange rates Dec. 31 2012	Balance sheet date exchange rates Dec. 31 2011
USA	USD	6.7754	6.4969	6.5156	6.9234
Canada	CAD	6.7792	6.5657	6.5501	6.7773
Euro	EUR	8.7053	9.0335	8.6166	8.9447
UK	GBP	10.7340	10.4115	10.4914	10.6768
Norway	NOK	1.1641	1.1587	1.1672	1.1505

Assets and liabilities of foreign subsidiaries are translated at balance sheet date exchange rates, while income statement items are translated at average exchange rates for the year.

Translation differences associated with the translation of balance sheet items are recognized in Other comprehensive income and do not affect the profit for the year.

Net investment in foreign operations

Translation differences that arise in connection with the translation of a foreign net investment when consolidated, and of borrowing identified as hedges of such investments, are recognized in Other comprehensive income. When a foreign operation is divested, such exchange rate differences are recognized through profit or loss as a part of the capital gain/loss.

Transactions as well as assets and liabilities in foreign currencies

Transactions denominated in foreign currencies are reported in the functional currency at the exchange rate in force on the transaction date. Receivables and liabilities denominated in foreign currencies are translated on the balance sheet date into the functional currency in force at the time. Exchange rate gains and losses on financial receivables and liabilities are reported among the financial items. Operations-related exchange rate gains and losses are reported in the operating profit. However, for the Parent Company, the book value of receivables and liabilities in foreign currencies is not affected when an effective currency hedge is in place.

Intangible assets

Goodwill

Cision is a service company that has acquired businesses in order to introduce the Cision business model, with the purpose of increasing growth and margins as well as creating value by restructuring and refining the acquired operations. Historically, companies acquired by Cision largely lack identifiable intangible assets. The main part of the purchase prices in acquisitions of operations has therefore been allocated to goodwill.

Goodwill is not written off but is instead tested annually for impairment; however, it can be tested more often if there are indications that the value has decreased. Impairment tests are conducted on all cash-generating units regardless of whether or not there is an indication of impairment.

An established model to determine impairment is used for the entire Group. The basis of model is that goodwill is tested for impairment at the same level for cash-generating units as Cision uses for primary follow-up and where separate cash flows are deemed possible to identify. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less selling costs and its value in use.

Other intangible fixed assets

Other intangible fixed assets are recognized in the balance sheet at acquisition value less accumulated depreciation. The depreciation schedule is three to five years based on the economic life of the asset. If there is an indication of decreased value, an estimate is made of the asset's carrying amount. In cases where the carrying amount exceeds the asset's estimated recoverable amount, the asset is written down to its recoverable amount.

Research and development expenditures are capitalized as an intangible asset if it can be established with certainty that they will lead to future economic benefits. Other expenditures, such as costs for repairs and maintenance, are recognized as costs in the periods in which they arise. Capitalized costs primarily consist of staff costs for employees fully engaged in the development of the intangible assets and costs for competence brought in from outside the Company. Depreciation of capitalized research and development costs begins on the date the asset is put to use.

The value of intangible fixed assets with indefinite useful lives and development expenditures for assets that have not yet been put to use are tested annually for impairment, as well as when events or changes in conditions indicate that the value may not be recoverable. Cision has no other intangible assets with indefinite useful lives.

Tangible fixed assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation based on the economic lives of the assets. Equipment is depreciated over three to ten years and office buildings over 50 years. Land is not depreciated. The residual values and periods of use of the assets are tested on each balance sheet date and adjusted when needed.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount. Gains and losses on the sale of tangible fixed assets are determined through a comparison between the sales proceeds and carrying amount and are recognized through profit or loss.

Borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset that takes a substantial period of time to get ready for use or sale, as part of the cost of that asset. As of the balance sheet date, there are no assets in the Group for which borrowing costs can be a part of the asset. As per the balance sheet day the Group had no buildings or land, see note 16.

Leasing

Leases in which the economic risks and benefits associated with the ownership of the leased asset are essentially transferred from the lessor to Cision are classified as finance leases. Cision recognizes finance leases as tangible fixed assets and depreciates them in accordance with similar assets. However, the period of use does not exceed the length of the lease, unless it was established with reasonable certainty at the time the lease was signed that ownership rights will be transferred at the conclusion of the lease period. At the inception of the lease period, the asset and liability are reported at the lower of the fair value and the present value of the minimum lease payments. Future lease payments are reported as a liability, and lease payments during the year reduce, after deducting interest, the reported debt. Leases not classified as finance leases are reported as operating leases. The cost of operating leases is recognized through profit or loss on a straight-line basis over the lease period. Operating leases largely refer to office premises and office equipment. The Group has no finance leases at this time.

Liquid assets

Liquid assets include cash and short-term investments with a maturity of less than three months from the time of acquisition, and bank balances.

Financial assets and liabilities

The financial instruments recognized in the balance sheet include, on the asset side, liquid assets, accounts receivables, loan receivables, and derivatives. Liabilities include accounts payable, loan liabilities and derivatives. Purchases and sales of financial instruments are recognized on the trade date, i.e. the date on which the Group commits to buying or selling the asset. Accounts receivables are recognized in the balance sheet when invoices are sent. Correspondingly, supplier invoices are recognized when received.

At inception, financial instruments are recognized at acquisition value, corresponding to the instrument's fair value plus transaction costs, which applies to all financial assets except those attributed to the category fair value through profit or loss. The reporting is subsequently based on how they have been classified.

A financial asset is removed from the balance sheet when the rights in the agreement have been realized, expired, or when the Company loses control over it.

A financial liability is removed when the obligation in the agreement is discharged or otherwise extinguished. The fair value of quoted investments is based on current bid prices on the balance sheet date. If the market for a certain financial instrument is not active, fair value is determined using valuation techniques suitable for the transaction. This also applies to unlisted securities.

On each balance sheet date, an assessment is made whether there are objective indications that a financial asset or a group of financial assets is impaired.

The Parent Company, supported by RFR 2, chose not to apply the rules on financial instruments in IAS 39. Instead, these are assessed based on cost, under the Swedish Annual Accounts Act. This means that the Parent Company's accounting for financial instruments deviates from the Group's accounting.

Classification of financial assets and liabilities

In accordance with IAS 39, financial assets and financial liabilities are classified in different categories and are then recognized and carried according to the principles that apply to each category. Instruments are classified based on the purpose of the holding.

Financial assets and liabilities at fair value through profit or loss

This category comprises financial assets and liabilities held for trading. A financial asset or liability is classified as held for trading if it is acquired principally for the purpose of selling or repurchasing in the short-term, is included in a portfolio with identifiable financial instruments which are managed together and for which there is a proven pattern of recent short-term gains, or derivatives classified as held for trading, unless they qualify for hedge accounting. Assets in this category are carried at fair value with changes in value recognized through profit or loss.

Liquid assets and short-term investments are classified as assets carried at fair value with changes in their value recognized through profit or loss. Liquid assets include cash and bank balances. As of the balance sheet date, the Group has no short-term investments.

Loan receivables and accounts receivables

Loan receivables and accounts receivable are carried after the date of acquisition at amortized cost using the effective interest method less any impairment losses. The Group's accounts receivables and loan receivables comprise accounts receivables, other short-term receivables, and other long-term receivables.

The larger part of the Group's financial assets refers to accounts receivables attributable to services rendered. These receivables are classified as current assets. Due to their short maturity, the time value of money prior to payment is not taken into account. The Group has no intent of trading any receivables that may arise. A provision for the decrease in value of accounts receivable is allocated when there is objective proof of anticipated client losses. The allocated amount is recognized through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are carried after the date of acquisition at amortized cost using the effective interest method less any impairment losses. Held-to-maturity financial assets are included in fixed assets except in those cases when maturity is less than 12 months after the end of the reporting period, in which case they are classified as current assets. During the fiscal year, the Group has not had any financial instruments classified as held-to-maturity.

Available-for-sale financial assets

Available-for-sale financial assets are recognized after initial recognition at fair value with changes in fair value recognized in other comprehensive income excluding impairment losses and foreign exchange gains or losses on currency monetary items that can be sold, which are reported in net income. When an investment is derecognized the cumulative gain or loss in other comprehensive income is transferred to net income.

These assets are included in non-current assets unless the intent is to dispose of the investment within 12 months. An acquisition of a minority stake in PitchEngine Inc for SEK 2 million was completed in September 2011, and is classified as available-for-sale financial assets.

Other financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs. Borrowing is subsequently carried at amortized cost. Any difference between the amount received (net after acquisition costs) and the repayment amount is recognized through profit or loss over the term of the loan using the effective interest rate method. This is calculated so that a constant effective interest rate is obtained over the term of the loan.

Accounts payable and similar current liabilities, where maturities are short and there are no agreed upon interest rates, are recognized at nominal amounts.

Long-term liabilities have an expected maturity of longer than 12 months, while current liabilities have an expected maturity of less than 12 months.

As of the balance sheet date, the Group has the following financial liabilities recognized at amortized cost: accounts payables, bank overdraft facilities and syndicated loan facilities.

Derivatives and hedge accounting

Derivatives are recognized in the balance sheet on the contract date and are carried at fair value, both at inception and in subsequent valuations. The method for reporting the gain or loss arising from the revaluation will depend on whether the derivative is identified as a hedging instrument, and, if so, the nature of the item being hedged. Changes in value of derivatives that are not hedging instruments are recognized through profit or loss.

The Group identifies derivatives as either a hedge at fair value of an identified asset/liability or a binding commitment (fair value hedge), a hedge of a highly probable forecast transaction (cash flow hedge), or a hedge of the net investment in foreign operations. If the conditions for hedge accounting are no longer met, the derivative is recognized at fair value and the change in value is recognized through profit or loss.

The Group documents the relationship between the hedge instrument and the hedged item, the strategy for undertaking different hedging measures, and the objectives of its risk management.

Assessments are documented at the hedge's inception and periodically over time in order to ensure that the derivatives used in hedging transactions are effective in evening out changes in fair value or changes in cash flow for hedged items.

During the year, the Group has had a number of forward foreign exchange contracts at fair value where the change in value has been recognized in net income.

As of year-end, the Group has one interest rate swap that is used to hedge a portion of the interest expenses for the syndicated loan facility for which the Group applies hedge accounting, according to the principles of cash flow hedges.

Fair value hedges

Changes in the fair value of a derivative that has been identified as a fair value hedge and which meets the conditions for hedge accounting are recognized through profit or loss together with the change in fair value of the asset or liability that gave rise to the hedged risk. During the fiscal year, the Group has not had any derivatives classified as fair value hedges.

Cash flow hedges

The effective portion of changes in the fair value of a derivative, which is identified as a cash flow hedge and which meets the conditions for hedge accounting, is recognized in other comprehensive income. Any gain or loss related to the ineffective portion of the hedge is recognized immediately in the income statement. The Group's interest rate swap is recognized as a hedge according to the principles for cash flow hedges.

Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss in terms of the hedging instrument related to the effective portion of the hedge is recognized directly in comprehensive income. Any gain or loss related to the ineffective portion is recognized immediately through profit or loss. The Group accounts for external borrowings as a hedge of net investments in foreign operations.

Net investment in foreign operations

Exchange differences arising on translation of monetary items that form part of the Parent Company's net investment in foreign operations are recognized in other comprehensive income in exchange reserves of the Group and the fair value of the parent.

Liabilities that constitute hedging instruments, Parent Company

The Parent Company applies RFR 2, which means that it can continue to apply the rules in BFN R7 "Valuation of receivables and liabilities in foreign currency". According to BFN R7, an effective currency hedge arises in the Parent Company when shares in a foreign subsidiary have been financed through loans in local currency. For an effective currency hedge to exist, its intent must have been in evidence on the transaction date. The carrying amount of such loans is not affected by changes in exchange rates.

Shareholders' equity

Transactions directly attributable to the issuance of new shares or options are recognized, net after tax, in shareholders' equity as a deduction from the issue proceeds.

Taxes

The year's tax expense refers to tax payable on taxable profit for the year as well as changes in deferred tax. Taxes are estimated in accordance with tax regulations applicable in each country. Deferred tax is reported according to the balance sheet method, i.e., on all temporary differences between the book value and fiscal value of assets and liabilities. Temporary differences primarily arise through tax amortization of goodwill and tax loss carry forwards. Deferred tax is determined in accordance with the tax rates (legislation) in force that are expected to apply when the deferred tax asset is realized or when the deferred tax liability is regulated. Tax loss carry forwards are recognized to the extent it is probable that deductions can be applied against future surpluses.

Provisions

Provisions are recognized when the Group has or may have an obligation as a result of past events and it is probable that payments will be required to settle the obligation. A further condition is that a reliable estimate can be made of the amount that has to be paid. The provisions made are for future non-recurring items and provisions related to divestments of subsidiaries. No provisions are made for future operating losses.

Contingent liabilities

A contingent liability is recognized when there is a potential obligation attributable to past events and whose existence is confirmed only by one or more uncertain future events, or when there is an obligation not recognized as a liability or provision since it is not likely that an outflow of resources will occur.

Employee benefits

With the exception of Swedish Group companies, the Group's occupational pension plans are defined contribution plans. Premiums paid for defined contribution pension plans are expensed in the period they arise. The Group's Swedish companies follow Alecta's ITP plan, which is a multi-employer defined benefit plan. Due to a lack of information from Alecta, the plan cannot be reported as defined benefit, and is therefore reported as if it were a defined contribution plan.

Share-based compensation

The Group has as of the balance sheet date one incentive program which was approved by the 2011 Annual General Meeting. The incentive program approved by the Annual General Meeting 2009 closed on April 30, 2012. The equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options or shares) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense.

The total amount expensed is determined by reference to the fair value of the options or shares granted: including any market performance conditions; excluding the impact of any service and non-market performance vesting conditions; and including the impact of any non-vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that were expected to be vested.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Company revises its estimates of the number of options or shares that are expected to vest based on the non-marketing vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options were exercised, the Company issued new shares. The proceeds received net of any directly attributable transaction cost was credited to share capital (nominal value) and other paid-up capital.

The acquisition of own shares, net of any directly attributable transaction costs, was charged to retained earnings and credited to cash. Shares constitute disposable shares and have no value in the accounts.

For more information about employee stock options, please see note 8.

Anticipated dividends

Anticipated dividends from subsidiaries are recognized in cases where the Parent Company alone has the right to decide on the size of the dividend and the Parent Company has decided on the size of the dividend before it has published its financial reports.

Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect method.

Critical estimates and assumptions

In connection with the preparation of financial reports, the Management and the Board make estimates and assumptions that impact assets and liabilities as well as the carrying amount of contingent liabilities on the balance sheet date. Recognized revenue and expenses are impacted as well. Estimates and assumptions are evaluated periodically based on historical experience and other factors, including expectations of future events that seem reasonable under current circumstances. Actual outcomes may deviate from these estimates.

The Management has discussed with the audit committee the development, choice, and disclosure of the Group's critical accounting principles and estimates as well as the application of these principles and estimates. The estimates and assumptions that carry a significant risk of material adjustments in the carrying amounts of assets and liabilities during the upcoming fiscal year are discussed below.

Impairment testing of goodwill

Several assumptions with regard to future conditions and estimates of parameters have been made in the calculation of the recoverable amount of cash-generating units when determining goodwill impairment. A description can be found in note 14.

Recovery of the value of development expenditures

Expenditures for development are capitalized when it is probable that they will lead to future economic benefits. The main part of capitalized development expenditures refers to technical solutions for digital supply of information, software solutions, and interactive client applications. Their period of use is determined based on each application's commercial life cycle and is normally 3–5 years. Changes in client behavior, competitors' offerings, and technological developments may affect the assessment of the value of undepreciated assets.

Valuation of tax loss carry forwards

Based on the companies' plans and forecasts, tax loss carry forwards have been capitalized in an amount corresponding to what is likely that deductions can be offset against future taxes.

For more information about the Group's loss carry forwards, please see note 13.

Changes in accounting policy and disclosures

New and revised standard, and interpretations, as of January 1 2012, are limited in scope and have not had any significant impact on Cision's financial statements.

New and revised standards that have not yet entered into force

As of December 31, 2012 the following new and revised standards and amendments of existing standards have been published and will come into force in the fiscal year beginning January 1, 2013 unless otherwise specified. IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 will become effective January 1, 2013 but EU companies can defer the application until January 1, 2014, which Cision will do.

IAS 1 (amendment) "Presentation of financial statements". The purpose of the change is to clarify the classification of other comprehensive income. The amendment came into place on July 1, 2012.

IAS 19 (amendment) "Employee benefits". These amendments mainly eliminate the corridor approach and calculate finance costs on a net funding basis. The changes will not have a significant impact on the financial statements as the Group currently does not have any pension plans being recognized as defined benefit plans.

IAS 27 (revised) "Separate financial statements". The changes include the requirements relating to separate financial statements.

IAS 28 (revised) "Investments in associates and joint ventures". The changes include requirements for joint ventures and associates that have to be equity accounted.

IAS 32 (amendment) "Financial instruments: Presentation". This amendment clarifies some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. The amendment will be applied for the fiscal year beginning January 1, 2014 or later.

IFRS 7 (amendment) "Financial instruments: Disclosures". This amendment includes new disclosures of net reporting of financial receivables and liabilities, to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP

IFRS 9 (replaces IAS 39), "Financial instruments". The standard simplifies the mixed measurement model based on amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. The standard will be applied for the fiscal year beginning January 1, 2015 or later.

IFRS 10 (replaces IAS 27 and SIC 12), "Consolidated financial statements". IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity. It defines the principle of control, and establishes controls as the basis for consolidation. It sets out how to apply the principle of control and also the accounting requirements for the preparation of consolidated financial statements. At this stage, the standard is not expected to affect the consolidated financial statements.

IFRS 11 (replaces IAS 31), "Joint Arrangements". There are two types of Joint arrangements: joint operations and joint ventures. The joint operator has rights to the assets and obligations relating to the liabilities. Assets, liabilities, revenue and expenses are accounted on the basis of the holder's share of these. Joint ventures arise where the joint venturer has rights to the net assets of the arrangement. In such an arrangement the holder shall report its share according to the equity method. Proportional consolidation of joint ventures is no longer allowed. Cision currently has no entities that meet IFRS 11.

IFRS 12 (new),"Disclosures of interest in other entities". The new standard covers extended disclosure requirements of subsidiaries, joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

IFRS 13 (new),"Fair value measurement". The new standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and single source of fair value measurement and disclosure requirements for use across IFRS.

Material changes in RFR

From January 1 2013 the following regulations are valid for Group contributions which may be applied in advance, which Cision has chosen to do. According to the main regulation in RFR2 Group contributions received as income from financial items and Group contributions paid are reported against equities in subsidiaries or as expenses. Group contributions received by subsidiaries from the Parent Company are reported in the subsidiary as equity and Group contributions paid by subsidiaries to the Parent Company are reported as equity.

According to the alternative regulation Group contributions paid and received by both Parent Company and subsidiaries may be reported as appropriations. The principal regulation or the alternative regulation may be applied when reporting Group contributions, and the regulation chosen must be applied consistently to all Group contributions. Cision applies the alternative rule.

Note 2 – Financial risk management

Through its operations, the Group is exposed to a number of different financial risks, including foreign exchange risk, interest rate risk, refinancing risk, credit risk, liquidity risk and counterparty risk.

The Board of Directors has established a financial policy as a framework for Cision's financial activities and to provide guidelines for managing the above-mentioned financial risks.

The objective of the finance operations is to ensure the Group's financing, optimize its financial net, and provide an overall assessment of and control over the Group's financial risks. In order to take advantage of economies of scale and minimize handling risks, the work is centralized. In addition to the financial policy, which is reviewed annually, the Board establishes financial limits one calendar year at a time. Periodic follow-ups are carried out during the year, and limits are re-assessed when needed. In this way, rapid changes in financial risks and the continuous development of the Company's structure can be effectively managed. Financial operations do not have a risk mandate, and derivatives are used only to reduce underlying exposure. These instruments are not used for speculative purposes.

Foreign exchange risk

Foreign exchange risks in the form of so-called transaction exposures affect Cision primarily through interest expenses on foreign loans as well as investments and operating expenses in currencies other than the local country's currency. Foreign exchange risks also arise in the translation of assets and liabilities in foreign currency, as well as in the translation of profits of foreign subsidiaries, so-called translation exposure.

Transaction exposure

Transaction exposure is marginal in the Group, since invoicing and expenses are primarily in a unit's local currency. Interest and amortization are primarily paid with cash flow generated in the local currency in question. Significant exposures that arise are hedged with the help of forward exchange contracts. The purpose of hedging is to minimize the impact of fluctuations in exchange rates on the Group's profits. As at December 31, 2012, there were 3 forward exchange contracts.

Translation exposure

The effects of translation exposure are limited mainly by matching foreign net assets against loans in corresponding currencies, with the objective of reducing the impact of exchange rate changes on shareholders' equity and financial covenants. The most important exchange rates are between SEK and USD and CAD. Adjustments to the balance between the various currencies can be made using financial derivatives. Any remaining exposure in shareholders' equity is not hedged.

Of the Group's total revenue, approximately 92 % (91) is generated in currencies other than SEK. Consequently, currency fluctuations have a major impact on the consolidated income statement. A sensitivity analysis shows that a 1 % increase in the value of the Swedish krona against all other currencies would affect consolidated revenue negatively by SEK 8.9 (8.7) million and operating profit excluding non-recurring items negatively by SEK 0.6 (1.1) million. This exposure is not hedged. Expected impact on the income statement also affects equity except for any possible tax effect. The sensitivity analysis is based on the Group's revenue and operating profit reported for fiscal year 2012 in local currencies.

Consolidated revenue by currency

2012	SEK in thousands	%
SEK	82,490	8%
EUR	75,650	8%
GBP	53,659	5%
USD	644,939	66%
CAD	115,698	12%
Other	3,505	–
Total	**975,941**	**100%**

Net assets and Interest-bearing debt, gross by currency

SEK in thousands	Net assets	Interest-bearing debt, gross
SEK	124,357	2,181
EUR	55,168	–
GBP	–6,736	–
USD	890,758	221,530
CAD	303,655	183,920
Other	3,659	–
Total	**1,370,861**	**407,631**

As of the balance sheet date, December 31, 2012, the following interest-bearing net debt existed.

Interest-bearing net debt, Group		
SEK in thousands	2012	2011
Bank loans USD	221,530	235,395
Bank loans CAD	183,403	223,651
Bank overdraft facilities	–	383
Other liabilities	2,698	3,217
Interest-bearing debt, gross	**407,631**	**462,645**
Less liquid assets	–55,767	–50,922
Less other financial receivables	–2,834	–11,495
Interest-bearing net debt	**349,030**	**400,228**

Interest rate risk

Changes in interest rates have a direct impact on Cision's net interest expense. The target for average duration for the Group's borrowing is 6 to 24 months, but under extraordinary circumstances this target may be temporarily disregarded. Interest rates are fixed using interest rate swaps where Cision pays a fixed interest rate to the counterparty and the counterparty pays the LIBOR or similar variable interest rate to Cision. The purpose of fixed interest terms is to be able to predict interest rate expenses to a greater extent and to reduce the fluctuations in the financial covenants of the Group's syndicated loan facility. The average duration was 4 months at year end 2012.

The average finance charge was 5.7 % (5.2) at year-end. A sensitivity analysis shows that an overall increase in interest rates of 1 % would have an effect on borrowing costs of SEK 3.5 million (4.0), but this would be offset by entered interest rate swap agreements, reducing the cost by SEK 1.4 million (1.5) based on net debt. Expected impact on net interest income also affects equity except for any possible tax effect.

The sensitivity analysis is based on the Group's interest-bearing net debt as at December 31, 2012, as well as interest swaps per the same date, with their remaining maturity. Bank overdraft facilities carry a variable interest rate. Investments are made only in liquid instruments with short maturities, i.e. less than 12 months.

Liquidity analysis, Group								
	Accounts payable		Borrowings[1]		Derivative		Interest[2]	
SEK in thousands	2012	2011	2012	2011	2012	2011	2012	2011
<30 days	14,570	36,610	–	–	–4	13	1,804	831
1–3 months	8,284	3,773	–	–	–	–	3,608	4,641
3–12 months	1,606	9	404,933	383	–	–	3,608	16,416
1–3 years	519	–	–	459,046	–	–	–	9,120
>3 years	–	9	–	–	–	–	–	–
Total financial instruments – liabilities	**24,979**	**40,401**	**404,933**	**459,429**	**–4**	**13**	**9,019**	**31,007**

[1] Borrowings refer to the utilized syndicated loan facility and bank overdraft facilities.
[2] Interest relates to the Group's syndicated short term loan facility per December 31, 2012. Note however the section 'Events after the balance sheet date' in the Board of Directors report, relating to a new loan agreement replacing the agreement as of December 31, 2012, whereby the short-term loan will be reclassified to long-term upon the date the new loan agreement becomes effective.

The tables present the undiscounted cash flows, resulting from the Group's financial liabilities, based on the contracted remaining time to maturity on the balance sheet date. Amounts denominated in foreign currency and amounts to be paid based on a floating rate have been estimated using the exchange rates and interest rates as of the balance sheet date.

Liquidity analysis, Parent Company								
	Accounts payable		Borrowings[1]		Internal liabilities		Other	
SEK in thousands	2012	2011	2012	2011	2012	2011	2012	2011
<30 days	3,820	5,163	–	–	22,229	27,851	–15	–561
1–3 months	166	225	–	–	–	–	–	–
3–12 months	1,304	103	267,264	383	–	–	–	–
1–3 years	143	1	–	267,475	–	–	570	571
>3 years	–	–	–	–	211	211	82	61
Total financial instruments – liabilities	**5,433**	**5,492**	**267,264**	**267,858**	**22,440**	**28,062**	**637**	**71**

[1] Borrowings refer to the utilized syndicated loan facility and bank overdraft facilities.

Liquidity and refinancing risk

External capital funding exposes Cision to certain liquidity risks. Refinancing risk refers to the risk that the Company cannot refinance its loans at will or raise new financing in the market when needed. Cision secures its short-term liquidity by maintaining a liquidity reserve, consisting of liquid assets and committed credit lines, with the objective that it corresponds to at least one month's revenues. Credit lines consist of the syndicated loan facility and bank overdraft facilities. At the balance sheet date the credit agreement amounts to CAD 28 million and USD 62 million. The utilization of the syndicated loan, as of December 31, 2012, amounts to approximately USD 62 (66) million, whereas the net debt was about USD 54 (58) million.

Cision has bank overdraft facilities in different currencies for the equivalent of SEK 45 million as at December 31, 2012. The overdraft facilities are renegotiated annually.

February 6, 2013 Cision signed a new three-year Credit Facility of USD 75 million in order to refinance Cision's old syndicated facility that was in place at the balance sheet date. The new loan facility depends on certain covenants being fulfilled; if they are not, the lenders can request renegotiation and the loan can be prematurely terminated. The covenants consist of operating profit before depreciation and write-down in relation to net debt and in relation to financial costs, with certain key adjustments to the definitions.

Credit and counterparty risk

Credit and counterparty risks arise in the investment of liquid assets, through accounts receivable and when using financial derivatives. Credit risk is the risk that one party to a transaction cannot fulfill their commitment, thereby causing the other a loss. Counterparty risk is a form of credit where a counterparty in a financial derivative transaction does not meet its financial commitments. Investments are made and agreements concerning financial derivatives are entered into only with counterparties with a credit rating of at least A- from Standard & Poor's, or similar rating. Regarding financial receivables and accounts receivable, there are counterparties that lack or have a lower equivalent rating.

As of December 31, 2012 Cision holds financial instruments relating to currency forwards, interest swaps as well as short-term and long-term financial receivables. Maximum exposure as at December 31, 2012, relating to credit risk for these items amounts to SEK 0.2 million for interest swaps, SEK 11 million in current financial assets and no exposure for long-term financial receivables and currency forwards.

Commercial credit risk refers to clients' solvency and is managed by each subsidiary by monitoring its clients' payment habits and financial reports, and through good communications. The payment term for accounts receivable is normally 30-60 days. No single client accounts for more than 3 % of the Group's total revenue.

In accordance with Cision's Group policy, all receivables have primarily been valued individually and recognized in the amounts that are expected to be received. In the judgement of the Company, the necessary provisions have been allocated.

Age distribution of assets, Accounts receivable

	Group		Parent Company[1]	
SEK in thousands	2012	2011	2012	2011
<30 days	120,952	126,284	–	–
30–90 days	38,807	65,659	14	941
91–180 days	22,756	18,725	130	10
>180 days	15,697	9,187	149	193
Total	**198,212**	**219,855**	**293**	**1,144**

[1] The Parent Company's total accounts receivable refer to external receivable.

Provisions for Accounts receivables

	Group		Parent Company	
SEK thousand	2012	2011	2012	2011
Provision at beginning of year	–13,951	–16,277	–	–
Provision for anticipated losses	–8,325	–5,441	–	–
Established losses	1,601	5,648	–	–
Reversal of reserves	2,446	2,055	–	–
Exchange rate differences	712	64	–	–
Provision at year-end	**–17,517**	**–13,951**	**–**	**–**

Fair value disclosures

Fair value measurements recognized in the balance sheet should be disclosed for each class of financial instruments:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets for liabilities
- Level 2 – inputs other than quoted prices that are observable for the asset or liability in level 1, either directly (for example as prices), or indirectly (for example, derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data

In the schedule Financial instruments the financial assets and liabilities are classified within the levels of the fair value disclosures to which they relate.

Fair value is deemed not to differ materially from the book value. Accounts receivables and accounts payables are short-term and therefore no material differences are expected to occur. The book value for the syndicated loans is not deemed to differ materially from the fair value on the closing date since current terms and conditions correspond with those that would apply during renegotiation as at year-end. All financial instruments at fair value are valued as level 2 unless stated otherwise.

Financial instruments	Group		Parent Company	
SEK in thousands	2012	2011	2012	2011
Financial instruments – assets				
Loan receivables and accounts receivables (recognized at amortized cost)				
Financial fixed assets – receivables from Group companies	–	–	564,236	605,357
Other financial long term assets	814	763	–	–
Other financial short term assets[1]	11,352	9,254	1,573	9,012
Current assets – receivables from Group companies	–	–	56,844	19,745
Accounts receivables	198,212	219,855	293	1,144
Available-for-sale financial assets (recognized at fair value via other comprehensive income)				
Other financial long term assets (Pitch Engine)	2,227	2,227	2,227	2,227
Other short-term financial assets (recognized at fair value via other comprehensive income)				
Interest rate swaps, USD/SEK 22 million (Level 2)	–	242	–	–
Other short-term financial assets (recognized at fair value via the income statement)				
Forward exchange contract (Level 2)	6	–	–	–
Total financial instruments – assets	**212,611**	**232,341**	**625,173**	**637,485**
Financial instruments – liabilities				
Financial liabilities (recognized at amortized cost)				
Other short-term liabilities	404,933	–	267,264	–
Other long-term liabilities	1,614	463,580	211	267,475
Of which syndicated loans	–	459,046	–	267,264
Of which other financial liabilities	1,614	4,534	211	211
Bank overdraft facilities	–	383	–	383
Accounts payable	24,979	40,401	4,740	5,492
Liabilities to Group companies	–	–	22,229	27,851
Other short-term financial liabilities (recognized at fair value via other comprehensive income)				
Interest rate swaps, USD/SEK 22 million (Level 2)	227	–	–	–
Other current financial liabilities (recognized at fair value via the income statement)				
Forward exchange contract (Level 2)	2	13	–	–
Total financial liabilities	**431,755**	**504,377**	**294,443**	**301,201**

1 In the consolidated balance sheet VAT receivables amounting to SEK 1.6 million (1.9) are included. In the Parent Company balance sheet VAT receivables amounting to SEK 0.0 million (0.2) are included.

Financial derivatives

Cision uses derivatives such as forward exchange contracts and interest rate swaps to hedge commercial currency flows, change the structure of the loan portfolio, or otherwise minimize underlying exposure. These instruments are not used for speculative purposes. In 2012 financial derivatives generated a result of SEK 2.5 (2.6) million, which has been recognized in operating profit and SEK 0 (–0.9) million has been recognized in the financial net. The result is a consequence of hedges of bank balances in foreign currency, loans in foreign currency, and client and supplier invoices.

As of the balance sheet date, December 31, 2012, the financial derivatives existed as shown in the above table.

Capital structure and financial targets

The Company's asset management objective is to maintain a capital structure that provides the Company with sufficient financial strength to conduct its operations in accordance with the adopted strategy and thereby create a return for shareholders. The capital structure should reflect the risk level adopted by the Board. The capital structure is modified based on changes in economic conditions and risks in operations. The Company can impact its capital structure by paying dividends to shareholders, repurchasing shares, issuing new shares, and raising or amortizing loans.

The objective of the Cision's debt policy is for net interest bearing debt not to exceed 2.5 times in relation to 12-month rolling EBITDA, a level deemed appropriate to allow financing on acceptable terms and with acceptable financial risk.

Cision's Board of Directors' view is that the Company over the longer term shall have a policy to distribute up to 50 % of earnings after tax as dividend.

Note 3 – Transactions with related parties

Commercial terms are applied to sales between Group companies. Intra-Group revenue amounted to 1.1 % (1.8) of the Group's total revenue. All intra-Group sales are eliminated in the consolidated accounts.

For information on compensation paid to senior executives and Board Directors, see note 8.

No business transactions have taken place between Cision and its Board Directors and senior executives.

Note 4 – Segment reporting

Group

The Group CEO and Group management have determined the operating segments based on the geographical breakdown the Group has for control and for monitoring purposes. Cision's two operating segments are Cision North America and Cision Europe.

Up to 2011, the Group management monitored revenues that the operating segments, North America and Europe, received from the services that Cision offered: Plan, Connect, Monitor and Analyze. Increasingly these services have been bundled in to subscription packages making the revenue allocation between service lines less meaningful. Beginning in 2012, Cision follows up on Subscription revenue, Professional Services revenue and Transactional revenue. This change has no effect on the Company's financial position or reporting of the operating segments.

The Group management evaluates the performance of the operating segments based on a measure called Operating profit. This measure excludes goodwill impairment, non-recurring items and capital gains/losses from the divestment of subsidiaries. Interest income and interest expenses are not broken down by segment, since they are affected by measures taken by the central finance function that is in charge of the Group's liquid assets. Moreover, the measurement excludes the effects of tax income and tax cost.

Operating revenue by country

SEK in thousands	2012	2011
USA	645,109	587,231
Canada	116,569	122,997
Total, North America	**761,678**	**710,228**
Germany	10,469	7,550
UK	53,691	59,627
Portugal	67,895	67,833
Sweden	79,759	79,995
Norway	3,505	3,836
Finland	6,892	41,311
Europe other	–	305
Total, Europe	**222,211**	**260,457**
Total, Regions	**983,889**	**970,685**
Other	3,130	5,253
Eliminations	–11,078	–17,593
Total, Group	**975,941**	**958,346**

Working capital by region

SEK million	2012	2011
North America	40.0	5.0
Europe	3.5	–3.9
Total, Regions	**43.5**	**–1.1**
Other	–11.3	–13.6
Total, Group	**32.1**	**–12.6**

Working capital is defined as current operating assets less current operating liabilities. Financial items and tax are not included.

Income statement by region

	North America		Europe		Other		Eliminations		Group	
SEK in thousands	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
External revenue	757,513	707,352	209,371	242,949	5,397	4,482	–	–	972,280	954,783
Internal revenue, outside segment	201	321	7,536	12,323	–	–	–7,737	–12,644	–	–
Intra-segment revenue	841	2,556	2,499	2,393	–	–	–3,341	–4,949	–	–
Other revenue	3,123	–	2,804	2,792	–2,267	771	–	–	3,661	3,563
Operating revenue	**761,678**	**710,228**	**222,211**	**260,457**	**3,130**	**5,253**	**–11,078**	**–17,593**	**975,941**	**958,346**
Production costs[1]	–276,974	–273,749	–58,621	–88,589	–	–	6,476	–	–329 119	–362,338
Gross profit[2]	**484,703**	**436,479**	**163,590**	**171,868**	**3,130**	**5,253**	**–4,602**	**–17,593**	**646,822**	**596,008**
Selling and administrative expenses[3]	–320,632	–280,557	–122,079	–126,033	–27,538	–34,161	4,602	17,593	–465,646	–423,156
Depreciation/write-down	–41,591	–37,781	–8,385	–8,613	–5,044	–5,718	–	–	–55,021	–52,112
Operating profit[4]	**122,480**	**118,144**	**33,126**	**37,222**	**–29,452**	**–34,625**	**–**	**–**	**126,155**	**120,740**
Non-recurring items	–43,345	–8,969	–	–1,964	–1,250	–463	–	–	–44,595	–11,396
Operating profit	**79,135**	**109,174**	**33,126**	**35,258**	**–30,702**	**–35,088**	**–**	**–**	**81,560**	**109,344**
Financial income	–	–	–	–	–	–	–	–	1,378	2,665
Financial expenses	–	–	–	–	–	–	–	–	–25,180	–35,280
Capital gain/loss divestment of subsidiaries	–	–	–	–	–	–	–	–	–	5,867
Profit before tax	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**57,758**	**82,596**

1 Depreciation/write-down, of SEK –7.7 million (–8.3), reported in the consolidated income statement under Production expenses, are here reported under Depreciation/write-down.
2 Excluding Non-recurring items and Depreciation/write-down.
3 Non-recurring items of SEK –44.6 million (–11.4), reported in the consolidated income statement under Selling and administrative expenses, are here reported under Non-recurring items. Depreciation/write-down of SEK –47.3 million (–43.8), reported in the consolidated income statement under Selling and administrative expenses, are here reported under Depreciation/write-down.
4 Excluding Non-recurring items.

Assets and liabilities by region

SEK in thousands	North America 2012	North America 2011	Europe 2012	Europe 2011	Other 2012	Other 2011	Eliminations 2012	Eliminations 2011	Group 2012	Group 2011
Assets										
Fixed assets, incl deferred tax assets[1]	1,339,865	1,432,565	125,259	133,480	24,697	16,156	–	–	1,489,821	1,582,201
Current assets, operating	182,425	199,785	53,111	49,855	2,135	1,111	–	–	237,671	250,751
Current assets, financial incl tax	30,222	42,122	7,625	7,500	25,530	30,957	–	–	63,377	80,579
Internal receivables	7,994	8,958	35,013	35,209	941,028	972,932	–984,035	–1,017,099	–	–
Total assets	**1,560,506**	**1,683,430**	**221,008**	**226,044**	**993,390**	**1,021,156**	**–984,035**	**–1,017,099**	**1,790,869**	**1,913,531**
Liabilities										
Long term liabilities incl deferred tax liability	167,266	409,644	–414	5	1	235,641	–7	–	167,027	645,290
Current liabilities, operating	144,299	194,813	51,597	53,767	9,687	14,736	–	–	205,583	263,316
Current liabilities, financial incl tax	185,760	7,517	483	1,631	224,404	3,586	–	–	410,647	12,734
Internal payables	691,394	720,810	59,293	47,453	233,340	248,836	–984,028	–1,017,099	–	–
Total liabilities	**1,188,719**	**1,332,785**	**110,959**	**102,856**	**467,613**	**502,799**	**–984,035**	**–1,017,099**	**783,257**	**921,340**

[1] Tangible and other intangible fixed assets in USA amount to SEK 73.8 million (92.3), in Canada amount to SEK 9.7 million (13.8), in Sweden amount to SEK 22.8 million (26.2) and consists mainly of equipment and internally generated intangible assets.

The consolidated balance sheet is classified according to IFRS' requirements and classifies total fixed assets, current assets, short-term liabilities and long-term liabilities. The external reporting makes no distinction between operating items and financial items. Internally, the Group management mainly monitors the current operating assets/liabilities, why assets and liabilities per region are classified based on the follow-up perspective, internally.

Operating cash flow by region

SEK in thousands	North America 2012	North America 2011	Europe 2012	Europe 2011	Other 2012	Other 2011	Group 2012	Group 2011
Operating profit[1]	122,480	118,144	33,126	37,222	–29,452	–34,626	126,155	120,740
Depreciation	41,591	37,781	8,385	8,613	5,044	5,718	55,021	52,112
Investments in intangible assets	–12,714	–23,578	–465	–2,571	–5,769	–5,735	–18,948	–31,884
Investments in tangible assets	–11,463	–14,649	–3,049	–2,796	–	–	–14,512	–17,445
Capital gain/loss divestment of net assets	–799	–	–	–	–	–	–799	–
Divestments of intangible fixed assets	–	–	–	9,414	–	–	–	9,414
Other non-cash items	685	167	685	167	1,371	115	2,741	449
Change in working capital[2]	–38,701	–39,483	–5,661	–9,852	–5,702	–3,144	–50,064	–52,479
Operating cash flow[3]	**101,080**	**78,380**	**33,021**	**40,197**	**–34,507**	**–37,672**	**99,595**	**80,906**

[1] Excluding non-recurring items.
[2] Excluding exchange rate effects.
[3] Cash flow from operating activities excl. non-recurring items, interest received and paid as well as income tax paid less investment in intangible and tangible fixed assets plus divestments of intangible and tangible fixed assets. [Calculation 2012: 63,100 + 50,208 + 23,715 – 3,968 – 18,948 – 14,512 = SEK 99,595 thousand]

Revenue by business line

SEK in thousands	Revenue 2012	Revenue 2011
Subscription services	635,380	592,435
Transactional services	177,479	199,525
Professional services	163,082	166,386
Total	975,941	958,346

None of Cision's clients represents more than 3 % of the total revenue for the Group.

Parent Company

Parent Company's sales consist primarily of sales related to support functions distributed on Cision North America SEK 15,155 million (16,428) and Cision Europe SEK 4,928 million (7,401) and Royalties on technical platforms and brands distributed on Cision North America SEK 18,463 million (12,158) and Cision Europe SEK 10,212 million (12,530). Rebilling of rent is also included in the sales of SEK 3,086 million (3,585) in the Parent Company.

Note 5 – Expenses by nature

Operating expenses are presented in the consolidated income statement report with classification based on the functions Production expenses and Selling and administrative expenses. The total of expenses classified by function is as follows:

Expenses by Nature

SEK in thousands	Group 2012	Group 2011
Production expenses	–131,968	–123,997
Other expenses	–141,607	–145,021
Staff costs	–521,190	–516,476
Depreciation/write-downs	–55,021	–52,112
Non-recurring items	–44,595	–11,396
Total	**–894,381**	**–849,002**

Note 6 – Audit fees

Auditing fees

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Ernst & Young				
Auditing assignments	–2,867	–3,474	–850	–830
Auditing outside assignments	–60	–92	–60	–80
Tax consultancy	–902	–514	–629	–373
Other assignments	–732	–321	–278	–321
Total	**–4,561**	**–4,402**	**–1,817**	**–1,604**

Auditing assignments refer to fees of; the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the managing director, as well as other tasks incumbent on the Company's auditors.

Note 7 – Leasing

Operating leases

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Lease expenses	–28,497	–30,448	–3,892	–3,892

Future lease payments

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Within one year	–27,143	–29,734	–3,495	–3,928
Between one and five years	–44,553	–54,456	–8,738	–8,738
Later than five years	–12,340	–210	–	–
Total	**–84,035**	**–84,400**	**–12,233**	**–12,666**

Leases mainly refer to office buildings within the Group. Part of the leasing cost for office buildings is invoiced to Group companies.

Note 8 – Personnel

Principles of compensation

The 2012 Annual General Meeting approved the following principles of compensation to senior executives. The principles for compensation and other employment terms for senior executives have been designed to ensure that the Cision Group can offer terms of employment that are competitive and on market terms in order to attract and retain qualified employees.

The principles cover the CEO, senior executives who report to the CEO as well as selected other senior executives in the Company group. Compensation to senior executives consists of the following components: base salary, variable compensation in the form of a performance based bonus, pension, other benefits, and long-term incentive program.

Base salary

The base salary is based on what the local market pays for similar roles and qualifications. The base salary is reviewed every year.

Variable compensation (STI)

Variable compensation is paid in the form of an annual performance-based bonus. The target bonus for senior executives and other senior executives of the Company varies depending on position. From January 1, 2012 the target bonus for the CEO is 50 % of the fixed annual salary and the maximum bonus is 100 % of the fixed annual salary when performance exceeds targets. For senior executives in Group management the target bonus is 50 % of the annual base salary and a maximum bonus of 100 % of the annual base salary and for other senior executives, the target bonus is 20-35 % of the annual base salary and the maximum bonus is 40-70 % of the annual base salary. Allocation of cash bonus for the CEO and senior executives is based on the Company's achieved operating result (EBIT) and organic growth in revenue for the financial year 2012 on Group level in relation to the budget for this item. For other senior executives the bonus is based on the Company's achieved operating result (EBIT) and organic growth in revenue for the financial year 2012 in relation to budget, calculated on group, division or country level, depending on position.

Pension

The basic principle for pension benefits is terms being competitive praxis on the market in the country where the senior executive has his/her permanent residence. The retirement age for senior executives varies depending on local practices. The Company makes annual contributions equal to 20 % of the CEO's pensionable annual salary to pension and insurance solutions. All other senior executives follow local practices with respect to pension agreement or equivalent. Other pension contributions are made in accordance with local practices and with the approval of local HR and the CEO.

Other benefits

The CEO and other senior executives have the opportunity to receive benefits that are typical in their position, such as occupational health care, health insurance, and a company car. Benefits vary by country based on local practices.

Severance payment

The CEO has a permanent employment agreement. The CEO and the Company has a mutual notice period of six months if either party chooses to terminate the agreement. Should the Company terminate the CEO's employment the CEO is entitled to receive a severance payment corresponding to twelve months' salary. For other senior executives, the notice period varies between three and six months. From the Company's side the term of notice varies between three and twelve months. A number of senior executives are entitled to six to twelve months of severance pay if employment is terminated by the Company. Further, where the Board of Directors deems it necessary in order to secure the Company's need for continuity in the senior executive team if significant changes to the structure or ownership of the Company, an additional arrangement for senior executives may be implemented in relation to notice periods, severance payments and financial incentives to remain in the Company's service.

Preparation and decision-making process

With regard to the CEO, after discussions between the Chairman and the CEO, the Compensation Committee proposes a salary, criteria for variable compensation and other employment terms, which are then approved by the Board. For other senior executives, the CEO proposes these terms, which are then approved by the Compensation Committee and reported to the Board.

The Board has the right to deviate from these principles in the individual case if such a decision is justified.

The Compensation Committee met on four occasions in 2012. For information on the Committee's composition and rules of procedure, please see the section on Corporate Governance.

Salaries and other benefits

The information of senior executives, with the exception of the CEO, refers to four individuals who held senior positions during the year. They include Cision's global Senior management team consisting of the Group Chief Financial Officer, the CEO for North America who retired in March 2012 and was succeeded by the COO in North America. The CEO in Europe left his position in August 2012.

Cision's CEO, who fulfilled his mission during the fiscal year of 2012, resigned in February, 2013.

Share-based compensation (LTI)

The Group has of the balance sheet date one share-based incentive program which was approved by the 2011 Annual General Meeting. The incentive program, with employee stock-options, approved by the Annual General Meeting 2009 closed on April 30, 2012. For 2012, no long-term incentive program was put in place.

2009 employee stock-option program

The Annual General Meeting passed a resolution on April 2, 2009, to initiate a three-year equity-regulated incentive program consisting of 2,250,000 employee stock options could entitle to a corresponding number of shares. The employee stock option plan ran from April 3, 2009–April 30, 2012. Certain senior executives initially could subscribe up to 315,000 shares at a strike price of SEK 44.00 per share. Vesting of allotted employee stock options were to 80 % subject to performance conditions related to the share price of the Company and requirements for continued employment. 20 % were subject solely to requirements for continued employment. The employee stock options subject to the market conditions were vested in three tranches if the Company's share price exceeded the strike price by 100 %, 200 % and 300 %.

A maximum of one third of the employee stock options subject to the market conditions could be vested per year. The strike price was set to SEK 6.11, which corresponded to 130 % of a volume-weighted average price of the Company's share during a measurement period of one month in conjunction with the Annual General Meeting 2009. Fair value of the granted stock options was calculated using a Monte Carlo simulation.

Based on customary adjustment provisions to compensate participants for the financial dilution resulting from the 2010 rights issue and the 2011 reverse share split, the subscription price was adjusted to SEK 44.00 per share and the maximum number of shares that could be subscribed in accordance with the program was adjusted to 1,730,000 as of December 31, 2011. One option gave the right to 0.14 shares. After completion of the 2010 rights issue and 2011 reverse share split and assuming that all granted and outstanding employee stock options were exercised, dilution would have been about 1.6 % of Cision's share capital and votes.

Only 700 shares have been subscribed to during the program, all during 2010, which means the dilution amounted to 0.005 % of share capital. In 2011, of the 1,765,000 outstanding options, 270,000 options were exercisable. No options were outstanding or exercisable per December 2012.

	2009 program, initial values Employee stock options 2009/2012			
	Number	Value	Acquisition price, SEK	Benefits
Chief Executive Officer, Hans Gieskes[1]	900,000	514,200	–	514,200
Other senior executives, Group management, 3 individuals[2]	900,000	514,200	–	514,200
Other senior executives in Group companies, 6 individuals[2]	450,000	257,100	–	257,100
Total	**2,250,000**	**1,285,500**	**–**	**1,285,500**

[1] The CEO Hans Gieskes resigned in February, 2013.
[2] Two of the senior executives in Group and five of the other senior executives have left Cision during the program.

Number and average strike prices for employee stock options (2009 LTI program)

	2012		2011	
	Average strike price in SEK per share[1]	Options (thousand)	Average strike price in SEK per share[1]	Options (thousand)
January 1	44.00	1,765	44.00	2,025
Allotted	–	–	–	–
Forfeited	–	–	–	–
Exercised	–	–	–	–
Lapsed	44.00	–1,765	44.00	–260
December 31	**44.00**	**–**	**44.00**	**1,765**

[1] Recalculated to comply with the terms of the stock option plan due to the rights issue in 2010 (previously the strike price was SEK 6.11 per share) and recalculated due to the reversed share split (1:10) in 2011.

2011 long term share-based incentive program

The Annual General Meeting on March 31, 2011 decided to adopt a long-term share-based incentive program. LTI 2011 is effective during a period of three years for a group of no more than 19 senior executives in the Group, appointed by the Board of Directors. Half of the performance-based bonus (STI), though no more than the equivalent of half of the target bonus paid, represents the LTI amount that serves as the basis for allocation of Performance Shares.

In order to fulfill its commitments under the 2011 incentive program the Company uses repurchased shares. The shares are allocated to participants in the 2011 incentive program if performance targets are met for STI in 2011 and 2012 and if the employees remain in service at the time of award. The total number of performance shares amounted to 62,242 at the beginning of the program, but were reduced to 43,954 per December 31, 2012, due to the resignation of 10 senior executives since the beginning of the program.

Allocation is based on the Company's operating profit (EBIT) achieved within certain specified intervals. Bonus under LTI 2011 was determined in early 2012 and will be distributed after the 2014 Annual General Meeting, though no earlier than on the date which is three years from the date of the Participant's entering into an agreement governing LTI 2011. This is conditioned by the Participant still being employed by a company within the Group save for where said position has been vacated by the Participant pursuant to termination by the Participant's employer for reasons other than circumstances relating to the Participant personally or retirement at a customary age. In these cases the Participant shall retain the right to receive any Performance Shares determined unless the Board of Directors on a case by case basis resolves otherwise; or where said position has been vacated by the Participant due to death or long-term illness, where the Participant shall retain the right to receive Performance Shares. The calculation of Performance Shares awarded to each Participant (the "Bonus Number") will be based on the average volume-weighted share price on NASDAQ OMX Stockholm during the two week period immediately that followed the day of the completion of the reverse share split. The fair value of each share is determined using the volume-weighted average trading price of the Company's shares on NASDAQ OMX during the period (May 6, 2011 – May 18, 2011) amounting to SEK 54.86. The valuation date at which time the value of the Performance share is calculated occurs at the date of allotment which is the last day in the determination of the volume-weighted average trading price which was May 18, 2011. Maximum dilution attributable to the 2011 year incentive program is 1 % of the number of shares in Cision. In order to ensure distribution of Performance shares for the 2011 program and to cover related costs, the Board of Cision AB resolved to start buy shares in the Company as of July 22, 2011, in accordance with the decision of the 2011 Annual General Meeting.

Participants in LTI 2011 are only entitled to payment in whole numbers of shares. Prior to the distribution of Performance Shares the Participants will have no rights, e.g. voting rights or rights to dividends, otherwise attached to the Performance Shares. Participants make no payment for the award of Performance Shares.

Financial instruments senior executives	2011 program, initial values Performance shares 2011/2014			
	Number	Value	Acquisition price, SEK	Benefits
Chief Executive Officer, Hans Gieskes[1]	17,272	964,797	–	964,797
Other senior executives, Group management, 5 individuals[2]	30,328	1,694,166	–	1,694,166
Other senior executives in Group companies, 12 individuals[2]	14,642	817,887	–	817,887
Total	**62,242**	**3,476,850**	**–**	**3,476,850**

[1] The CEO Hans Gieskes resigned in February, 2013.
[2] Three of the senior executives in Group management and seven of the other senior executives have left Cision during the program.

Cost related to Long-term incentive program

The long-term incentive programs LTI 2011 and 2009 entailed an expense in the income statement for 2012 of SEK 222 thousand (1,836) and a reversed cost of SEK 360, relating to lapsed programs. The total provision for social security costs in the balance sheet is SEK 65 thousand (114).

Further to any costs related to STI 2011, LTI 2011 may incur further costs to the Company, partly as accountable salary costs, as social security contributions and partly as other necessary expenses related to the delivery of performance shares to the Participants.

Outstanding bonus shares and performance shares

Outstanding bonus shares and performance shares (in thousands) at year-end have the following expiry date and strike prices:

		Shares	
Expiry date	Strike price, SEK per share	2012	2011
LTI 2009; April 30, 2012	44.00	–	247
LTI 2011; March 31, 2014	–	44	62

Remuneration and other benefits

SEK in thousands	2012 Base salary Board fees	Variable compensa-tion	Other benefits	Social security costs	Pension costs	Share-based compensa-tion	Severance payments	2011 Base salary Board fees	Variable compensa-tion	Other benefits	Social security	Pension costs	Share-based compensa-tion
Group													
Chairman of the board Anders Böös[1]	813	–	–	255	–	–	–	700	–	–	220	–	–
Board director, Pia Gideon	–	–	–	–	–	–	–	50	–	–	16	–	–
Board director, Hans-Erik Andersson[1]	438	–	–	137	–	–	–	400	–	–	126	–	–
Board director, Peter Leifland	–	–	–	–	–	–	–	75	–	–	24	–	–
Board director, Gunilla von Platen[1]	288	–	–	90	–	–	–	238	–	–	75	–	–
Board director, Thomas Heilmann	–	–	–	–	–	–	–	200	–	–	63	–	–
Board director, Alf Blomqvist[1]	338	–	–	106	–	–	–	288	–	–	90	–	–
Board director Scott Raskin	188	–	–	2	–	–	–	–	–	–	–	–	–
Board director Rikard Steiber	188	–	–	59	–	–	–	–	–	–	–	–	–
Chief Executive Officer, Hans Gieskes	4,404	–	978	31	66	364	–	3,248	1,930	672	95	64	340
Other senior executives[2]	5,263	–	974	610	917	–6	3,354	8,033	2,919	1,310	1,417	796	482
Total	**11,917**	**–**	**1,952**	**1,292**	**984**	**358**	**3,354**	**13,231**	**4,849**	**1,982**	**2,125**	**860**	**822**

[1] Besides board fees remunerations for work performed in the audit committee and compensation committee are included.
[2] Above is reported, except for the Board, the Group management comprising the Chief Executive Officer, the Chief Financial Officer/Executive Vice President, the CEO for North America, the COO of Cision North America and CEO of Cision Europe. The Chief Executive Officer resigned in February, 2013. The CEO for North America retired in 2012 and was succeeded by the COO of Cision North America. The CEO of Cision Europe resigned during the year.

Compensation for senior executives, SEK in thousands	2012 Remunera-tion and other benefits	(of which bonus)	2011 Remunera-tion and other benefits	(of which bonus)
Parent Company	–144	–	1,813	–
UK	2,062	–	938	283
Sweden	841	–	2,460	642
USA	12,556	–	13,723	3,924
Total	**15,316**	**–**	**18,934**	**4,849**

The expense for Alecta's ITP plan for the Swedish subsidiaries and the Parent Company amounted to SEK 2,261 thousand (2,041) during the year. As of the balance sheet date, Alecta had a solvency margin of 129 % to be compared with a solvency margin of 113 % on the 2011 balance sheet date.

SEK in thousands	2012 Remuneration and other benefits	Social security[1]	(of which pensions)	2011 Remuneration and other benefits	Social security	(of which pensions)
Senior executives						
Parent Company	–144	–	–	1,813	865	264
Subsidiaries[2]	15,460	1,625	984	17,121	1,507	596
Other employees						
Parent Company	8,649	3,718	885	10,112	4,714	1,429
Subsidiaries	432,281	46,277	16,505	419,110	45,237	14,905
Total	**456,246**	**51,620**	**18,374**	**448,156**	**52,323**	**17,194**

[1] The social security column also includes the Company's total pension costs.
[2] The CEO is reported on the row of the subsidiaries.

Board members, CEO and Group Management by gender at year end, SEK in thousands	2012 Females	2012 Males	2011 Females	2011 Males
Parent Company				
Board members	14 %	86 %	20%	80%
Group management	–	100 %	–	100 %
Subsidiaries				
Group management and CEO	–	100 %	–	100%

Average number of employees

	2012 Number of employees	2012 Of whom men	2011 Number of employees	2011 Of whom men
Parent Company	11	4	13	5
Sweden	59	38	58	34
Norway	–	–	3	2
Finland	6	2	58	17
Germany	8	4	5	3
UK	92	49	88	43
Portugal	170	71	146	66
Canada	198	114	224	127
USA	624	291	652	285
Total	**1,169**	**574**	**1,247**	**582**

In 2011 Cision divested the Finnish Monitor and Analyze operation. In 2012 Cision divested the US Print monitoring operations.

Note 9 – Non-recurring items

Non-recurring items incl. in operating profit, SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Personnel-related expenses	–	–9,488	–	–72
Other expenses	–44,595	–1,908	–1,261	–
Total	–44,595	–11,396	–1,261	–72

Non-recurring items for 2012 pertain to the legal settlement regarding an alleged rights infringement in the US. The non-recurring items include a confidential settlement amount and relate to costs of legal and professional fees.

Non-recurring items in 2011, for Group, is primarily related to costs associated to the reorganization in Canada and the divestment of Cision Finland Oy and for the Parent Company it is related to costs for the divestment of Cision Finland Oy.

Provision for non-recurring items, SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Opening balance	–8,620	–17,763	–358	–9,392
Allocated	–44,595	–12,526	–1,261	–7,410
Utilized	50,208	10,265	926	4,814
Reversed	–	11,838	–	11,816
Translation differences	475	–434	–	–186
Closing balance	–2,532	–8,620	–693	–358

Provision for non-recurring items for each class, SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Personnel-related provisions	–1,493	–7,502	–	–358
Other provisions	–1,039	–1,118	–693	–
Total	–2,532	–8,620	–693	–358

In 2012 all provisions are short-term and settled within 12 months of the balance sheet date. In 2011 the provisions for the Group were divided into a short-term and a long-term portion, where the short-term part amounted to SEK 6,472 thousand.

Note 10 – Result from shares in Group companies

Parent Company SEK in thousands	2012	2011
Dividends from Group companies	25,575	16,321
Result from disposal of shares in subsidiaries	–	32,585
Result from write-down of shares in subsidiaries	–41,719	–6,563
Total	–16,144	42,343

The result from write-down of shares in subsidiaries relates to the write-down of shares in Cision Germany GmbH, Cision Canada Inc, Cision Finland Oy and Cision Svenska Holding AB.

Note 11 – Financial income

Group SEK in thousands	2012	2011
Interest income	397	1,927
Exchange rate differences	976	–191
Other financial income	5	929
Total	1,378	2,665

Parent Company SEK in thousands	2012	2011
Interest income	69,138	67,559
Exchange rate differences	976	5,354
Total	70,114	72,913

The item interest income includes interest income from Group companies of SEK 68,939 thousand (66,711). Exchange rate differences that relate to bank balances, accounts payables and accounts receivables that affected operating profit, and therefore not the financial net, amount to SEK 211 thousand (7,077).

Note 12 – Financial expenses

Group SEK in thousands	2012	2011
Expenses of derivatives	–349	–571
Interest expenses	–18,598	–20,514
Exchange rate differences	–1,912	2,551
Other financial expenses	–4,321	–16,746
Total	–25,180	–35,280

In 2011, other financial expenses mainly refered to write-down of financial receivables.

Parent Company SEK in thousands	2012	2011
Expenses of derivatives	–349	–571
Interest expenses	–8,753	–9,827
Exchange rate differences	–1,912	–2,930
Other financial expenses	–4,321	–16,733
Total	–15,335	–30,061

The item interest expenses includes interest expenses for external syndicated loan facilities and interest expenses to Group companies of SEK –99 thousand (–75).

Exchange rate losses that relate to bank balances, accounts payable, accounts receivable and derivatives that affected operating profit, and therefore not the financial net, amount to SEK –2,795 thousand (–5,027).

Note 13 – Tax

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Components in tax expenses for the year				
Current tax	–4,014	2,866	104	–291
Deferred tax on temporary differences	9,108	–7,815	5,000	12,000
Reported tax expense	**5,094**	**–4,949**	**5,104**	**11,709**
Connection between tax expense for the year and reported pre-tax profit				
Reported profit before tax	57,758	82,596	37,341	78,885
Tax according to current tax rate, 26.3 %	**–15,190**	**–21,723**	**–9,821**	**–20,747**
Tax effects of:				
Non-deductible expenses	–955	–3,771	–11,015	–4,746
Non-taxable income	766	4,110	6,726	12,862
Tax effect of items not included in reported profit	9 406	–245	9,120	–
Prior period taxes	2 033	2,143	–	–
Movement in unprovided deferred tax	16,831	19,377	15,406	24,340
Change in tax rate	–8,289	–1,360	-5,312	–
Effect of other tax rates in foreign subsidiaries	492	- 3,480	–	–
Reported tax expenses	**5,094**	**–4,949**	**5,104**	**11,709**
Temporary differences				
Deferred tax assets/liabilities				
Intangible fixed assets	–209,255	–194,451	–	–
Tangible fixed assets	9,037	2,326	–	–
Tax credits	6,633	5,151	–	–
Other temporary differences	3,835	3,440	–	–
Capitalized tax loss carry forwards	62,066	41,218	37,491	32,491
Total	**–127,684**	**–142,315**	**37 491**	**32,491**
Tax assets				
Tax assets	4,776	14,215	272	2,260
Deferred tax assets	37,729	33,245	37,491	32,491
Total	**42,505**	**47,460**	**37,763**	**34,751**
Tax liabilities				
Tax liabilities	–491	–2,669	–	–
Deferred tax liabilities	–165,413	–175,560	–	–
Total	**–165,904**	**–178,229**	**–**	**–**

Tax-deductible goodwill impairment in the U.S. reduces tax payments by approximately USD 3 million per year until 2015. In accordance with IFRS, a provision and charge for deferred taxes is reported related to goodwill impairment in the Group. The provision was SEK 173 million (184) and refers to 2012 deferred tax attributable to tax-deductible goodwill impairment in the US.

The total tax liability and the total tax assets includes SEK 491 thousand (2,669) and SEK 4,776 thousand (14,215) respectively, that mature within 12 months of the balance sheet date.

As of the balance sheet date 2012, the Group's accumulated tax loss carry forwards amount to SEK 427 million (414). Of the total tax loss, a value of SEK 61 million (33) was capitalized in the consolidated balance sheet. Based on the companies' plans and forecasts, tax loss carry forwards have been capitalized in an amount corresponding to what is estimated could be utilized. There is no time limit on the use of those tax loss carry forwards that are not taken into account in the calculation of deferred tax.

As of the balance sheet date 2012, loss carry forwards of SEK 223 million (220) were recognized in Sweden and mainly relate to Cision AB. With a tax rate of 22 %, the accumulated tax loss carry forwards amount to SEK 49 million. The revaluation of the deferred tax asset in the Parent Company resulted in a capitalization of another SEK 5 million, based on the Company's future prospects. SEK 38 million of the above mentioned tax loss carry forwards of SEK 55 million is recognized in the consolidated balance sheet and in the Parent Company as deferred tax assets. As of the balance sheet date 2012, Cision US Inc had tax loss carry forwards valued at USD 10 million. With a tax rate of about 34 %, accumulated tax loss carry forwards amount to nearly USD 4 million and these have off-set the deferred tax liability with SEK 23 million.

As of the balance sheet date 2011, Cision UK Holdings Ltd had tax loss carry forwards valued at nearly GBP 12 million. With a tax rate of about 23 %, the accumulated tax loss carry forwards amount to nearly GBP 3 million. Cision Germany GmbH and Cision Norway AS also reports tax loss carry-forwards. Due to limitations on how tax loss carry forwards can be used, the Management and the Board have done a valuation and decided not to recognize them in the consolidated balance sheet.

The Group is not planning on any taxable dividends from subsidiaries within the foreseeable future.

Please see Note 1, Critical estimates and assumptions, in the section on the valuation of tax loss carry forwards, for the Group's opinion.

Note 14 – Goodwill

Group SEK in thousands	2012	2011
Acquisition values, opening balance	2,941,149	2,937,991
Sales/disposals	–	–30,015
Translation differences	–96,806	33,173
Accumulated acquisition values, closing balance	**2,844,343**	**2,941,149**
Depreciation values and write-downs, opening balance	–1,536,573	–1,519,246
Translation differences	26,955	–17,327
Accumulated depreciation and write-downs, closing balance	**–1,509,618**	**–1,536,573**
BOOK VALUE, CLOSING BALANCE	**1,334,724**	**1,404,576**

Impairment tests for cash-generating units containing goodwill

Cision follows up on its operations by country. In most cases, there is only one operating subsidiary per country. In cases where there is more than one operating subsidiary in a country, the range of services is still so integrated that follow-ups are carried out for the country as a whole. For impairment testing of goodwill, Cision has one cash-generating unit per country in Europe. For impairment testing of goodwill for Cision's activities in the US and Canada, North America is treated as one cash-generating unit. As operations in the US and Canada have become increasingly more integrated, e.g. due to the launch of the common software solution CisionPoint, Cision's assessment is that cash flow for these two countries cannot be separated in a relevant way.

Goodwill attributable to North America represents more than 90 % of consolidated total reported goodwill. In Europe, goodwill mainly refers to Portugal and Sweden.

Group SEK in thousands	2012	2011
North America	1,223,772	1,292,270
Europe	110,953	112,306
Total	**1,334,724**	**1,404,576**

Goodwill is booked in local currency and gives rise to currency translation effects in the consolidated accounts. The change in goodwill during the fiscal year in the above units is indicated in the following table:

Reported Goodwill SEK in thousands	Additional goodwill	Sales/ Disposals goodwill	Write-downs	Translation effect
North America	–	–	–	–68,499
Europe	–	–	–	–1,352
Total	**–**	**–**	**–**	**–69,851**

To ensure that the value does not deviate negatively from booked value, the value of goodwill is tested annually, but it can be tested more often if there are indications that the value may have decreased. Impairment tests for units containing goodwill are based on a calculation of value in use. This value is based on cash flow forecasts for the next five years as well as a terminal period. Tests are conducted by cash-generating units in the local currency.

The units' cash flows are affected by commercial factors, including market growth, competitiveness, technological development, overall cost trends, investment levels, and tied-up working capital. In the case of discounting, financial factors come into play, such as interest rates, borrowing costs, market risk, beta values, and tax rates.

The assumptions made in the test reflect management's best assessment of the economic conditions that are expected to have an impact during the period of use. The first five years are based on current internal forecasts projected forward. For the terminal periods a growth rate is applied to approximately 2 %, depending on country. The assessed growth rate in the terminal period is mainly based on the Company's understanding of the market's long-term growth rate and has not changed to any material extent compared with the previous year's impairment test.

Sensitivity analyses of commercial assumptions, to test for impairment, have been carried out for the cash-generating units. A fall of 10 % or more in growth rate indicates that the remaining headroom against impairment in North America would be removed, whilst a high level of head-room in the European cash-generating units would remain.

The financial factors have been used to calculate the weighted average cost of capital (WACC) before tax, per cash-generating unit, which has then been used as the discounting factor. The WACC rate for the cash-generating units varies between 9.49 % (11.20) and 21.00 % (23.00) before tax for 2012. For North America, a WACC rate of 11.97 % (12.09) has been used. The overall lower WACC rate is mainly because the assessed requirement for return on equity was revised downwards compared with the impairment test for 2011. A sensitivity analysis to test the effects of the impairment test from an increase of the WACC rate has been carried out. This indicates that a more than 10 % rise in the WACC rate would remove the remaining headroom in risk against impairment in North America, whilst a high level of head-room in the European cash-generating units would remain. A similar sensitivity analysis of operating profit shows a reasonable to solid headroom after applying similar negative sensitivity effects to movements in operating profit.

Since assets affiliated with the head office cannot be divided among cash-generating units on a reasonable and consistent basis, these assets have not been tested separately for impairment. Instead, it has been assessed that the recognized value of these assets falls within the estimated value in use for the entire Group in comparison with all reported assets in the Group.

Note 15 – Other intangible fixed assets

Other intangible fixed assets are divided into acquired and internally capitalized intangible assets. The internally capitalized assets relate to internally generated technical platforms which partly refer to capitalized costs. The acquired assets relate to licenses and software as well as acquired assets in connection with acquisitions of operations, where a portion of the purchase price has been separated from goodwill and allocated primarily to customer lists.

Internally developed intangible assets primarily relate to CisionPoint, which is an internally generated technical platform with integrated software solutions. In CisionPoint Cision's clients can manage all aspects of a campaign, from identifying key media and influencers to connecting with audiences, monitoring traditional and social media and analyzing outcomes.

Group

	2012					2011				
SEK in thousands	Software and licenses	Internally generated technical platforms	Customer list	Other	Total	Software and licenses	Internally generated technical platforms	Customer list	Other	Total
Acquisition values, opening balance	100,761	220,650	8,348	2,353	**332,112**	100,135	208,505	8,144	2,502	**319,286**
Purchases	90	18,858	–	–	**18,948**	5,046	26,807	–	31	**31,884**
Sales/disposals	–689	–41,640	–	–1,301	**–43,630**	–6,296	–10,573	–	–	**–16,869**
Reclassifications	–2,108	–961	–	1,001	**–2,068**	–79	–5,767	–	–	**–5,846**
Translation differences	–5,865	–5,881	–336	–50	**–12,132**	1,955	1,678	204	–180	**3,657**
Accumulated acquisition values, closing balance	**92,189**	**191,026**	**8,012**	**2,003**	**293,230**	**100,761**	**220,650**	**8,348**	**2,353**	**332,112**
Depreciation/write-down, opening balance[1]	–71,843	–159,582	–6,531	–820	**–238,776**	–69,540	–140,981	–4,122	–1,298[1]	**–215,941**
Sales/disposals	558	41,638	–	1,440	**43636**	6,042	10,582	–	–	**16,624**
Reclassifications	1,524	4,495	–	–1,018	**5,001**	68	392	–1,195	1,057	**322**
Translation differences	4,204	4,080	279	65	**8,628**	–1,453	–1,287	–30	–5	**–2,775**
Write-down for the year[2]	–	–792	–	–	**–792**	–1,616	–3,983	–	–	**–5,599**
Depreciation for the year	–609	–32,192	–1,050	–301	**–34,152**	–5,344	–24,305	–1,184	–574	**–31,407**
Accumulated depreciation/write-down, closing balance	**–66,166**	**–142,353**	**–7,302**	**–634**	**–216,455**	**–71,843**	**–159,582**	**–6,531**	**–820**	**–238,776**
BOOK VALUE, CLOSING BALANCE	**26,023**	**48,673**	**710**	**1,369**	**76,775**	**28,918**	**61,068**	**1,817**	**1,533**	**93,336**

1 The opening balance for deprecation/write-downs for other intangible assets 2011 has been adjusted with SEK 128 thousand, a correction relating to prior years.
2 In 2011 SEK 5,599 thousand was included in write-down for the year, relating to a capital gain/loss divestment of subsidiaries.

Parent Company

	2012			2011		
SEK in thousands	Software and licenses	Internally generated technical platforms	Total	Software and licenses	Internally generated technical platforms	Total
Acquisition values, opening balance	805	101,713	**102,518**	805	94,282	**95,087**
Purchases	109	5,661	**5,770**	–	7,431	**7,431**
Sales/disposals	–	–38,153	**–**	–	–	**–**
Reclassifications	–	–	**–38,153**	–	–	**–**
Accumulated acquisition values, closing balance	**914**	**69,221**	**70,135**	**805**	**101,713**	**102,518**
Depreciation/write-down, opening balance	–233	–85,767	**–86,000**	–44	–76,697	**–76,741**
Sales/disposals	–	38,151	**–**	–	–	**–**
Reclassifications	–	–	**38,151**	–	–	**–**
Write-down for the year	–	–	**–**	–	–3,983	**–3,983**
Depreciation for the year	–238	–5,047	**–5,285**	–190	–5,087	**–5,277**
Accumulated depreciation/write-down, closing balance	**–471**	**–52,663**	**–53,134**	**–234**	**–85,767**	**–86,001**
BOOK VALUE, CLOSING BALANCE	**443**	**16,558**	**17,001**	**571**	**15,946**	**16,517**

Note 16 – Tangible fixed assets

Group

SEK in thousands	2012 Buildings and land	2012 Equipment	2012 Total	2011 Buildings and land[1]	2011 Equipment	2011 Total
Acquisition values, opening balance	–	201,565	**201,565**	15,629	206,540	**222,169**
Purchases	–	14,511	**14,511**	–	17,445	**17,445**
Sales/disposals	–	–4,914	**–4,914**	–15,440	–29,856	**–45,296**
Reclassifications	–	–2,921	**–2,921**	–	4,811	**4,811**
Translation differences	–	–10,070	**–10,070**	–189	2,625	**2,436**
Accumulated acquisition values, closing balance	**–**	**198,171**	**198,171**	**–**	**201,565**	**201,565**
Depreciation/write-down, opening balance	–	–153,511	**–153,511**	–2,560	–160,011	**–162,571**
Sales/disposals	–	4,914	**4,914**	2,676	28,128	**30,804**
Reclassifications	–	–9	**–9**	–	873	**873**
Translation differences	–	8,063	**8,063**	19	–1,931	**–1,912**
Depreciation for the year	–	–20,014	**–20,014**	–135	–20,570	**–20,705**
Write-down for the year	–	–61	**–61**	–	–	**–**
Accumulated depreciation/write-down, closing balance	**–**	**–160,620**	**–160,620**	**–**	**–153,511**	**–153,511**
BOOK VALUE, CLOSING BALANCE	**–**	**37,551**	**37,551**	**–**	**48,054**	**48,054**

[1] Buildings and land with an opening balance in 2011 were disposed in the UK during 2011.

Parent Company

SEK in thousands	2012 Equipment	2011 Equipment
Acquisition values, opening balance	13,051	13,051
Accumulated acquisition values, closing balance	**13,051**	**13,051**
Depreciation, opening balance	–12,518	–12,343
Depreciation for the year	–166	–175
Accumulated depreciation, closing balance	**–12,684**	**–12,518**
BOOK VALUE, CLOSING BALANCE	**366**	**532**

Note 17 – Other fixed financial assets

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Minority interest	2,227	2,227	2,227	2,227
Other long-term receivables	814	763	–	–
Total	**3,041**	**2,990**	**2,227**	**2,227**

In 2011 Cision acquired a minority stake in PitchEngine Inc.

See Note 2 for information on financial instruments classified in categories / levels within the fair value hierarchy.

Note 18 – Accounts receivable

SEK in thousands	Group 2012	Group 2011	Parent Company 2012	Parent Company 2011
Accounts receivable	215,729	233,806	293	1,144
Provisions for decrease in value of accounts receivable	–17,517	–13,951	–	–
Net	**198,212**	**219,855**	**293**	**1,144**

All accounts receivable fall due for payment within 12 months of the balance sheet date. See Note 2 for information on age distribution of accounts receivable.

Note 19 – Shares in Group companies

Parent Company		
SEK in thousands	2012	2011
Acquisition values, opening balance	2,325,443	2,248,240
Purchases/acquisitions	41,719	82,815
Sales/disposals	–	–5,610
Accumulated acquisition values, closing balance	2,367,162	2,325,444
Write-downs, opening balance	–1,779,186	–1,772,622
Write-downs for the year	–41,719	–6,563
Accumulated impairments, closing balance	–1,820,905	–1,779,186
BOOK VALUE, CLOSING BALANCE	546,258	546,258

During the year capital contributions were provided to Cision Svenska Holding AB, Cision Canada Inc, Cision Finland Oy and Cision Germany GmbH.

Shares in Group companies were written down during the year with the amount of SEK 41,719 thousand where impairment was identified.

Company	Country	Registered address	Reg. no.	No. of shares	Holding %	Currency	Nominal value in each currency	Book value (SEK '000)
Cision AB	Sweden	Stockholm	556027-9514					
Cision Canada Inc.	Canada	Ontario	399095-8	6	100	CAD	3,000,000	72,032
Cision Germany GmbH	Germany	Frankfurt	HRB87462	–	100	EUR	25,000	267
Cision Norge AS	Norway	Oslo	993 903 264	1,000	100	NOK	100,000	155
Cision Portugal SA	Portugal	Lisbon	501 355 383	81,923	100	EUR	409,615	49,245
Cision Sverige AB	Sweden	Stockholm	556317-1916	1,000	100	SEK	100,000	6,229
Cision Svenska Holding AB	Sweden	Stockholm	556812-1205	1,000	100	SEK	50,000	50
Cision UK Holdings Ltd	UK	London	3 858 850	104,793,467	100	GBP	104,793,467	29,842
Cision Finland Oy	Finland	Helsingfors	2414230-2	–	100	EUR	3	23
Ursula Holding Corp	USA	Delaware	–	100	100	USD	1	388,015
Dormant companies	Sweden	Stockholm	–		100	SEK		401
								546,258
Indirectly owned subsidiaries								
Cision US Inc.	USA	Delaware	–	1,000	100	USD	10,000	
Romeike Monitoring Ltd	UK	London	2 255 420	2	100	GBP	2	
Cision Global Solutions Ltd	UK	London	4 036 848	1	100	GBP	1	
Cision Quebec Inc.	Canada	Montreal	131 325 458	58,535	100	CAD	181,572	
Cision UK Ltd	UK	London	5 297 089	1	100	GBP	1	
Public and Investor Relations PIR Sverige AB	Sweden	Stockholm	556642-2795	1,000	100	SEK	100,000	
Romeike Research Ltd	UK	London	1 499 817	405,100	100	GBP	405,100	

The list contains Cision's operating companies. Dormant companies are not included. A complete statutory specification of participations in affiliated companies can be obtained from Cision AB.

Note 20 – Prepaid expenses and accrued income

	Group		Parent Company	
SEK in thousands	2012	2011	2012	2011
Prepaid rents	2,189	2,053	1,076	1,070
Other prepaid expenses	22,285	25,397	1,030	2,069
Accrued interest income	948	984	948	984
Other accrued income	3,873	6,482	–	–
Total	29,294	34,916	3,054	4,123

Other prepaid expenses mainly refer to third party broadcasting, IT-license fees and maintenance for software and hardware.

Accrued interest income refers to interest on external receivables.

All prepaid expenses and accrued income are settled within 12 months of the balance sheet date.

Note 21 – Shareholders' equity

Share capital

The share capital relates to the Parent Company's share capital.

No. Of shares	2012	2011
Opening balance	14,909,583	149,095,836
Reverse share split	–	–134,186,252
Closing balance	14,909,583	14,909,583

The total number of shares is 14.9 million (14.9) with a quota value of SEK 15.00 per share (15.00). All shares are fully paid and have the same voting rights and are equally entitled to the Company's assets.

On March 31, 2011 the Annual General Meeting decided to carry out a reverse share split. The reverse share split was registered on May 5, 2011 and the number of shares was recalculated after the reverse share split of 1:10.

The long-term incentive program approved by the Annual General Meeting 2009, which was based on employee stock options, closed on April 30, 2012. In total 5,000 stock options were exercised, resulting in issuance of 700 shares at a weighted average price of SEK 44.00 per share. No options have been exercised in 2011 or 2012.

Other paid in capital

Other paid in capital relates to equity contributed by the owners. This includes premiums paid in connection with the issuance and transactions related to employee stock options. Please see notes 1 and 8 for a description of the Group's employee stock options.

Translation reserve

The translation reserve comprises all translation differences that arise from the translation of the financial reports of foreign subsidiaries reporting in a currency other than the currency of the Group's financial reports. Translation differences arising from the translation of foreign operations according to the current method contributed to a decrease in equity by SEK –60,706 thousand (16,278). Translation differences that have arisen in connection with borrowings and that have been identified as hedges of foreign net investments in foreign operations have increased equity by SEK 13,865 thousand (–4,747).

Fair value reserve

The fair value reserve includes the net change in the fair value of the Group's financial instruments.

Fair value reserve, Parent Company

The fair value reserve in the Parent Company refers to exchange differences related to the Parent Company's net investment in foreign operations.

Profit brought forward incl. profit/loss for the year

Retained earnings and net profit for the year comprise the previous year's non-restricted funds and net profit for the year minus the amount paid to repurchase shares.

Own shares

In 2011 the Parent Company acquired a total of 69,442 of its own shares at an average price of SEK 48.84 per share. Cision repurchased shares due to the 2011 share-based incentive program. Treasury shares are recorded as a reduction of retained earnings and thus do not affect share capital. As of the balance sheet date, the Parent Company has a total of 69,442 of its own shares.

Dividend to shareholders

The Board proposes a dividend of SEK 2.00 per share for the fiscal year 2012. No dividend was issued for the fiscal year 2011.

Management of capital

Cision defines its managed capital as the closing shareholders' equity. See note 2, in particular the section 'Capital structure and financial targets' for a description of financial risks and Cision's policies for managing its balance sheet, the Group's targets for capital structure and profitability.

Note 22 – Other long-term liabilities

In 2012 the long-term syndicated loans were reclassified to short-term loans as the loan agreement per the balance sheet date was going to expire in the first quarter of 2012, see note 23 Short-term loans. Note however the section 'Events after the balance sheet date' in the Board of Directors report, relating to a new loan agreement replacing the agreement as of December 31, 2012, whereby the short-term loan will be reclassified to long-term upon the date the new loan agreement becomes effective.

The new facility limit is USD 75 million with a reduction of USD 5 million in 2014 and in 2015, and has an expiration date in the first quarter of 2016. The interest margin varies depending on the Company's loan ratio.

	Group		Parent Company	
SEK in thousands	2012	2011	2012	2011
Bank loans, USD	–	235,395	–	267,264
Bank loans, CAD	–	223,651	–	–
Other liabilities	1,614	4,534	–	–
Liabilities to Group companies	–	–	211	211
Total	**1,614**	**463,580**	**211**	**267,475**

See note 2, schedule 'Liquidity analysis', for information about when the liabilities fall due for payment and the paragraph 'Liquidity and refinancing risk for a more detailed description of the syndicated loan facility, including its covenants'.

The Parent Company's long-term liabilities fall due to payment more than five years after the balance sheet date.

Note 23 – Short term loans

	Group		Parent Company	
SEK in thousands	2012	2011	2012	2011
Bank loans, USD	221,530	–	267,264	–
Bank loans, CAD	183,403	–	–	–
Total	**404,933**	**–**	**267,264**	**–**

Short term loans per December 31, 2012 consists of SEK 405 million relating to the Group's syndicated loan facility. Note however the section 'Events after the balance sheet date' in the Board of Directors report, relating to a new loan agreement replacing the agreement as of December 31, 2012, whereby the short-term loan will be reclassified to long-term upon the date the new loan agreement becomes effective.

As per December 31, 2011 the syndicated loans were classified as long-term, see note 22 Other long-term liabilities.

Note 24 – Bank overdraft facility

The limit granted on the Group's and the Parent Company's shared bank overdraft facilities is SEK 44,550 thousand (45,770), of which SEK 0 thousand (383) had been utilized as of the balance sheet date. The bank overdraft facility for the Group is renegotiated yearly.

Note 25 – Accrued expenses and deferred income

	Group		Parent Company	
SEK in thousands	2012	2011	2012	2011
Vacation compensation liability	10,818	9,955	863	1,443
Other accrued staff costs	25,699	26,361	1,322	2,151
Accrued interest expenses	2,468	3,204	1,951	1,794
Other accrued expenses	29,530	34,984	2,146	3,917
Deferred income	111,345	147,342	–	–
Total	**179,860**	**221,847**	**6,282**	**9,305**

All accrued expenses and deferred income fall due for payment within 12 months of the balance sheet date.

Note 26 – Other current liabilities

Group

Other current liabilities mainly consist of unpaid value-added tax. All current liabilities fall due for payment within 12 months of the balance sheet date.

Parent Company

Other current liabilities mainly consist of unpaid value-added tax. All current liabilities fall due for payment within 12 months of the balance sheet date.

Note 27 – Pledged assets and contingent liabilities

Group

No pledged assets exists in the Group as per the balance sheet date. Contingent liabilities on the balance sheet date consist of what is disclosed by the Parent Company below and lease guarantees of SEK 93 thousand in Cision Finland Oy.

The Group is not currently involved in any litigation that may significantly affect the Group's financial statements.

Parent Company

No pledge assets exist in the Parent Company.

Contingent liabilities consist of capital adequacy guarantees of SEK 5,000 thousand (5,000), lease guarantees of SEK 115 thousand (119) and a guarantee of lease car SEK 0 thousand (173) issued by the Parent Company.

Furthermore Cision AB has issued Parent Company guarantees regarding payment services to Danske Bank SEK 26,281 thousands (26,745).

A payment guarantee amounting to SEK 183,403 thousand (223,651) is issued to Cision Canada Inc regarding their share of the syndicated loan. The amounts in foreign currency are translated to SEK using the exchange rates on the balance sheet day.

Note 28 – Business combinations

Acquisitions and disposals of shares and participations in subsidiaries

Cision's holdings of shares and participations in Group companies as per December 31, 2012 are presented in note 19. Group acquisitions and divestments are itemized below.

The results from all acquisitions are included in the Group as of the acquisition dates. A calculation of contributions to the Group's revenue and net profit is not possible for practical reasons, since the necessary assumptions regarding synergies, financing expenses and taxes would make any calculation arbitrary.

Acquisitions

Cision did not make any acquisitions in 2012. On June 30, 2011, Cision acquired all shares in the startup company, Cision Finland Oy (pr Cision Plan and Connect Finland Oy). The purchase price was SEK 23 thousand. Cision Plan and Connect's business focuses on Plan and Connect services.

Acquisition 2011

Company	Description	Acquired shares	Date
Cision Finland Oy	Plan & Connect business	2,500	June 30, 2011

Acquired net assets in 2011

For acquisitions made in 2011, the fair value adjustments in the acquisition balance sheets have not been significant. The table below specifies the effects on the Cision Group's balance sheet and cash flow statement, estimated on values from each acquisition date in connection with the acquisition of subsidiaries.

Acquired net assets

Group, SEK in thousands	2012	2011
Liquid assets	–	23
Total	**–**	**23**
Acquired net assets	**–**	**23**
Liquid assets paid	–	–23
Liquid assets as stated in the acq. analyses	–	23
Impact on the consolidated Liquid assets	**–**	**–**

The items in the table above refer to all acquisitions.

Acquisitions after the end of the period

Cision has not carried out any acquisitions after the end of the period.

Divestments

The table below specifies the effects on the Cision Group's balance sheet and cash flow statement as a result of the divestments of subsidiaries:

Net assets of divestments

Group, SEK in thousands	2012	2011
Goodwill	–	–30,015
Tangible fixed assets	–	–1,623
Current receivables	–	–13,357
Liquid assets	–	–7,298
Current liabilities	–	19,416
Divested net assets	**–**	**–31,321**
Liquid assets received	8,080	40,878
Liquid assets in the divested companies	–	–7,298
Impact on the consolidated Liquid assets	**8,080**	**33,580**

Liquid assets received in 2012 relate to the divestment of the print monitoring business in the US and to the divestment of the Finnish monitor and analyze business in 2011.

The divestment in the US 2012 related to a transition of customer orders and no assets or liabilities were divested. The capital gain of the divested net assets in 2012 totalled SEK 799 thousand. The capital gain of SEK 5,867 thousand in 2011 referred to the Finnish divestment.

Divestments 2012

Company/asset	Description	Date
Print monitor in the US (asset)	Divestment of the print monitoring business in the US	June 25, 2012

Divestments 2011

Company/asset	Description	Date
Cision Finland Oy (shares)	Divestment of the Finnish monitor and analyze business. Cisions plan and connect business was not divested.	July 1, 2011

Note 29 – Appropriation

Parent Company

SEK in thousands	2012	2011
Group contributions received	14,408	15,975
Group contributions paid	–34	–93
Total	**14,374**	**15,882**

The 2011 results have been restated for the change in accounting principle for Group contributions. Group contributions of SEK 15,882 thousand previously reported in income from participations in Group companies have been retroactively adjusted and reported as an appropriation.

Note 30 – Restatements and other adjustments

The amendments are due to incorrect handling of deferred revenue for a large annual contract in 2011, the comparative figures for 2011 have been restated in the Annual Report 2012, in accordance with IAS 8. It means certain amendments of income statement and balance sheet data compared with the information released in the Annual Report 2011. The Annual report 2012 also includes certain amendments of income statement and balance sheet data for 2012, compared with the information shown in the year-end report, which was published on February 7, 2013. Furthermore, certain other adjustments related to fiscal year of 2011 have been made.

	Group 2011			
Income statement, SEK in thousands	Annual report 2011	Restatement	Other adjustment	2011 after adjustments
Revenue	965,741	–10,957	–	954,783
Tax	–8,674	3,725	–	–4,949
Net profit for the year	**84,879**	**–7,232**	**–**	**77,647**

Balance sheet, SEK in thousands	Annual report 2011	Restatement	Other adjustment	2011 after adjustments
Assets				
Other intangible assets	93,208	–	128	93,336
Accounts receivables	331,107	–	–111,252	219,855
Prepaid expenses and accrued revenue	30,967	–	3,949	34,916
Shareholders' equity				
Reserves	–70,943	–475	5,542	–65,876
Retained earnings	613,171	–7,232	–2,511	603,428
Liabilities				
Deferred tax liability	183,532	–3,970	–	179,562
Accrued expenses and deferred income	321,420	11,679	–111,252	221,847
Tax liabilities	1,631	–	1,038	2,669

Cash flow, SEK in thousands	Annual report 2011	Restatement	Other adjustment	2011 after adjustments
Net profit for the year	84,879	–7,232	–	77,647
Adjustment for items included in Net profit				
Tax	8,674	–3,725	–	4,949
Change in working capital	–63,438	10,957	–	–52,479
Cash flow from operating activities	**84,382**	**–**	**–**	**84,382**

Restatement 2011

Cision has identified an incorrect handling of deferred revenue for a large contract in Cision's North American operation which refers to 2011 and 2012. Revenue and net profit of the year was positively affected, while deferred revenue in the balance sheet was adversely affected. Cash flow and liquidity have not been affected. In accordance with IAS 8 the annual accounts for 2011 have been adjusted.

The net effect of the restatement has resulted in a reduction amounting to SEK 10,957 thousands of the Group's previously reported revenue and SEK 7,232 thousands of the Group's net profit of the fiscal year 2011. The Group's shareholders' equity was equivalently affected.

Other adjustments 2011

The Group's total Shareholders' equity per January 1, 2011, has been adjusted with SEK –2,511 thousands. A correction of SEK 3,038 thousand relating to prior years refers to the opening balance of Retained earnings, Reserves, Prepaid expenses and accrued income and Tax liabilities. A reclassification between translation reserves and retained earnings of SEK –5,549 thousand, mainly related to net investment in foreign operations, has been made.

Certain items in other current liabilities, SEK 111,252 thousand, has been reclassified as they are directly off-set by certain current receivables classified as accounts receivables per December 31, 2011. The classification is in accordance with reporting December 31, 2012.

Restatement 2012

The net effect of the restatement, compared with the year-end report for 2012 published on February 7, 2013, has resulted in a reduction amounting to SEK 10,975 thousands of the Group's previously reported revenue and SEK 7,243 thousands of the Group's net profit of the fiscal year 2011. The Group's shareholders' equity was equivalently affected.

Board's assurance

The undersigned certify that the consolidated accounts and the annual report have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted for use in the European Union, and generally accepted accounting principles respectively, and give a true and fair view of the financial positions and results of the Group and the Parent Company, and that the Board of Directors report give a fair review of the development of the operations, financial positions and results of the Group and the Parent Company and describes substantial risks and uncertainties that the Group companies face.

The Parent Company and consolidated income statements and balance sheets will be presented to the Annual General Meeting on April 9, 2013, for adoption.

Cision AB (publ)

Stockholm, March 15, 2013

Anders Böös *Chairman*	Hans-Erik Andersson *Director*	Alf Blomqvist *Director*
Rikard Steiber *Director*	Gunilla von Platen *Director*	Scott Raskin *Director*

Peter Granat
Chief Executive Officer

Our audit report was submitted on March 18, 2013

Ernst & Young AB

Michael Forss
Authorized Public Accountant

Auditors' report

To the annual meeting of the shareholders of Cision AB (publ)

Corporate identity number 556027-9514

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Cision AB for the year 2012. The annual accounts and consolidated accounts of the Company are included in the printed version of this document on pages 16–64.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of December 31, 2012 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of December 31, 2012 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the Group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the Company's profit or loss and the administration of the Board of Directors and the Managing Director of Cision AB for the year 2012.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the Company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the Company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the Company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the Company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the Company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm March 18, 2013
Ernst & Young AB

Michael Forss
Authorized Public Accountant

Notice of Annual General Meeting

The Annual General Meeting will be held on Tuesday April 9, 2013 at 4 p.m. CEST at Garnisonen Konferens, Karlavägen 100, Stockholm.

Participation

Shareholders who wish to participate in the Annual General Meeting must:

- be recorded in the register of shareholders maintained by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organization) on Wednesday April 3, 2013 *and*
- notify the Company of their intention to attend the Annual General Meeting no later than 4 p.m. (CEST) on Wednesday April 3, 2013.

Notification of attendance

By post to Cision AB (publ), Att: Angela Elliot, P.O.Box 24194, SE-104 51 Stockholm, Sweden, by e-mail to angela.elliot@cision.com, by telephone, +46 8 507 410 00, or by fax, +46 8 507 410 25.

In the notification, shareholders (and, where applicable, proxies of shareholders) should state their name, personal/corporate identity number, address, telephone number during business hours, the number of shares held and, where applicable, (a maximum of two) advisors participating. In order to facilitate admission to the Annual General Meeting, the Company wishes to receive powers of attorney, certificates of incorporation and other authorisation documents no later than Friday April 5, 2013. Please note that powers of attorney must be presented in their original copy. Power of attorney forms will, without charge, be sent by post to shareholders who so request, stating their address, and are available for download on the website, http://corporate.cision.com/Corporate-Governance-/Annual-General-Meeting/Annual-General-Meeting-2013/.

Shareholders whose shares are registered in the name of a nominee through the trust department of a bank or similar institution must temporarily register their shares in their own name in the shareholders' register maintained by Euroclear Sweden AB, in order to be entitled to participate in the Annual General Meeting. This procedure, known as voting right registration, must be effected no later than Wednesday April 3, 2013, which means that the shareholder must inform the nominee well in advance of this date.

Financial reporting dates 2013

- Interim report January–March 2013, April 23, 2013
- Interim report January–June 2013, July 18, 2013
- Interim report January–September 2013, October 23, 2013

All reports and press releases are available on Cision's website, http://corporate.cision.com/

Investor contact

For further information on Cision, please contact Tosh Bruce-Morgan, Chief Financial Officer, phone: +44 7710 385 006, e-mail: tosh.bruce-morgan@cision.com.

Definitions and glossary

Operating profit

EBITDA
Operating profit excl. goodwill impairments, depreciations and non-recurring items.
[Calculation 2012: 81,560 + 55,021 + 44,595 = SEK 181,176 thousand]

EBIT
Operating profit excl. goodwill impairments, non-recurring items and capital gains from disposal of subsidiaries.
[Calculation 2012: 81,560 + 0 + 44,595 + 0 = SEK 126,155 thousand]

Margins

Gross margin
Gross profit excl. goodwill impairments and non-recurring items as a percentage of total revenue.
[Calculation 2012: 639,140 / 975,941 = 65.5 %]

EBITDA margin
EBITDA as a percentage of operating revenue.
[Calculation 2012: 181,176 / 975,941 = 18.6 %]

Operating margin
Operating profit as a percentage of total revenue.
[Calculation 2012: 81,560 / 975,941 = 8.4 %]

Profit margin
Net profit for the year as a percentage of total revenue.
[Calculation 2012: 62,852 / 975,941 = 6.4 %]

Return on capital

Return on operating capital
Operating profit as a percentage of average operating capital.
[Calculation 2012: 81,560 / ((1,530,636 + 1,478,601) / 2) = 5.4%]

Return on operating capital excl. goodwill impairment and non-recurring items
Operating profit excl. goodwill impairments and non-recurring items as a percentage of average operating capital.
[Calculation 2012: 126,155 / ((1,530,636 + 1,478,601) / 2) = 8.4 %]

Return on equity
Net profit for the year as a percentage of average shareholder's equity.
[Calculation 2012: 62,852 / ((992,191 + 1,007,612) / 2) = 6.3 %]

Capital structure

Operating capital
Fixed assets and operating current assets less operating current liabilities and current provisions. Financial items and tax items are not included.
[Calculation 2012: 1,449,050 + (242,442 – 4,776) – (206,074 + 491) – 2,532 = SEK 1,478,601 thousand]

Working capital
Current operating assets less current operating liabilities. Tax is not included.
[Calculation 2012: (242,442 – 4,776) – (206,074 + 491) = SEK 32,083 thousand]

Equity/assets ratio
Shareholder's equity as a percentage of total assets.
[Calculation 2012: 1,007,612 / 1,790,869 = 56.3 %]

Interest-bearing net debt
Financial liabilities less financial assets.
[Calculation 2012: 407,631 – 58,601 = SEK 349,030 thousand]

Debt/equity ratio
Interest bearing net debt divided by shareholder's equity.
[Calculation 2012: 349,030 / 1,007,612 = 34.6%]

Interest coverage
Result after financial items plus interest expenses and goodwill impairment divided by interest expenses.
[Calculation 2012: (57,758 + 18,598 + 0) / 18,598 = 4.1 x]

Net debt/EBITDA
Interest bearing net debt through EBITDA rolling 12 months.
[Calculation 2012: 349,030/ 181,176 = 1.9]

Cash flow

Free cash flow
Cash flow from operating activities less net investments in intangible and tangible fixed assets plus divestments of intangible and tangible fixed assets.
[Calculation 2012: 63,100 – 18,948 – 14,512 + 0 = SEK 29,640 thousand]

Operating cash flow
Cash flow from operating activities excl. non-recurring items paid, interest received and paid, and income tax paid less investment in intangible and tangible fixed assets plus divestments of intangible and tangible fixed assets.
[Calculation 2012: 63,100 + 50,208 + 509 + 23,206 – 3,968 – 18,948 – 14,512 = SEK 99,595 thousand]

Personnel

Value-added per employee
Operating profit excl. goodwill impairments, non-recurring items plus staff costs divided by the average number of employees.
[Calculation 2012: (126,155 + 521,190) / 1,169 = SEK 554 thousand]

Data per share

Average number of shares before dilution
Weighted average of the number of shares during the report period.
[Calculation 2012: (14,840,141 * 365) / 365 = 14,840 thousand]

Average number of shares after dilution
Weighted average of the number of shares during the report period, taking into account potential shares.
[Calculation 2012: (14,840,141 * 365 + 0) / 365 = 14,840 thousand]

Potential shares
Shares added through the future exercise of warrants, convertible debenture loans and employee stock options and which therefore have a dilution effect, i.e. where the discounted subscription price is lower than the stock's average market price during the report period.
[Calculation 2012: 0 + 0 + 0 = 0 thousand]

Earnings per share before dilution
Net profit for the year divided by the average number of shares.
[Calculation 2012: 62,852 / 14,840 = SEK 4.24]

Earnings per share after dilution
Net profit for the year taking into account the profit effect of potential shares divided by the average number of shares taking into account potential shares.
[Calculation 2012: (62,852 + 0) / (14,840 + 0) = SEK 4.24]

Free cash flow per share
Free cash flow divided by average number of shares after dilution.
[Calculation 2012: 29,640 / 14,840 = SEK 2.00]

Operating cash flow per share
Operating cash flow divided by the average number of shares after dilution.
[Calculation 2012: 99,595 / 14,840 = SEK 6.71]

Equity per share before dilution
The closing balance of shareholders' equity divided by the number of shares at year-end, taking into account repurchased shares.
[Calculation 2012: 1,007,612 / (14,910 – 70) = SEK 67.90]

Equity per share after dilution
The closing balance of shareholders' equity adjusted for the effect of potential shares divided by the number of shares at year-end taking into account repurchased shares and potential shares.
[Calculation 2012: 1,007,612 / (14,910 – 70 + 0) = SEK 67.90]

Dividend per share
Approved or proposed dividend amount divided by the number of shares entitled to dividends.
[Calculation 2012: 29,680 / 14,840 = SEK 2.00]

NRI – Non recurring items

Non-recurring items refers to items such as settlement activities, cost of redundant personnel, and other costs attributable to the change in organizational and management structure which may be classified as isolated events.

About the Annual Report

Every care has been taken in the translation of this annual report. In the event of discrepancies, however, the Swedish original will supersede the English translation.

Privacy policy

Cision will not provide personal information obtained through the annual report to other parties. Nor is the information collected on visitors used to track individuals who have visited the annual report.

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