

# Cision reports strong margins and solid cash flow

## April-June

- Total revenue SEK 211 million (234)
- Organic growth 2% (-6%)
- Operating profit<sup>1)</sup> SEK 25 million (18)
- Operating margin<sup>1)</sup> 12% (9%)
- Operating cash flow SEK 49 million (50)
- Earnings per share, basic and diluted, SEK -0,45 (2,34)

## January-June

- Total revenue SEK 417 million (440)
- Organic growth 1% (-4%)
- Operating profit<sup>1)</sup> SEK 45 million (38)
- Operating margin<sup>1)</sup> 11% (9%)
- Operating cash flow SEK 91 million (71)
- Earnings per share, basic and diluted, SEK 0,30 (2,71)

## Key financial data

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Total revenue	211	234	417	440	856	833
Organic growth, %	2	-6	1	-4	-2	0
Operating profit/loss	5	43	22	56	-242	-276
Operating profit <sup>1)</sup>	25	18	45	38	73	80
Operating margin <sup>1)</sup> , %	12	9	11	9	9	38
EBITDA <sup>2)</sup>	37	30	70	61	121	129
EBITDA margin <sup>2)</sup> , %	18	15	17	15	15	15
Interest bearing net debt/EBITDA, times	1,5	1,9	1,5	1,9	1,6	1,5
Operating cash flow	49	50	91	71	179	200
Free cash flow	25	42	61	47	146	160
Currency effect on total revenue	3	-11	3	-21	-34	-8
Currency effect on operating profit <sup>1)</sup>	0	-1	1	-2	-3	-1
Net profit/loss	-7	35	4	40	-275	-311

<sup>1)</sup> Excluding non-recurring items, goodwill impairment and other one-time revenue items.

<sup>2)</sup> Excluding other one-time revenue items.

Cision is a leading provider of cloud-based PR software, services and tools for the marketing and public relations industry. Marketing and PR professionals use our products to help manage all aspects of their campaigns – from identifying key media and influencers to connecting with audiences; monitoring traditional and social media; and analyzing out-comes. Journalists, bloggers, and other influencers use Cision's tools to research story ideas, track trends, and maintain their public profiles. Cision is present in Europe, North America and Asia, is quoted on the NASDAQ OMX Nordic Exchange with revenue of approx. SEK 0,9 billion in 2013. For more information, visit [www.cision.com](http://www.cision.com).



## Comment by Cision CEO Magnus Thell:

*"In June, I was appointed interim President and CEO of Cision AB but I will also maintain my previous role as head of Cision Europe during this time.*

*Our performance in the second quarter shows our continued momentum towards organic growth and improved operating profit. In the US we have streamlined costs for our declining transactional broadcast business and continued our focus on sales and marketing investments to increase bookings. In Europe we have our attention on increasing profitability in particular for UK and Germany which show encouraging development in the second quarter. In addition, the Nordics continue to show positive growth numbers.*

*Our new website has now been launched in the US, Canada, UK, Germany and Sweden providing communicators with free, valuable resources to navigate the changing media landscape.*

*On June 23, 2014 Blue Canyon Holdings AB, our majority shareholder, repeated their public offer of SEK 61 per share. Cision has applied to be delisted from the NASDAQ OMX Stockholm exchange and will be delisted on August 15, 2014 and listed on NGM Nordic MTF instead, provided that we fulfill the dispersion requirement for NGM Nordic MTF at that time and that the offer from Blue Canyon Holdings AB has then been declared unconditional. In case the dispersion requirement is not fulfilled NASDAQ OMX Stockholm will set a new exact date for delisting from NASDAQ OMX Stockholm which will be announced separately.*

*Our strategic objectives have not changed – we are continuing to focus on the core PR market while leveraging the value of Cision's fully integrated solution to our current customer base. Our product enhancements are focused on providing the insight and intelligence our customers need to manage all aspects of their brand. We look forward to continued growth of our customer base when we continue building for the future."*



## The Group's development

### Second quarter

Total revenue was SEK 211 million (234), a decrease of SEK 23 million compared to last year due to an one-time revenue, related to an insurance settlement of SEK 30 million. The currency effect for the period amounted to SEK 3 million and the organic growth was SEK 5 million equivalent to 2%. The organic growth was higher than expected for the second quarter due to certain credit notes that was issued in the same period last year.

The operating profit excluding non-recurring items and other one-time revenue reached SEK 25 million (18). The increase in operating profit was mainly an effect from the cost reductions in UK but also due to changes of the Board and organizational changes in the Parent Company. Non-recurring costs for the quarter amounted to SEK 20 million (3), primarily related to advisory and legal fees in connection to the process of the public offer of the Company.

For the second quarter the EBITDA margin was 18% (15%). However the sales and marketing investments have been delayed and were behind plan for the second quarter, the expected negative impact on the EBITDA margin has therefore not yet had the full effect.

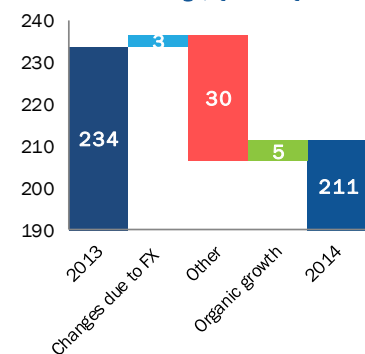
Cision signed a new credit facility of USD 60 million on June 10, 2014. The facility was used to repay Cision's old credit facility as a consequence of change of control with a new majority shareholder.

On May 20, 2014, an Extraordinary General Meeting was held which was called by the majority shareholder Blue Canyon Holdings AB. Lawrence C. Fey, Mark M. Anderson, Cedric Bradfer, Peter Lundin and Ronan Carroll were elected as directors of the Board and Lawrence C. Fey was elected as chairman. For further information about the new Board of Directors, see <http://corporate.cision.com/Corporate-Governance-/Board/Board-of-Directors/>.

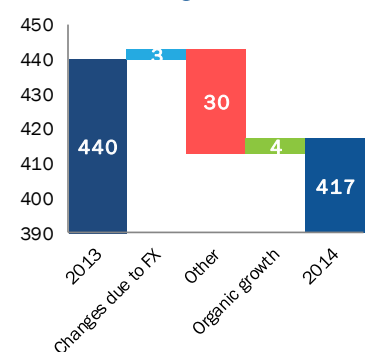
The new Board of Directors applied for de-listing of Cision's share from NASDAQ OMX Stockholm on May 21, 2014. The Securities Council made a statement on June 17, 2014, as a consequence of the application for de-listing, recommending an alternative marketplace for listing of the shares. As a response the Board of Directors of Cision applied and was approved for a listing on NGM Nordic MTF. The delisting from NASDAQ OMX Stockholm will occur on August 15, and the listing on NGM Nordic MTF will be effective from August 18, provided that we fulfill the dispersion requirement for NGM Nordic MTF at that time and that the offer from Blue Canyon Holdings AB has then been declared unconditional. In case the dispersion requirement is not fulfilled NASDAQ OMX Stockholm will set a new exact date for delisting from NASDAQ OMX Stockholm which will be announced separately.

On June 2, 2014, Peter Granat resigned as President and Chief Executive Officer of Cision AB. The Board of Directors appointed Magnus Thell as interim President and Chief Executive Officer of Cision AB, effective immediately.

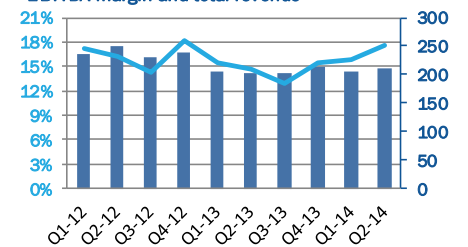
Total revenue bridge, Q2 '13–Q2 '14



Total revenue bridge, YTD, '13 - YTD '14



EBITDA margin and total revenue<sup>1)</sup>



— Total revenue, SEK in millions — EBITDA margin, %

<sup>1)</sup> Excluding non-recurring items, goodwill impairment and other one-time revenue items.

At the Annual General Meeting on June 25, 2014 it was decided that no dividend will be paid out to Cision's shareholders as already indicated in the interim report for the first quarter 2014.

#### Year to date

Total revenue was SEK 417 million (440), where revenue last year included a one-time revenue related to an insurance settlement of SEK 30 million. Revenue excluding the insurance settlement showed a continued stable revenue development since last year and a positive organic growth amounting to SEK 4 million, equivalent to 1%.

The operating profit excluding non-recurring items reached SEK 45 million (38), including a positive currency effect of SEK 3 million.

Subscription revenue showed growth compared to last year by SEK 5 million, transactional revenue also increased whereas a slight decrease in professional revenue was noted. The distribution of revenue between transactional revenue and professional service showed a switch in percentage, due to a temporary one-time effect.

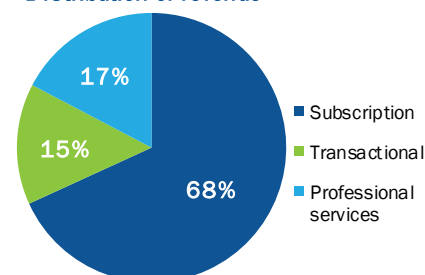
The Group's financial net was SEK -11 million (-10), mainly related to interest costs for the Group's credit facility. Loan expenditure related to the old credit facility affected the financial net of SEK -3 million.

As of June 30, 2014, Cision had 954 employees, a net decrease of 26 employees compared to December 31, 2013. The decrease was primarily due to redundancy within production personnel in Canada and Portugal and the cost savings throughout the UK business.

On February 14, 2014 Blue Canyon Holdings AB, a company indirectly controlled by GTCR Investment X AIV Ltd., announced a public offer of SEK 52,00 per share. The public offer was thereafter increased on March 20, 2014 to SEK 55,10 and on April 7, 2014 to SEK 61,00. Blue Canyon Holdings AB repeated their cash offer on June 23 of SEK 61,00 with an end date on August 5, 2014. Blue Canyon Holdings currently control 74,0% of the shares and votes in Cision AB.

On April 3, 2014, Meltwater Drive Sverige AB announced a competing offer of SEK 60,00 per share (on April 16 the offer was raised to SEK 63,00 per share) to the shareholders of Cision AB. The offer was conditional on an acceptance rate of at least 70% of the shares and was withdrawn on May 16, 2014. Meltwater is a minority shareholder with 15,3% of the shares and votes.

Distribution of revenue



#### Development by region, North America

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Total revenue <sup>1)</sup>	155	153	309	310	620	619
Organic growth, %	2	-7	0	-4	-3	-2
Currency effect on total revenue	-1	-9	-2	-17	-28	-13
Operating profit <sup>2)</sup>	20	21	40	44	78	75
Operating margin <sup>2)</sup> , %	13	14	13	14	13	12
Currency effect on operating profit <sup>2)</sup>	0	-1	0	-2	-3	4
EBITDA <sup>2)</sup>	29	30	58	61	115	112
EBITDA margin <sup>2)</sup> , %	19	20	19	20	19	18

<sup>1)</sup> Other one-time revenue items of SEK 30 million are excluded for all periods in 2013.

<sup>2)</sup> Excluding non-recurring items, other one-time revenue items and goodwill impairment.

#### Second quarter

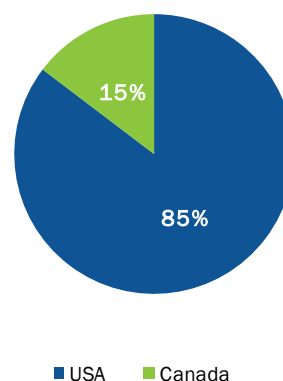
Total revenue was SEK 155 million (153), SEK 2 million ahead of the same period last year with SEK -1 million relating to currency effects. Organic growth was 2% for the quarter, which was higher than expected, and was effected by certain credit notes within the same period last year.

Operating profit excluding non-recurring items and other one-time revenue items for North America was SEK 20 million (21) for the quarter and the operating margin was 13% (14%) for the quarter. The decreased operating profit and margin are related to Canada, still struggling with the declining broadcast monitoring business.

The work to centralize the US production units to Chicago has continued in the second quarter with the New York office closing down in addition to the move of the production units in the first quarter.

Non-recurring costs for the quarter amounted to SEK 1 million (3), mainly advisory and legal fees in connection to the bid process.

North America distribution of revenue, YTD



#### Year to date

North America showed total revenue of SEK 309 million (310) including currency effects of SEK -2 million. Organic growth was flat for the period mainly related to decreasing broadcast and monitoring revenue.

Operating profit excluding non-recurring items and other one-time revenue items was SEK 40 million (44) for the first six months 2014 and the operating margin reached 13% (14%). The sales and marketing investment is still ongoing but the initiative has been delayed and a decline in the operating margin is still to be expected.

Non-recurring costs for the period reached SEK 4 million (10), partly an effort of focusing the US production units to Chicago but also advisory and legal fees related to the bid process.

#### Development by region, Europe

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Total revenue	57	53	112	105	219	226
Organic growth, %	7	-4	5	-1	0	11
Currency effect on total revenue	2	-2	4	-3	-3	4
Operating profit <sup>1)</sup>	9	3	16	7	19	28
Operating margin <sup>1)</sup> , %	15	5	14	7	9	12
Currency effect on operating profit <sup>1)</sup>	0	0	0	0	0	0
EBITDA	10	4	19	10	25	34
EBITDA margin, %	18	8	17	10	12	15

<sup>1)</sup> Excluding non-recurring items and goodwill impairment.

#### Second quarter

Total revenue for Europe amounted to SEK 57 million (53), which was an increase of SEK 4 million compared to last year including a positive currency effect of SEK 2 million. The organic growth was 7% for the period, where Nordics remained at stable growth and in addition Portugal and Germany also showed positive growth. UK continued to face strong competition and have had difficulties growing top line revenue.

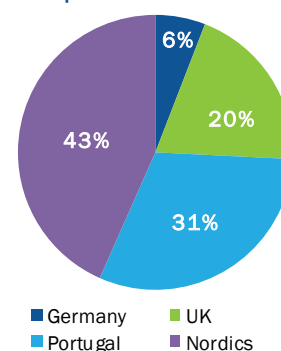
Operating profit excluding non-recurring items was SEK 9 million (3), an increase of SEK 6 million compared to last year. Operating margin was 15% (5%) for the quarter, which was a direct result of successful cost reductions in the UK to improve profitability. In addition, Germany has had a strong cost focus throughout 2014, with increased profitability.

#### Year to date

Europe reported total revenue amounting to SEK 112 million (105) for the year, SEK 7 million ahead of last year including a currency effect of SEK 4 million. The Nordics continued to contribute with encouraging growth along with Portugal, even though the economic conditions in the Portuguese market created challenges.

Operating margin for the period was improved to 14% (7%), with the cost savings in UK and Germany being a major part of the explanation.

Europe distribution of revenue, YTD



#### Cash flow

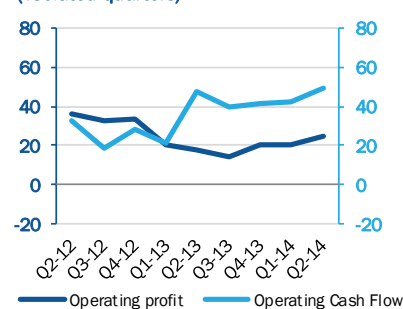
SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Operating Cash Flow	49	50	91	71	179	200
Free Cash Flow	25	42	61	47	146	160

#### Second quarter

The operating cash flow was SEK 49 million (50) and free cash flow was SEK 25 million (42). Cash flow from working capital is generally strong in the second quarter with upfront invoicing in the beginning of the year when subscriptions are renewed and so also for the second quarter this year. The decreased free cash flow was related to payment of non-recurring items primarily in conjunction to the advisory and legal fees for the process of the public offer of the Company.

Capital expenditure was SEK 11 million (14), a decrease of SEK 3 million compared to last year due to reduction in external IT consultants and the increased use of in-house developers.

Operating profit & operating cash flow<sup>1)</sup> (isolated quarters)



<sup>1)</sup> Excluding non-recurring items, other one-time revenue items and goodwill impairment

### Year to date

Operating cash flow was SEK 91 million (71) and free cash flow was SEK 61 million (47) for the year. The improved operating cash flow was related to large improvements in working capital due to an altered billing process with more upfront payments and continued good cash collection. Capital expenditure was below last year due to exceptional levels last year with many major investments in the CisionPoint architecture.

## Equity and financing

	Jun 30	Dec 31
SEK in millions	2014	2013
Shareholders equity	650	628
Equity per share, SEK	43,74	42,33
Interest bearing net debt	187	235
Interest bearing net debt/EBITDA, times	1,5	1,6
Working Capital <sup>1)</sup>	-181	-135
Liquid Assets	144	66

<sup>1)</sup> Including exchange rate effects.

Shareholders' equity increased by SEK 22 million since December 31, 2013, of which net profit increased equity by SEK 4 million and the remaining part was exchange rate effects due to a decrease in the Swedish krona against the other major currencies in the Group.

The ratio interest bearing net debt/EBITDA was 1,5 times as of June 30, 2014. The net debt decreased by SEK 48 million, due to positive free cash flow of SEK 61 million and currency effects of SEK 10 million and other effects of SEK -1 million.

The Group has outstanding derivatives, currency hedges, to reduce the effect of currency fluctuations. Derivatives are measured at fair value in the income statement. The fair value at June 30, 2014 amounted to SEK 0,0 million (0,4) in assets and SEK 0,0 million (0,4) in liabilities. The Group only has financial instruments recognized at fair value at level 2 (input from other than quoted prices that are observable, IFRS 13). For more information on financial risks, please refer to Note 2 in the 2013 Annual Report.

The number of shares remained at 14 909 583 as of June 30, 2014. Cision holds 51 262 treasury shares purchased in 2011 to hedge the long-term incentive programs, for further details see page 49 in the 2013 Annual Report. In the second quarter 2014, 18 180 shares were distributed to participants in the long-term incentive program 2011.

Cision AB cancelled its multicurrency facility with a limit of USD 70 million during the second quarter 2014, of which USD 42 million was utilized. Cision US Inc. signed a new credit facility of USD 60 million with a group of three banks on June 10, 2014. The credit terms include customary financial covenants and the revolver of USD 10 million has an expiration date in the second quarter 2019 and the term loan of USD 50 million expire in the second quarter 2020. As of June 30, 2014, the Group utilized approximately USD 50 million of its credit facility.

## Tax

Tax expense for the year amounted to SEK 7 million (6). Current tax expense was SEK 2 million and deferred tax expense amounted to SEK 4 million.

## Parent Company

- Total revenue amounted to SEK 33 million (63) year to date, with a net profit of SEK 31 million (49).
- As of June 30, 2014, shareholders' equity amounted to SEK 703 million compared to SEK 658 million as of December 31, 2013.
- During the second quarter Cision AB has repaid its long-term borrowings relating to the Parent Company's credit facility which has been cancelled. The repayment amounted to USD 42 million.
- Investments in other intangible fixed assets amounted to SEK 3 million (4) year to date.

Commercial terms are applied to sales between Group companies. No significant changes have taken place in transactions with related parties compared to those described in the 2013 Annual Report. Significant changes have taken place in relations to related parties, new ownership and a new Board of Directors, as described previously in this interim report.

## Market

Cision believes that the long-term growth prospects for software and services for the PR industry are good. Social media has elevated the importance of PR and is essential to the marketing mix in ways it has never been before. Social Media has expanded the role of PR professionals beyond traditional media relations, enabling engagement in real-time conversations which has become the primary driving force behind powering the corporate story in the new marketing mix. As a result the demand for integrated PR and Marketing software solutions offered by CisionPoint will increase as PR and Marketing professionals look for tools and services to manage their daily tasks.

According to a study published in October 2013 by the Content Marketing Institute, 60% of business-to-consumer marketers and 58% of business-to-business marketers plan on increasing their content marketing budget over the next 12 months and 73% of marketers also said they are producing more content now than they did a year ago. Cision's Content Marketing Suite addresses the market's need to amplify this content and uncover new audiences.

Cision has a strong position as a global partner through a distinct brand and international presence. Cision is offering standardized global services that bring customers advantages in terms of competence, cost and competitiveness.

## Material risks and uncertainties

Cision's competitive strength is dependent on the development of its cloud-based CisionPoint software tools and services and its ability to provide customers with a first rate product and excellent customer support. Cision is dedicated in its approach to its employees and has developed programs to attract, engage and retain competent personnel.

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

- Economic recessions can have a negative impact on Cision's earning capacity.
- Certain revenue streams related to print and broadcast services are negatively affected by the declining supply and demand for print and broadcast media.
- 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 the application of these laws. A tightening of copyright and data protection laws that limits the opportunity to distribute information, or demands for higher compensation for rights holders, could have a direct impact on Cision's earning capacity.
- 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 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.
- Non-recurring items may arise in order to improve cost efficiency, particularly in the area of monitoring operations.
- Cision has a significant level of goodwill with approximately 90% relating to its US operations. Cision performs at least an annual impairment test of the carrying value of goodwill. It cannot be excluded that such an impairment test of future earnings and cash flows could lead to an impairment of goodwill.
- 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 credit facility, which expires partly in 2019 and 2020. However, the loans are 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 26-27 and 42-44 of the 2013 Annual Report. The risks and uncertainties mentioned above apply for the Cision Group and the Parent Company.

## Outlook

Cision does not issue forecasts.

## Accounting principles

The Group's interim report is prepared in accordance with IAS 34 (Interim Financial Reporting) and according to the Annual Accounts Act. The Parent Company applies the Annual Accounts Act and recommendation RFR 2, Reporting for legal entities, of the Swedish Financial Reporting Board.

The accounting principles applied comply with those in the 2013 Annual Report. The new or revised IFRS standards that have come into effect on January 1, 2014 have had no material impact on the consolidated financial statements.

The Board of Directors and the Chief Executive Officer declare that the interim report provides a true and fair overview of the operations, financial position and performance of the Parent Company and the Group and describes the material risks and uncertainties that the Parent Company and other companies in the Group might face.

Cision AB (publ)

Stockholm, July 22, 2014

Lawrence C. Fey  
Chairman

Mark M. Anderson  
Director

Cedric Bradfer  
Director

Peter Lundin  
Director

Ronan Carroll  
Director

Magnus Thell  
Interim President and CEO

Cision AB is required to disclose the information in this interim report under Sweden's Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 8:30 a.m. CEST on July 22, 2014.

The interim report has not been reviewed by the Company's auditors.

Cision AB has decided not to have a telephone conference for the second quarter.

## Upcoming financial reports

October 23, 2014

Interim report January–September 2014

### For further information, please contact:

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This interim report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish version and the English translation the former shall have precedence.

## Summary of consolidated income statement

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Revenue	209,1	203,2	413,9	406,7	822,2	829,4
Other revenue <sup>1)</sup>	2,2	30,7	3,3	33,3	33,8	3,8
<b>Total revenue</b>	<b>211,2</b>	<b>233,9</b>	<b>417,2</b>	<b>440,0</b>	<b>855,9</b>	<b>833,1</b>
Production costs	-66,9	-70,9	-134,1	-144,0	-281,7	-271,8
<b>Gross profit</b>	<b>144,3</b>	<b>163,0</b>	<b>283,2</b>	<b>296,0</b>	<b>574,2</b>	<b>561,3</b>
Selling expenses	-53,9	-48,5	-106,5	-101,4	-201,2	-206,3
Administrative expenses	-85,6	-71,2	-154,8	-138,9	-614,7	-630,6
<b>Operating profit/loss</b> <sup>1,2,3,4)</sup>	<b>4,9</b>	<b>43,3</b>	<b>21,8</b>	<b>55,7</b>	<b>-241,7</b>	<b>-275,6</b>
Net financial income and expenses	-6,9	-4,0	-10,5	-9,7	-21,7	-22,5
<b>Profit/loss before tax</b>	<b>-2,0</b>	<b>39,3</b>	<b>11,3</b>	<b>46,0</b>	<b>-263,4</b>	<b>-298,1</b>
Tax	-4,7	-4,6	-6,9	-5,8	-12,0	-13,1
<b>Net profit/loss for the period</b>	<b>-6,7</b>	<b>34,7</b>	<b>4,4</b>	<b>40,3</b>	<b>-275,4</b>	<b>-311,3</b>
Earnings per share basic, SEK	-0,45	2,34	0,30	2,71	-18,56	-20,97
Earnings per share diluted, SEK	-0,45	2,34	0,30	2,71	-18,56	-20,97

<sup>1)</sup> Other one-time revenue items of SEK 30,2 million are included in other revenue for all periods in 2013 with corresponding advisor fees of SEK -17 million included in administrative expenses.

<sup>2)</sup> Non-recurring items were SEK -19,9 million (-3,2) in the second quarter, SEK -23,4 million (-10,8) year to date and SEK -18,4 million for the full year 2013 and are included in administrative expenses.

<sup>3)</sup> Depreciation and amortization included in operating profit amounted to SEK -12,2 million (-11,7) in the second quarter of which SEK -0,4 million has been classified as non-recurring costs. Depreciation and amortization were SEK -24,5 million (-23,3) year to date and SEK -47,5 million for the full year 2013.

<sup>4)</sup> Goodwill impairment of SEK -324,9 million is included in administrative expenses for the full year 2013 and for the rolling 12 months period.

## Statement of consolidated comprehensive income

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
<b>Net profit/loss for the period</b>	<b>-6,7</b>	<b>34,7</b>	<b>4,4</b>	<b>40,3</b>	<b>-275,4</b>	<b>-311,3</b>
<i>Other comprehensive income</i>						
<i>Items that have or that may be reclassified subsequently to profit or loss</i>						
Translation differences	25,0	26,1	24,3	20,4	-10,3	-8,0
Hedge of currency risk in foreign operations	-7,2	-11,1	-6,8	-11,6	-2,9	1,9
Market valuation of financial instruments	-0,1	1,3	-0,2	1,4	-0,5	-2,1
<b>Other comprehensive income</b>	<b>17,6</b>	<b>16,2</b>	<b>17,3</b>	<b>10,3</b>	<b>-13,7</b>	<b>-8,3</b>
<b>Total comprehensive income for the period</b>	<b>10,9</b>	<b>50,9</b>	<b>21,7</b>	<b>50,5</b>	<b>-289,1</b>	<b>-319,6</b>



## Summary of consolidated balance sheet

SEK in millions	Jun 30 2014	Jun 30 2013	Dec 31 2013
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Goodwill	1 027,7	1 355,2	995,0
Other intangible fixed assets	97,9	88,5	94,1
<b>Total intangible fixed assets</b>	<b>1 125,6</b>	<b>1 443,7</b>	<b>1 089,1</b>
<i>Tangible fixed assets</i>			
Equipment	18,0	24,6	22,9
<b>Total tangible fixed assets</b>	<b>18,0</b>	<b>24,6</b>	<b>22,9</b>
<i>Other fixed assets</i>			
Deferred tax assets	37,5	38,3	37,8
Other financial fixed assets	0,8	3,9	0,8
<b>Total other fixed assets</b>	<b>38,3</b>	<b>42,2</b>	<b>38,6</b>
<b>Total fixed assets</b>	<b>1 181,9</b>	<b>1 510,5</b>	<b>1 150,5</b>
<b>Current assets</b>			
Current receivables	144,5	236,5	150,7
Tax assets	1,8	3,6	2,5
Liquid assets	144,3	53,5	66,2
<b>Total current assets</b>	<b>290,6</b>	<b>293,6</b>	<b>219,4</b>
<b>TOTAL ASSETS</b>	<b>1 472,5</b>	<b>1 804,1</b>	<b>1 369,9</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	<b>650,0</b>	<b>968,0</b>	<b>628,1</b>
<b>Long-term liabilities</b>			
Provisions for deferred tax	154,9	147,4	146,2
Borrowings	330,5	400,1	300,2
Other long-term liabilities	2,7	3,5	3,8
<b>Total long-term liabilities</b>	<b>488,0</b>	<b>551,0</b>	<b>450,2</b>
<b>Current liabilities</b>			
Provisions for non-recurring items	5,5	0,5	4,8
Tax liabilities	2,1	0,9	0,7
Accrued expenses and deferred income	299,2	259,8	249,8
Other current liabilities	27,8	23,8	36,3
<b>Total current liabilities</b>	<b>334,5</b>	<b>285,1</b>	<b>291,6</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1 472,5</b>	<b>1 804,1</b>	<b>1 369,9</b>
<b>Operating capital</b>	<b>956,7</b>	<b>1 385,9</b>	<b>972,6</b>
<b>Operating capital excluding goodwill</b>	<b>-71,0</b>	<b>30,8</b>	<b>-22,4</b>
<b>Interest bearing net debt</b>	<b>187,2</b>	<b>311,9</b>	<b>234,9</b>

## Summary of changes in consolidated shareholders' equity

	Jun 30 2014	Jun 30 2013	Dec 31 2013
<b>SEK in millions</b>			
<b>Opening balance</b>	<b>628,1</b>	<b>947,2</b>	<b>947,2</b>
Net profit/loss for the period	4,4	40,3	-275,4
Other comprehensive income	17,3	10,3	-13,7
<b>Total comprehensive income for the period</b>	<b>21,7</b>	<b>50,5</b>	<b>-289,1</b>
<i>Transactions with the Company's owners</i>			
Dividend	-	-29,7	-29,7
Share-based payments	0,1	-	-0,3
<b>Total transactions with the Company's owners</b>	<b>0,1</b>	<b>-29,7</b>	<b>-30,0</b>
<b>Closing balance</b>	<b>650,0</b>	<b>968,0</b>	<b>628,1</b>

## Summary of consolidated statement of cash flow

	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
<b>SEK in millions</b>						
<b>Operating activities</b>						
Net profit/loss for the period	-6,7	34,7	4,4	40,3	-275,4	-311,3
Adjustment for items included in net profit/loss	24,9	-8,6	44,4	8,9	408,7	444,3
Interest paid/received	-3,0	-3,4	-6,2	-8,6	-15,9	-13,6
Income tax paid/received	-0,8	-1,0	-1,2	-0,9	-2,6	-2,9
Change in working capital <sup>1)</sup>	20,9	34,0	40,6	39,6	94,0	95,1
<b>Cash flow from operating activities</b>	<b>35,2</b>	<b>55,7</b>	<b>82,0</b>	<b>79,2</b>	<b>208,8</b>	<b>211,6</b>
<b>Investing activities</b>						
Investments in fixed assets	-10,5	-13,9	-20,6	-31,8	-63,2	-52,0
Increase/decrease in financial fixed assets	-	-0,1	-	-0,9	-	0,9
<b>Cash flow from investing activities</b>	<b>-10,5</b>	<b>-14,0</b>	<b>-20,6</b>	<b>-32,8</b>	<b>-63,2</b>	<b>-51,1</b>
<b>Financing activities</b>						
Loan proceeds	333,8	-	333,8	190,2	190,2	333,8
Amortization of debt	-293,5	-23,2	-311,1	-202,3	-289,5	-398,2
Expenditures for new loans	-6,6	-	-6,6	-5,8	-5,8	-6,6
Increase/decrease in financial liabilities	-	-0,9	-0,6	-1,4	0,0	0,8
Dividend	-	-29,7	-	-29,7	-29,7	-
<b>Cash flow from financing activities</b>	<b>33,7</b>	<b>-53,7</b>	<b>15,5</b>	<b>-49,0</b>	<b>-134,8</b>	<b>-70,3</b>
<b>Cash flow for the period</b>	<b>58,4</b>	<b>-12,0</b>	<b>76,9</b>	<b>-2,5</b>	<b>10,8</b>	<b>90,2</b>
Liquid assets at beginning of period	84,6	64,8	66,2	55,8	55,8	274,8
Translation difference in liquid assets	1,4	0,8	1,2	0,3	-0,4	0,6
<b>Liquid assets at end of period</b>	<b>144,3</b>	<b>53,5</b>	<b>144,3</b>	<b>53,5</b>	<b>66,2</b>	<b>365,6</b>
<b>Operating cash flow</b>	<b>48,8</b>	<b>49,7</b>	<b>91,3</b>	<b>70,6</b>	<b>179,2</b>	<b>199,9</b>
<b>Free cash flow</b>	<b>24,7</b>	<b>41,8</b>	<b>61,4</b>	<b>47,4</b>	<b>145,6</b>	<b>159,6</b>

<sup>1)</sup> Excluding exchange rate effects.

## Operating profit by region

Apr-Jun SEK in millions	North America		Europe		Other/Eliminations		Group	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Total revenue<sup>1)</sup></b>	<b>155,1</b>	<b>153,1</b>	<b>56,6</b>	<b>52,8</b>	<b>-0,4</b>	<b>-2,3</b>	<b>211,2</b>	<b>203,7</b>
Production costs	-52,9	-56,9	-16,9	-15,6	2,8	1,7	-66,9	-70,9
<b>Gross profit</b>	<b>102,2</b>	<b>96,2</b>	<b>39,8</b>	<b>37,2</b>	<b>2,4</b>	<b>-0,6</b>	<b>144,3</b>	<b>132,8</b>
Selling expenses	-35,6	-32,1	-18,3	-16,4	-	-	-53,9	-48,5
Administrative expenses	-46,3	-42,7	-12,7	-18,0	-6,6	-5,6	-65,6	-66,3
<b>Operating profit<sup>2)3)</sup></b>	<b>20,2</b>	<b>21,4</b>	<b>8,8</b>	<b>2,8</b>	<b>-4,2</b>	<b>-6,2</b>	<b>24,8</b>	<b>18,0</b>
Non-recurring items/other one-time revenue items	-1,1	25,3	-0,7	0,0	-18,1	-	-19,9	25,3
<b>Operating profit/loss</b>	<b>19,2</b>	<b>46,8</b>	<b>8,0</b>	<b>2,8</b>	<b>-22,3</b>	<b>-6,2</b>	<b>4,9</b>	<b>43,3</b>
Gross margin <sup>3)</sup> , %	66	63	70	70			68	65
Operating margin <sup>3)</sup> , %	13	14	15	5			12	9
EBITDA <sup>3)</sup>	29	30	10	4			37	30
EBITDA margin <sup>3)</sup> , %	19	20	18	8			18	15

<sup>1)</sup> Other one-time revenue items of SEK 30,2 million are excluded in total revenue, corresponding advisor fees of SEK -17 million are excluded in selling and administrative expenses in 2013.

<sup>2)</sup> Non-recurring items which are reported as administrative expenses in the consolidated income statement are here reported as non-recurring items.

<sup>3)</sup> Excluding non-recurring items and other one-time revenue items.

Jan-Jun SEK in millions	North America		Europe		Other/Eliminations		Group	
	2014	2013	2014	2013	2014	2013	2014	2013
<b>Total revenue<sup>1)</sup></b>	<b>309,1</b>	<b>310,2</b>	<b>112,2</b>	<b>104,9</b>	<b>-4,1</b>	<b>-5,2</b>	<b>417,2</b>	<b>409,9</b>
Production costs	-104,9	-116,8	-34,9	-30,8	5,8	3,6	-134,1	-144,0
<b>Gross profit</b>	<b>204,2</b>	<b>193,4</b>	<b>77,3</b>	<b>74,2</b>	<b>1,7</b>	<b>-1,7</b>	<b>283,2</b>	<b>265,9</b>
Selling expenses	-71,2	-69,0	-35,3	-32,4	-	-	-106,5	-101,4
Administrative expenses	-93,1	-80,8	-26,1	-34,4	-12,3	-11,1	-131,4	-126,4
<b>Operating profit<sup>2)3)</sup></b>	<b>39,9</b>	<b>43,6</b>	<b>15,9</b>	<b>7,3</b>	<b>-10,6</b>	<b>-12,8</b>	<b>45,2</b>	<b>38,1</b>
Non-recurring items/other one-time revenue items	-4,0	18,0	-0,7	-0,4	-18,7	-	-23,4	17,7
<b>Operating profit/loss</b>	<b>36,0</b>	<b>61,6</b>	<b>15,2</b>	<b>6,9</b>	<b>-29,3</b>	<b>-12,8</b>	<b>21,8</b>	<b>55,7</b>
Gross margin <sup>3)</sup> , %	66	62	69	71			68	65
Operating margin <sup>3)</sup> , %	13	14	14	7			11	9
EBITDA <sup>3)</sup>	58	61	19	10			70	61
EBITDA margin <sup>3)</sup> , %	19	20	17	10			17	15

<sup>1)</sup> Other one-time revenue items of SEK 30,2 million are excluded in total revenue, corresponding advisor fees of SEK -17 million are excluded in selling and administrative expenses.

<sup>2)</sup> Non-recurring items which are reported as administrative expenses in the consolidated income statement, are here reported as non-recurring items.

<sup>3)</sup> Excluding non-recurring items and other one-time revenue items.

## Revenue by region

Total revenue SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
USA	132,5	157,9	263,8	290,2	551,9	525,4
Canada	22,6	25,4	45,4	50,1	98,0	93,3
<b>North America</b>	<b>155,1</b>	<b>183,3</b>	<b>309,1</b>	<b>340,3</b>	<b>649,9</b>	<b>618,7</b>
Germany	3,0	2,5	6,6	5,3	12,0	13,3
UK	11,4	10,4	22,3	20,9	44,0	45,5
Portugal	16,8	16,5	34,6	32,8	68,8	70,7
Nordics	25,4	23,4	48,7	46,0	93,7	96,4
<b>Europe</b>	<b>56,6</b>	<b>52,8</b>	<b>112,2</b>	<b>104,9</b>	<b>218,6</b>	<b>225,9</b>
<b>Regions</b>	<b>211,7</b>	<b>236,2</b>	<b>421,3</b>	<b>445,2</b>	<b>868,5</b>	<b>844,6</b>
Other/Eliminations	-0,4	-2,3	-4,1	-5,2	-12,6	-11,4
<b>Group</b>	<b>211,2</b>	<b>233,9</b>	<b>417,2</b>	<b>440,0</b>	<b>855,9</b>	<b>833,1</b>

## Revenue by business line

Total revenue SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Subscription services	143,8	139,1	284,4	279,3	560,2	565,3
Transactional services	31,1	26,9	60,6	57,8	117,2	119,9
Professional services	36,4	37,7	72,2	72,8	148,4	147,9
Other one-time revenue	-	30,2	-	30,2	30,2	-
<b>Group</b>	<b>211,2</b>	<b>233,9</b>	<b>417,2</b>	<b>440,0</b>	<b>855,9</b>	<b>833,1</b>

Total revenue <sup>1)</sup> , % of business lines	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Subscription services	68,1	68,3	68,2	68,1	67,8	67,9
Transactional services	14,7	13,2	14,5	14,1	14,2	14,4
Professional services	17,2	18,5	17,3	17,8	18,0	17,7
<b>Group</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>

<sup>1)</sup> Other one-time revenue items of SEK 30 million are excluded in all periods in 2013.

## Key financial highlights for the Group

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
Operating profit/loss	5	43	22	56	-242	-276
Gross margin, %	68	70	68	67	67	67
Gross margin <sup>1)</sup> , %	68	65	68	65	66	67
Operating profit <sup>1)</sup>	25	18	45	38	73	80
Operating margin <sup>1)</sup> , %	12	9	11	9	9	38
EBITDA	37	58	70	90	149	129
Interest bearing net debt/EBITDA, times	1,5	1,9	1,5	1,9	1,6	1,5
EBITDA <sup>2)</sup>	37	30	70	61	121	129
EBITDA margin <sup>2)</sup> , %	18	15	17	15	15	15
Earnings per share, basic and diluted, SEK	-0,45	2,34	0,30	2,71	-18,56	-20,97
Earnings per share <sup>1)</sup> , basic and diluted, SEK	0,89	0,64	1,87	1,52	2,65	3,00
Operating cash flow per share, SEK	3,29	3,35	6,15	4,76	12,08	13,47
Free cash flow per share, SEK	1,66	2,81	4,14	3,19	9,81	10,75
Equity per share, SEK	43,74	65,23	43,74	65,23	42,33	43,79
No. of own shares at end of period <sup>3)</sup>	51	69	51	69	69	69
Avg. number of outstanding shares, basic <sup>3)</sup>	14 850	14 840	14 845	14 840	14 840	14 843
Avg. number of outstanding shares, diluted <sup>3)</sup>	14 850	14 840	14 845	14 840	14 840	14 843
No. of employees at end of period	954	955	954	955	980	954

<sup>1)</sup> Excluding non-recurring items, other one-time revenue items and goodwill impairment.

<sup>2)</sup> Excluding other one-time revenue items.

<sup>3)</sup> In thousands.

## Summary of Parent Company income statement

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
<b>Revenue<sup>1)</sup></b>	17,5	46,5	33,2	62,5	61,0	31,7
Operating expenses	-31,6	-16,1	-46,2	-39,1	-68,6	-75,7
Depreciation/amortization	-2,1	-1,7	-4,2	-3,5	-7,0	-7,7
<b>Operating profit/loss</b>	<b>-16,2</b>	<b>28,7</b>	<b>-17,2</b>	<b>19,9</b>	<b>-14,6</b>	<b>-51,7</b>
Net financial income and expenses	37,1	16,4	48,4	29,1	-255,4	-236,1
<b>Profit/loss after financial items</b>	<b>20,9</b>	<b>45,1</b>	<b>31,2</b>	<b>49,0</b>	<b>-270,0</b>	<b>-287,8</b>
Appropriations	-	-	-	-	12,6	12,6
<b>Profit/loss before tax</b>	<b>20,9</b>	<b>45,1</b>	<b>31,2</b>	<b>49,0</b>	<b>-257,4</b>	<b>-275,2</b>
Tax	-	-	-	-	-0,1	-0,1
<b>Net profit/loss for the period</b>	<b>20,9</b>	<b>45,1</b>	<b>31,2</b>	<b>49,0</b>	<b>-257,5</b>	<b>-275,3</b>

<sup>1)</sup> Other one-time revenue items of SEK 30,2 million and corresponding advisor fees of SEK -1,7 million are included in the second quarter 2013. These items were reallocated within the Group during the fourth quarter of 2013.

## Summary of Parent Company statement of comprehensive income

SEK in millions	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013	Jul-Jun 2013/14
<b>Net profit/loss for the period</b>	<b>20,9</b>	<b>45,1</b>	<b>31,2</b>	<b>49,0</b>	<b>-257,5</b>	<b>-275,3</b>
<i>Other comprehensive income</i>						
<i>Items that have or that may be reclassified subsequently to profit or loss</i>						
Expanded net investments in foreign operations	13,9	15,7	13,4	15,5	-3,5	-5,6
<b>Other comprehensive income</b>	<b>13,9</b>	<b>15,7</b>	<b>13,4</b>	<b>15,5</b>	<b>-3,5</b>	<b>-5,6</b>
<b>Total comprehensive income</b>	<b>34,8</b>	<b>60,8</b>	<b>44,6</b>	<b>64,5</b>	<b>-261,0</b>	<b>-280,9</b>

## Summary of Parent Company balance sheet

SEK in millions	Jun 30 2014	Jun 30 2013	Dec 31 2013
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Other intangible fixed assets	16,5	17,5	18,1
<b>Total intangible fixed assets</b>	<b>16,5</b>	<b>17,5</b>	<b>18,1</b>
<i>Tangible fixed assets</i>			
Equipment	0,2	0,3	0,3
<b>Total tangible fixed assets</b>	<b>0,2</b>	<b>0,3</b>	<b>0,3</b>
<i>Financial fixed assets</i>			
Deferred tax assets	37,5	37,5	37,5
Shares in Group companies	608,4	725,6	475,2
Receivables from Group companies	5,7	580,0	478,1
Other financial fixed assets	-	2,2	-
<b>Total financial fixed assets</b>	<b>651,6</b>	<b>1 345,3</b>	<b>990,8</b>
<b>Total fixed assets</b>	<b>668,3</b>	<b>1 363,1</b>	<b>1 009,2</b>
<b>Current assets</b>			
Current receivables	9,0	83,8	18,4
Cash and bank	106,4	25,8	48,7
<b>Total current assets</b>	<b>115,4</b>	<b>109,6</b>	<b>67,0</b>
<b>TOTAL ASSETS</b>	<b>783,7</b>	<b>1 472,7</b>	<b>1 076,2</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	702,8	983,7	658,0
Long-term borrowings	-	434,6	344,7
Other long-term liabilities	0,2	0,2	0,2
Current liabilities	80,7	54,2	73,3
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>783,7</b>	<b>1 472,7</b>	<b>1 076,2</b>
Pledged assets	-	-	-
Contingent liabilities	0,2	29,9	0,2

## Definitions

### Operating profit

#### *EBITDA*

Operating profit excl. goodwill impairments, depreciations and amortizations, and non-recurring items.

### Margins

#### *Gross margin*

Gross profit excl. goodwill impairments and non-recurring items, as a percentage of total revenue.

#### *Operating margin*

Operating profit, as a percentage of total revenue.

#### *EBITDA margin*

EBITDA as a percentage of total revenue.

### Capital structure

#### *Working capital*

Current operating assets less current operating liabilities. Tax is not included.

#### *Operating capital*

Fixed assets and current operating assets less current operating liabilities and current provisions. Financial items and tax are not included.

#### *Interest bearing net debt*

Financial liabilities less financial assets.

#### *Net Debt/EBITDA*

Interest bearing net debt through EBITDA rolling 12 months.

### 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.

#### *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.

### Data per share

#### *Average number of shares before dilution*

Weighted average of the number of shares during the report period.

#### *Average number of shares after dilution*

Weighted average of the number of shares during the report period, taking into account potential shares.

#### *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.

#### *Earnings per share before dilution*

Net profit for the year divided by the average number of shares.

#### *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.

#### *Operating cash flow per share*

Operating cash flow divided by the average number of shares after dilution.

#### *Free cash flow per share*

Free cash flow divided with average number of shares after dilution.

#### *Equity per share*

The closing balance of shareholders' equity divided by the number of shares at year-end, taking into account repurchased shares.

### 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.