Cision AB (publ)
Year end report January–December 2010, February 15, 2011

CISION
Global Media Intelligence

Continued operating improvements
Solid cash-flow

October–December

- The Group's operating revenue amounted to SEK 268 million (315). Organic growth was negative at 1 percent, compared with negative 4 percent for July–September 2010 and negative 16 percent for October–December 2009. Exchange rate effects decreased revenue by SEK 11 million compared with the same period last year and the net effect of divestments and acquisitions decreased revenue by SEK 45 million.
- Operating profit excluding restructuring costs, goodwill impairment, and other one-off costs amounted to SEK 37 million (24) and the operating margin was 13.7 percent (7.5). Exchange rate effects had a negative impact on operating profit of SEK 1 million compared with the same period last year.
- Operating cash flow amounted to SEK 52 million (47) and free cash flow amounted to SEK 37 million (16).
- Organic growth for the fourth quarter was close to neutral and the positive development for the organic growth trend quarter on quarter has thereby continued. In the US, Cision's most important market, organic growth was positive 2 percent.
- Good fourth quarter cash flows implied further improvement in financial position, with Net Debt/12M Rolling EBITDA at 2.3 as of December 31.
- For 2010, the board proposes no dividend in order to strengthen the group's competitiveness and financial flexibility. However, due to the group's positive development and strong cash-flow generation, the board's view is that the company over the longer term shall have a policy to distribute approximately 50% of earnings after tax as dividend.

January–December

- The Group's operating revenue amounted to SEK 1,132 million (1,476). Organic growth was negative at 5 percent (–13). Exchange rate effects decreased revenue by SEK 59 million and the net effect of divestments and acquisitions decreased revenue by SEK 240 million.
- Operating profit excluding restructuring costs, goodwill impairment, and other one-off costs amounted to SEK 142 million (96) and the operating margin was 12.6 percent (6.5). Exchange rate effects had a negative impact on operating profit of SEK 8 million compared with the same period last year.
- Operating profit amounted to SEK 123 million (–260) and profit before tax was SEK 83 million (–341). Restructuring costs were SEK 19 million (46). The comparative figures for last year include the impact of goodwill impairment (SEK 267 million in 2009) and other one-off costs (SEK 43 million in 2009).
- Earnings per share were SEK 0.40 (–3.48).
- Operating cash flow amounted to SEK 105 million (90) and free cash flow amounted to SEK 5 million (–49).

KEY FINANCIAL DATA

	2010		2009	2010	2009
SEK in millions	Oct–Dec	Jul–Sep	Oct–Dec	Jan–Dec	Jan–Dec
Total revenue, SEK million	268	265	315	1,132	1,476
Organic growth, %	–1	–4	–16	–5	–13
Operating profit, SEK million	25	36	–3	123	–260
Operating profit[1)], SEK million	37	38	24	142	96
Operating margin[1)], %	13.7	14.3	7.5	12.6	6.5
EBITDA[2)]	50	52	39	199	180
EBITDA margin[2)], %	18.5	19.8	12.3	17.6	12.2
Net Debt/EBITDA 12MR[2)]	2.3	2.7	4.0	2.3	4.0
Operating cash flow, SEK million	52	56	47	105	90
Free cash flow, SEK million	37	40	16	5	–49
Earnings per share[3)], SEK	0.07	0.13	–0.28	0.40	–3.47
Operating cash flow per share[3)], SEK	0.35	0.37	0.44	0.75	0.84
Free cash flow per share[3)], SEK	0.25	0.26	0.15	0.04	–0.46

1) Excluding goodwill impairment, restructuring expenses and other one-off costs
2) Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs
3) Data per share after full dilution

Comment by Cision CEO Hans Gieskes:

"Cision's fourth quarter reflected the developments we have seen throughout the year, with an improving organic growth trend and very solid profitability, with margins just below our 20% EBITDA margin target. In addition, very good fourth quarter cash flows implied further improvement in our financial position, with Net Debt/EBITDA at 2.3, ahead of our target of 2.5. The improved financial performance is a result of our much stronger operations in 2010 compared to previous years, with a sales-driven and software-based business model, anchored in our award-winning CisionPoint software platform.

We are optimistic about continued positive developments for Cision over the next few years, both due to improved market conditions as well as continued strengthening of the competitiveness of our company. Our near-term priority is to gradually return to organic growth during 2011, which we aim to achieve through the continued roll-out of CisionPoint in Europe, upselling to our large US customer base, increased investments in sales and marketing expenditures, as well as the launch of new service features."

Market outlook

Cision believes that the long-term growth prospects for software and services for the PR industry are good. The value of brands is increasing, making it more important for companies to manage their image across a broad spectrum of traditional and new media. At the same time, the information available to 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 the demand for integrated PR software solutions, such as CisionPoint, will become increasingly essential for PR and communication professionals to help them manage their daily tasks. High-quality PR software solutions are complex and expensive to develop; therefore Cision expects its market to consolidate over the next few years. The structural decline of information available in print and broadcast media will continue, while supply and demand for information only available online is rapidly growing. In the shorter term, the recent economic recession has had a negative impact on demand for Cision's services.

The Group's development

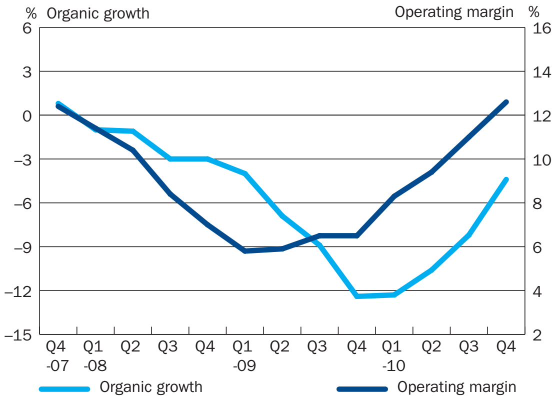
	2010		2009	2010	2009
SEK in millions	Oct–Dec	Jul–Sep	Oct–Dec	Jan–Dec	Jan–Dec
Total revenue	268	265	315	1,132	1,476
Organic growth, vs last year, %	–1	–4	–16	–5	–13
Currency effect on revenue, vs last year	–11	–2	–17	–59	136
Operating profit[1]	37	38	24	142	96
Operating margin[1], %	13.7	14.3	7.5	12.6	6.5
Currency effect on operating profit, vs last year	–1	–	–3	–8	22
EBITDA[2]	50	52	39	199	180
EBITDA margin[2], %	18.5	19.8	12.3	17.6	12.2
Net profit	10	20	–30	56	–368
Employees, end of period	1,298	1,315	1,629	1,298	1,629

[1] Excluding goodwill impairment, restructuring expenses and other one-off costs
[2] Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

Revenues for 2010 decreased compared with 2009, mainly due to the divestments of Monitor operations in the past two years (net impact of divestments and acquisitions about SEK 240 million), but also due to a negative currency development (impact of SEK 59 million) and negative organic growth of 5 percent. Revenues for the fourth quarter of 2010 decreased due to the same divestments (net impact of divestments and acquisitions about SEK 45 million) and a negative currency development (impact of SEK 11 million), whereas the year on year change in revenues due to organic growth was only marginally negative in the fourth quarter. Organic growth was negative in 2010 due to a weak recovery from the recession and lower transaction-based revenues from monitoring of print and Radio/TV sources, although the decline in organic growth improved steadily during the year, from negative eight percent in the first quarter to negative one percent in the fourth quarter.

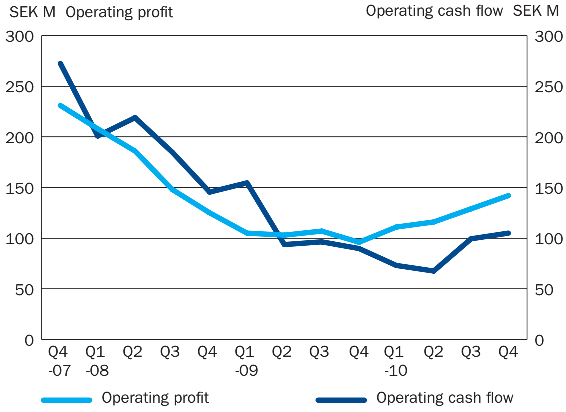
For 2010, operating profit and operating margin excluding restructuring costs, goodwill impairment, and other one-off costs improved significantly compared to 2009 due to improved profitability in Europe through the divestments of unprofitable Monitor operations in the UK, the Nordics, and Germany, partly offset by

ORGANIC GROWTH & OPERATING MARGIN[1)] (rolling 12 months)



1) Excluding goodwill impairment, restructuring expenses, and other one-off costs

OPERATING PROFIT & OPERATING CASHFLOW[1)] (rolling 12 months)



1) Excluding goodwill impairment, restructuring expenses, and other one-off costs

lower profit in North America mainly due to negative currency effects. For the fourth quarter of 2010, operating profit and operating margin excluding restructuring costs, goodwill impairment, and other one-off costs also improved considerably compared to the same period last year, mainly due to the divestments of the loss-making businesses in the UK and Germany. Operating profit for 2010 improved to SEK 123 million (–260), due to much lower restructuring costs in 2010 of SEK 19 million (46) as well as the impairment charges of SEK 267 million and other one off costs of SEK 43 million that were incurred in 2009.

The financial net for 2010 improved to SEK –50 million (–70), mainly due to lower debt following Cision's rights issue in the second quarter of 2010 as well as lower costs for financial fees. The financial net for 2010 was also positively impacted by favorable currency effects, but negatively impacted by one-off charges related to the refinancing of Cision's syndicated loan as well as a write-down of a financial receivable. In the fourth quarter, the financial net of SEK 5 million (15) included positive non-recurring items of about SEK 3 million, due to fx effects, an adjustment of the one-off charges related to the loan refinancing, and revaluations of interest rate hedges.

During 2010, Cision recorded a capital gain of SEK 11 million related to the divestment of Cision's German legal entities, compared with a capital loss of SEK 12 million in 2009 from the divestment of Nordic subsidiaries. The tax cost for 2010 amounted to SEK 27 million (27), of which SEK 22 million (22) is deferred tax for deductible goodwill amortizations. Tax paid for 2010 therefore amounted to SEK 2 million (3), mainly because of the deferred tax effect.

As of December 31, 2010, Cision had 1,298 employees, a decrease of 331 compared with December 31, 2009, mainly due to the German divestment (reduction of about 235 employees), as well as other staff reductions to improve efficiency.

Development by region

Cision North America

	2010		2009	2010	2009
SEK in millions	Oct–Dec	Jul–Sep	Oct–Dec	Jan–Dec	Jan–Dec
Total revenue	183	189	187	767	809
Organic growth, vs last year, %	–1	–3	–10	–2	–10
Currency effect on revenue, vs last year	–5	3	–15	–31	103
Operating profit[1)]	34	35	38	150	161
Operating margin[1)], %	18.7	18.8	20.2	19.5	19.9
Currency effect on operating profit, vs last year	–1	–	–3	–6	21
EBITDA[2)]	43	45	47	188	202
EBITDA margin[2)], %	23.5	23.9	25.1	24.5	24.9

1) Excluding goodwill impairment, restructuring expenses and other one-off costs
2) Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

Organic growth for 2010 was negative at 2% but much improved from last year's –10%, as mainly the US business benefitted from the successful roll-out of CisionPoint as well as improved market conditions. As of late 2010, CisionPoint has been fully rolled out to the US customer base. Transaction-based Monitor revenues had a negative impact on growth, particularly in Canada. Operating profit for Cision North America decreased in 2010 compared to last year largely due to negative currency effects, while operating margins remained at a very solid 20%. During the second half of the year, Cision US outsourced its broadcast monitor operations, resulting in both an improved offering as well as another step toward implementing the group's strategy of reducing fixed costs and in-house monitor production.

In the fourth quarter, organic growth was marginally negative at –1% for the division, but with the US showing positive organic growth of 2%. Operating margins for the fourth quarter were slightly lower than the same period last year. Cost efficiency for production has increased, leading to an improved gross margin for the quarter of 64% (63), whereas indirect costs for mainly sales and marketing activities to drive growth have increased.

Cision Europe

	2010		2009	2010	2009
SEK in millions	**Oct–Dec**	**Jul–Sep**	**Oct–Dec**	**Jan–Dec**	**Jan–Dec**
Total revenue	87	87	131	393	678
Organic growth, vs last year, %	–	–2	–14	–9	–15
Currency effect on revenue, vs last year	–6	–5	–2	–28	33
Operating profit[1]	9	9	–6	26	–32
Operating margin[1], %	10.6	10.6	–4.5	6.7	–4.8
Currency effect on operating profit, vs last year	–1	–1	–	–2	1
EBITDA[2]	12	13	–1	41	7
EBITDA margin[2], %	13.8	14.9	–0.4	10.3	1.0

[1] Excluding goodwill impairment, restructuring expenses and other one-off costs
[2] Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

Organic growth for Cision Europe was negative at 9% for 2010, though the trend during the year was significantly positive, improving from about negative 15% in the first two quarters of the year to about 0% organic growth in the fourth quarter. Operating profit and operating margins before restructuring costs, goodwill impairment, and other one-off costs improved considerably, as the division successfully transformed to a more profitable business model following the divestments of the majority of its loss-making Monitor operations during 2009 (UK, the Nordics, and Lithuania) and the first quarter of 2010 (Germany).

In the fourth quarter, Cision Europe's improvement in organic growth trend continued, with very solid operating margins reported for Portugal and Sweden. The German start-up operations, following the divestment in this country in the first quarter, is developing according to plan, where the focus is to build a lean and sales-driven business based on the CisionPoint delivery platform. In the fourth quarter, Cision Europe's operating profit was favorably impacted by a one-off realized gain of about SEK 1 million, due to the sale of a real estate asset in the UK.

Restructuring

Restructuring expenses for January–December were SEK 19 million (46), of which SEK 12 million (24) in the fourth quarter, mainly related to costs for efficiency improvements in Germany, the UK, and the Nordics. Restructuring costs were lower in 2010 than in 2009 because of the divestment of Monitor-based businesses in the past 18 months, where historically most of Cision's restructuring activities have occurred.

Cision believes that per the end of 2010, the restructuring program as launched in 2006 has been largely completed, where costs were incurred to implement a higher degree of digital business processes, efficiency improvements, and staff reductions. However, Cision also believes that other one-off costs may occur in the future in the continued development of the Group, such as costs related to Cision's stated intention of outsourcing production resources within the service area Monitor and similar one-off costs. Therefore, from 2011, Cision will no longer report Restructuring Costs, but may instead report one-off costs. To the extent that such costs are incurred, such items will be reported separately as Non-Recurring Items, which better reflects the characteristics of such potential items.

Financial position

SEK in millions	2010 31 Dec	2010 30 Sep	2010 30 June	2010 31 Mar	2009 31 Dec
Shareholders equity	902	903	988	679	681
Equity per share, SEK	6.05	6.06	6.62	9.05	9.14
Interest bearing net debt	457	501	567	746	724
Net Debt/EBITDA 12MR[1)]	2.3	2.7	3.1	4.0	4.0
Working Capital	–72	–52	–41	–86	–103
Liquid Assets	102	82	98	102	144

1) Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

During the first half of 2010, Cision carried out a rights issue whereby equity increased by the net proceeds of SEK 238 million. During 2010, shareholders' equity also increased by SEK 57 million due to net profit and decreased by SEK 77 million due to exchange rate effects.

During the first half of 2010, Cision renegotiated its loan with the current bank syndicate, where new loan terms included a facility limit of about USD 100 million and expiration of the facility in the second quarter of 2013. The terms of the renegotiated loan include customary financial covenants as well as amortization and reduction of the facility by a total of USD 10 million during 2011–2012. As of December 31, 2010, utilization of the syndicated loan was approximately USD 83 million. Exchange rate effects decreased the syndicated loan by about SEK 26 million between January and December 2010, with no exchange rate effect recorded for the fourth quarter.

The Interest Bearing Net Debt/EBITDA ratio, with EBITDA measured on a 12 month rolling basis before restructuring and other one-off costs, improved significantly during the year, mainly due to the share issue, but also due to improved EBITDA. For the fourth quarter, the Net Debt/EBITDA ratio improved from 2.7 to 2.3 mainly due to solid cash flows decreasing net debt, as well as improved EBITDA year on year. The group's financial target is to have its Net Debt/EBITDA ratio not exceed 2.5.

Goodwill

Goodwill amounted to SEK 1,418 million as of December 31, 2010. Goodwill decreased during the period January–December 2010 by SEK 73 million due to exchange rate fluctuations and increased by SEK 15 million due to acquisitions.

Cash flow

SEK in millions	2010 Oct–Dec	2010 Jul–Sep	2009 Oct–Dec	2010 Jan–Dec	2009 Jan–Dec
Operating Cash Flow	52	56	47	105	90
Free Cash Flow	37	40	16	5	–49

Operating cash flow and free cash flow for 2010 compared with 2009 improved considerably, mainly due to improved earnings and lower restructuring costs paid, partly offset by negative cash flow from working capital. Cash flow for 2010 includes a significant negative impact from restructuring costs taken in previous years and provisions related to the divestments of subsidiaries in 2009, as well as one-off charges related to Cision's loan refinancing.

For the fourth quarter of 2010 compared with the same period last year, operating cash flow and free cash flow also improved, due to improved earnings and lower restructuring costs paid, partly offset by higher capital expenditures. The fourth quarter was also positively impacted by a one-off effect of SEK 9 million, due to the sale of a real estate asset in the UK.

Divestments

On March 2, 2010, Cision announced that it had signed an agreement to sell its German legal entities to Infopaq International. The transaction was completed according to plan on March 31, 2010. Prior to completion, Cision separated and thereby retained its current German CisionPoint customers, as well as a sales force in order to continue to sell this solution in the German market.

The purchase price was EUR 2.85 million on a cash and debt-free basis, payable on September 30, 2012. Cision also agreed to reimburse the divested unit for restructuring costs of EUR 250,000 and to provide a loan to the divested unit of EUR 2 million. The loan will be repaid in installments, with full payment by June 30, 2011.

Cision's German business had revenues of about EUR 18 million in 2009, with nearly all of its business focused on transactional Monitor and Analyze services, and with about 240 employees as of December 31, 2009. For 2009, Cision Germany reported an operating loss before restructuring costs of about EUR 1.6 million, including certain cost allocations from the Cision Group, as well as restructuring costs of EUR 0.9 million. During 2009, Cision Germany started to market its CisionPoint solution to new German customers, through a separate and dedicated sales force. As of January 2010, this part of Cision's German business, which was retained by Cision following the divestment, employed five people and had revenues with an annual run rate of about EUR 0.5 million. Following the divestment, Cision Germany will continue to offer customers a complete offering through the CisionPoint service platform, where media monitoring will be provided through internet sources, electronic feeds from news aggregators, and through a reseller agreement with Infopaq International.

Acquisitions

On July 1, 2010, Cision completed the acquisition of all shares of the Swedish company Public and Investor Relations PIR Svenska AB (PIR). PIR's business focuses on distributing press releases and providing a contact database for journalists and the media for the Swedish market (the services Cision refers to as 'Connect' and 'Plan'). As of June 30, 2010, PIR had 7 employees with revenues of about SEK 8 million for 2009. Through focused sales management and excellent customer service, PIR has experienced high growth rates in the past few years, accumulating a sizeable customer base, particularly in the public sector. Historically, PIR has delivered very solid operating margins. Combined with expected synergies upon its integration with Cision, the acquisition therefore has a positive impact on Cision's European operating margins from the second half of 2010.

Change of number of shares and votes

The number of shares and votes in Cision increased by 74,544,418 during the second quarter of 2010 due to the share issue and by 7,000 during the third quarter due to exercise of employee stock options under the 2009 long-term incentive program. As of December 31, 2010, there are a total of 149,095,836 shares and votes in the company.

Incentive programs

On On March 29, 2007, at the 2007 Annual General Meeting, a resolution was passed to initiate a performance-based incentive program by issuing no more than 700,000 convertible profit-sharing debentures (convertibles) to 13 members of Group management. The issue price and nominal value of the convertibles was set at 113.3 percent of the volume-weighted average price of the Cision share during the period April 27–May 3, 2007, corresponding to the market value of the convertibles. A total of 660,000 convertibles were subscribed for at SEK 33.94 each. The total loan amount was SEK 22,400,400. Share capital may not increase by more than SEK 990,000. Each convertible confers the right to one new share in Cision AB. Conversion may be requested during the period April 1–June 30, 2011. The conversion price initially corresponds to the subscription price, but this may be revised downward if the company meets certain financial targets. Following customary conversion adjustments to compensate participants for the economic dilution caused by the 2010 rights issue, the initial subscription price was adjusted to SEK 24.30 per convertible during the second quarter of 2010. Full conversion would entail dilution of approximately 0.4 percent of the share capital and voting rights of Cision as of December 31, 2010.

On April 2, 2009, at the 2009 Annual General Meeting, a resolution was passed to initiate a three-year equity-settled incentive plan consisting of 2,250,000 employee stock options entitling a corresponding number of shares. Vesting of allotted employee stock options depends on two criteria: 80 percent are subject to market conditions related to the share price of the Company and 20 percent to continued employment. The employee stock options subject to the market conditions vest in three tranches when the Company's share price exceeds the strike price by 100 percent, 200 percent, and 300 percent. The strike price is set to SEK 6.11 per share, which corresponds to 130 percent of the volume-weighted average price of the Company's share during a measurement period of one month in conjunction with the 2009 Annual General Meeting. A maximum of one third of the employee stock options subject to the market conditions can vest per year. Following customary conversion adjustments to compensate participants for the economic dilution caused by the 2010 rights issue, the strike price was adjusted to SEK 4.40 per share and the maximum number of shares that may be subscribed for under the program was adjusted to 3,150,000 during the second quarter of 2010. Per September 30, 2010, following the departure of certain employees previously entitled to stock options, as well as the exercise of stock options, the maximum number of shares that may be subscribed for under the program is

2,835,000. Assuming all awarded and outstanding employee stock options are exercised, dilution would be approximately 1.9 percent of the share capital and voting rights of Cision as of December 31, 2010.

Parent Company

The Parent Company's operations comprise parts of Group management and Group development resources. For the period January–December 2010, operating revenue amounted to SEK 62 million (240) with a profit before tax of SEK 91 million (–164). The decrease in revenue compared to last year is mainly because the parent company revenues during 2009 included revenues from a company operating under a commission agreement. The improved profit before tax is mainly because the 2009 result included impairment of immaterial assets, write-down of the value of shares in subsidiaries as well as capitalized losses on the divestment of subsidiaries, offset partly due to other capital gains on internal restructuring transactions. At the end of the period, shareholders' equity amounted to SEK 843 million. Investments in other fixed assets amounted to SEK 12 million (23) for the period January–December 2010.

The parent company and Cision Sverige AB operated under a commission agreement until December 31 2009, which was cancelled as of 1 January 2010. The income statement and the balance sheet for the parent company in 2010 therefore refer to the accounts of the parent company, whereas the same figures for 2009 refer to the parent company and Cision Sverige AB.

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 2009.

Material risks and uncertainties

Cision's competitive strength depends on client-focused service development, the successful conversion to a digital offering based on analyzed information, and a digitized production process, as well as the ability to attract and retain competent personnel.

The greatest potential uncertainties over the next 12 months are as follows:

- Economic recessions will have a negative impact on Cision's earning capacity.
- Certain revenue streams for Monitor and Analyze services are negatively affected by the declining number of newspapers and volume of information in such media.
- Non-recurring items may arise in order to improve cost-efficiency, particularly in the area of Monitor operations.
- More than 90 percent 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 second quarter of 2013. However, the 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 and 35-38 of the 2009 Annual Report.

Outlook

Cision does not issue forecasts.

Annual General Meeting

The 2010 Annual General Meeting will be held on March 31, 2011, at 4:00 p.m. (CET) at Konferens Spårvagnshallarna, Birger Jarlsgatan 57A, Stockholm, Sweden.

Proposals for the Annual General Meeting on March 31, 2011

Dividend

For 2010, the board proposes no dividend in order to strengthen the group's competitiveness and financial flexibility.

Reverse Share Split

The Board of Directors has resolved to propose to the Annual General Meeting on March 31 2011 that Cision AB carries out a reverse share split at a ratio of 1:10, i.e. whereby 10 existing shares will be consolidated into one share, in order to facilitate the trade in the Cision share. For those shareholders who on the record date for the reverse share split do not hold a number of shares corresponding to a whole number of new shares, such excess shares will be sold, after which the proceeds from the sale will be distributed among the shareholders who are entitled to such proceeds. Assuming approval by the Annual General Meeting on March 31 2011, it is expected that the reverse share split can be effected not later than in May 2011. Additional details on the proposed reverse share split will be published with the notification of the Annual General Meeting.

Annual report

The annual report for 2010 will be presented in March 2011 and will be available on Cision's website, http://corporate.cision.com.

Accounting principles

As of January 1, 2005, Cision AB applies the International Financial Reporting Standards (IFRS), as adopted by the European Union. 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 Annual Report for 2009. New and revised IFRS standards that have entered into force since January 1, 2010, have had no effect on Cision's income statement, balance sheet, statement of cash flow, or shareholders' equity.

Stockholm, February 15, 2011

Cision AB (publ)
The Board of Directors

Cision AB is required to disclose the information in this year-end report under Sweden's Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 8:30 a.m. CET on February 15, 2011.

The year-end report has not been reviewed by the company's auditors

Upcoming financial reports

April 27, 2011	Interim report January–March 2011
July 21, 2011	Interim report January–June 2011
October 25, 2011	Interim report January–September 2011

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Cision AB invites you to participate in a telephone conference on the year-end report January–December 2010, on Tuesday, February 15 at 10:00 (CET). Hans Gieskes, CEO and Erik Forsberg, CFO will participate in the conference. A summary presentation on the year-end report will be provided during the telephone conference and will be available on http://corporate.cision.com thereafter.

In order to participate and access the presentation that will be held during the conference, please use the following link to register for the conference in advance.

http://webeventservices.stream57.com/20110215cision/

You will then be allocated instructions how to register for the presentation and the conference call.

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CONSOLIDATED INCOME STATEMENT

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Revenue	1,130.1	1,488.2	267,2	318.4
Other revenue	1.7	–12.3	1.1	–3.3
Total revenue	**1,131.8**	**1,475.9**	**268.3**	**315.1**
Production costs	–476.4	–754.3	–105.4	–158.7
Gross Profit	**655.4**	**721.6**	**162.9**	**156.4**
Selling and administrative expenses	–532.7	–981.2	–138.1	–159.7
Operating profit	**122.7**	**–259.6**	**24.8**	**–3.3**
Net financial income and expenses	–50.2	–69.5	–5.1	–15.0
Capital gain/loss divestment of subsidiaries	10.7	–12.0	–0.5	3.8
Profit before tax	**83.2**	**–341.1**	**19.1**	**–14.5**
Tax	–27.1	–26.6	–9.1	–15.1
Net profit for the period	**56.1**	**–367.7**	**10.0**	**–29.6**
Depreciation included in operating profit	–56.9	–114.2	–13.0	–15.3
Goodwill impairment included in operating profit	–	–267.1	–	0.5
Earnings per share basic, SEK	**0.40**	**–3.48**	**0.07**	**–0.28**
Earnings per share diluted, SEK	**0.40**	**–3.47**	**0.07**	**–0.28**
Restructuring expenses included in operating profit	**–19.4**	**–45.8**	–11.9	**–24.1**
Gross profit[1)]	**660.8**	**729.1**	**163.0**	**161.5**
Gross margin[1)] %	**58.4**	**49.4**	**60.8**	**51.3**
Operating profit[1)]	**142.1**	**96.3**	**36.7**	**23.6**
Operating margin[1)] %	**12.6**	**6.5**	**13.7**	**7.5**

[1)] Excluding goodwill impairment, restructuring expenses and other one-off costs

STATEMENT OF COMPREHENSIVE INCOME

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Net profit for the period	**56.1**	**–367.7**	**10.0**	**–29.6**
Other comprehensive income:				
Translation differences	–84.5	–79.2	–14.3	29.3
Hedge of net investment in foreign operations	7.6	31.9	5.2	–11.0
Market valuation of financial instruments	3,5	5.4	–1.8	0.9
Other comprehensive income	**–73.4**	**–41.9**	**–10.9**	**19.2**
Total comprehensive income for the period	**–17.4**	**–409.6**	**–0.9**	**–10.4**

CONSOLIDATED BALANCE SHEET

SEK in millions	2010 Dec 31	2009 Dec 31
ASSETS		
Fixed assets		
Goodwill	1,418.7	1,476.4
Other fixed assets	190.4	187.2
Deferred tax assets	21.5	21.5
	1,630.6	**1,685.1**
Current assets		
Current receivables	306.5	329.8
Tax assets	10.9	7.8
Liquid assets	101.6	143.5
	419.0	**481.1**
TOTAL ASSETS	**2,049.6**	**2,166.2**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**902.3**	**681.3**
Long-term liabilities		
Provisions for deferred tax	161.6	152.6
Long-term liabilities	569.6	556.9
	731.2	**709.5**
Current liabilities		
Provisions	17.8	29.4
Current tax liabilities	4.6	2.2
Other current liabilities	393.7	743.8
	416.1	**775.4**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**2,049.6**	**2,166.2**
Operating capital	**1,493.3**	**1,530.5**
Operating capital excluding goodwill	**74.5**	**54.1**
Interest-bearing net debt	**457.1**	**723.7**

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Operating activities				
Net profit for the period	56.1	–367.7	10.0	–29.6
Tax	27.1	26.5	9.1	15.0
Net financial income and expenses	50.2	69.5	5.1	15.0
Capital gain/loss divestment of subsidiaries	–10.7	12.0	0.5	–3.8
Reported cost for restructuring program	19.4	45.8	11.9	24.1
Adjustment for non cash items included in Net Profit				
Capital gain/loss divestment of operations	–	12.3	–	3.3
Depreciation	56.9	114.2	13.1	15.3
Goodwill impairment	–	267.1	–	–0.5
Other non-cash items	–1.3	–2.4	–2.2	–
Restructuring expenses and provisions paid	–44.0	–73.3	–13.9	–30.4
Interest received and paid	–53.3	–62.3	–7.8	–13.9
Income tax paid	–2.2	–2.6	6.6	13.9
Change in working capital	–40.0	–21.7	23.2	26.2
Cash flow from operating activities	**58.2**	**17.4**	**55.6**	**34.6**
Investing activities				
Subsidiary acquisitions	–13.3	–	–	–
Business acquisitions	–5.6	–2.8	–	–
Business divestments	9.6	36.8	–	6.2
Investments in other fixed assets	–62.1	–65.9	–27.9	–18.4
divestments in other fixed assets	9.3	–	9.3	–
Increase/decrease in financial fixed assets	–13.0	–	4.1	–
Cash flow from investing activities	**–75.1**	**–31.9**	**–14.5**	**–12.2**
Financing activities				
Share issue	237.8	–	–	–
Increase/decrease in long–term financial liabilities	–230.8	20.2	–17.8	–6.0
Increase/decrease in current financial liabilities	–28.1	–22.8	–3.6	26.2
Cash flow from financing activities	**–21.1**	**–2.6**	**–21.4**	**20.2**
Cash flow for the period	**–38.0**	**–17.1**	**19.7**	**42.6**
Liquid assets at beginning of period	143.5	162.3	81.7	98.0
Translation difference in liquid assets	–3.9	–1.7	0.2	2.9
Liquid assets at end of period	**101.6**	**143.5**	**101.6**	**143.5**
Operating cash flow	**104.9**	89.7	**52.2**	**46.6**
Free cash flow	**5.4**	**–48.5**	**37.1**	**16.2**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK in millions	2010 Dec 31	2009 Dec 31
Opening balance	**681.3**	**1.090.4**
Comprehensive income for the period	–17.4	–409.6
Total comprehensive income	**–17.4**	**–409.6**
Transactions with shareholders		
New share issue	237.8	–
Share-based payment	0.6	0.5
Total transactions with shareholders	**238.4**	**0.5**
Closing balance	**902.3**	**681.3**

KEY FINANCIAL HIGHLIGHTS FOR THE GROUP

	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Operating margin, %	10.8	–17.6	9.2	–1.0
Gross margin[1], %	57.9	48.9	60.7	49.6
Operating profit[2], SEK million	142.1	96.3	36.7	23.6
Operating margin[2], %	12.6	6.5	13.7	7.5
Gross profit[2], SEK million	660.8	729.1	163.0	161.5
Gross margin[2], %	58.4	49.4	60.8	51.3
EBITDA[3]	199	180	50	39
EBITDA margin[3], %	17.6	12.2	18.5	12.3
Net Debt/EBITDA 12MR[3]	2.3	4.0	2.3	4.0
Earnings per share basic[4], SEK	0.40	–3.48	0.07	–0.28
Earnings per share diluted[4], SEK	0.40	–3.47	0.07	–0.28
Equity per share, SEK	6.05	9.14	6.05	9.14
No. of shares at end of period, thousands	149,096	74,544	149,096	74,544
Avg. number of shares before dilution, thousands[5]	139,240	105,764	149,096	105,764
Avg. number of shares after dilution, thousands[5]	139,661	106,501	149,212	106,797
No. of employees at end of period	1,298	1,629	1,298	1,629

[1] Gross profit as a percentage of operating revenue
[2] Excluding goodwill impairment, restructuring expenses and other one-off costs
[3] Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs
[4] Including new share issue. Previous periods has been translated according to the same principles.
[5] The new share issue that was ongoing between March 24 and April 12 has been affecting the calculation of the average number of shares since the issue contains a bonus issue component (Swedish: fondemissionselement). The bonus issue component arise 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 amounts to 1.419. Previous reported earnings per share have thus been adjusted.

REVENUE BY REGION

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
USA	613.5	650.2	146.8	147.9
Canada	153.9	158.9	35.9	39.1
North America	**767.4**	**809.1**	**182.7**	**187.0**
Germany	46.9	190.8	1.8	43.2
UK	87.3	159.9	22.5	28.9
Portugal	67.2	65.4	17.7	16.9
Sweden	72.7	126.0	19.2	17.7
Denmark	–	5.0	–	–
Norway	4.2	17.1	0.9	1.5
Finland	83.2	106.5	19.8	23.4
Baltic countries	–	7.0	–	–0.2
Other Europe	31.6	–	5.1	–
Europe	**393.1**	**677.7**	**87.0**	**131.4**
Regions	**1,160.5**	**1,486.8**	**269.7**	**318.4**
Other	6,5	56.5	2,2	38,8
Eliminations	–35.2	–55.1	–3.6	–38,8
Group	**1,131.8**	**1,488.2**	**268.3**	**318.4**

REVENUE BY SERVICE AREA

External revenue, SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Plan/Connect	398.5	448.0	98.2	102.1
Monitor/Analyze	733.3	1,040.2	170.1	216.3
Group	**1,131.8**	**1,488.2**	**268.3**	**318.4**

INCOME STATEMENT BY REGION

Jan–Dec	North America		Europe		Other		Eliminations		Group	
SEK in millions	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Operating revenue	**767.4**	**809.1**	**393.1**	**677.7**	**6.5**	**56.5**	**–35.2**	**–55.1**	**1,131.8**	**1,488.2**[1)]
Production costs	–273.5	–304.0	–197.5	–411.4	–0.1	–31.4	–	–	–471.0[2)]	–746.8[2)]
Gross profit	**493.9**	**505.1**	**195.6**	**266.3**	**6.4**	**25.1**	**–35.2**	**–55.1**	**660.8**	**741.4**
Selling and administrative expenses	–344.3	–343.9	–169.2	–298.6	–40.4	–57.6	35.2	55.0	–518.7[3)]	–645.1[3)]
Operating profit[4)]	**149.7**	**161.2**	**26.4**	**–32.3**	**–34.0**	**–32.5**	**–**	**–0.1**	**142.1**	**96.3**
Goodwill impairment	–	–	–	–	–	–267.1	–	–	–	–267.1
Restructuring costs	–	–	–17.5	–38.9	–1.9	–6.9	–	–	–19.4	–45.8
Other one-off costs	–	–	–	–15.8	–	–27.2	–	–	–	–43.0[5)]
Operating profit	**149.7**	**161.2**	**8.9**	**–87.0**	**–35.9**	**–333.7**	**–**	**–0.1**	**122.7**	**–259.6**
Net financial income and expenses									–50.2	–69.5
Capital gain/loss divestment of subsidiaries									10.7	–12.0
Profit before tax									**83.2**	**–341.1**
Gross margin[4)]**, %**	**64.4**	**62.4**	**49.8**	**39.3**					**58.4**	**49.4**
Operating margin[4)]**, %**	**19.5**	**19.9**	**6.7**	**–4.8**					**12.6**	**6.5**
EBITDA[6)]	**188.2**	**201.6**	**40.5**	**7.0**					**199.0**	**179.8**
EBITDA margin[6)]**, %**	**24.5**	**24.9**	**10.3**	**1.0**					**17.6**	**12.1**

1) Other one-off costs amount to –12.3 MSEK that is included in the consolidated income statement and accounts on other revenue accounts here on other one-off costs.
2) Restructuring costs amount to –5.4 MSEK (–7.5) that is included in the consolidated income statement and accounts on production costs accounts here on restructuring costs.
3) Restructuring costs amount to –14 MSEK (–38.3) that is included in the consolidated income statement and accounts on selling and administrative expenses accounts here on restructuring costs. Goodwill impairment amount to 0 MSEK (–267.1) that is included in the consolidated income statement and accounts on selling and administrative expenses accounts here on goodwill impairment. Other one-off costs amount to 0 MSEK (–30.7) that is included in the consolidated income statement and accounts on selling and administrative expenses accounts here on other one-off costs.
4) Excluding Goodwill impairment, restructuring expenses and other one-off costs.
5) Other one-off costs 2009 consists of a realized loss on the sale of Print Monitor business in the UK of the amount 12.3 MSEK and write-downs of intangible assets of the amount 30.7 MSEK.
6) Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

Oct–Dec	North America		Europe		Other		Eliminations		Group	
SEK in millions	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Operating revenue	**182.7**	**187.0**	**87.0**	**131.4**	**2.2**	**38.8**	**–3.6**	**–38.8**	**268.3**	**318.4**[1)]
Production costs	–66.3	–70.0	–39.0	–77.4	–	–7.7	–	–	–105.2[2)]	–155.1[2)]
Gross profit	**116.4**	**117.0**	**48.0**	**54.0**	**2.2**	**31.1**	**–3.6**	**–38.8**	**163.1**	**163.3**
Selling and administrative expenses	–82.4	–79.2	–38.8	–59.9	–8.9	–10.9	3.6	10.4	–126.4[3)]	–139.7[3)]
Operating profit[4)]	**34.1**	**37.8**	**9.2**	**–5.9**	**–6.7**	**20.2**	**–**	**–28.4**	**36.7**	**23.6**
Goodwill impairment	–	–	–	–	–	0.5	–	–	–	0.5
Restructuring costs	–	–	–12.5	–20.6	0.7	–3.5	–	–	–11.9	–24.1
Other one-off costs	–	–	–	–3.3	–	–	–	–	–	–3.3[5)]
Operating profit	**34.1**	**37.8**	**–3.3**	**–29.8**	**–6.0**	**17.2**	–	**–28.4**	**24.8**	**–3.3**
Net financial income and expenses									–5.1	–15.0
Capital gain/loss divestment of subsidiaries									–0.5	3.8
Profit before tax									**19.1**	**–14.5**
Gross margin[4)]**, %**	**63.7**	**62.6**	**55.2**	**41.1**					**60.8**	**51.3**
Operating margin[4)]**, %**	**18.7**	**20.2**	**10.6**	**–4.5**					**13.7**	**7.5**
EBITDA[6)]	**43.0**	**47.0**	**12.0**	**–0.5**					**49.7**	**38.8**
EBITDA margin[6)]**, %**	**23.5**	**25.1**	**13.8**	**–0.4**					**18.5**	**12.3**

1) Other one-off costs amount to –3.3 MSEK that is included in the consolidated income statement 2009 and accounts on other revenue accounts here on other one-off costs.
2) Restructuring costs amount to –0.2 MSEK (–3.6) that is included in the consolidated income statement and accounts on production costs accounts here on restructuring costs.
3) Restructuring costs amount to –11.7 MSEK (–20.5) that is included in the consolidated income statement and accounts on selling and administrative expenses accounts here on restructuring costs. Goodwill impairment amount to 0 MSEK (0.5) that is included in the consolidated income statement and accounts on selling and administrative expenses accounts here on goodwill impairment.
4) Excluding goodwill impairment, restructuring expenses and other one-off costs
5) Other one-off costs 2009 consists of a realized loss on the sale of Print Monitor business in the UK of the amount 3.3 MSEK.
6) Excluding goodwill impairment, depreciations, restructuring expenses and other one-off costs

ASSETS BY REGION

Jan–Dec	North America		Europe		Other		Eliminations		Group	
SEK in millions	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Current operating assets	239.1	193.5	65.4	100.8	2.1	35.4	–	–	306.5	329.8
Fixed assets	105.2	103.3	39.3	72.5	45.9	11.5	–	–	190.4	187.2
Internal receivables	0.8	7.7	7.8	42.4	1.6	18.6	–10.3	–68.7	–	–
Goodwill	1,243.2	1,302.5	39.2	43.6	136.4	130.3	–	–	1,418.7	1,476.4
Financial assets and tax assets	436.6	507.3	48.5	161.2	690.4	961.6	–1,041.5	–1,457.4	133.9[1)]	172.8[1)]
Total assets	**2,024.9**	**2,114.3**	**200.2**	**420.6**	**876.4**	**1,157.4**	**–1,051.8**	**–1,526.1**	**2,049.6**	**2,166.2**

1) Deferred tax assets, tax assets and liquid assets from the consolidated balance sheet are included in financial assets and tax assets.

OPERATING CASH FLOW BY REGION

Jan–Dec	North America		Europe		Other		Eliminations		Group	
SEK in millions	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Operating profit[1)]	149.7	161.2	26.4	–32.3	–34.0	–32.5	–	–0.1	142.1	96.3
Depreciation	38.6	40.4	14.1	39.3	4.2	3.7	–	–	56.9	83.4[2)]
Investments in fixed assets	–42.3	–33.2	–7.0	–17.5	–12.7	–15.2	–	–	–62.1	–65.9
Disposals	–	–	9.3	–	–	–	–	–	9.3	–
Other non-cash items	–0.4	–	–0.4	–	–0.4	–2.4	–	–	–1.3	–2.4
Change in working capital	–4.3	–20.3	–32.7	16.7	–3.0	–18.2	–	–	–40.0	–21.7
Operating cash flow	**141.2**	**148.1**	**9.7**	**6.2**	**–46.0**	**–64.6**	**–**	**–0.1**	**104.9**	**89.7**
Paid restructuring expenses and provisions									–44.0	–73.3
Net of interest and dividends									–53.3	–62.3
Income tax paid									–2.2	–2.6
Free cash flow									**5.4**	**–48.5**

1) Excluding goodwill impairment. restructuring expenses and other one-off costs
2) In the consolidated statement of cashflows 2009 a write-down of intangible assets amounting to 30.7 MSEK is included. The cost is classified as other one-off cost and is included in the operating cash flow by region.

Oct–Dec	North America		Europe		Other		Eliminations		Group	
SEK in millions	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Operating profit[1)]	34.1	37.8	9.2	–5.9	–6.6	20.2	–	–28.4	36.7	23.6
Depreciation	9.0	9.2	2.9	5.4	1.4	0.6	–	–	13.1	15.3
Investments in fixed assets	–25.2	–9.9	–0.6	–5.4	–2.1	–3.1	–	–	–27.9	–18.4
Disposals	–	–	9.3	–	–	–	–	–	9.3	–
Other non-cash items	–0.6	–	–1.1	–	–0.5	–	–	–	–2.2	–
Change in working capital	16.7	–1.8	–6.5	17.2	13.0	10.8	–	–	23.2	26.2
Operating cash flow	**34.0**	**35.3**	**13.1**	**11.3**	**5.2**	**28.4**	**–**	**–28.4**	**52.2**	**46.6**
Paid restructuring expenses and provisions									–13.9	–30.4
Net of interest and dividends									–7.8	–13.9
Income tax paid									6.6	13.9
Free cash flow									**37.1**	**16.2**

1) Excluding goodwill impairment, restructuring expenses and other one-off costs

PARENT COMPANY INCOME STATEMENT

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Revenue	62.3	239.7	13.1	37.8
Operating revenue	**62.3**	**239.7**	**13.1**	**37.8**
Operating expenses	–83.6	–266.8	–22.5	–51.9
Depreciation	–4.3	–49.2	–1.5	–29.7
Operating profit	**–25.6**	**–76.3**	**–10.9**	**–43.9**
Net financial income and expenses	116.6	–87.4	56.6	–68.1
Profit before tax	**91.0**	**–163.7**	**45.7**	**–112.0**
Tax	–0.8	–18.9	–0.8	–18.9
Net profit for the period	**90.2**	**–182.6**	**44.9**	**–130.9**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK in millions	2010 Jan–Dec	2009 Jan–Dec	2010 Oct–Dec	2009 Oct–Dec
Net Profit for the period	**90.2**	**–182.6**	**44.9**	**–130.9**
Other comprehensive income				
Group Contributions	3.1	–14.9	3.1	–6.5
Merger results	–	–78.3	–	–78.3
Net investment in business abroad	–34.9	–57.7[1)]	–9.5	17.4[1)]
Change in expanded net investment in subsidiaries	–	30.3	–	–
Tax attributable to items recognized directly in shareholders' equity	–0.8	3.9	–0.8	1.7
Other comprehensive income	**–32.6**	**–116.7**	**–7.3**	**–65.7**
Total comprehensive income	**57.6**	**–299.3**	**37.6**	**–196.6**

1) The fair value reserve has been corrected regarding the parent company's receivables on subsidiaries designated as extended net investments. The opening balance 2009 has been adjusted by SEK 0 million and the closing balance 2009 by SEK 57.7 million.

PARENT COMPANY BALANCE SHEET

SEK in millions	2010 Dec 31	2009 Dec 31
ASSETS		
Fixed assets	1,136.7	1,188.9[1)]
Current assets	128.7	160.4
TOTAL ASSETS	**1,265.4**	**1,349.3**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	842.5	546.9[1)]
Provisions	9.4	15.3
Long-term liabilities	331.1	241.4
Current liabilities	82.4	545.7
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1,265.4**	**1,349.3**

1) The fair value reserve has been corrected regarding the parent company's receivables on subsidiaries designated as extended net investments. The opening balance 2009 has been adjusted by SEK 0 million and the closing balance 2009 by SEK 57.7 million.

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