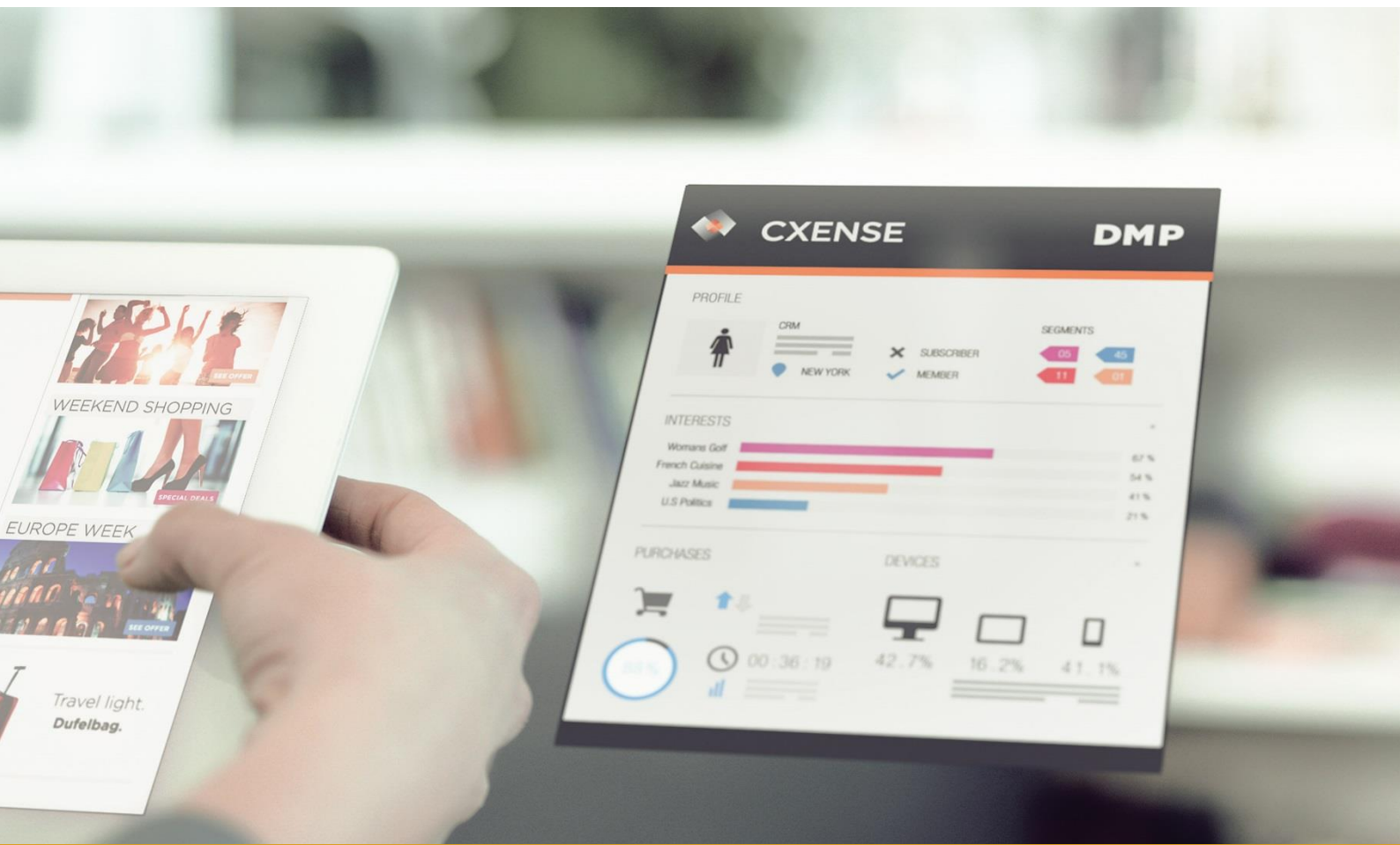




Fourth quarter report 2015



EXTRAORDINARY INSIGHT

Highlights

- All-time-high revenues in Q4 of USD 6.1 million, up 26% compared to the previous quarter, and 46% year-over-year.
- Q4 2015 EBITDA of USD -1.4 million, more than 50% improvement over Q2 2015.
- Continued improvements in Q1 2016; on target for 2016 EBITDA profitability.
- An overall increase in upsell towards existing clients, as well as further reduction in churn, proves the stickiness of the Cxense SaaS offering
- The Ramp Media acquisition strengthens the Cxense position in North America with customers such as ABC News, FOX Sports, the NFL, and the NBA, and provides a leading edge web and mobile video offering.
- In Q4 2015, Cxense successfully raised USD 11.4 million to finance the Ramp acquisition, and to fund further growth.
- Well positioned in a growing digital economy with real-time data management and personalization offering

Key figures

USD 1 000	Q2 2015	Q3 2015	Growth effects		Q4 2015	Change q/q
			Acquired	Organic		
Revenues	3 540	4 818			6 056	26 %
SaaS segment	2 954	4 183	792	316	5 291	26 %
PCAN segment	620	675		130	805	19 %
Inter-segment elimination	(34)	(39)		0	(39)	
Gross profit	2 426	3 646	693	347	4 686	29 %
Gross margin SaaS segment	1	83 %			85 %	
Gross margin PCAN segment	0	24 %			22 %	
OPEX	5 518	5 779			6 093	
Non-IFRS OPEX adjustments	(901)	(523)			95	
OPEX adjusted	4 617	5 256	824	108	6 188	18 %
EBITDA	(3 092)	(2 134)			(1 407)	34 %
EBITDA adjusted	(2 191)	(1 611)	(131)	239	(1 502)	7 %

CEO comment

Cxense's real-time data technology and service offering enables companies and brands to engage customers and users in a personal and relevant way, driving conversion, digital revenues and brand value. We have put an exciting 2015 behind us with an expanding customer base delivering revenue growth. For 2016, we will build on our world-class technology and strong market position led by Cxense's personalization offering when we take part in an accelerating digital economy.

Ståle Bjørnstad, CEO of Cxense ASA

Operational review

Cxense continued to build its position as a leading provider of real-time data management and personalization solutions, enabling its customers to understand and improve engagement with their users directly across all platforms. The Cxense technology suite strengthens the digital stickiness between its clients and their users, and the Cxense customers experience an uplift of more than 30% in time spent on the client's sites by using the Cxense technology.

There are two clear trends hitting the industry: First, the need to better understand users and customers online, and, second, the need to provide a 1:1 personalized user and customer experience across all customer interactions. Cxense is in the midst of these two mega trends. As relevant digital content is increasingly more complex to find on sites as the number of articles and news feeds are growing in a rapid speed, the Cxense technology is clearly helping their customers to present the content in an individualized and personalized way. By using the Cxense cloud-based software suite, our customers can present individual content to each of its users and give its users «what they want» and eliminate undesired, non-relevant information.

In Q4 2015 Cxense signed new contracts with key players within a range of market segments. The company experiences more upsell towards existing clients, and lower churn. The Cxense suite is increasingly becoming part of the core technology of our clients' digital infrastructure.

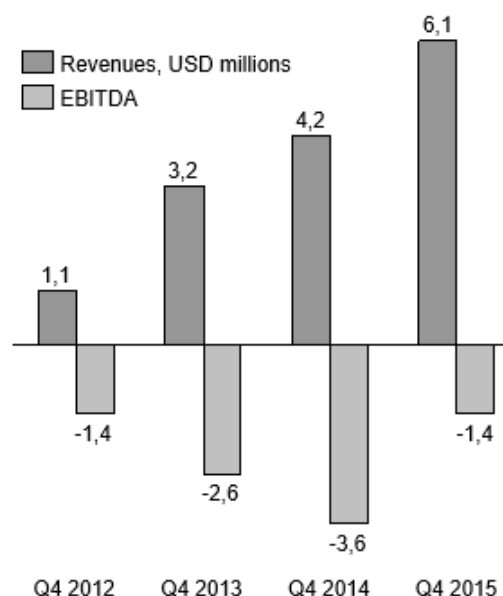
On 23 October 2015, the company finalized the Ramp Media transaction to strengthen the presence in North America, adding more than 40 new clients to the Cxense portfolio with significant upsell potential. Combining Ramp's video server (now called Cxense Video) and the Cxense Data Management Platform (DMP) enables a market-leading offering towards the rapidly expanding video segment. Following the acquisition, ABC News, Fox Sports, Meredith Digital, and Comcast are among key new Cxense clients.

In Q4 2015, Cxense closed 41 new contracts with contracted Annual Recurring Revenue (ARR) of USD 1.5 million, compared to 34 contracts in Q4 2014 with ARR of USD 1.4 million. In 2015, Cxense closed new contracts with a total ARR of USD 7.4 million, a doubling compared to 2014, due to a combination of sales efficiency increase, as well as increased demand for the Cxense solutions.

The ARR of lost contracts (churn) amounted to USD -0.5 million, the same level as for Q3 2015, but significantly down from 1H 2015 levels.

The net new ARR for 2015 amounted to USD 3.8 million, which translates to an underlying organic growth of 32% compared to the ARR at the beginning of the year. The Software-as-a-Service (SaaS) revenue model represents a predictable revenue stream for Cxense. Contracts are normally signed for 12 months with automatic renewal, promoting long-term relationships with customers.

Q4 2015 group revenue rose 26% to USD 6.06 million, compared to Q3 2015, driven by both organic growth and acquisitions. Adjusted OPEX rose 18%, reflecting the acquisition of Ramp Media that was consolidated into the Q4 accounts with effect from 23 October 2015. Q4 2015 EBITDA of USD -1.4 million, a significant loss reduction compared to the two previous quarters. In Q1 2016 Cxense continued to focus on cost-synergy capture following the two acquisitions in 2015 and expects to realize further quarterly OPEX reductions of USD 750 thousand with full effect in Q2 2016 – moving towards profitability in 2016.



The gross margin increased to 85% in Q4 2015, from 83% in Q3 2015, as a result of the Ramp transaction and hosting improvement measures.

The original Cxense vision stands firm also in 2016: "To know better than anyone what people want, and to enable our customers to use that insight to engage and monetize their audience."

In 2016, Cxense will invest further in developing new technologies with the unique DMP and analytics products as the core areas. The streamlined R&D operations will continue to enhance the Cxense offering. Additional resources will be allocated to sales and marketing to capture an increasing share of the early-stage market conversion towards real-time personalization across all platforms. The target of making Cxense EBITDA profitable during 2016 is unchanged.

Revenue development breakdown

Annualized figures					Acc. last 4
USD 1 000	Q1 2015	Q2 2015	Q3 2015	Q4 2015	periods
SaaS segment					
Revenue in previous quarter	14 360	13 200	11 816	16 732	14 360
New recurring license revenue effect	1 784	1 084	2 441	1 650	6 959
Acquired recurring license revenue	-	-	2 848	2 781	5 629
Churn effect	(1 668)	(892)	(520)	(489)	(3 569)
Change in service revenue and other variables	(412)	(1 280)	367	876	(449)
Currency effect	(864)	(296)	(220)	(388)	(1 768)
Revenue this quarter	13 200	11 816	16 732	21 162	21 162
Accumulated currency effect, reversed	864	1 160	1 380	1 768	1 768
Outbound revenue currency adjusted	14 064	12 976	18 112	22 930	22 930
Group					
Cxense SaaS segment revenue					21 162
PCAN segment - Q4 2015 reported					3 220
Intra-segment eliminations - Q4 2015 reported					(156)
Group reported revenue annualized					24 226
<i>Q4 Group reported revenue (in the quarter)</i>					6 056
Q4 run-rate adjustments					
Full effect of contracts closed until 18 February 2016 (SaaS segment)					1 220
Ramp run-rate adjustment					800
Full effect of known churn until 18 February 2016 (SaaS segment)					(542)
Group run-rate revenue after adjustments					25 704
Whereof Q4 SaaS run-rate revenue after adjustments					22 640

Financial development summary

USD 1 000	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
SaaS segment									
Revenues total	2 650	3 568	3 442	3 530	3 591	3 301	2 954	4 183	5 291
Cost of sales	501	644	646	666	565	532	664	700	780
Gross profit	2 149	2 924	2 797	2 864	3 025	2 769	2 290	3 483	4 510
Gross margin %	81 %	82 %	81 %	81 %	84 %	84 %	78 %	83 %	85 %
Personnel	2 935	3 055	3 861	4 034	4 487	2 802	3 063	3 834	3 904
Other OPEX	1 849	1 662	3 685	1 635	2 034	1 462	2 255	1 739	1 928
OPEX	4 784	4 717	7 546	5 669	6 521	4 264	5 318	5 573	5 832
EBITDA reported	(2 635)	(1 793)	(4 750)	(2 805)	(3 496)	(1 495)	(3 028)	(2 090)	(1 321)
NON-IFRS adjustment of OPEX level:									
Share-based payment costs				137	136	121	93	156	144
Share-based social costs provision					76		10	(130)	9
Salary and social restructuring provisions/costs					345		140	327	
Office moving costs and restructuring costs				57	68			126	
Extraordinary/special			40	50	496				
One-off provision for doubtful debt			200	(130)	210				16
Transaction costs	436		1 607	(189)	(419)		658	195	166
R&D refund					(228)			(152)	(430)
Total reported OPEX adjustment items	436	0	1 847	(75)	684	121	901	523	(95)
Estimated full effect of cost-reduction program					1 299	176			
OPEX adjusted	4 348	4 717	5 699	5 744	4 538	3 967	4 417	5 050	5 927
EBITDA Adjusted	(2 199)	(1 793)	(2 903)	(2 880)	(1 512)	(1 199)	(2 126)	(1 568)	(1 416)
Capitalized operating expense						(450)	(460)	(440)	(496)
EBITDA adjusted with capitalization add back	(2 199)	(1 793)	(2 903)	(2 880)	(1 512)	(1 649)	(2 587)	(2 007)	(1 912)
PCAN segment									
Revenues total	634	672	750	672	619	619	620	675	805
Cost of Goods Sold	450	502	560	509	474	472	484	512	629
Gross profit	184	170	190	163	145	148	136	163	175
Gross margin %	29 %	25 %	25 %	24 %	23 %	24 %	22 %	24 %	22 %
Personnel	107	145	157	154	146	116	131	136	176
Other OPEX	78	84	76	88	89	86	69	71	86
OPEX	185	229	233	242	235	203	200	206	261
EBITDA reported	(1)	(59)	(43)	(79)	(89)	(55)	(65)	(44)	(86)
GROUP									
Revenues, all segments	3 284	4 240	4 193	4 202	4 210	3 920	3 574	4 858	6 095
Intra-segment eliminations	(72)	(66)	(78)	(62)	(58)	(39)	(34)	(39)	(39)
Revenues consolidated	3 212	4 174	4 115	4 140	4 152	3 881	3 540	4 818	6 056
EBITDA reported	(2 636)	(1 852)	(4 793)	(2 875)	(3 585)	(1 550)	(3 092)	(2 134)	(1 407)
NON-IFRS adjustment of OPEX level:									
Total reported OPEX adjustment items	436		1 847	(75)	684	121	901	523	(95)
Estimated full effect of cost-reduction program					1 299	176			
EBITDA Adjusted	(2 200)	(1 852)	(2 946)	(2 950)	(1 602)	(1 253)	(2 191)	(1 611)	(1 502)
Capitalized operating expense						(450)	(460)	(440)	(496)
EBITDA adjusted with capitalization add back	(2 200)	(1 852)	(2 946)	(2 950)	(1 602)	(1 703)	(2 651)	(2 051)	(1 998)

Financial review

Q4 2015 Group revenues amounted to USD 6.06 million, an increase of 46 percent, compared to Q4 2014 revenues of USD 4.15 million, and an increase of 26 percent, from Q3 2015 revenues of USD 4.82 million. The sequential increase is driven by new software license revenues of USD 413 thousand, contribution from Ramp of USD 695 thousand in new software license revenue, and change in service revenues and other variable revenues of USD 219 thousand. These more than offset the negative effect from churn of USD -122 thousand for the period, and currency effects of USD -97 thousand. The PCAN segment revenue increased by USD 130 thousand from Q3 2015.

The Cxense Group has two business segments: *Cxense Software-as-a-Service (SaaS)* and *Cxense Publisher Controlled Advertising Networks (PCAN)*. The Q4 2015 revenues from the SaaS segment were USD 5.29 million, whereof inter-segment revenues were USD 39 thousand. The SaaS segment revenues relate predominantly to sales of recurring software licenses and some implementation services. Revenues from the PCAN segment, up 19 percent sequentially, at USD 0.81 million represents sales of online advertising.

The Q4 2015 Group cost of sales amounted to USD 1.37 million, compared to USD 0.98 million in Q4 2014. The SaaS segment cost of sales for Q4 2015 was USD 0.78 million, while the PCAN segment was USD 0.63 million. Cost of sales within the SaaS segment predominantly relates to the hosting of the software applications used by the company's customers. Cost of sales within the PCAN segment relates to revenue share paid to publishers providing their advertising space, as well as agency commissions paid to advertising agencies. The Q4 2015 gross margin for the SaaS segment was 85%, compared to 84% in Q4 2014 and 83% in Q3 2015. The Q4 2015 PCAN segment gross margin was 22%, compared to 24% in Q4 2014.

The Q4 2015 employee benefit expenses were USD 4.08 million, compared to USD 4.63 million in Q4 2014. Cost reductions relative to Q4 2014 relate to the streamlining of the organization in Q4 2014 and Q3 2015, R&D refund relating to personnel costs for 2014 of USD -0.18 million recognized in Q4 2015, as well as the capitalization of employee benefit expenses related to software development activities of USD 0.39 million in Q4 2015.

Other operating expenses amounted to USD 2.01 million in Q4 2015, compared to USD 2.12 million in Q4 2014. The majority of the expenses relate to travel, marketing and external consulting. In Q4 2015, R&D refund of USD -0.21 million was booked as cost reduction to other operating expenses. Other operating expenses related to software development activities of USD 0.10 million were capitalized in Q4 2015. Cxense started capitalizing personnel benefit expenses and other operating expenses related to software development activities from Q1 2015 as the R&D department expanded and was organized with more separable tasks and deliverables.

The Q4 2015 EBITDA was USD -1.41 million, compared to USD -3.59 million in Q4 2014 and USD -2.13 million in Q3 2015.

Depreciation and amortization in Q4 2015 was USD 0.72 million, compared to USD 0.37 million in Q4 2014. This increase in depreciation and amortization is attributable to amortization of intangible assets from capitalization of R&D, and from the acquisitions of Maxifier and Ramp of USD 0.29 million in Q4 2015.

Finance income in Q4 2015 was USD 355 thousand, relating to a currency gain from Maxifier of USD 328 thousand and to interest earned on bank deposits. The currency gain from Maxifier relates to currency movement on intercompany positions within the Maxifier group. Following the acquisition, Cxense has initiated a process to convert these intercompany positions to equity and, going forward, these movements will be reported in the comprehensive income. Finance income in Q4 2014 was USD 319 thousand. Finance expenses, mostly relating to currency expenses, amounted to USD 199 thousand in Q4 2015 and USD 230 thousand in Q4 2014.

The Q4 2015 share of profit of investments in associated companies of USD -690 thousand relates to the investment in the associated company mporium plc, where Cxense holds a 21.3% stake. The mporium share of profit was included in the accounts from Q3 2015 following IFRS and the equity method for associated companies. The loss included is booked against the book value of the investment – reducing this book value accordingly. The Q4 2015 share of profit has been calculated based on the last available interim report adjusted for subsequent events, and will be updated with the mporium actual figures for 2015 at the release of the Cxense Annual Report for 2015. Hence, a difference between the loss reported in the Q4 2015 report and the Annual report 2015 is expected.

Income tax expense for Q4 2015 was USD 110 thousand, compared to USD 264 thousand in Q4 2014. In general, the income tax expense arises in the Cxense SaaS subsidiaries in USA, Japan and Australia that perform Sales & Marketing and Research & Development activities for the parent company, based on inter-company agreements (with arm's-length pricing principles).

The Group net loss amounted to USD 2.77 million in Q4 2015, compared to USD 4.13 million in Q4 2014 and USD 2.89 million in Q3 2015. This represents a Q4 2015 loss of USD 0.0005 per share, compared to a loss of USD 0.0011 per share in Q4 2014.

Total assets at the end of Q4 2015 amounted to USD 40.9 million, compared to USD 15.6 million as at Q4 2014. Total equity at the end of Q4 2015 was USD 27.1 million, compared to USD 9.4 million at the end of Q4 2014.

The Goodwill of USD 14.4 million relates to the acquisitions of Ramp, Maxifier and Emediate, of USD 3.8 million, USD 5.9 million and USD 4.7 million, respectively. For details on the Maxifier and Ramp purchase price allocations, see Note 6 on Business Combinations.

The Q4 2015 intangible assets of USD 13.2 million relates to the excess value from the Ramp acquisition of USD 6.6 million, Maxifier acquisition of USD 1.8 million, excess value from the Emediate acquisition of USD 3.2 million and capitalized R&D of USD 1.6 million. In Q4 2014, Cxense invested USD 0.29 million in owned hosting infrastructure with an estimated monthly savings, compared to the leased solution being replaced, of USD 32 thousand from Q4 2014. Cxense holds 21.3% of the shares in mporium group plc, which is classified as an associated company.

Trade receivables were at USD 3.54 million (equal to 52 days of inventory¹) at the end of Q4 2015, compared to USD 2.71 in Q3 2015, and compared to USD 2.15 million (47 days) at the end of Q4 2014. The increase from Q3 2015 to Q4 2015 relates to the trade receivables from Ramp customers of USD 556 thousand at the end of Q4 2015 and revenue growth.

The Q4 2015 cash position amounted to USD 5.83 million, compared to USD 2.83 million at the end of Q4 2014. In Q4, cash increased by USD 10.6 million from the private placement completed on 8 September 2015. Upon closing of the Ramp acquisition on 23 October 2015, a cash payment of USD 4.13 million was made to Ramp Holdings Inc.

Total current liabilities at the end of Q4 2015 were USD 10.07 million, compared to USD 5.77 million at Q4 2014. The increase mainly relates to the mporium transaction, which had prepaid software license revenues of USD 1.04 million as at 31 December 2015, USD 2.8 million of the deferred acquisition consideration of USD 4.6 million in relation to the Maxifier acquisition, and USD 0.56 million of the deferred acquisition consideration of USD 1.3 million related to Ramp. See Notes 4 and 6 and stock exchange notice from 23 September 2015 for more details.

Net cash flow used in operating activities was USD 2.19 million in Q4 2015, compared to USD 2.26 million in Q4 2014. The Q4 2015 cash flow used in operating activities was higher than the Q4 2015 EBITDA. Trade receivables increased by USD 825 thousand, mainly driven by Ramp trade receivables of USD 556 thousand. R&D refund of USD 437 was recognized in Q4 2015, but has not been paid and contributes negatively. Currency translation effects affected negatively on Q3 2015 cash flow from operations.

Q4 2015 net cash flow from investments was USD -4.51 million, mainly explained by the Ramp acquisition and Capitalization of R&D. This compares to cash flow from investments of USD -0.02 million in Q4 2014. Net cash flow from financing activities was USD 10.4 million in Q4 2015, due to the net proceeds from the Private Placement and Subsequent Offering completed in Q3 and Q4, respectively. Q4 2014 net cash flow from financing activities was USD -416 thousand in Q4 2014.

¹ Days = Receivables / Quarterly revenues * 90 days

Consolidated income statement (unaudited)

<i>USD 1 000</i>	Note	Q4 ended 31 Dec 2015	Q4 ended 31 Dec 2014	Year Ended 31 December 2015	Year Ended 31 December 2014
Continuing operations:					
Revenue	3	6 056	4 151	18 296	16 580
Operating expense					
Cost of goods sold	3	1 371	980	4 622	4 301
Employee benefit expense		4 079	4 633	14 162	16 039
Depreciation & Amortization expense		720	365	2 043	1 333
Other operating expense		2 014	2 123	7 696	9 352
Total operating expense		8 184	8 100	28 522	31 026
Net operating income/(loss)		(2 128)	(3 949)	(10 226)	(14 446)
Financial income and expense					
Finance income		355	319	1 111	541
Finance expense		(199)	(230)	(444)	(382)
Net financial income/(expense)		156	89	667	159
Share of profit of investments accounted for using the equity method	7	(690)		(1 383)	
Net income/(loss) before taxes		(2 663)	(3 861)	(10 942)	(14 287)
Income tax expense		110	264	110	110
Total net income/(loss) for the period		(2 773)	(4 125)	(11 051)	(14 397)
Net income/(loss) attributable to:					
Owners of the Company		(2 716)	(4 083)	(10 913)	(14 266)
Non-controlling interests		(57)	(42)	(138)	(131)
Earnings per share:					
Basic and diluted		(0.0005)	(0.0011)	(0.0023)	(0.0041)
Statement of comprehensive income					
Net income/(loss) for the period		(2 773)	(4 125)	(11 051)	(14 397)
<i>Other comprehensive income:</i>					
- Currency translation differences		1 170	2 721	2 496	3 473
Total comprehensive income/(loss)		(1 603)	(1 404)	(8 555)	(10 923)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		(1 546)	(1 362)	(8 417)	(10 793)
Non-controlling interests		(57)	(42)	(138)	(131)

Consolidated Statement of Financial Position

<i>USD 1 000</i>	Note	As at 31 Dec 2015	As at 31 Dec 2014
Assets			
Non-current assets			
Goodwill	6	14 365	3 807
Deferred tax asset		36	35
Intangible assets	6	13 181	4 309
Office machinery, equipment, etc.		419	483
Investments in associated companies	7	2 548	-
Other financial assets		241	197
Total non-current assets		30 789	8 829
Current assets			
Trade receivables		3 537	2 150
Other short-term assets		734	1 827
Cash and cash equivalents		5 829	2 828
Total current assets		10 100	6 805
Assets classified as "held for sale"		0	0
Total assets		40 889	15 635
Equity and liabilities			
Equity			
Share capital	3	3 433	2 477
Own shares		-	-
Other paid in capital		32 415	18 170
Currency translation differences		6 734	4 238
Retained earnings		(14 936)	(15 097)
Equity attributable to the holders of the Company		27 647	9 788
Non-controlling interest		(541)	(403)
Total equity		27 106	9 385
Liabilities			
Non-current liabilities			
Deferred tax liabilities	8	1 060	480
Other long-term liabilities	6	2 656	-
Total non-current liabilities		3 716	480
Current liabilities			
Trade payables		1 381	1 454
Current taxes		179	119
Other short-term liabilities	4	8 508	4 196
Total current liabilities		10 068	5 770
Liabilities related to assets "held for sale"		0	0
Total liabilities		13 784	6 250
Total equity and liabilities		40 889	15 635

Consolidated Statement of Changes in Equity

<i>USD 1 000</i>	Nominal share capital	Own shares	Other paid-in capital	Currency translation differences	Retained earnings	Attributable to owners of parent company	Non-controlling interest	Total equity
Total equity as at 1 January 2015	2 477	0	18 170	4 238	(15 097)	9 788	(403)	9 385
Profit for the period					(10 913)	(10 913)	(138)	(11 051)
Other comprehensive income				2 496		2 496		2 496
<i>Total comprehensive income/(loss) for 2015</i>	0	0	0	2 496	(10 913)	(8 417)	(138)	(8 555)
Reduction of paid-in capital	0	0	0	0	0	0	0	0
Transaction costs	0	0	(1 400)	0	0	(1 400)	0	(1 400)
Share-based payments	0	0	470	0	0	470	0	470
Increase in share capital	1 448	0	29 348	0	0	30 797	0	30 797
Purchase own shares	0	0	0	0	0	0	0	0
Reclassification of equity	0	0	(9 345)	0	9 345	0	0	0
Currency effects from translation of equity	(492)	0	(4 828)	0	1 730	(3 590)	0	(3 590)
Total equity as at 31 December 2015	3 433	0	32 415	6 734	(14 936)	27 647	(541)	27 106

<i>USD 1 000</i>	Nominal share capital	Own shares	Other paid-in capital	Currency translation differences	Retained earnings	Attributable to owners of parent company	Non-controlling interest	Total equity
Total equity as at 1 January 2014	2 713	(56)	22 914	764	(9 179)	17 155	(272)	16 883
Profit for the period					(14 266)	(14 266)	(131)	(14 397)
Other comprehensive income				3 473		3 473		3 473
<i>Total comprehensive income/(loss) for 2014</i>	0	0	0	3 473	(14 266)	(10 793)	(131)	(10 923)
Reduction of paid-in capital	0	0	0	0	0	0	0	0
Transaction costs	0	0	(416)	0	0	(416)	0	(416)
Share-based payments	0	0	412	0	0	412	0	412
Increase in share capital	292	0	7 300	0	0	7 592	0	7 592
Purchase own shares	0	46	0	0	0	46	0	46
Reclassification of equity	0	0	(6 817)	0	7 162	345	0	345
Currency effects from translation of equity	(528)	10	(5 222)	0	1 187	(4 554)	0	(4 554)
Total equity as at 31 December 2014	2 477	0	18 170	4 238	(15 097)	9 788	(403)	9 385

Consolidated Statement of Cash Flow

<i>USD 1 000</i>	Note	Q4 ended 31 Dec 2015	Q4 ended 31 Dec 2014	Year Ended 31 Dec 2015	Year Ended 31 Dec 2014
Cash flow from operating activities					
Profit/(loss) after income tax (including disposal group)		(2 773)	(4 125)	(11 051)	(14 397)
<i>Adjustments:</i>					
Income tax payable		(17)	(107)	(185)	(173)
Share-based payments		144	135	514	487
Share of profit of investments accounted for using the equity method		691		1 383	
Depreciation and amortization		720	365	2 043	1 334
Currency translation effects		129	(293)	(1 037)	(870)
Change in trade receivables (1)		(825)	566	(601)	850
Change in trade payables		(142)	264	(144)	(479)
Change in other accrual and non-current items (2)		(117)	934	(408)	223
Net cash flow from/(used in) operating activities		(2 192)	(2 261)	(9 488)	(13 024)
Cash flow from investing activities					
Investment in furniture, fixtures and office machines		28	(6)	(27)	(399)
Investment in intangible assets (3)		(4 534)		(5 802)	
Investment in associated companies			(12)	(760)	(112)
Investment in subsidiary				193	
Net cash effects from disposal subsidiary					
Net cash flow from/(used in) investing activities		(4 507)	(18)	(6 398)	(512)
Cash flow from financing activities					
Net proceeds from share issues		10 396	(416)	18 886	7 521
Proceeds from minority interest					
Net cash flow from/(used in) financing activities		10 396	(416)	18 886	7 521
Net increase/(decrease) in cash and cash equivalents		3 698	(2 695)	3 000	(6 016)
Cash and cash equivalents at the beginning of the period		2 131	5 524	2 828	8 843
Cash and cash equivalents at the end of the period		5 829	2 829	5 829	2 828

Comments to Q4 2015:

- (1) Whereof the first billing run of Ramp accounts for USD -556 thousand of the USD -825 thousand.
- (2) Includes R&D refund recognized, but not paid of USD -437 thousand.
- (3) Includes the cash investment in Ramp of USD 3.96 million and capitalized R&D of USD 496 thousand.

Notes to the consolidated financial statements

Note 1: General information

Cxense ASA, which is the parent company of the Cxense Group (the Group), is a public limited liability company incorporated and domiciled in Norway, with its corporate headquarters in Oslo. Cxense ASA is listed on the Oslo Stock Exchange with ticker symbol CXENSE.

The company's Board of Directors approved the condensed financial statements on 18 February 2016 after close of business on the Oslo Stock Exchange. The figures in the statements have not been audited.

The interim condensed consolidated financial statements for the full year 2015, ending 31 December 2015, were prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's Annual Report 2014. The same accounting principles and methods of calculation have been applied as in the last Annual Report. As of 2015, research and development of software are no longer regarded as research cost and are capitalised according to IAS 38 Intangible assets.

Note 2: Segment information

For management purposes, the Group is organized into business units based on its products and services, and has two reportable segments:

-- Cxense SaaS, which sells software-as-a-service applications based on the Extraordinary Insight Engine™ (EIE™) for real-time analysis of content, user context, and behavior. The EIE is fully integrated by a range of applications (web analytics, recommendations, search and targeted advertising), which are used by Cxense customers to improve their online businesses by increasing advertising revenue, page views, readership and conversion.

-- Publisher-Controlled Advertising Networks (PCANs), which sell online advertising on the sites of various publishers, and distribute and share the advertising revenues generated in the network with publishers.

Segment performance is evaluated by the management based on operating profit or loss and is measured consistently with operating profit in the financial statements. Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Full-year 2015

<i>USD 1 000</i>	Cxense SaaS	PCAN	Eliminations	Consolidated
Revenue				
External customers	15 577	2 719	0	18 296
Inter-segment	151	0	(151)	0
Revenues total	15 728	2 719	(151)	18 296
Cost of goods sold	2 676	2 097	(151)	4 622
Gross profit	13 052	622	0	13 674
Employee benefit expense	13 603	559	0	14 162
Depreciation & Amortization expenses	2 037	4	0	2 041
Other operating expense	7 383	312	0	7 696
EBIT	(9 972)	(253)	0	(10 225)
Share of profit of investm. Accounted for using equity method	(1 383)	0	0	(1 383)
Net finance income/(expense)	667	0	0	667
Income tax income/(expense)	(110)	0	0	(110)
Total net income/(loss) for the period	(10 797)	(253)	0	(11 050)

Balance sheet information as at 31 December 2015

<i>USD 1 000</i>	Cxense SaaS	PCAN	Eliminations and unallocated	Consolidated
Segment assets:				
Non-current assets	30 520	28	241	30 789
Current assets				
- Trade receivables	2 791	746		3 537
- Other short term-assets	824	(90)	0	734
- Cash and cash equivalents	5 734	95		5 829
Total segment assets	39 870	779	241	40 889
Segment liabilities:				
Non-current liabilities	3 716	0	0	3 716
Current liabilities	8 885	1 159	24	10 068
Total segment liabilities	12 600	1 159	24	13 784

Full-year 2014

<i>USD 1 000</i>	SaaS	PCAN	Eliminations	Consolidated
Revenue				
External customers	13 866	2 714	0	16 580
Inter-segment	264	0	(264)	0
Revenues total	14 131	2 714	(264)	16 580
Cost of goods sold	2 521	2 045	(264)	4 302
Gross profit	11 610	669	0	12 279
Employee benefit expense	15 437	602	0	16 039
Depreciation & Amortization expenses	1 327	8	0	1 335
Other operating expense	9 015	337	0	9 352
EBIT	(14 170)	(278)	0	(14 447)
Net finance income/(expense)	159	0	0	159
Income tax income/(expense)	(110)	0	0	(110)
Total net income/(loss) for the period	(14 121)	(278)	0	(14 398)

Balance sheet information as at 31 December 2014

<i>USD 1 000</i>	Cxense SaaS	PCAN	Eliminations and unallocated	Consolidated
Segment assets:				
Non-current assets	8 604	29	197	8 829
Current assets				
- Trade receivables	1 673	477		2 150
- Other short-term assets	1 785	43	0	1 827
- Cash and cash equivalents	2 750	79		2 828
Total segment assets	14 811	627	197	15 635
Segment liabilities:				
Non-current liabilities	480	0	0	480
Current liabilities	4 823	1 015	(67)	5 770
Total segment liabilities	5 302	1 015	(67)	6 250

Geographic information

Revenues from external customers:	2 015	2 014
EMEA	11 361	13 423
Americas	5 148	1 774
Pacific	1 787	1 383
Total revenue from external customers	18 296	16 580

The revenue information above is based on the location of the entity generating the revenue.

Information about major customers

The Company does not have single customers that generate 10% or more of the entity's total revenue.

Note 3: Share capital and shareholder information

	Number of shares	Share capital NOK	Share capital USD 1 000
Balance at 1 January 2014	3 322 400	16 612 000	2 713
Issued during the year	359 317	1 796 585	292
Currency effects from translation of equity			(528)
Balance at 31 December 2014	3 681 717	18 408 585	2 477
Issued during the year	2 366 754	11 833 770	1 448
Currency effects from translation of equity			(492)
Balance as at 31 December 2015	6 048 471	30 242 355	3 433

Issue of shares:

On 8 October 2015, the Cxense Board of Directors, pursuant to an authorization from the Extraordinary General Meeting (EGM) at Cxense ASA on 22 June 2015, resolved a share issue of a total of 6,842 shares to the selling shareholders of Maxifier Ltd. The share issuance settled the closing account dependent purchase price adjustment mechanism agreed in the Share Purchase Agreement.

On 20 October 2015, the shares from the private placement announced 8 September 2015 was registered with the Norwegian Register of Business Enterprises. The private placement raised NOK 80 million in gross proceeds through the subscription of 800,000 shares, each share at a subscription price of NOK 100. Each investor allocated new shares in the private placement was granted one non-transferrable warrant for every two new shares allocated in the placement. Each warrant gives the holder, subject to certain conditions being fulfilled, inter alia, the allocated new shares not being sold in a 12-month period starting from the EGM, the right to subscribe for one additional new share in Cxense at a subscription price of NOK 130. The warrants will be exercisable no earlier than 12 months following the date of the EGM, and must be exercised no later than 12 months and 30 calendar days following the date of the EGM. A total of 400,000 warrants were issued in connection with the private placement.

On 23 October, the Cxense Board of Directors, pursuant to an authorization from the Extraordinary General Meeting in Cxense ASA on 12 October 2015, resolved a share issue of a total of 435,550 Cxense shares to Ramp. The subscription price per share is NOK 103.44. The share issuance and a cash payment of USD 4.5 million, subject to certain adjustments, was the total consideration for the acquisition of Ramp Media at Completion of the acquisition.

On 6 November 2015, the Board of Directors resolved to issue the maximum of 150,000 Offer Shares after a successful Subsequent Offering, each share at a subscription price of NOK 100. For every two shares subscribed for and allocated in the subsequent offering, one warrant was issued free of charge. Each warrant entitles the holder to demand the issuance of one Cxense share. The warrant expires on 12 November 2016; however, it may not be exercised until the one-year anniversary of the resolution passed by the EGM, and then only so long as the holder, during the one-year period, has not sold or otherwise disposed of the shares to which the warrant is attached. In connection with the subsequent offering, a total of 75,000 warrants were issued.

Warrants:

Following the Private Placement and the Subsequent Offering, Cxense has 475,000 Warrants outstanding.

Share options and subscription rights:

On 2 December 2015, the Cxense Board of Directors resolved to issue 17,000 subscription rights ("SRs") to employees in the company. The grant was made under the company's 2015 incentive subscription rights plan as resolved at the annual general meeting on 13 May 2015. The exercise price of the SRs is NOK 101.85 per share. The issued SRs vest over 4 years by 25% on each anniversary from the date of the grant, and expire after five years. As of 31 December 2015, there were 276,850 outstanding share options and subscription rights to Cxense employees.

Note 4: Other short-term liabilities

<i>USD 1 000</i>	2015	2014
Public duties payables	424	551
Prepayments from customers ⁽¹⁾	1 654	87
Accrued expenses	1 513	1 196
Salary-related provisions	1 032	999
Other current liabilities ^{(2) (3) (4)}	3 886	1 363
Total other short-term liabilities	8 508	4 196

(1) Prepayments from customers have increased significantly in 2015 as a result of the mporium transaction, which had prepaid software license revenues of USD 1.14 million as at 31 December 2015. In addition, more clients have pre-paid services for 12 months.

(2) The deferred Maxifier transaction consideration is estimated to USD 4.6 million, of which USD 1.9 million is recognized as long term debt and USD 2.8 million is recognized as other current liabilities. The estimate is based on certain Maxifier revenue growth assumptions that might trigger the transaction earn-out mechanism. The eventual deferred consideration will be settled by issuing Cxense shares. The deferred consideration is capped at USD 10.6 million. (See Note 6 and stock exchange notices from 1 June and 3 July 2015 for further details.)

(3) The deferred Ramp transaction consideration is estimated to USD 1.3 million, of which USD 0.74 million is recognized as long term debt and USD 0.56 is recognized as other current liabilities. The estimate is based on certain Ramp revenue growth assumptions that might trigger the transaction earn-out mechanism. The eventual deferred consideration will be settled by issuing Cxense shares. The deferred consideration is capped at USD 9 million. (See Note 6 and stock exchange notice from 23 September for further details.)

(4) The fair value of the prepayments from Ramp customers, to be recognized as revenue in 2016, amount to USD 0.23 million as per 31 December 2015.

Note 5: Related-party disclosure

Balances and transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation and are not disclosed in this note. The group does not have other transactions with related parties, except for remuneration to management, other than those disclosed below:

<i>USD 1 000</i>			
Sale of services to	Description of services	2015	2014
mporium group plc	License	366	0

<i>USD 1 000</i>			
Purchase of services from	Description of services	2015	2014
Advokatfirma Ræder (1)	Legal services	585	672
Theoline AS (2)	Consulting services	-	64

(1) The Chairman of the Board in Cxense ASA is a partner in Advokatfirma Ræder.

(2) Stig Eide Sivertsen, Board member until 12 May 2015, is the owner of Theoline AS.

<i>USD 1 000</i>			
Balances with related parties	Balance type	2015	2014
Advokatfirma Ræder	Other Short-term Liabilities	189	125
Theoline AS	Trade payables	0	64

On 11 January 2016, Cxense entered a reseller agreement with ESV Digital AS. ESV Digital's CEO Bente Sollid Storehaug is also a member of the Board of Directors of Cxense. She has not been involved in the transaction on behalf of Cxense and the agreement is entered into based on ordinary business terms.

Note 6: Business combinations

Acquisition of Maxifier Limited

On 2 July 2015, the Group acquired 100% of the share capital of Maxifier Limited, a group that visualizes and optimizes their customers' direct-sold advertising campaigns. The transaction consideration is Cxense shares and includes a performance-based earn-out structure. The total purchase price, including deferred considerations, is estimated at USD 7.83 million. Details of net assets acquired and goodwill are as follows:

<i>USD 1 000</i>	On acquisition
Purchase consideration:	
- Shares issued	3 197
- Contingent consideration	4 635
Total purchase consideration	7 832
Fair value of assets acquired (see below)	1 936
Goodwill	5 896

The issuance of 230,027 shares in the transaction was at a price of NOK 109,20 per share. The above goodwill is attributable to the complementation of the Maxifier online advertising optimization with Cxense data-driven products, which focus on personalizing and optimizing. The acquisition enhances Cxense's offering to clients in the online media and advertising sector with Maxifier's products.

The assets and liabilities arising from the acquisition, provisionally determined, are as follows:

<i>USD 1 000</i>	Fair value
Customer relationships	1 241
Trade and other receivables	860
Property, plant and equipment	343
Technology	727
Cash and cash equivalents	193
Trade and other payables	(71)
Other current liabilities	(593)
Deferred tax liabilities	(764)
Net assets acquired	1 936

Since the preliminary figures presented at the time of acquisition, the deferred consideration has been discounted to reflect the total consideration at the time of acquisition.

In 2015, the acquisition of Maxifier contributed USD 1.44 million to Revenue and USD -0.31 million to Net profit before tax for the Group. If the business combination had taken place at the beginning of the year, Revenue would have been USD 2.87 million and Net profit before tax for the Group would have been USD -2.69 million.

Acquisition of Media business from Ramp Holdings Inc

On 23 October 2015, the Group acquired media business from Ramp Holdings Inc. The Business comprises a Software-as-a-Service based video platform that delivers a next-generation solution for indexing, tagging, search, and publishing of online video content. The transaction consideration is partly cash payment and partly Cxense shares, and includes a performance-based earn out structure to be settled in Cxense shares. The total purchase

price including contingent considerations is estimated at USD 10.94 million. Details of net assets acquired and goodwill are as follows:

<i>USD 1 000</i>	On acquisition
Purchase consideration:	
- Cash Payment	4 135
- Shares issued	5 500
- Contingent consideration	1 308
Total purchase consideration	10 943
Fair value of assets acquired (see below)	6 282
Goodwill	4 661

The issuance of 435,550 shares in the transaction was at a price of NOK 103.44 per share. The above goodwill is attributable to the complementation of the Ramp video platform with the Cxense data-driven products, which focus on personalizing and optimizing. Through this acquisition, Cxense will accelerate its expansion in North America and facilitate a front-runner position for the Company in the video advertising, personalization, and recommendation market.

The assets and liabilities arising from the acquisition are as follows:

<i>USD 1 000</i>	Fair value
Customer relationships	4 308
Technology	2 516
Obligation to deliver services	(542)
Net assets acquired	6 282

The Obligation to deliver services above, is deferred revenue (prepaid revenue from customers), invoiced by Ramp Holdings inc and to be recognized by Cxense. The total deferred revenue is USD 802 thousand, of which USD 365 thousand has already been paid from Ramp Holdings inc to Cxense and the remaining USD 437 thousand will be paid as part of the Purchase Price Adjustment. The prepaid revenue is valued at fair value, according to IFRS 13, and is estimated at USD 542 thousand of, which USD 101 thousand is recognized in 2015. Due to this, revenues will be lower than the contractual value of the customer contracts acquired. Hence, the revenue is expected to increase throughout 2016 as a result of Cxense invoicing the customers directly and recognizing the revenue 100%.

In 2015, the acquisition of Ramp business contributed USD 0.97 million to Revenue and USD -0.09 to Net profit before tax for the Group. Ramp has historically been an integrated part of the total operations of Ramp, and the proposed transaction is carried out as an asset purchase. Hence, no historical financial information is available for the Business and the full year contribution to the Group is not stated.

Note 7: Investments in associated companies

Set out below are the associates of the group as at 31 December 2015, which, in the opinion of the Directors, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the group; the country of incorporation or registration is also their principal place of business.

Nature of investment in associated companies:

Name of entity	Place of business/ country of incorporation	% of ownership interest	Nature of relationship	Measurement method
mporium group plc	United Kingdom	21.3	Note 1	Equity

Note 1: mporium group plc provides online merchants and leading brands with a complete suite of mobile commerce solutions. Cxense has entered into an OEM agreement with mporium group plc, which empowers mporium group plc to significantly upgrade their mobile commerce solutions.

On 26 November 2015, mporium group plc announced that the Company had raised approximately GBP 3.1 million before expenses (approximately GBP 3.0m net of expenses) through a placing (the "Issue") of 38,389,042 ordinary shares of 0.5 pence each in the Company, at a price of 8 pence per New Share, from a combination of new and existing shareholders. After the private placement, Cxense holds 21.3% of the voting rights in mporium group plc. Cxense ASA has entered into a service agreement with mporium group plc, and Cxense will deliver services to mporium group plc over a period of 36 months. Revenue from this service agreement, recognized in the consolidated income statement for the period, amounts to USD 50 thousand per month. A loss of USD 690 thousand has been recognized in the consolidated income statement as Cxense's share of profit for mporium in Q4 2015 and YTD 2015. The Q4 share of profit has been calculated based on the last available interim report adjusted for subsequent events and will be updated with the mporium actual figures for 2015 at the release of the Cxense Annual Report for 2015. Hence, it is expected that it will be a difference between the loss reported in the Q4 2015 report and the Annual report 2015.

As at 31 December 2015, the fair value of the group's interest in mporium group plc, which is listed on the London Stock Exchange, was USD 15.3 million and the carrying amount of the Group's interest was USD 2.55 million.

Note 8: Events after the reporting period

Since 31 December 2015 and until the date of these financial statements, the Board of Directors is not aware of any matter or circumstance not otherwise dealt with in this report that has significantly or may significantly affect the operations of the Consolidated Entity with the exception of the following:

On 5 February 2016, Cxense and Ramp Holdings Inc agreed on the closing adjustments and the final purchase price adjustment. The seller is entitled to an additional USD 550,360.71, which shall be payable in the form of Cxense consideration shares. Subject to approval of the Board of Directors, Cxense will issue 43,583 shares to Ramp Holdings Inc to settle the purchase price adjustment. The subscription price per share is NOK 103.44. After the issue, The Company's share capital will be NOK 30,460,270 divided into 6,092,054 shares.

For stock exchange notices, please see: www.cxense.com