OPERA FOURTH QUARTER 2008

The best Internet experience on any device

OPERA software

OPERA SOFTWARE ASA – FOURTH QUARTER 2008

Opera delivered revenues of MNOK 157.0 in 4Q08, up 69% versus 4Q07, and an EBIT of MNOK 30.9, driven by strong growth in both the Internet Devices and Desktop segments.

Highlights

Revenue was MNOK 157.0 in 4Q08, up from MNOK 93.0 in 4Q07, an increase of 69%. EBIT was MNOK 30.9 in 4Q08 compared to MNOK 9.4 in 4Q07. EBITDA in 4Q08 was MNOK 33.4, and EBITDA, excluding stock options costs, was MNOK 35.7.

Business area (B2B)

- Revenue from Internet Devices rose to MNOK 115.0 in 4Q08 compared to MNOK 73.7 in 4Q07, an increase of 56%, powered by strong growth from both devices and mobile customers
- 12 new mobile phones with Opera pre-installed were announced in the quarter, including 2 for Opera Mobile and 10 for Opera Mini
- Nintendo announced that it had selected Opera to provide the Web browser for its dual-screened, Wi-Fi-enabled and portable Nintendo DSi gaming console.
- Taiwan's Alpha Networks selected Opera for an upcoming High Definition IP set-top box
- The number of mobile phones shipped with Opera Mobile pre-installed was 7.3 million in 4Q08

Consumer area (B2C)

- Revenues from the Desktop segment increased 117% in 4Q08 compared to 4Q07, as Opera continues to grow its global user base and market share
- Growth in global usage of Opera Mini continued. In December, 17.8 million unique users worldwide used Opera Mini to browse the Web; this represents a 160% increase in unique active users compared to 4Q07, when active users in December were 6.9 million. As of December 31, 2008, since launch, more than 57.8 billion Web pages have been viewed on Opera Mini, generating strong data traffic, and therefore revenues, for mobile operators worldwide
- Opera launched Opera 9.6 with new features and new languages
- Opera Software released the final version of its much-anticipated Opera Mini 4.2 for mobile phones in 4Q 2008.
- The number of registered My Opera users grew to over 1.9 million by the end of December, up 60% from the start of the year

Financials

Revenues

Revenue in 4Q08 was MNOK 157.0, up 69% from 4Q07, when revenue was MNOK 93.0. Revenue growth in the quarter was driven by attractive growth across both business segments.

Compared to 4Q07, Internet Devices revenue was driven by higher revenue from operators, device OEMs and mobile OEMs.

Operating costs

Total operating costs for 4Q08 were MNOK 126.0 compared to MNOK 83.6 in 4Q07, an increase of 51%.

Payroll and related expenses, excluding stock option costs Total payroll and related expenses, excluding stock option costs, were MNOK 88.0 in 4Q08 compared to MNOK 58.5 in 4Q07, an increase of 50%. This increase was due primarily to higher headcount in engineering and sales and marketing globally, in line with Opera's headcount growth plan.

Stock option costs Total stock option costs for 4Q08 were MNOK 2.3 compared to MNOK 1.1 in 4Q07.

Other operating expenses Other operating expenses in 4Q08 were MNOK 33.2 compared to MNOK 22.3 in 4Q07, an increase of 49%.

EBIT

EBIT was MNOK 30.9 in 4Q08 compared to MNOK 9.4 in 4Q07. EBIT, excluding stock option costs, was MNOK 33.3 in 4Q08 versus MNOK 10.4 in 4Q07. EBITDA in 4Q08 was MNOK 33.4 compared with MNOK 11.1 in 4Q07. EBITDA, excluding stock options costs, was MNOK 35.7 compared with MNOK 12.2 in 4Q07.

Interest income and FX gains/(losses)

Interest income was MNOK 6.5 in 4Q08 versus MNOK 5.9 in 4Q07. Opera had a net foreign exchange gain of MNOK 10.2 in 4Q08 compared to a gain of MNOK 1.4 in 4Q07.

Net income

Net income was MNOK 31.1 in 4Q08 compared to MNOK 13.6 in 4Q07. EPS and fully diluted EPS were 0.26 and 0.26, respectively, in 4Q08, compared to 0.11 and 0.11, respectively, in 4Q07.

Liquidity and capital resources

The Company's net cash flow from operating activities was MNOK 69.0 in 4Q08 compared to MNOK 5.3 in 4Q07. In 4Q08, Opera repurchased 695 100 shares for MNOK 9.2 as part of an up to 3 million share repurchase program announced on March 3, 2008 by the Board of Directors. The purpose of this program is to minimize dilution for existing shareholders resulting from the exercise of employee and Board stock options. On October 17, 2008, Opera announced that its Board of Directors had decided to extend the amount of shares that can be purchased under the share buy-back program from 3,000,000 to 6,000,000 shares.

Cash: Cash and cash equivalents at the end of 4Q08 were MNOK 563.5, compared to MNOK 466.8 in 4Q07, an increase of MNOK 96.7.

Organization: At the end of 4Q08, the Company had 627 full-time employees and equivalents compared to 462 at the end of 4Q07.

Segment overview

Opera's corporate mission is to provide the best Internet experience on any device. The Company continued to deliver on its mission in 2008, with Opera powering the Internet on not only a growing range of mobile phones, but also on a broader array of non-mobile Internet-connected devices, such as IP set-top boxes, portable media players, gaming consoles, and VoIP phones. Moreover, attractive growth continued for Opera's desktop product, driven largely by increases in the number of users and expansion in key markets around the world.

Internet Devices

Description

Internet Devices includes revenue from both mobile phones and other connected devices, such as gaming consoles, IPTV set-top boxes and portable media players. The segment also includes Opera Mini revenue from mobile operators such as T-Mobile and O2 Germany, as well as revenue generated from the Opera-branded Opera Mini product.

Update

Revenue from Internet Devices rose to MNOK 115.0 in 4Q08 compared to MNOK 73.7 in 4Q07, an increase of 56%, powered by strong growth from both devices and mobile customers.

Opera Mobile

Shipped on millions of devices from major mobile phone manufacturers and operators worldwide, the Opera Mobile browser lets everyone surf the full Web on their mobile phones.

Opera announced in 4Q08 that KDDI will ship 7 new phones with Opera Mobile and Opera's Widgets solution pre-installed. Since KDDI and Opera began their partnership in 2004, they have jointly released a total of 93 handsets with the Opera Mobile browser.

During 4Q08, Opera announced 2 new phones with Opera Mobile pre-installed from XDA and Samsung.

Opera Mini

Business

Opera has comprehensive licensing and services deals with 9 operators, including T-Mobile International (in 9 of 11 European subsidiaries), Vodafone, PTC/era (Poland), TMN (Portugal), Tata Teleservices (India), O2 (Germany and Slovakia), Swisscom and debitel Germany - all using an operator-branded version of the Opera Mini browser as part of their mobile Web initiatives.

Opera's revenue sources from these agreements include license/royalty, delivery services, hosting services, and maintenance and support.

Since launch through 4Q08, Opera has also signed distribution deals for the Opera-branded Opera Mini browser with 19 mobile operators worldwide.

During 4Q08, Opera announced 10 new phones with Opera Mini pre-installed, including phones from Nokia, Samsung and Sony Ericsson. Some of these phones are distributed through OEMs, while others are distributed via operators.

Consumer

As of December 31, 2008, since launch, more than 57.8 billion Web pages have been viewed on Opera Mini. In December, 17.8 million unique active users worldwide browsed the Web using Opera Mini.

In 4Q08, Opera Software released the final version of its much-anticipated Opera Mini 4.2 for mobile phones. Moreover, due to the addition of an Opera Mini server park in the USA, speed trials have shown that Opera Mini 4.2 increases download speed by more than 30% for users in the United States and East Asia.

Opera generates revenue for the Opera-branded version of Opera Mini through content partnerships, including search. In 1Q08, Opera selected Google as the default search partner for Opera Mini in all countries except Russia and the former CIS nations. In 2Q08, Opera made Yandex the default search engine on Opera's mobile Web browsers for customers in Russia and the Commonwealth of Independent States (CIS).

Although Opera expects search to provide the vast majority of revenue in the short- to medium- term for the Opera branded version of Opera Mini, the Company is actively developing other ways of increasing ARPU for its growing user base.

While Opera.com continues to be the primary channel for distributing the Opera branded version of Opera Mini, Opera has also focused on distribution via direct agreements with mobile OEMs. Opera has such distribution deals with Nokia, Sony Ericsson, Sagem, Spice Mobile, Meridian Mobile and Micromax.

Opera Devices

Opera has driven new innovation within Internet technologies for handheld devices, digital TV and other devices, with innovative and powerful features that seamlessly adapt the Internet experience to suit varying screen sizes and input devices.

Opera for Devices is the leader in its core market segments, as Opera's browsers get installed on an increasing array of non-mobile phone Internet-connected devices, such as gaming consoles, portable media players and net TVs.

Opera Software announced that Nintendo Co., Ltd. of Japan had selected Opera Software to provide the Web browser for its dual-screened, Wi-Fi-enabled and portable Nintendo DSi gaming console. The Nintendo DSi started shipping in November 2008 in Japan and is expected to ship in Europe and the USA in April 2009.

Opera Software announced that Alpha Networks, a global leader in the networking industry, selected the Opera Devices SDK to deliver the Internet to its new high-definition IP set-top boxes, the AST series. Alpha Networks replaced its previous browser technology with the Opera Devices SDK in order to bring a superior Web experience to users of the AST series. Opera Devices SDK has been fine-tuned for TVs, which will result in fast surfing speeds.

Desktop

Description

Since the first public release in 1996, Opera has continuously delivered browser innovations for desktop PCs. Opera's desktop browser provides its users with a safe, efficient and enjoyable browsing experience.

Update

Revenue from Desktop rose 117% in 4Q08 to MNOK 41.9, compared to MNOK 19.3 in 4Q07. In 4Q08, Opera saw the full results of its June 2008 launch of Opera 9.5 for Desktop, with users up 42% since the end of 2Q08.

In 4Q08, Opera Software launched Opera 9.6, the newest version of Opera's award-winning Web browser. Opera 9.6 enhances the performance and flexibility of Opera's built-in e-mail client, while adding new features to Opera's free browser-synchronization service, Opera Link.

Outlook

Opera is positive about the Company's short and long-term growth prospects. Within Internet Devices, the success that key Opera customers, including T-Mobile and KDDI, have experienced with their mobile Web initiatives powered by Opera, combined with recent events in the industry, have heightened interest among operators and OEMs for Opera's solutions. Opera also sees accelerating interest among device manufacturers for Opera's solutions, as Web browsers become a more common component of a broad array of device types.

Opera believes it is well-positioned to take advantage of these "mega-trends" within both the mobile phone and consumer electronics industries. Opera also expects to see increased revenue streams for the Opera-branded version of Opera Mini in FY2009 compared to FY2008, as usage expands and as revenue and business models evolve further in the mobile Internet space.

The Company also sees positive growth prospects in the Desktop segment, particularly in the emerging markets.

Opera's key operational priorities in FY2009 include continuing to (i) focus and invest in an aggressive manner in the Consumer area (Desktop, Opera-branded Opera Mini, My Opera), (ii) accelerate momentum among mobile phone operators worldwide, (iii) increase Opera's position with top mobile phone OEMs globally, (iv) build on the momentum Opera has going into FY2009 among major consumer electronic OEMs, and (v) capitalize on its unique cross-platform position and offering content-related services to its users, leveraging the fact that its browsers run on a wide and disparate array of device types and form factors.

Oslo, February 26, 2009
The Board of Directors
Opera Software ASA

William J. Raduchel	Jon S. von Tetzchner
Chairman	CEO
(sign.)	(sign.)

CONSOLIDATED STATEMENTS OF INCOME

(In thousands of NOK, except per share amounts)

INCOME STATEMENT	Q4 2008 (Unaudited)	Q4 2007 (Unaudited)	% Change	FY 2008 (Unaudited)	FY 2007 (Unaudited)	% Change
Desktop	41 916	19 293	117 %	116 299	67 057	73 %
Internet Devices	115 035	73 693	56 %	380 807	248 408	53 %
Total Revenue	**156 951**	**92 987**	**69 %**	**497 106**	**315 466**	**58 %**
Payroll and related expenses, excluding stock option costs	88 003	58 481	50 %	296 493	215 072	38 %
Stock option costs	2 327	1 065	118 %	8 814	8 370	5 %
Depreciation and amortization	2 461	1 734	42 %	8 305	6 496	28 %
Other operating expenses	33 212	22 343	49 %	102 616	74 640	37 %
Total Expenses	**126 003**	**83 623**	**51 %**	**416 227**	**304 578**	**37 %**
Earnings Before Interest and Taxes ("EBIT")	**30 948**	**9 363**		**80 879**	**10 887**	
Interest income	6 533	5 869		24 035	18 051	
FX gains/losses net (negative amount = losses)	10 233	1 436		24 873	-7 418	
Earnings Before Taxes ("EBT")	**47 714**	**16 668**		**129 787**	**21 520**	
Provision for Taxes	-16 621	-3 043		-39 929	-9 053	
Net Income	**31 093**	**13 625**		**89 858**	**12 467**	
Earnings Per Share	0,262	0,114		0,749	0,078	
Earnings Per Share, Fully Diluted	0,261	0,113		0,741	0,077	
Shares used in per share calculation (mm)	118 716 854	119 232 200		119 912 452	118 283 045	
Shares used in per share calculation, Fully Diluted (mm)	119 166 790	120 875 834		121 185 221	119 926 679	
Number of Employees	627	462		627	462	

*The 4Q2008 provision for taxes is based on an estimated tax rate for the Group.

*The 4Q2007 provision for taxes and EPS numbers are adjusted to match the final numbers in the FY 2007 Annual Report.

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CONSOLIDATED BALANCE SHEET
(In thousands of NOK)

BALANCE SHEET	31.12.2008 (Unaudited)	FY 2007 (Audited)
Deferred tax asset	11 141	9 724
Goodwill	3 143	3 142
Other intangeble assets	1 234	0
Office machinery, equipment etc., Net	26 928	17 832
Other investments and deposits	5 470	4 541
Accounts receivables	120 858	65 249
Unbilled revenue	51 806	40 700
Other receivables	11 971	5 729
Cash and cash equivalents	563 548	466 813
Total Assets	796 101	613 730
Accounts payable	16 194	7 227
Taxes payable	4 268	2 443
Social security, VAT and other taxation payable	18 452	9 418
Deferred revenue	56 016	26 635
Other short-term liabilities	80 224	35 838
Deferred tax liability	23 391	0
Total Liabilities	198 545	81 562
Share capital	2 393	2 391
Own shares	-43	0
Share premium reserve	457 202	456 973
Other reserves	30 375	21 977
Retained earnings/other equity	107 629	50 827
Total Equity	597 556	532 168
Total Liabilities and Equity	796 101	613 730

* The FY 2007 numbers are the FY 2007 Annual Report numbers.

CONSOLIDATED EQUITY STATEMENT

(In thousands of NOK)

EQUITY STATEMENT	Q4 2008 (Unaudited)	Q4 2007 (Unaudited)	FY 2008 (Unaudited)	FY 2007 (Audited)
Opening balance	571 168	514 593	532 168	499 470
Net profit/(loss)	31 093	13 625	89 858	12 467
Equity share issue	0	2 971	-10	12 710
Options	2 232	1 812	8 397	8 992
Own shares	-8 392	0	-35 948	0
Other	1 455	-833	3 092	-1 471
Closing Balance	597 556	532 168	597 556	532 168

CONSOLIDATED CASH FLOW STATEMENT
(In thousands of NOK)
(Unaudited)

CASH FLOW STATEMENT	Q4 2008 (Unaudited)	Q4 2007 (Unaudited)	FY 2008 (Unaudited)	FY 2007 (Audited)
Cash flow from operating activities				
Profit/loss before taxes	47 714	16 668	129 787	21 520
Taxes paid	-6 302	-553	-14 611	-7 155
Depreciation expense	2 461	1 734	8 305	6 496
Impairment of shares	0	500	0	500
Changes in accounts receivable *)	-24 243	-36 633	-53 488	-7 141
Changes in accounts payable	10 380	1 843	8 659	679
Changes in other liabilities, net	16 690	19 889	41 908	13 420
Share-based remuneration	2 233	1 812	8 382	8 992
Conversion discrepancy	20 100	6	20 688	-1 290
Net cash flow from operating activities	69 032	5 267	149 629	36 021
Cash flow from investment activities				
Acquisition of tangible fixed assets	-4 517	-1 983	-15 935	-5 874
Acquisition of shares	-1 318	-0	-1 318	-500
Net cash flow from investment activities	-5 834	-1 983	-17 252	-6 374
Cash flow from financing activities				
Proceeds from exercise of stock options, warrants	814	2 920	11 225	12 668
Proceeds of Share Issues, net	0	0	0	0
Proceeds of own shares	-9 206	0	-46 867	0
Net cash flow from financing activities	-8 392	2 920	-35 642	12 668
Net change in cash and cash equivalents**	54 806	6 204	96 735	42 315
Cash and cash equivalents **)	508 743	460 609	466 813	424 498
Cash and cash equivalents	**563 548**	**466 813**	**563 548**	**466 813**

*) Changes in unbilled revenue are included in changes in accounts receivable in the cash flow statement.

**)Cash and cash equivalents of NOK 21,974K are restricted assets as of 31 December 2008, and Cash and cash equivalents of NOK 7,962K are restricted assets as of 31 December 2007.
**) As of 31 December 2008, the conversion discrepancy gain booked on cash and cash equivalents was NOK 22,246K.

***)The 4Q2007 and FY 2007 numbers are adjusted to match the final numbers in the FY 2007 Annual Report.

Note: The financial figures have been prepared based upon the management's interpretation of the current International Financial Reporting Standards (IFRS).

DISCLOSURE

NOTE 1: CORPORATE INFORMATION
Opera Software ASA is a company domiciled in Norway. The consolidated financial statements of the Company include the Company subsidiaries Hern Labs AB, Zizzer AS and Opera Software International AS (which, in turn, includes Opera Software Korea Ltd and Opera Web Technologies Private Ltd (India), together referred to as the "Group"). As of 31 December 2008, Opera Software International AS had branch offices in Japan, USA, Poland, Czech Republic, China and Taiwan.

NOTE 2: FINANCIAL STATEMENTS - BASIS FOR PREPARATION
The enclosed consolidated condensed financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". A number of new standards, amendments to standards and interpretations are not yet effective for the 12 months ended 31 December 2008, and have not been applied in preparing these consolidated financial statements.

IFRS 8 Operating Segments is mandatory for periods beginning on or after 1 January 2009. This standard replaces IAS 14 and requires segment disclosure based on the components of an entity that management monitors in making operating decisions, rather than disclosure of business and geographical segments.

As defined in IAS 14: Segment Reporting, Opera Software ASA claims there is no area of operations or geographical segments,since the Company does not individually deliver products or services, or groups of these services, that have a risk and dividend which is different from other areas of operations. The Group has one product,"the browser", which is materially the same regardless of the product of which it is part. Further, according to the definition in IAS 14, the Group does not have geographical markets that satisfy the standard's definition to be classified as a segment. The Group does not individually deliver products or services within a specific geographical market that have a risk and dividend which are different from part of the operations that operates in other geographical markets. The new standard may result in the disclosure of additional segment information.

Amendments to IAS 1 Presentation of financial statements – Beginning on or after 1 January 2009 the amendments require companies to present both a statement of change in equity and either a statement of comprehensive income or an income statement accompanied by a statement of other comprehensive income as part of the financial statements.

The amendments also require the presentation of a statement of financial position (balance sheet) as at the beginning of the comparative period when an entity restates the comparatives following a change in accounting policy, the correction of an error, or the reclassification of items in the financial statements. Furthermore, the amendments now require clarification of disclosure requirements relating to income tax on items recognized in other comprehensive income, dividends, and recycling to the income statement/comprehensive income of gains previously recognized in other comprehensive income. This standard will result in the presentation of additional financial information.

Amendments to IAS 23 Borrowing costs remove the option of expensing borrowing costs and require that an entity capitalize borrowing costs directly relating to the acquisition, construction or production of qualifying assets. The revised standard is effective for annual periods beginning on or after 1 January 2009. Since the Group has not incurred borrowing costs related to qualifying assets, the revised standard will not have an impact on the consolidated financial statements.

Amendment to IFRS 2 Share-based payment - Vesting Conditions and Cancellations amends the definition of vesting conditions in IFRS 2 to clarify that vesting conditions are limited to service conditions and performance conditions. Conditions other than service or performance conditions are considered non-vesting conditions. The amendment applies retroactively to annual periods beginning on or after 1 January 2009. The amendment will not have an impact on the consolidated financial statements.

Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation provide exemptions from the requirement to classify as a liability financial instruments under which an entity has an unavoidable obligation to deliver cash. The exemptions apply to a puttable financial instruments or an instrument, or components of instruments, that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity, only on liquidation. The amendments are effective for annual periods beginning on or after 1 January 2009 and will not have an impact on the consolidated financial statements.

Revised IFRS 3 Business Combinations and amended IAS 27 Consolidated and Separate Financial Statements include changes relating to acquiring a controlling and majority stake only, accounting for changes in stake and accounting for the price paid. The scope of IFRS 3 has widened to bring transactions that were not within the scope of IFRS 3 (2004) into scope. Changes in definitions, which may initially appear minor, could lead to significant changes in practice. The new standards are effective for annual periods beginning on or after 1 July 2009. The impact on the consolidated financial statements will depend on future business combination activity.

Amendments to IFRS 1 First-time adoption of IFRS and IAS 27 Cost of an investment in a subsidiary, joint-controlled entity or associate allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. In addition, IASB changed IAS 27 by removing the definition of the cost method and replacing it with a requirement to present dividends as income in the separate financial statements of the investor. The amendments will not have an impact on the consolidated financial statements.

DISCLOSURE - CONTINUE
(In thousands of NOK)
(Unaudited)

IFRIC 12 Service Concession Arrangements provides guidance to private sector entities on certain recognition and measurement issues that arise in accounting for public to private service concession arrangements. It amends IFRIC 4 to exclude from the scope of IFRIC 4 any service concession arrangements that fall within the scope of IFRIC 12. IFRIC 12 is mandatory for periods beginning on or after 1 January 2008. It may be applied early (although it is not yet endorsed for use in the EU) and is retroactively applied in full if feasible. The amendment will not have an impact on the consolidated financial statements.

IFRIC 13 Customer loyalty Programs requires an entity to separate sales revenue into revenue for sale of the goods or services and revenue for sale of loyalty points (based on the fair value of the loyalty points), with the latter being deferred until the loyalty points are redeemed. IFRIC 13 is mandatory for periods beginning on or after 1 July 2008, and is not expected to have any impact on the consolidated financial statements.

IFRIC 15 Agreements for the Construction of Real Estate applies to the accounting of revenue arising from agreements for the construction of real estate. IFRIC 15 is effective for annual periods beginning on or after 1 January 2009 with earlier application permitted. IFRIC interpretation 15 will not have an impact on the consolidated financial statements.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation applies to all entities using net investment hedging for investments in foreign operations. The interpretation clarifies that net investment hedging can be applied only when the net assets of the foreign operation are included in the financial statements of the entity. IFRIC 16 must be applied for annual reporting periods beginning on or after 1 October 2008 with earlier application permitted. Since the Group does not use net investment hedging, the interpretation will not have an impact on the consolidated financial statements.

Amendments to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hegded Items specifies that a new application guidance has been added to clarify that an amount other than the entire fair value or cash flow changes of a financial instrument can be designated in a hedging relationship. This is mandatory for annual periods beginning on or after 1 July 2009. Since the Group does not apply hedging, the amendments will not have an impact on the consolidated financial statements.

Annual improvements project. In May 2008 IASB finalized its first annual improvement project with accounting changes for presentation, recognition or measurement purposes, and changes involving terminology or editorial changes with minimal effect on accounting. The changes affect several standards, and most of the changes are effective for annual periods beginning on or after 1 January 2009. A few changes are effective for annual periods beginning on or after 1 July 2009. Opera will analyze the impact of the changes effective for annual periods beginning on or after 1 January 2009.

Revised IFRS 1 First Time Adoption of IFRS. The International Accounting Standards Board (IASB) has issued a revised version of IFRS 1: First-time Adoption of International Financial Reporting Standards. The revised version has an improved structure but does not contain any technical changes. In 2007, the IASB proposed to restructure IFRS 1 to make it easier for the reader to understand and to allow it to accommodate more easily any future changes that might be necessary. The revised version is effective for entities applying IFRSs for the first time for annual periods beginning on or after 1 January 2009. These amendments will not have an impact on the consolidated financial statements.

IFRIC 17 Distributions of Non-cash Assets to Owners - clarifies that a dividend payable should be recognized when the dividend is appropriately authorized and is no longer at the discretion of the entity, an entity should measure the dividend payable at the fair value of the net assets to be distributed and an entity should recognize the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss. The interpretation also requires an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation. These amendments have no current impact on the consolidated financial statements.

Amendments IAS 39 and IFRS 7: Reclassification of Financial Assets and amendment to IAS 39 Reclassification of Financial Assets: Effective Date and Transition. The International Accounting Standards Board (IASB) issued on 13 October 2008 an amendments to IAS 39: Financial Instruments- Recognition and Measurement and IFRS 7: Financial Instruments - Disclosures, that would permit the reclassification of some financial instruments. The amendments to IAS 39 introduce the possibility of reclassifications for companies applying International Financial Reporting Standards (IFRSs), which were already permitted under US generally accepted accounting principles (GAAP) in rare circumstances.

The International Accounting Standards Board (IASB) has issued on 27 November 2008 an updated version of the recent reclassification amendments to IAS 39: Financial Instruments - Recognition and Measurement, and IFRS 7: Financial Instruments - Disclosures, (issued on 13 October 2008) to clarify the effective date of the amendments. Following publication of the amendments, and in response to requests, the IASB subsequently clarified the effective date requirements at its meeting in October 2008.

These amendments have no current impact on the consolidated financial statements.

DISCLOSURE - CONTINUE
(In thousands of NOK)
(Unaudited)

NOTE 3: ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IAS 34: Interim Financial Reporting. The report does not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2007. The same accounting principles that were used in the annual report for 2007 are used in the consolidated condensed financial statements.

NOTE 4: ESTIMATES

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Change in accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTE 5: CONTINGENT LIABILITIES - CHANGES IN CONTINGENT LIBILITIES

There are no new issues other than those noted in the FY 2007 Financial Statements.

NOTE 6: UNUSUAL TRANSACTIONS

Opera Software ASA noted no unusual transactions during the reporting period.

DISCLOSURE

(In thousands of NOK, except per share amounts)

NOTE 7: BASIC EARNING PER SHARE

Basic earning per share	Q4 2008 (Unaudited)	Q4 2007 (Unaudited)	FY 2008 (Unaudited)	FY 2007 (Audited)
Earnings Per Share (basic)	0,262	0,114	0,749	0,078
Earnings Per Share, Fully Diluted	0,261	0,113	0,741	0,077
Shares used in per share calculation (mm)	118 716 854	119 232 200	119 912 452	118 283 045
Shares used in per share calculation, Fully Diluted (mm)	119 166 790	120 875 834	121 185 221	119 926 679

Earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted ordinary shares in issue during the period.

In periods with negative Net Income, the dilutive instruments will have an anti dilutive effect when calculating dilutive earnings per share. For this reason, there is no difference between earnings per share and dilutive earnings per share for these periods.

The options have varying exercise prices and would, upon exercise, mean payment into the Company of NOK 132,825K as of 31 December 2008. In relation to the accounting standard regarding earnings per share, the effect of these funds being used by the Company to purchase shares in the market should be considered when calculating the fully diluted number of shares outstanding. The average price in the period is used when calculating the fully diluted number of shares. The average price is calculated to be 15.98 in Q4 and 18.08 as of FY2008.

Number of fully diluted shares calculation	Q4 2008 (Unaudited)	FY 2008 (Unaudited)
Net income	**31 092 560**	**89 857 567**
Time average of outstanding shares 1)	**118 716 854**	**119 912 452**
Earnings pr. share	**0,262**	**0,749**
Equity diluted earnings per share	**0,261**	**0,741**

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the period.

1) Average number of shares	Q4 2008	FY 2008
Average number of shares	118 716 854	119 912 452
The following equity instruments has diluting effect	**Q4 2008**	**FY 2008**
Options	8 843 894	8 843 894
Warrants	0	0
Total	8 843 894	8 843 894
Options and warrants	8 843 894	8 843 894
Number of bought shares (NOK 132,825K/15.98/18.08)	8 314 557	7 346 518
Number of shares with diluting effect	529 337	1 497 376
Expected options to be exercised	449 936	1 272 769

DISCLOSURE
(In thousands of NOK)

NOTE 8: FINANCIAL INFORMATION
Due to the global financial situation, including fluctuations in currencies, Opera has chosen to include more information regarding currency risk as of 31 December 2008.

Opera Software ASA has no interest bearing debt and no financial fixed assets in the form of loans or investments in shares except investments in its subsidiaries. Consequently, the financial risk the Group faces is mainly related to foreign exchange rate risk in USD and EUR. Exchange rate fluctuations have an effect on Opera's income statement. In 4Q08, approximately 63% of revenues was in EUR and 36% in USD; for expenses, approximately 54% was in NOK, 13% in SEK, 8% in JPY, 8% in PLN, 7% in USD, 5% in EUR, and 5% in other currencies. Foreign currency movements impacted Opera's income statement in 4Q08 in the following way: Revenue was higher by approximately 17% vs 4Q2007 and by approximately 15% vs 3Q2008, and costs were higher by approximately 7% vs 4Q2007 and by approximately 7% vs 3Q2008.

For 4Q08, the foreign exchange gain was NOK 10,233K (net of 25,915K in losses on foreign exchange forward contracts that Opera has entered into for US Dollars and EUROs). For the FY2008, Opera had a foreign exchange gain of NOK 24,873K (net of NOK 29,826M in losses on foreign exchange forward contracts that Opera entered into for US Dollars and EUROs). For FY2007, Opera had a foreign exchange loss of NOK 7,722K.

NOTE 9: SUBSEQUENT EVENTS
No subsequent events (that are necessary to be included in the enclosed consolidated condensed financial statements) have occurred after the reporting date.

For announcements of new contracts, please see announcements published on the Oslo Stock Exchange website (www.oslobors.no).

HISTORICAL SUMMARY: LAST 6 QUARTERS
(In thousands of NOK, except per share amounts)

HISTORICAL SUMMARY: LAST 6 QUARTERS	Q4 2008 (Unaudited)	Q3 2008 (Unaudited)	Q2 2008 (Unaudited)	Q1 2008 (Unaudited)	Q4 2007 (Unaudited)	Q3 2007 (Unaudited)
Revenue ('1000s of NOK)						
Desktop	41 916	28 027	23 209	23 147	19 293	17 343
Internet Devices	115 035	96 696	89 518	79 558	73 692	64 442
Total Revenue	156 951	124 723	112 727	102 705	92 985	81 785
Revenue (% Growth)						
Desktop	50 %	21 %	0 %	20 %	11 %	11 %
Internet Devices	19 %	8 %	13 %	8 %	14 %	8 %
Total Revenue	26 %	11 %	10 %	10 %	14 %	9 %
Revenue (% of Total Revenue)						
Desktop	27 %	22 %	21 %	23 %	21 %	21 %
Internet Devices	73 %	78 %	79 %	77 %	79 %	79 %
EBIT	30 948	22 692	17 590	9 649	9 360	8 015
EBIT, excluding stock option costs	33 274	23 792	18 999	13 627	10 426	10 290
EBITDA	33 409	24 750	19 413	11 612	11 095	9 674
EBITDA, excluding stock option costs	35 735	25 850	20 822	15 590	12 161	11 950
EPS	0,262	0,279	0,147	0,065	0,120	0,039
EPS, Fully Diluted	0,261	0,277	0,146	0,065	0,118	0,037

NEW MODELS IN Q408

Opera Mini:

Nokia
Nokia 6700
Nokia 6500 Slide

Sony Ericsson
Sony Ericsson W980
Sony Ericsson W902
Sony Ericsson W595
Sony Ericsson K770
Sony Ericsson C905
Sony Ericsson F305
Sony Ericsson C510

Samsung
Samsung B2700

Opera Mobile:

Samsung
Samsung Saga

XDA
XDA Serra