

# OPERA 1Q 2009

# OPERA SOFTWARE ASA – FIRST QUARTER 2009

Opera delivered revenues of MNOK 163.0 in 1Q09, up 59% versus 1Q08, and an EBIT of MNOK 24.9, driven by strong growth from both Internet Devices and Desktop.

## Highlights

Revenue was MNOK 163.0 in 1Q09, up from MNOK 102.7 in 1Q08, an increase of 59%. EBIT was MNOK 24.9 in 1Q09 compared to MNOK 9.6 in 1Q08. EBITDA in 1Q09 was MNOK 27.6, and EBITDA, excluding stock options costs, was MNOK 31.3.

## Business area

- Revenue from Internet Devices rose to MNOK 116.0 in 1Q09 compared to MNOK 79.6 in 1Q08, an increase of 46%, powered by strong growth from both devices and mobile customers
- Vodafone announced a global agreement with Opera covering Opera Mini, Opera Turbo and Opera Widgets, enabling the ultimate mobile Internet experience on Vodafone handsets
- 63 new mobile phones with Opera preinstalled were announced in the quarter, including 7 for Opera Mobile and 56 for Opera Mini
- Opera announced Opera Mobile 9.7 with Opera Turbo – a server-accelerated full Web experience for smartphones and other high end mobile devices. The number of mobile phones shipped with Opera Mobile preinstalled was 7.0 million in 1Q09
- Opera was selected by ZyXEL Communications for its new line of set-top boxes

## Consumer area

- Revenues from Desktop increased 103% in 1Q09 compared to 1Q08, as Opera continues to grow its global user base and market share
- Growth in global usage of Opera Mini continued. In March, 23.0 million unique users worldwide used Opera Mini to browse the Web; this represents a 157% increase in unique active users compared to 1Q08, when active users in March were 9.0 million
- Opera Software and Yahoo! announced a partnership to bring the Opera Mini mobile Web browser and the full Internet to more mobile phone users around the world
- Opera signed a deal with ASUS to deliver the Opera desktop browser preinstalled on the Eee Top PC, an all-in-one touchscreen computer

## Financials

### Revenues

Revenue in 1Q09 was MNOK 163.0, up 59% from 1Q08, when revenue was MNOK 102.7. Revenue growth in the quarter was driven by attractive growth across all customer areas.

Compared to 1Q08, Internet Devices revenue was driven by higher revenue from operators, device OEMs and mobile OEMs.

### Operating costs

Total operating costs for 1Q09 were MNOK 138.1 compared to MNOK 93.1 in 1Q08, an increase of 48%.

Payroll and related expenses, excluding stock option costs Total payroll and related expenses, excluding stock option costs, were MNOK 101.2 in 1Q09

compared to MNOK 66.0 in 1Q08, an increase of 53%. 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 1Q09 were MNOK 3.7 compared to MNOK 4.0 in 1Q08.

Other operating expenses Other operating expenses in 1Q09 were MNOK 30.5 compared to MNOK 21.1 in 1Q08, an increase of 44%.

### EBIT

EBIT was MNOK 24.9 in 1Q09 compared to MNOK 9.6 in 1Q08. EBIT, excluding stock option costs, was MNOK 28.5 in 1Q09 versus MNOK 13.6 in 1Q08. EBITDA in 1Q09 was MNOK 27.6 compared with MNOK 11.6 in 1Q08. EBITDA, excluding stock options costs, was MNOK 31.3 compared with MNOK 15.6 in 1Q08.

### Interest income and FX gains/(losses)

Net interest income was MNOK 3.4 in 1Q09 versus MNOK 4.5 in 1Q08. Opera had a net foreign exchange loss of MNOK 4.5 in 1Q09 compared to a loss of MNOK 3.4 in 1Q08.

### Profit for the period

Profit for the period was MNOK 16.7 in 1Q09 compared to MNOK 7.8 in 1Q08. EPS and fully diluted EPS were 0.14 and 0.14, respectively, in 1Q09, compared to 0.07 and 0.07, respectively, in 1Q08.

### Liquidity and capital resources

The Company's net cash flow from operating activities was MNOK 59.7 in 1Q09 compared to MNOK 34.4 in 1Q08.

Cash: Cash and cash equivalents at the end of 1Q09 were MNOK 627.9, compared to MNOK 486.9 in 1Q08, an increase of MNOK 141.0.

Organization: At the end of 1Q09, the Company had 685 full-time employees and equivalents compared to 510 at the end of 1Q08.

## Revenue overview

Opera's corporate mission is to provide the best Internet experience on any device. The Company continues to deliver on its mission in 2009, with Opera powering the Internet on not only a growing range of mobile phones, but also 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 continues for Opera's desktop product, driven largely by increases in the number of users and expansion in key markets around the world.

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## Internet Devices

### *Description*

Internet Devices includes revenue from both mobile phones and other Internet-connected devices, such as game consoles, IP TV set-top boxes, and portable media players. Internet Devices also includes Opera Mini revenue from mobile operators such as T-Mobile International as well as revenue generated from the Opera-branded Opera Mini product.

### *Update*

Revenue from Internet Devices rose to MNOK 116.0 in 1Q09 compared to MNOK 79.6 in 1Q08, an increase of 46%, powered by strong growth from both devices and mobile customers.

### *Operators and Mobile OEMs*

As many operators around the world face increasing downward pressure on average voice revenue per user, they are seeking new sources of revenue through data services. Over the past two years in particular, as a result of Opera Mini's success with operators and consumers, as well as the launch of compelling high-end smartphone devices that have showcased the potential of Web browsing and applications on mobile phones, operators around the globe are more focused than ever on the potential of Web browsing and Web applications to drive data traffic and revenue.

Global mobile OEMs have also begun to respond aggressively to operator demands for compelling devices which drive data services adoption. As a result, more than ever before, mobile OEMs are highly focused on providing operators and their subscribers with compelling browsing solutions on their devices – i.e., full HTML browsers that enable browsing of the full Web and access to rich Web applications. This has resulted in higher demand for Opera's mobile browser solutions.

### Operators

Opera currently offers three main hosted solutions to operators: Opera Mini, Opera Turbo (announced 1Q09) and Opera Widgets. Opera Mini is a hosted solution for mass-market phones, offering server-side content compression and fast Internet download speeds. This same server-side content compression technology is now also offered for Opera Mobile and Opera Desktop, which are packaged for distribution to Operators and OEMs as Opera Turbo. Opera Mini, as well as Opera Mobile and Opera Desktop with Turbo mode, offer up to 80% content compression, all increasing an Operator's implied throughput capacity of their mobile networks.

Opera Widgets enables operators to offer Web applications (widgets) both preinstalled via a mobile OEM and downloadable from an operator-branded storefront. These widgets can sit on the front screen of the mobile device, thereby driving data and transaction

revenue (paid applications, subscriptions or advertising).

Opera's revenue sources from these hosted solutions include license fees, active-user fees, delivery services, hosting services and maintenance and support.

In addition, some operators, such as KDDI and Willcom, purchase Opera Mobile directly from Opera, as opposed to sourcing Opera Mobile indirectly via the mobile OEMs.

Opera currently has comprehensive licensing agreements with 10 operators for the operator-branded version of Opera Mini, including T-Mobile International (in 9 of 11 European subsidiaries), Vodafone, PTC/era (Poland), TMN (Portugal), TATA Teleservices (India), O2 (Germany and Slovakia), Swisscom, SK Telecom and debitel Germany. In addition, Opera has agreements with Vodafone, T-Mobile International and KDDI with regard to Opera Widgets, and an agreement with Vodafone with regard to Opera Mobile with Turbo.

In 1Q09, Vodafone signed a global agreement with Opera to provide custom-made versions of Opera Mini for Vodafone subsidiaries around the world. In addition, under the terms of this agreement, Vodafone is able to offer, via Opera Widgets, compelling Web applications and services to its subscribers right on the front screen of the phone.

### Mobile OEMs

Opera currently offers Opera Mobile to mobile OEMs, with widgets and Turbo capabilities as optional pre-installations. Opera Mobile offers mobile OEMs, and ultimately operator subscribers, a desktop-capable browser on a mobile device, enabling the use of rich Web applications.

Opera currently has license agreements with a wide range of mobile OEMs, including, HTC, HP, Motorola, Samsung, Sharp and Sony Ericsson.

During 1Q09, Opera announced 3 new phones with Opera Mobile preinstalled from HTC- the HTC Touch Pro2, Diamond2 and Touch 3G.

### *Consumer Electronic Device OEMs*

As device manufacturers seek to accelerate time to market with compelling devices, as well as enhancing their relationships with and providing compelling applications and services to their end customers, they are increasingly developing Internet-connected devices. With the Opera Devices SDK, device manufacturers are able to use their own (and third-party) developers to create user interfaces and menu systems using Web technology, such as HTML and CSS, quickly and easily. Moreover, Opera's SDK enables device manufacturers to offer not only Web-browsing capabilities and full access to the Internet to their operator and consumer end customers, but also

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customized Web applications or widgets which are accessible from the home screen of the device.

Opera currently has license agreements with a wide range of consumer electronic device OEMs, including ARCHOS, Nintendo, Philips, Sony and Thales.

In 1Q09, Opera Software announced that ZyXEL Communications, a leading broadband access solutions provider, had selected Opera Devices 9.5 to bring the full Internet to its new Linux-based set-top box (STB) series. In addition to giving ZyXEL users access to their favorite Web pages optimized for the TV screen, Opera serves as the STB's presentation and user interface engine.

## *Mobile Consumers*

Historically, Internet access has been relegated primarily to desktop computers compared to mobile devices due to several factors, namely, the lack of full HTML browsers on mass-market mobile phones, the dearth of compelling content from WAP, and slow download speeds.

Yet, while 20% of the world's population has access to a desktop computer, more than 60% of the world population, or about 4 billion people, have a mobile phone.

In 2006, Opera launched its Opera Mini browser globally, with the mission of putting the full Internet in every pocket. Opera Mini works on the majority of mobile phones in the market, delivers the full Internet (WAP browsers only bring a small subsection of Internet content), and, through its client-server and compression technology, renders the full Internet up to nine times faster than a normal browser.

In March 2009, 23.0 million unique active users worldwide browsed the Web using Opera Mini, viewing 8.6 billion Web pages. As of March 31, 2009, since launch, more than 81.3 billion Web pages have been viewed on Opera Mini.

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 Commonwealth of Independent States. In 2Q08, Opera made Yandex the default search engine on Opera's mobile Web browsers for customers in Russia and the CIS.

Although Opera expects search to provide the 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 and other third parties. Opera has such distribution deals with Nokia, Sony Ericsson, Sagem, Spice Mobile, Meridian Mobile and Micromax. In 1Q09, Opera Software and Yahoo!

announced a partnership, whereby Yahoo! will distribute Opera Mini as a standalone download from Yahoo!'s mobile Web sites.

## **Desktop**

### *Description*

Since the first public release in 1995, Opera has continuously delivered browser innovation for desktop PCs. Opera's desktop browser provides its users with a safe, efficient and enjoyable browsing experience.

Today, the desktop browser is more strategically important than ever, as the world moves rapidly towards the clear dominance of Web applications over device-centric computing. This trend is no more pronounced than with social networking, where Facebook, for example, has more than 200 million users alone.

### *Update*

Revenue from Desktop rose 103% in 1Q09 to MNOK 47.0, compared to MNOK 23.1 in 1Q08, with users up approximately 13% since the end of 2008 and up approximately 64% vs 1Q08.

In 1Q09, Opera signed an agreement with ASUS for its newly launched Eee Top PC, all-in-one touchscreen computer, where Opera will be preinstalled. Seeking a browser that could adapt seamlessly to its unique touch capabilities, ASUS chose Opera for its smooth and easy touch navigation capabilities, where neither a mouse nor keyboard is required.

## **Outlook**

Opera remains 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 consumer electronic 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 "megatrends" 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 from its Desktop product, particularly as a result of user growth in the emerging markets.

Opera's key operational priorities in FY2009 include continuing to (i) focus and invest in an aggressive

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manner in the Consumer area (Desktop, Opera-branded Opera Mini), (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 offer content-related services to its users, leveraging the fact that its browsers run on a wide and disparate array of devices.

Oslo, May 28, 2009  
The Board of Directors  
Opera Software ASA

William J. Raduchel  
Chairman  
(sign.)

Jon S. von Tetzchner  
CEO  
(sign.)



**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Numbers in KNOK, except per share amounts)

STATEMENT OF COMPREHENSIVE INCOME	Q1 2009 (Unaudited)	Q1 2008 (Unaudited)	% Change	YTD 2009 (Unaudited)	YTD 2008 (Unaudited)	% Change	FY 2008 (Audited)
Desktop	46 999	23 147	103 %	46 999	23 147	103 %	116 299
Internet Devices	115 961	79 558	46 %	115 961	79 558	46 %	380 807
<b>Total revenue</b>	<b>162 960</b>	<b>102 705</b>	<b>59 %</b>	<b>162 960</b>	<b>102 705</b>	<b>59 %</b>	<b>497 106</b>
Payroll and related expenses, excluding stock option costs	101 207	65 973	53 %	101 207	65 973	53 %	296 493
Stock option costs	3 664	3 978	-8 %	3 664	3 978	-8 %	8 814
Depreciation and amortization	2 747	1 963	40 %	2 747	1 963	40 %	8 305
Other operating expenses	30 471	21 142	44 %	30 471	21 142	44 %	102 616
<b>Total expenses</b>	<b>138 089</b>	<b>93 056</b>	<b>48 %</b>	<b>138 089</b>	<b>93 056</b>	<b>48 %</b>	<b>416 227</b>
<b>Earnings before interest and taxes ("EBIT")</b>	<b>24 870</b>	<b>9 649</b>		<b>24 870</b>	<b>9 649</b>		<b>80 878</b>
Interest income/expense net	3 392	4 521		3 392	4 521		24 035
FX gains/losses net (negative amount = losses)	-4 528	-3 356		-4 528	-3 356		24 873
<b>Earnings before taxes ("EBT")</b>	<b>23 734</b>	<b>10 814</b>		<b>23 734</b>	<b>10 814</b>		<b>129 786</b>
Provision for taxes	-7 060	-3 028		-7 060	-3 028		-42 082
<b>Profit for the period</b>	<b>16 674</b>	<b>7 786</b>		<b>16 674</b>	<b>7 786</b>		<b>87 704</b>
Foreign currency translation differences for foreign operations	-1 709	1 754		-1 709	1 754		2 626
<b>Total comprehensive income for the period</b>	<b>14 965</b>	<b>9 540</b>		<b>14 965</b>	<b>9 540</b>		<b>90 330</b>
Earnings per share	0,139	0,065		0,139	0,065		0,731
Earnings per share, fully diluted	0,137	0,065		0,137	0,065		0,727
Shares used in per share calculation (mm)	119 574 782	118 986 804		119 574 782	118 986 804		119 912 452
Shares used in per share calculation, fully diluted (mm)	121 378 263	119 451 874		121 378 263	119 451 874		120 619 690
Number of employees	685	510		685	510		627

\*The 1Q09 provision for taxes is based on an estimated tax rate for the Group.

\*\*The FY 2008 provision for taxes and EPS numbers are adjusted to match the final numbers in the FY 2008 Annual Report.



**CONSOLIDATED FINANCIAL POSITION**  
(Numbers in KNOK)

<b>FINANCIAL POSITION</b>	<b>03/31/2009</b> (Unaudited)	<b>FY 2008</b> (Audited)
Goodwill	3 143	3 143
Other intangible assets	1 234	1 234
Office machinery, equipment etc., net	31 860	26 928
Deferred tax assets	17 031	18 336
Other investments and deposits	5 397	5 470
Accounts receivables	59 405	120 858
Unbilled revenue	54 073	51 806
Other receivables	16 664	11 971
Cash and cash equivalents	627 920	563 548
<b>Total assets</b>	<b>816 727</b>	<b>803 295</b>
Share capital	2 371	2 392
Own shares	0	-42
Share premium reserve	457 106	457 212
Other reserves	30 424	30 375
Retained earnings/other equity	139 776	108 276
<b>Total equity</b>	<b>629 677</b>	<b>598 214</b>
Accounts payable	16 343	16 194
Taxes payable	31 208	34 487
Social security, VAT and other taxation payable	16 219	18 461
Deferred revenue	54 007	56 016
Other short-term liabilities, including derivatives	69 274	79 923
<b>Total liabilities</b>	<b>187 050</b>	<b>205 081</b>
<b>Total liabilities and equity</b>	<b>816 727</b>	<b>803 295</b>

\* The FY 2008 numbers are as reported in the FY 2008 Annual Report.



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
(Numbers in KNOK)

<b>STATEMENT OF CHANGES IN EQUITY</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>YTD 2009</b>	<b>YTD 2008</b>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance	598 214	532 168	598 214	532 168
Profit for the period	16 674	7 786	16 674	7 786
Equity share issue	0	0	0	0
Options	3 558	3 220	3 558	3 220
Own shares	13 040	-10 050	13 040	-10 050
Other	-1 808	1 765	-1 808	1 765
<b>Closing balance</b>	<b>629 677</b>	<b>534 889</b>	<b>629 677</b>	<b>534 889</b>



**CONSOLIDATED STATEMENT OF CASH FLOW**  
(Numbers in KNOK)

<b>STATEMENT OF CASH FLOW</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>YTD 2009</b>	<b>YTD 2008</b>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Cash flow from operating activities</b>				
Profit/loss before taxes	23 734	10 814	23 734	10 814
Taxes paid	-9 034	-3 469	-9 034	-3 469
Depreciation expense	2 747	1 963	2 747	1 963
Impairment of shares	0	0	0	0
Changes in accounts receivable *)	48 278	9 915	48 278	9 915
Changes in accounts payable	398	-750	398	-750
Changes in other liabilities, net	-2 664	12 681	-2 664	12 681
Share-based remuneration	3 557	3 222	3 557	3 222
Conversion discrepancy	-7 357	34	-7 357	34
<b>Net cash flow from operating activities</b>	<b>59 659</b>	<b>34 410</b>	<b>59 659</b>	<b>34 410</b>
<b>Cash flow from investment activities</b>				
Acquisition of tangible fixed assets	-8 327	-4 589	-8 327	-4 589
Acquisition of shares	0	0	0	0
<b>Net cash flow from investment activities</b>	<b>-8 327</b>	<b>-4 589</b>	<b>-8 327</b>	<b>-4 589</b>
<b>Cash flow from financing activities</b>				
Proceeds from exercise of stock options	13 040	276	13 040	276
Proceeds of Share Issues, net	0	0	0	0
Purchase of own shares	0	-10 050	0	-10 050
<b>Net cash flow from financing activities</b>	<b>13 040</b>	<b>-9 774</b>	<b>13 040</b>	<b>-9 774</b>
<b>Net change in cash and cash equivalents**</b>	<b>64 372</b>	<b>20 047</b>	<b>64 372</b>	<b>20 047</b>
Cash and cash equivalents **)	563 548	466 813	563 548	466 813
<b>Cash and cash equivalents</b>	<b>627 920</b>	<b>486 860</b>	<b>627 920</b>	<b>486 860</b>

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

\*\*)Cash and cash equivalents of KNOK 62,238 are restricted assets as of March 31, 2009, and Cash and cash equivalents of KNOK 7,285 are restricted assets as of March 31, 2008.

\*\*) As of March 31, 2009, the conversion discrepancy loss booked on cash and cash equivalents was KNOK 15,086.

Note: The financial figures have been prepared based upon 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 March 31, 2009, Opera Software International AS had branch offices in Japan, USA, Poland, Czech Republic, China and Taiwan.

### NOTE 2: STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IAS 34: Interim Financial Reporting. These condensed consolidated interim financial statements are unaudited. 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 December 31, 2008.

### NOTE 3: FINANCIAL STATEMENTS - ACCOUNTING POLICIES

The Group has used the same accounting policies and standards as in the consolidated financial statements of December 31, 2008, except as mentioned below. The consolidated financial statements of the Opera Group for 2008 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Norwegian Accounting Act.

The new standards, interpretations or amendments to published standards that were effective from January 1, 2009 that have significantly affected the consolidated financial statements for the first quarter 2009 are:

IFRS 8: Operating Segments. 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. Such information may be different from what is used to prepare the statements of income and financial position. The standard therefore requires explanations of the basis on which the segment information is prepared and reconciliations to the amounts recognized in the statements of income and financial position. IFRS 8 had minor effects on Opera Group's segment reporting for the first quarter 2009.

Revised IAS 1 Presentation of Financial Statements. IAS 1 replaces IAS 1 Presentation of Financial Statements (revised in 2003) as amended in 2005. IAS 1 sets overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content. The amendments require Opera to present both a statement of change in equity and a statement of comprehensive income for the first quarter 2009 numbers.

The "statement of financial position" was formerly named "balance sheet" and the "consolidated statement of comprehensive income" was named "consolidated statement of income".

### 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 LIABILITIES

There are no new issues other than those noted in the FY 2008 Financial Statements.

### NOTE 6: UNUSUAL TRANSACTIONS

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



**DISCLOSURE**

(Numbers in KNOK, except per share amounts)

**NOTE 7: BASIC EARNINGS PER SHARE**

<b>Basic earnings per share</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>YTD 2009</b>	<b>YTD 2008</b>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Earnings per share (basic)	0,139	0,065	0,139	0,065
Earnings per share, fully diluted	0,137	0,065	0,137	0,065
Shares used in per share calculation (mm)	119 574 782	118 986 804	119 574 782	118 986 804
Shares used in per share calculation, fully diluted (mm)	121 378 263	119 451 874	121 378 263	119 451 874

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 diluted earnings per share. For this reason, there is no difference between earnings per share and diluted earnings per share for these periods.

The options have varying exercise prices and would, upon exercise, mean payment to the Company of KNOK 114,463 as of March 31, 2009. 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 NOK 21.08 for Q1 and YTD 2009.

	<b>Q1 2009</b>	<b>YTD 2009</b>
Average number of shares	119 574 782	119 574 782
The following equity instruments have a diluting effect:		
Options	7 551 686	7 551 686
Total	7 551 686	7 551 686
Options	7 551 686	7 551 686
Number of shares purchased (KNOK 114,463/21.08/21.08)	5 429 944	5 429 944
Number of shares with diluting effect	2 121 742	2 121 742
Expected options to be exercised	1 803 481	1 803 481



## DISCLOSURE

(Numbers in KNOK)

### **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 March 31, 2009.

The majority of the financial risk carried by the Group, as a result of its subsidiaries, relates to foreign exchange fluctuations. Both sales and expenses are exposed to currency risk.

Most of the Company's foreign exchange risk relates to sales and is the result of revenue contracts signed in USD and EUR. In 1Q09, approximately 58% of revenues were in EUR and 41% in USD; for expenses, approximately 56% were in NOK, 10% in SEK, 7% in JPY, 5% in PLN, 6% in USD, 9% in EUR, and 7% in other currencies. Foreign currency movements impacted Opera's income statement in 1Q09 in the following way: Revenue was higher by approximately 18% vs 1Q08 and lower by approximately 2% vs 4Q08, and costs were higher by approximately 6% vs 1Q08 and lower by approximately 2% vs 4Q08.

The majority of the Company's purchases are made in the following denominations: NOK, EUR, SEK, PLN, USD, JPY, CZH, CNY, KRW, TWD and INR. Exchange rate fluctuations in these currencies do impact Opera's income statement.

For Q109, Opera had a foreign exchange loss of KNOK 4,528 (net of KNOK 19,391 in gain on foreign exchange forward contracts that Opera entered into for USD and EUR). KNOK 14,355 of the foreign exchange loss was realized and KNOK 8,506 was net unrealized foreign exchange gain. The unrealized disagio is estimated as the difference between the exchange rate at the closing date and date of the transaction.

### **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](http://www.oslobors.no)).



**DISCLOSURE**

(Numbers in KNOK)

**NOTE 10: SEGMENT INFORMATION**

The Company has one product, the browser. This browser product is, in turn, modified for various devices depending on customer and market requirements. These derivative products all share the same core code base.

Opera's business activities are related to the sale of the browser.

Opera's chief operating decision-makers are members of the Executive Team. The Executive Team meets regularly to review significant revenues and costs for the period for the Group as a whole and to make decisions about how resources are to be allocated based on this information. Members of the Executive Team are specified in Note 3 of the FY 2008 Annual Report.

Based on the above Opera has considered that it has only one segment.

The geographic revenue breakdown reflects the location of Opera's customers and partners. Because the products of Opera's customers and partners are distributed on a global basis, the geographic breakdown below does not accurately reflect where Opera's derivative products are actually used.

<b>REVENUE</b>	<b>Q1 2009</b> (Unaudited)	<b>Q1 2008</b> (Unaudited)	<b>YTD 2009</b> (Unaudited)	<b>YTD 2008</b> (Unaudited)
Desktop	46 999	23 147	46 999	23 147
Internet devices	115 961	79 558	115 961	79 558
<b>Total</b>	<b>162 960</b>	<b>102 705</b>	<b>162 960</b>	<b>102 705</b>

<b>REVENUE BY REGION</b>	<b>Q1 2009</b> (Unaudited)	<b>Q1 2008</b> (Unaudited)	<b>YTD 2009</b> (Unaudited)	<b>YTD 2008</b> (Unaudited)
Europe	42 240	31 765	42 240	31 765
USA/ Canada	55 906	28 664	55 906	28 664
Asia	64 814	42 276	64 814	42 276
<b>Total</b>	<b>162 960</b>	<b>102 705</b>	<b>162 960</b>	<b>102 705</b>

Internet Devices includes revenue from both mobile phones and other Internet-connected devices, such as game consoles, IP TV set-top boxes, and portable media players. Internet Devices also includes Opera Mini revenue from mobile operators such as T-Mobile International as well as revenue generated from the Opera-branded Opera Mini product.

Desktop revenue includes search and affiliate revenue generated through Opera's desktop browser product.



**HISTORICAL SUMMARY: LAST 6 QUARTERS**  
(Numbers in KNOK, except per share amounts)

<b>HISTORICAL SUMMARY: LAST 6 QUARTERS</b>	<b>Q1 2009</b>	<b>Q4 2008</b>	<b>Q3 2008</b>	<b>Q2 2008</b>	<b>Q1 2008</b>	<b>Q4 2007</b>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<u>Revenue (KNOK)</u>						
Desktop	46 999	41 916	28 027	23 209	23 147	19 293
Internet Devices	115 961	115 035	96 696	89 518	79 558	73 692
<b>Total Revenue</b>	<b>162 960</b>	<b>156 951</b>	<b>124 723</b>	<b>112 727</b>	<b>102 705</b>	<b>92 985</b>
<u>Revenue (% Growth)</u>						
Desktop	12 %	50 %	21 %	0 %	20 %	11 %
Internet Devices	1 %	19 %	8 %	13 %	8 %	14 %
<b>Total Revenue</b>	<b>4 %</b>	<b>26 %</b>	<b>11 %</b>	<b>10 %</b>	<b>10 %</b>	<b>14 %</b>
<u>Revenue (% of Total Revenue)</u>						
Desktop	29 %	27 %	22 %	21 %	23 %	21 %
Internet Devices	71 %	73 %	78 %	79 %	77 %	79 %
EBIT	24 870	30 948	22 692	17 590	9 649	9 360
EBIT, excluding stock option costs	28 534	33 274	23 792	18 999	13 627	10 426
EBITDA	27 617	33 409	24 750	19 413	11 612	11 095
EBITDA, excluding stock option costs	31 281	35 735	25 850	20 822	15 590	12 161
EPS	0,139	0,262	0,279	0,147	0,065	0,120
EPS, fully diluted	0,137	0,261	0,277	0,146	0,065	0,118



NEW MODELS IN 1Q09

**Opera Mini:**

**Samsung**

C3050V  
C3050V  
M310  
S3500V  
S7220  
S7350  
SCH-299  
SCH-E159  
SCH-F309  
SCH-F519  
SCH-F679  
SCH-M569  
SCH-S259  
SCH-S379  
SCH-W619  
T459

**Nokia**

2865  
3155  
5800  
6155  
6255  
6265  
6275  
6303 Classic  
N79 Netcom

**Sony Ericsson**

C903  
S312  
W205  
W508  
W705  
W705  
W715  
W890  
W995

**Huawei**

736  
736  
835  
C2900i  
C5100  
C5588

**Opera Mini (forts):**

**Kyocera**

K325  
K612  
KX5  
M1000

**Motorola**

E8  
K1M  
V3C

**LG**

AD6335  
GT360  
KP500

**Pantech**

PA-711  
PA-715S

**UTStarcom**

CDM 8964  
PCS 1450V

**Pantech/UTStarcom**

CDM8074

**Micromax**

GC700  
X555

**Haier**

CG100

**Sonim**

XP3.20-E

**Opera Mobile:**

**HTC**

Touch 3G  
Touch Diamond2  
Touch Pro2

**Motorola**

MOTOSURF A3100

**XDA**

O2 Ignito

**Garmin-Asus**

Nüvifone M20

**Opera Devices:**

**I-Plus**

IPT110

**Philips**

Net TV

**Zyxel**

STB