Quarterly Report

3Q 2011

OPERA software

Opera Quarterly Report 3Q11

Revenue was MNOK 222.1 in 3Q11, up from MNOK 178.3 in 3Q10, an increase of 25%. EBIT was MNOK 56.1 in 3Q11 compared to MNOK 34.8 in 3Q10. EBIT was MNOK 62.3 in 3Q11, excluding a one-time extraordinary charge.

Operational Highlights

- *Operators*

  Operator- and co-branded Opera Mini users reached 19.7 million by the end of 3Q11, up 194% versus the end of 3Q10

  4 new operator agreements were announced, including a global frame agreement with MTN

- *Mobile OEMs*

  Launched MOTOKEY XT from Motorola in Brazil, Mexico and Argentina with Opera Mobile pre-installed as default browser

- *Device OEMs*

  Opera introduced the Opera TV Store, a complete HTML- based store solution

- *Desktop*

  Desktop users reached 54 million by the end of 3Q11, up 20% versus the end of 3Q10

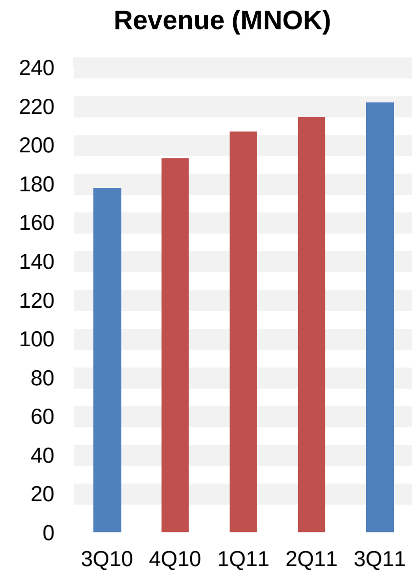
- *Mobile Consumers & Publishers*

  Opera-branded Opera Mini users reached 131 million at the end of 3Q11, up 84% versus the end of 3Q10

  Announced the launch of Oupeng, an Opera Mini browser developed specifically for the Chinese market by nHorizon, Opera's joint venture with China Telling, China's leading mobile phone distributor

  Acquired Handster Inc., a leading mobile application store platform company

  Total advertising impressions grew 169% to 56 billion in 3Q11 compared to 3Q10



Financials

Revenues

Revenue in 3Q11 was MNOK 222.1, up 25% from 3Q10, when revenue was MNOK 178.3. Currency fluctuations impacted revenues negatively by 4% in 3Q11 versus 3Q10. On a constant currency basis, 3Q11 revenues increased 30% compared to 3Q10.

Operating costs

Total operating costs for 3Q11, excluding a one-time extraordinary charge of MNOK 6.2, were MNOK 159.8 compared to MNOK 143.6 in 3Q10, an increase of 11%. In 3Q11, Opera Software recorded a one-time extraordinary charge related primarily to severance agreements and costs associated with a change in the Company's hosting strategy. Including the one-time extraordinary charge, costs would have been 166.0 compared to MNOK 143.6 in 3Q10.

Payroll and related expenses

Total payroll and related expenses, excluding stock option costs, were MNOK 99.2 in 3Q11 compared to MNOK 94.5 in 3Q10, an increase of 5%. Payroll and related expenses increased in 3Q11 versus 3Q10 due to higher compensation expense per employee and overall headcount growth.

Stock option costs

Total stock option costs for 3Q11 were MNOK 4.7 compared to MNOK 5.1 in 3Q10, a decrease of 7%. Stock option costs were lower primarily due to the fact that fewer options were issued over the past 12 months compared to the number of options issued from the end of 3Q09 to 3Q10.

Depreciation and amortization

Depreciation and amortization expenses in 3Q11 were MNOK 9.2 compared to MNOK 5.9 in 3Q10, an increase of 55%. Depreciation and amortization costs increased primarily due to higher investments in Opera Mini server infrastructure, in addition to the implementation of a shorter depreciation period for servers, effective from 3Q11.

Other operating expenses

Other operating expenses in 3Q11 were MNOK 46.7 compared to MNOK 38.1 in 3Q10, an increase of 23%. Other operating expenses increased in 3Q11 versus 3Q10 primarily due to higher server hosting, travel and marketing costs, as well as higher cost of goods sold related to our AdMarvel business.

One-Time Extraordinary Charge

In 3Q11, Opera recorded a one-time extraordinary charge of MNOK 6.2 related primarily to severance agreements and costs associated with a change in the Company's hosting strategy.

EBIT

EBIT, excluding the one-time extraordinary charge, was MNOK 62.3 in 3Q11 compared to MNOK 34.8 in 3Q10. EBIT, excluding stock option costs and the onetime extraordinary charge, was MNOK 67.0 in 3Q11 versus MNOK 39.8 in 3Q10. EBITDA was MNOK 71.5 in 3Q11 compared with MNOK 40.7 in 3Q10. EBITDA, excluding stock options costs and the one-time extraordinary charge, was MNOK 76.2 compared with MNOK 45.8 in 3Q10.

EBIT, including the one-time extraordinary charge of MNOK 6.2, was MNOK 56.1 in 3Q11 compared to MNOK 34.8 in 3Q11. EBITDA, including the one-time extraordinary charge but excluding stock options costs, was MNOK 70.0.

Interest income and FX gains/(losses)

Net interest income was MNOK 1.4 in 3Q11 versus MNOK 3.3 in 3Q10. Opera had a foreign exchange gain of MNOK 17.1 in 3Q11 compared with a loss of MNOK 12.3 in 3Q10.

Profit for the period

Profit for the period was MNOK 51.5 in 3Q11 compared to MNOK 20.2 in 3Q10. EPS and fully diluted EPS were 0.43 and 0.42, respectively, in 3Q11, compared to 0.17 and 0.17, respectively, in 3Q10.

Excluding the one-time extraordinary charge of MNOK 6.2 in 3Q11, profit for the period would have been MNOK 55.9 in 3Q11 compared to MNOK 20.2 in 3Q10. EPS and fully diluted EPS would have been 0.47 and 0.46, respectively, in 3Q11, compared to 0.17 and 0.17, respectively, in 3Q10.

Liquidity and capital resources

The Company's net cash flow from operating activities was MNOK 68.2 in 3Q11 compared to MNOK -1.6 in 3Q10. 3Q11 cash flow from operating activities was impacted positively by strong profitability and negatively by changes in net working capital. Changes in cash were impacted positively by net cash flow from operating activities and negatively by capital expenditures and the Handster Inc. acquisition. Capital expenditures, which are primarily related to Opera's hosting operations, were MNOK 22.7 in 3Q11 versus MNOK 4.1 in 3Q10.

Cash

Cash and cash equivalents at the end of 3Q11 were MNOK 470.6, compared to MNOK 509.4 in 3Q10.

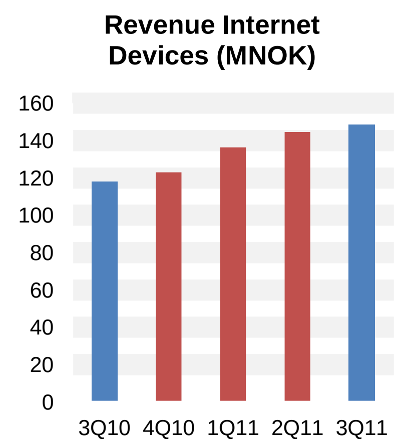
Organization

At the end of 3Q11, the Company had 753 full-time employees and equivalents compared to 718 at the end of 3Q10.

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 2011. By the end of 3Q11, Opera had more than 210 million monthly active users of its products worldwide, with Opera powering the Internet on mobile phones, gaming consoles, Internet-connected TVs, set-top boxes, netbooks, tablets, desktop computers and laptops. Of the more than 210 million active users, approximately 54 million were desktop users, 19.7 million were related to Opera Mini agreements with operators and 131 million were Opera-branded users on mobile phones. In addition, Opera has over 15 million users on consumer electronic devices such as TVs.

Internet Devices



Description

Internet Devices includes revenue from mobile phones and other Internet-connected devices, such as game consoles, ConnectedTVs, IPTV set-top boxes, and portable media players; Opera Mini revenue from operators such as Motricity (AT&T) and MegaFon; revenue generated from the 100% Opera-branded Opera Mini product and revenue from mobile publishers.

Update

Revenue from Internet Devices grew to MNOK 148.6 in 3Q11 compared to MNOK 118.0 in 3Q10, an increase of 26%.

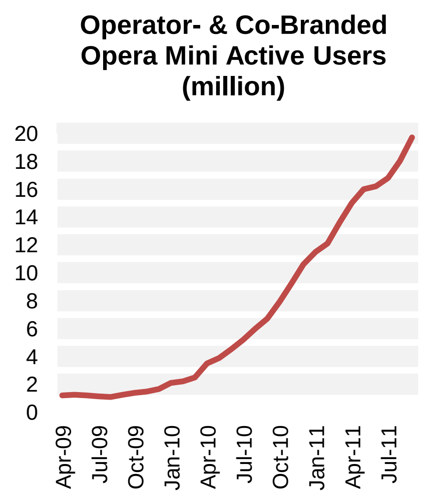
3Q11 saw strong revenue growth from Operators, Desktop and Mobile Consumers and Publishers and slight increases in revenues from Device OEMs and Mobile OEMs compared to 3Q10. In general, Opera continued to see a marked shift in the revenue mix towards license, search, content and advertising revenue and away from development revenue.

Revenue from operators increased by 30% in 3Q11 versus 3Q10, primarily due to strong license revenue from such customers as Motricity for AT&T (USA), MTS (Russia) and Telkomsel (Indonesia). Development revenue from operators was relatively flat compared to 3Q10. Operators were the largest source of revenue within Internet Devices in 3Q11 (MNOK 65 in Revenue and 45% of Internet Device revenue), followed by Device OEMs (MNOK 35 in Revenue and 24% of Internet Device Revenue), Mobile Consumers and Publishers (MNOK 24 in Revenue and 16% of Internet Device Revenue) and Mobile OEMs (MNOK 23 in Revenue and 16% of Internet Device Revenue).

Device OEM revenue was up 5% compared to 3Q10 driven by higher license revenue from primarily ConnectedTV customers. Revenue from Mobile OEMs was up 3% in 3Q11 compared to 3Q10, with higher license revenue offsetting a decline in development revenue.

Within the Mobile Consumer and Publisher area, Mobile Consumer Revenue was up 87% compared to 3Q10, driven by increased revenue from the Opera Mobile Store via the partnership with Appia. In the quarter, Opera revenue in the Mobile Publisher area grew over 200% compared to 3Q10. Revenue growth in mobile advertising from publishers came from both new customer acquisition and total advertising transactions under management, with total advertising impressions up 169% to 56 billion in 3Q11 compared to 3Q10; the strongest performance in mobile advertising came from smartphone and tablet devices, with iOS and Android constituting the leading platforms.

Operators



As operators face increasing downward pressure on average voice revenue per subscriber, and as competition heightens, operators around the world are looking for new sources of revenue and differentiation through the deployment of data services and application stores.

Opera is a trusted partner for operators globally. The Company currently offers two main operator-branded hosted solutions to operators: Opera Mini and Opera Mobile with Turbo. Opera Mini is a hosted solution for mass-market phones, offering server-side content compression and fast Internet download speeds. A similar cloud-based content compression technology is also offered for Opera Mobile, which is packaged for distribution to Operators and OEMs as Opera Turbo. Opera Mini and Opera Mobile with Turbo offer up to 90% content compression, all increasing an operator's implied throughput capacity of their mobile network.

Opera's revenue sources from these hosted solutions include license fees/ active user fees, NRE/development fees, hosting services, advertising and maintenance and support.

Operator interest in Opera Mini stems from five major sources: (i) proven high consumer adoption of high quality, full HTML browsers (which then drive data traffic and revenue); (ii) the desire to both extend data plans to mass market feature phones and provide a greater choice of data plans to smartphone subscribers; (iii) higher profitability on flat-fee/fixed price data packages due to Opera Mini's server compression of Web pages of up to 90% compared to normal mobile Web browsers (which also lowers an operator's capital expenditure requirements); (iv) provides a platform for operators to increase the adoption of data services in general and of data packages/plans in particular; and (v) the browser home page serves as the "door" to operator portals and services (which operators are keen to promote to drive more content services revenue).

In total, Opera has agreements with 30 operators worldwide (including agreements with 13 of the world's top 30 operators, comprising more than 1.6 billion subscribers) for both the Operator-branded version of Opera Mini and the joint Operator-Opera co-branded version of Opera Mini, including: AIS (Thailand), Motricity for AT&T (USA), Beeline (Russia and Kazakhstan), Maxis (Malaysia), MegaFon (Russia), MTN (South Africa & Nigeria), MTS (Russia, Belarus, Ukraine, and India), Nextel (Argentina, Brazil and Mexico), Smart Telecom (Indonesia), Smart Telecom (Philippines), TATA Teleservices (India), Tele2 (Russia), Telenor (7 of their 11 subsidiaries), Telkomsel (Indonesia), Tigo (Guatemala, Honduras and Columbia), TIM Brazil, T-Mobile International (in 10 of 11 European subsidiaries), Verizon Wireless (USA) and Vodafone (in 20 of 21 global subsidiaries).

In 2011, Opera continues to see high interest among operators in the emerging markets in particular for the operator co-branded Opera Mini solution, for which the browser home page promotes content services from both Opera (such as search) and the operator (such as games). For such agreements, Opera and the operator work together and undertake joint marketing initiatives to convert existing Opera only branded Opera Mini users to the co-branded solution. Opera sees this as a compelling way to increase ARPU on its more than 130 million Opera branded Opera Mini users, while operators see such agreements as a way to increase data ARPU and profits.

During the quarter, Opera continued to see strong growth in the number of Operator Opera Mini users from its existing agreements. At the end of September 2011, the number of such users grew to 19.7 million, an increase of 194% versus the end of September 2010.

In 3Q11, MTN signed a global agreement with Opera Software to launch mobile Internet services across Africa and the Middle East, by offering a special co-branded version of Opera Mini to its subscribers in 21 countries.

When using Opera Mini, MTN subscribers get access to the full Web, including one-click access to MTN content portals via their Opera Mini start page. During the quarter, MTN initiated the launch of its tailor-made, co-branded version of Opera Mini in 2 of its 21 markets.

In the quarter, Opera announced that Vodafone had signed a three-year extension of the Opera-Vodafone global frame agreement. Since 2009, Opera Mini has played a strategic role in helping Vodafone drive data penetration in the consumer mass market. As part of this extension agreement, Vodafone will be able to offer a Vodafone-Opera co-branded mobile browser (including a range of Vodafone services), enabling a simpler conversion of a 100% Opera branded user to a co-branded browser user.

Mobile OEMs

Global Mobile OEMs are currently responding aggressively to operator and consumer demands for devices which come bundled with compelling services and applications. 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.

As Opera's existing and future primary revenue sources become increasingly operator and consumer driven, the Company has focused increasingly on the Mobile OEMs as sources of distribution to drive Opera's overall mobile Internet user base. Opera is focused not only on the distribution of Opera Mini, but also on the distribution of Opera Mobile with Turbo, with a particular focus on the Android platform.

Overall, Mobile OEM distribution has become a very important complement to the distribution of Opera's products on Opera.com, with approximately 40% of Opera's Opera Mini users coming via this distribution channel. In 2010, Opera Mini and Opera Mobile were shipped on more than 100 million mobile phones.

In addition, Opera has been focused on expanding its distribution partners in this space to include the chipset manufacturers, which Opera believes will be a much larger source of distribution going forward than in the past.

In 3Q11, Opera announced that the Opera Mobile browser will now be available pre-loaded on the newest Motorola device in Brazil, Mexico and Argentina. Through a partnership with Motorola Mobility, the Opera Mobile browser will be the default browser on the super-slim MOTOKEY XT, available for sale in Brazil, Mexico and Argentina through retailers and carriers.

Opera currently has license and distribution agreements with a diverse range of chipset manufacturers and mobile OEMs, including: HTC (Opera Mobile), Huawei (Opera Mobile & Mini), Micromax (Opera Mini), Motorola (Opera Mobile & Opera Mini), MTK (Opera Mobile & Opera Mini), Nokia (Opera Mini), Onda (Opera Mini), Qualcomm (Opera Mini), Samsung (Opera Mobile & Opera Mini), Sony Ericsson (Opera Mini), Spice Mobiles (Opera Mini), Spreadtrum (Opera Mini & Opera Mobile), TCL (Opera Mini) and ZTE (Opera Mobile & Opera Mini).

Device OEMs

As device manufacturers seek to enhance their relationships with and provide compelling applications and services to their consumers, they are increasingly developing Internet-connected devices.

Traditionally, television has been referred to as a "lean back" medium, where interaction is passive. Today, television manufacturers are trying to encourage consumers to become more actively engaged with their TV sets, referred to as a "lean-forward" model, by providing Web applications, Web browsing and other digital content on TVs. This has been spurred not only by the desire of the TV manufacturers to differentiate and obtain premium pricing for their product offerings, but also by the perceived opportunity to bring many of the same services that have been deployed successfully in the mobile phone ecosystem, such as mobile Web browsing and application stores, to their TV consumer customers.

With the Opera Devices Software Developer Kit (SDK), device manufacturers are able to offer not only Web browsing capabilities and full Internet access to their operator and consumer end customers, but also customized Web applications which are accessible from the home screen of the device. Moreover, with the Opera Devices SDK, device manufacturers are able to use their own (and third-party) developers to enable full Web browsing, create user interfaces, widgets and menu systems using Web technologies, such as HTML5 and CSS, HbbTV and OIPF, while accelerating time to market for new consumer electronic devices.

In 3Q11, Opera signed an agreement with CreNova Technology, a leading supplier to worldwide top-tier OEMs and operators. With the Opera agreement, CreNova will now be able to offer set-top boxes that provide consumers access to a range of advanced services, including interactive TV advertising, video on demand (VOD) and catch-up TV.

In 3Q11, Opera introduced the Opera TV Store, which is a complete HTML5 based application store solution. The Opera TV Store is available on TVs, set-top boxes and Blu-ray players.

Opera currently has license agreements with a wide range of consumer electronic device OEMs, including Huawei, Humax, Loewe, Mediatek, Nintendo, Philips, Sagem, Sharp, Sony, Technicolor, Technisat, Toshiba and Vestel.

Mobile Consumers and Publishers

Mobile Consumers

During the quarter, mobile Internet usage around the world continued to grow at a rapid pace. Based on statistics from Global Statcounter, around 700 million consumers accessed the Internet via a full Web mobile browser at the end of 3Q11, up almost 100% compared to 3Q10.

Opera continued to maintain its position as the global leading mobile Web browser. In September 2011, 117 million unique 100% Opera branded Mini users worldwide browsed the Web using Opera Mini (138 million unique users when Operator branded and co-branded Mini users are included), and over 150 million when users of Opera Mobile are included.

Opera Mini's tremendous success with consumers has occurred for a variety of reasons. First, Opera Mini is significantly faster than the competition, due to the up to 90% compression compared to a normal full Web browser. This makes for a much more enjoyable and efficient browsing experience for consumers. Second, Opera Mini is much cheaper for consumers – i.e., consumers save up to 90% browsing with Opera Mini compared to competitive products due to Opera's unique proxy browsing technology. Third, Opera works on the vast majority of mobile phones, supporting more than 3,000 different mobile phone models. Fourth, Opera believes its user interface design and rendering quality is superior to the competition.

Opera.com continues to be the primary channel for distributing the Opera-branded version of Opera Mini. However, Opera has also focused increasingly on distribution via direct agreements with mobile OEMs and other third parties. Opera has such mobile OEM distribution deals with Huawei, INQ, Lemon Mobile, MTK, Nokia, Sharp, Sony Ericsson, Spreadtrum and TCL.

Opera Mini is also available on several handset vendor application stores, such as Apple's iPhone App Store, the Android Market, and Nokia's Ovi Store. Additionally, GetJar, a leading global cross-platform application store, also drives meaningful distribution of Opera Mini.

In addition to a high focus on increasing distribution of Opera Mini with Mobile OEMs and other channels, Opera is also putting much greater focus on distribution of Opera Mobile on the high end Open OS/Smartphone platforms, particularly Android.

Historically, Opera's primary focus has been consumer acquisition and growing its user base and much of the monetization focus has been on converting Opera Mini consumer users to joint Operator – Opera branded users, for which ARPU is significantly higher than for the 100% Opera branded Opera Mini users.

In 2011, Opera is significantly more focused than in the past on generating revenue and profits from its rapidly growing active user base via more consumer oriented business and revenue models. To this end, in March 2011, Opera established a Consumer Mobile team, which has a primary responsibility of increasing ARPU for Opera's consumer mobile users. Opera expects the primary sources of future revenue for its consumer mobile users to come from mobile advertising, mobile search and mobile applications.

Today, revenue generated from Opera's mobile consumers emanates primarily from mobile search, the Opera Mobile Store and content partnerships.

Google is Opera's default search partner for Opera Mini and Opera Mobile worldwide. Opera also generates search revenue from its partnership with Yandex, Russia's leading search provider. In addition, Opera generates revenues from the Opera Mobile Store, which is the sixth largest mobile store in the world. The Opera Mobile Store generates millions of monthly downloads of applications (across Java, Symbian, Android, Windows Mobile and iOS) from over 200 countries. Opera also generates revenue from content partners around the world, including Amazon, Buongiorno and Mercado Libre.

Going forward, Opera will be placing a much greater emphasis on monetizing its own Opera Mini and Opera Mobile traffic via mobile advertising. To this end, Opera continues to enhance the Opera Open Mobile Ad Exchange (OMAE) and the Opera Audience Network.

The Opera OMAE is now live with features that enable publishers to better understand and monetize their user base. These features include (i) bid-ask auction capabilities, where publishers can set a minimum "ask" for advertisers to gain access to and "bid" on that publisher's inventory in real time and (ii) the Opera Mobile Audience Network, a unique service that provides advertisers and publishers unique insight into Opera's more than 150 million mobile user base. By using aggregated data (which protects user privacy), the Opera Mobile Audience Network provides real-time intelligence and analytics to its customers and partners, facilitating and enabling better monetization of the Opera mobile publisher traffic. The Opera Mobile Audience Network also helps publishers gain key insights into content trends and preferences and enhances the advertiser's ability to target specific customer segments, thereby improving advertiser returns on their advertising investments.

In 3Q11, Opera Software announced that it acquired Handster Inc., a leading mobile application store platform company. Handster has assembled the world's largest independent Android content library and offers services to mobile operators, device manufacturers and application stores globally. The company's offerings include a white-label mobile application store platform, content management, developer tools, content curation and financial settlement services. In addition, Handster Inc provides a branded consumer facing application store through www.handster.com.

The Handster platform supports all major operating systems, and customers include some of the world's largest mobile operators, mobile platform providers and device manufacturers such as MTS, Alcatel-Lucent, Ericsson, Huawei and LG. With this acquisition, Opera can offer a white label and co-branded version of the Opera Mobile Store to its operator, Device and Mobile OEM customers, enabling these customers to generate incremental revenue from mobile applications. OMS can be bundled inside existing Opera products and can also be offered as a separate client outside Opera's products.

The Handster acquisition also enables the Company to develop and provide an Opera built mobile application store to its more than 150 million mobile consumer users. This move also highlights Opera's evolution from a pure-play browser company into a fully integrated mobile services company.

In 3Q11, Opera announced that nHorizon Innovation (Beijing) Software Ltd., the joint venture announced in March 2011 by Opera Software and Telling Telecom, launched Oupeng, a version of the Opera Mini 6.1 mobile browser customized specifically for the Chinese market.

Oupeng leverages Opera Mini's simple and easy-to-navigate user interface and quick rendering and data saving capabilities. In addition, Oupeng offers a unique experience on Weibo, the leading microblogging service in China. Oupeng makes it easy for Weibo microblog users to log in, share, forward, comment, zoom in and out, view pictures and more. Moreover, in order to provide Oupeng users with a more personalized and relevant user experience, Oupeng automatically filters through tens of thousands of Weibo content pages, and sorts and ranks this content based on user behavior, providing the user with the most relevant content reflecting the real time trends on the Chinese Internet.

<u>Mobile Publishers</u>

The global advertising industry continues to experience a macro shift in advertising spend from traditional offline channels, such as print and radio, to online channels, with mobile taking an increasing share of the online/Internet medium. During 3Q11, AdMarvel, Opera's mobile advertising subsidiary, continued to capitalize on the macro trends in the mobile advertising market.

In the quarter, Opera revenue in the mobile publisher area grew over 200% compared to 3Q10. AdMarvel's revenue growth from its mobile publisher customers, who provide content both via mobile Web properties and mobile applications, continues to be strongest on Smartphone and tablet devices, with iOS and Android constituting the leading platforms.

The AdMarvel platform provides a broad mobile advertising solution to premium publishers and their partners (brand owners, advertising agencies and mobile operators), enabling them to implement highly targeted, interactive and measurable campaigns across a range of mobile platforms and Web properties.

AdMarvel's ultimate mission is to help premium publishers increase revenue from their mobile properties and content. AdMarvel's success among mobile publishers stems from two major sources: (i) Its Ad Serving capabilities (powerful rich media ad serving, targeting and analytics) and (ii) Its Ad Mediation capabilities (transparency and control over ad network traffic from over 80 ad sources from around the world). Both these capabilities have helped AdMarvel publisher customers drive higher fill rates and CPMs and ultimately higher revenue.

In total, AdMarvel serves over 7,000 Websites and applications. Customers include AOL, Bloomberg, CBS, CNET, Dow Jones/Wall Street Journal , GLU Mobile , Univision, USA Today (Gannett) and Zynga.

Today, AdMarvel has primarily two revenue models with its mobile publisher customers: (i) a fixed CPM (cost per thousand) transaction model, where advertising revenue is generated per advertising impression served by AdMarvel for the mobile publisher customer, and (ii) a revenue share model, where AdMarvel shares actual advertising revenue served with the mobile publisher customer.

Desktop

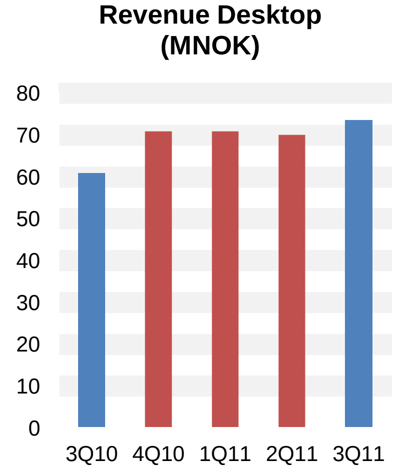
Description

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

Today, the desktop browser is more important a platform than ever. This is seen most saliently with 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 750 million active users. In addition, the rapid adoption and innovation around HTML 5 is making Web applications more powerful and always available. For example, playing video without the need for third-party applications or plug-ins and using geo-location to provide locally targeted information are some clear examples where HTML 5 is making the browser and browser based applications much more powerful than in the past.

Historically, the vast majority of desktop user growth has occurred in the emerging markets. Opera expects this trend to continue, as Opera's key value proposition in the emerging markets emanates to a large extent from the fact that it is considered the fastest browser, valued highly in many emerging markets where overall broadband penetration is low. While the emerging markets offer higher user growth rates than developed markets, Opera remains very focused on building its market position in higher search ARPU markets such as the USA, and Germany.

Opera's monetization strategy for its desktop browser revolves predominantly around search. Google is Opera's global search partner and provides the vast majority of desktop monetization. This global partnership is supplemented by local search partnerships in certain markets, such as Russia, Japan, and China, where Opera works with Yandex, Yahoo! Japan and Baidu, respectively. In addition Opera has signed up e-commerce players like Amazon.com (USA, Germany, Japan), Booking.com (24 countries), GroupOn (US & Russia), Kayak (7 countries) and Ozon (Russia) to further enhance ARPU.



Update

Revenue from Desktop rose 22% in 3Q11 to MNOK 73.6, compared to MNOK 60.3 in 3Q10, with users up approximately 20% versus the end of 3Q10. Revenue in 3Q11 vs. 3Q10 was impacted negatively by a weaker dollar versus the NOK (down by approximately 7% compared to 3Q10). The main contributors to higher ARPU in the quarter versus 3Q10 were affiliate revenue and strong growth in revenue from local search providers such as Yandex.

Outlook

Opera remains positive about the Company's growth prospects. Within Internet Devices, the success that key Opera customers, such as Motricity (AT&T) and Telkomsel have experienced with their mobile Web initiatives powered by Opera, has heightened interest among operators in particular for Opera's solutions. Opera also sees accelerating interest among consumer electronic device manufacturers for Opera's solutions, particularly in the ConnectedTV segment, as Web browsers become a more common component of a broad array of device types.

Opera believes it is well positioned to continue to take advantage of these "megatrends" within the operator, mobile phone and consumer electronics industries.

Opera also expects to see increased revenue streams from Opera's consumer mobile products such as Opera Mini, as usage expands and as revenue and business models evolve further in the mobile Internet space. In particular, Opera sees increasing mobile revenue streams from advertising, applications and search. Moreover, Opera expects increased revenue streams going forward from Opera's mobile publisher customers.

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 2011 include continuing to (i) sign up additional leading operators and grow active users of Opera products and services with existing operator customers; (ii) grow revenues and users of Opera's consumer products (Desktop, Opera-branded Opera Mini and Opera Mobile); (iii) increase revenue from mobile publishers; (iv) increase Opera's position with top mobile phone OEMs and chipset manufacturers globally to drive greater distribution of Opera's mobile products; (v) build on the momentum Opera has with major consumer electronic OEMs, particularly in the ConnectedTV space; and (vi) increase Opera's overall profitability and margins.

Oslo, November 14, 2011

The Board of Directors

Opera Software ASA

Arve Johansen	Lars Boilesen
Chairman	CEO
(sign.)	(sign.)

This report and the description of Opera's business and financials should be read in conjunction with the presentation given by the Company of its quarterly numbers, a Webcast of which can be found at www.opera.com.

Consolidated Statement of Comprehensive Income

(Numbers in KNOK, except per share amounts)

	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	% Change	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)	% Change
Desktop consumers	**73,552**	60,302	22%	**214,560**	171,409	25%
Internet devices	**148,551**	118,015	26%	**429,674**	327,248	31%
Total operating revenue	**222,104**	178,317	25%	**644,234**	498,657	29%
Payroll and related expenses, excluding stock option costs	**99,220**	94,515	5%	**318,376**	289,996	10%
Stock option costs	**4,715**	5,060	-7%	**13,480**	13,330	1%
Depreciation and amortization	**9,193**	5,930	55%	**23,555**	16,415	43%
Other operating expenses	**46,712**	38,051	23%	**140,633**	109,965	28%
Total operating expenses	**159,840**	143,556	11%	**496,044**	429,706	15%
Results from operating activities ("EBIT") excl. one-time costs	**62,264**	34,761		**148,189**	68,952	
One-time costs	**6,151**	0		**6,151**	29,094	
Results from operating activities ("EBIT")	**56,113**	34,761		**142,039**	39,857	
Other interest income/expense, net	**1,388**	3,303		**4,425**	7,330	
Interest expense related to VAT case	**0**	0		**(1,480)**	0	
Interest expense related to contingent consideration	**(2,641)**	(2,690)		**(6,322)**	(6,658)	
FX gains/losses related to contingent consideration, net	**(3,413)**	5,716		**1,506**	(983)	
Other FX gains/losses, net (negative amount = losses)	**17,069**	(12,285)		**736**	(5,852)	
Revaluation of contingent consideration	**3,491**	0		**3,491**	0	
Profit before income tax	**72,008**	28,806		**144,395**	33,694	
Provision for taxes*	**(20,503)**	(8,635)		**(42,794)**	(10,004)	
Profit for the period	**51,505**	20,171		**101,600**	23,690	
Foreign currency translation differences for foreign operations	**588**	53		**(1,493)**	1,554	
Total comprehensive income for the period	**52,093**	20,224		**100,108**	25,244	
Earnings per share**	**0.432**	0.169		**0.854**	0.199	
Earnings per share, fully diluted**	**0.424**	0.166		**0.840**	0.196	
Shares used in earnings per share calculation	**119,289,472**	119,198,252		**118,943,497**	118,996,587	
Shares used in earnings per share calculation, fully diluted	**121,337,955**	121,310,955		**120,967,572**	120,745,422	
Number of employees after restructuring***	**753**	718		**753**	718	

*The quarterly and year to date provision for taxes is based on an estimated tax rate for the Group.
**Earnings per share is calculated based on the profit for the period.

Consolidated Statement of Financial Position

(Numbers in KNOK)

	9/30/2011 (Unaudited)	12/31/2010 (Audited)
Assets		
Non-current assets		
Intangible assets		
Goodwill	**151,713**	114,903
Other intangible assets	**28,053**	20,252
Total intangible assets	**179,766**	135,155
Property, plant and equipment		
Property, plant and equipment	**81,359**	55,872
Total property, plant and equipment	**81,359**	55,872
Financial assets and deferred tax assets		
Deferred tax assets	**0**	28,138
Other investments and deposits	**17,165**	17,210
Total financial assets and deferred tax assets	**17,165**	45,348
Total non-current assets	**278,290**	236,375
Current assets		
Trade and other receivables		
Accounts receivable	**100,791**	121,193
Unbilled revenue	**75,831**	64,462
Other receivables	**29,709**	20,863
Total trade and other receivables	**206,332**	206,517
Cash and cash equivalents	**470,612**	507,422
Total current assets	**676,943**	713,939
Total assets	**955,233**	950,314

Consolidated Statement of Financial Position

(Numbers in KNOK)

	9/30/2011 (Unaudited)	12/31/2010 (Audited)
Shareholders' equity and liabilities		
Equity		
Paid in capital		
Share capital	**2,391**	2,381
Share premium reserve	**456,797**	457,005
Other reserves	**70,136**	60,639
Total paid in capital	**529,324**	520,025
Retained earnings		
Other equity	**171,535**	101,514
Total retained earnings	**171,535**	101,514
Total equity	**700,858**	621,539
Liabilities		
Non-current liabilities		
Deferred tax liability	**2,362**	0
Provisions	**9,989**	39,442
Total non-current liabilities	**12,351**	39,442
Current liabilities		
Accounts payable	**11,549**	25,254
Taxes payable	**0**	690
Social security, VAT and other taxation payable	**17,385**	29,345
Deferred revenue	**98,621**	124,949
Other short-term liabilities	**68,003**	66,190
Provisions	**46,467**	42,903
Total current liabilities	**242,024**	289,332
Total liabilities	**254,375**	328,774
Total equity and liabilities	**955,233**	950,314

Consolidated Statement of Cash Flows

(Numbers in KNOK)

	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
Cash flow from operating activities				
Profit/loss before taxes	**72,008**	28,806	**144,395**	33,694
Taxes paid	**(7,648)**	(1,738)	**(24,204)**	6,454
Depreciation expenses	**14,091**	5,930	**28,453**	16,415
Profit/loss from sales of property, plant and equipment	**0**	0	**991**	(31)
Changes in accounts receivable **	**5,661**	2,708	**13,737**	(18,763)
Changes in accounts payable	**(5,125)**	(13,896)	**(13,972)**	(2,329)
Changes in other liabilities and receivables, net	**(6,869)**	(31,038)	**(45,930)**	(11,233)
Share-based remuneration	**671**	4,852	**9,909**	12,210
Interest and FX related to contingent payment */***	**2,451**	(3,026)	**1,213**	7,641
Conversion discrepancy	**(7,033)**	5,784	**(4,154)**	6,402
Net cash flow from operating activities	**68,207**	(1,619)	**110,437**	50,460
Cash flow from investment activities				
Capital expenditures	**(22,670)**	(4,053)	**(51,516)**	(18,395)
Acquisitions ***	**(34,426)**	0	**(65,242)**	(57,649)
Net cash flow from investment activities	**(57,096)**	(4,053)	**(116,758)**	(76,043)
Cash flow from financing activities				
Proceeds from exercise of stock options	**6,036**	5,883	**27,328**	14,772
Proceeds of share issues, net	**0**	0	**0**	0
Dividends paid	**0**	(19,027)	**(21,453)**	(19,027)
Purchase of own shares	**0**	0	**(36,364)**	(7,232)
Net cash flow from financing activities	**6,036**	(13,143)	**(30,489)**	(11,487)
Net change in cash and cash equivalents	**17,148**	(18,815)	**(36,810)**	(37,070)
Cash and cash equivalents (beginning of period)	**453,464**	528,227	**507,422**	546,482
Cash and cash equivalents **/*******	**470,612**	509,412	**470,612**	509,412

*Interest income and interest expenses are included in the profit and loss. Interest paid and interest received are recognized in the same quarter that interest income and interest expenses are recognized in the profit and loss, with the exception of interest related to re-evaluation of the contingent payment related to acquisitions. Conversion differences and interest related to re-valuation of the contingent payment are booked on a separate line as net cash flow from operating activities.

**Changes in unbilled revenue are included in changes in accounts receivables in the statement of cash flows.

***On April 30, 2010, Opera entered into an Asset Purchase Agreement with the Fastmail Partnership. Identifiable assets acquired and liabilities assumed are not presented on separate lines in the consolidated statement of cash flows but are presented as acquisitions. For more details about the acquisition, please see note 9.

The earnout paid in 1Q 2011 of KUSD 514 was also related to this deal and is included in acquisitions in the statement of cash flows. Please see note 9 and 10 for more information.

In 2Q 2011, Opera paid the earn out of MUSD 5 related to the AdMarvel acquisition deal. The payment has been included in acquisitions in the statement of cash flows. Please see note 9 and 10 for more information.

On September 9, 2011, Opera Software International AS acquired 100% of the shares and voting interest of the privately held company Handster, Inc., following a payment of KUSD 6,344 for the shares acquired.

****Cash and cash equivalents of KNOK 5,282 were restricted assets as of September 30, 2011, and Cash and cash equivalents of KNOK 5,161 were restricted assets as of September 30, 2010.

*****As of September 30, 2011, the conversion discrepancy profit booked on Cash and cash equivalents was KNOK -11,891.

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

Consolidated Statement of Changes in Equity

(Numbers in KNOK)

	Face-value	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 6/30/2011	**0.02**	**119,208**	**2,391**	**456,797**	**69,714**	**-7**	**-625**	**113,789**	**642,058**
Comprehensive income for the period									
Profit for the period								51,505	51,505
Other comprehensive income									
Foreign currency translation differences							588		588
Total comprehensive income for the period			**0**	**0**	**0**	**0**	**588**	**51,505**	**52,093**
Contributions by and distributions to owners									
Dividend to equity holders									0
Own shares acquired									0
Own shares sold	0.02	320				6		6,030	6,036
Share-based payment transactions					671				671
Total contributions by and distributions to owners	**0.02**	**320**	**0**	**0**	**671**	**6**	**0**	**6,030**	**6,708**
Other equity changes									
Other changes									0
Total other equity changes			**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance as of 9/30/2011	**0.02**	**119,527**	**2,391**	**456,797**	**70,385**	**-1**	**-38**	**171,324**	**700,858**

Other reserves
Other reserves consists of option costs booked according to the Equity Settled Method and issued shares registered in the period after the current financial year.

Reserve for own shares
The reserve for the Group's own shares comprises the face value cost of the Company's shares held by the Company.

Translation reserve
The translation reserve consists of all foreign currency differences arising from the translation of the financial statements of foreign operations.

Other equity
Other equity consists of all other transactions, including but not limited to, total recognized income and expense for the current period and excess value of the Company's own shares.

Consolidated Statement of Changes in Equity

(Numbers in KNOK)

	Face-value	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 6/30/2010	**0.02**	**118,935**	**2,391**	**456,964**	**51,127**	**-13**	**271**	**106,089**	**616,830**
Comprehensive income for the period									
Profit for the period								20,171	20,171
Other comprehensive income									
Foreign currency translation differences							53		53
Total comprehensive income for the period			**0**	**0**	**0**	**0**	**53**	**20,171**	**20,224**
Contributions by and distributions to owners									
Dividend to equity holders								-19,027	-19,027
Own shares acquired									0
Own shares sold	0.02	415				8		5,875	5,883
Share-based payment transactions					4,852				4,852
Total contributions by and distributions to owners	**0.02**	**415**	**0**	**0**	**4,852**	**8**	**0**	**-13,152**	**-8,292**
Other equity changes									
Other changes									0
Total other equity changes			**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance as of 9/30/2010	**0.02**	**119,350**	**2,391**	**456,964**	**55,979**	**-4**	**324**	**113,108**	**628,762**

Consolidated Statement of Changes in Equity

(Numbers in KNOK)

	Face-value	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 12/31/2010	**0.02**	**119,048**	**2,391**	**457,005**	**60,476**	**-11**	**1,455**	**100,223**	**621,539**
Comprehensive income for the period									
Profit for the period								101,600	101,600
Other comprehensive income									
Foreign currency translation differences							-1,493		-1,493
Total comprehensive income for the period			**0**	**0**	**0**	**0**	**-1,493**	**101,600**	**100,108**
Contributions by and distributions to owners									
Dividend to equity holders								-21,453	-21,453
Own shares acquired	0.02	-1,311				-26		-36,338	-36,364
Own shares sold	0.02	1,790				36		27,292	27,328
Share-based payment transactions					9,909				9,909
Total contributions by and distributions to owners	**0.02**	**479**	**0**	**0**	**9,909**	**10**	**0**	**-30,499**	**-20,580**
Other equity changes									
Other changes				-208					-208
Total other equity changes			**0**	**-208**	**0**	**0**	**0**	**0**	**-208**
Balance as of 6/30/2011	**0.02**	**119,527**	**2,391**	**456,797**	**70,385**	**-1**	**-38**	**171,324**	**700,858**

Consolidated Statement of Changes in Equity

(Numbers in KNOK)

	Face-value	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 12/31/2009	**0.02**	**118,575**	**2,391**	**457,109**	**43,769**	**-20**	**-1,230**	**100,910**	**602,928**
Comprehensive income for the period									
Profit for the period								23,690	23,690
Other comprehensive income									
Foreign currency translation differences							1,554		1,554
Total comprehensive income for the period			**0**	**0**	**0**	**0**	**1,554**	**23,690**	**25,244**
Contributions by and distributions to owners									
Dividend to equity holders								(19,027)	-19,027
Own shares acquired	0.02	(351)				(7)		(7,225)	-7,232
Own shares sold	0.02	1,126				23		14,750	14,772
Share-based payment transactions					12,210				12,210
Total contributions by and distributions to owners	**0.02**	**775**	**0**	**0**	**12,210**	**16**	**0**	**-11,502**	**724**
Other equity changes									
Other changes				(144)				11	-133
Total other equity changes			**0**	**-144**	**0**	**0**	**0**	**11**	**-133**
Balance as of 6/30/2010	**0.02**	**119,350**	**2,391**	**456,964**	**55,979**	**-4**	**324**	**113,109**	**628,762**

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, Zizzr AS and Opera Software International AS (which, in turn, includes the subsidiaries Opera Software Korea Ltd, Opera Software Technology (Beijing) Co., Ltd, Opera Software Poland Sp. z o.o, Opera Software Australia PTY LTD, AdMarvel, Inc., LLC Opera Software (Russia), Opera Software Iceland ehf, and Opera Web Technologies Pvt. Ltd), Handster, Inc and the limited company Beijing Yuege Software Technology Service Co., Ltd. (of which Opera had full control) together referred to as the "Group". As of September 30, 2011, Opera Software International AS had branches in the Czech Republic, Japan, USA, China, Taiwan and Poland.

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, 2010.

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, 2010, except as mentioned below. The consolidated financial statements of the Opera Group for 2011 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Norwegian Accounting Act.

There were no new standards, interpretations or amendments to published standards that were effective from January 1, 2011 that have significantly affected the consolidated financial statements for the first, second or third quarter 2011.

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 an accounting estimate is 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 - Basic Earnings per Share

(Numbers in KNOK, except per share amounts)

	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Audited)
Earnings per share (basic)	**0.432**	0.169	**0.854**	0.199
Earnings per share, fully diluted	**0.424**	0.166	**0.840**	0.196
Shares used in per share calculation (mm)	**119,289,472**	119,198,252	**118,943,497**	118,996,587
Shares used in per share calculation, fully diluted (mm)	**121,337,955**	121,310,955	**120,967,572**	120,745,422

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.

The options have varying exercise prices and would, upon exercise, mean payment to the Company of KNOK 167,774 as of September 30, 2011. 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 29.77 for 3Q 2011 and NOK 29.61 YTD 2011. Opera has included options with a strike price below NOK 29.61 when calculating the fully diluted number of shares outstanding. Total options used in the calculations are 8,046,580, of which 6,000,921 options are unvested and 2,045,659 are vested but not yet exercised.

	3Q 2011	YTD 2011
Average number of shares	**119,289,472**	**118,943,497**
The following equity instruments have a diluting effect:		
Options	**8,046,580**	**8,046,580**
Total	**8,046,580**	**8,046,580**
Options	**8,046,580**	**8,046,580**
Number of shares purchased (KNOK 167,774/29.77/29.61)	**5,636,601**	**5,665,315**
Number of shares with diluting effect	**2,409,979**	**2,381,265**
Expected options to be exercised	**2,048,483**	**2,024,075**

Note 6 - Revenue and Segment Information

Opera's business activities stem from browser related sales, advertising revenue (primarily generated by Opera's Admarvel subsidiary) and content revenue (primarily generated by various partnerships and Opera's Handster subsidiary).

Opera's chief operating decision-makers are members of the Executive Team. The Executive Team meets regularly to review the period's assets, liabilities, revenues and costs for the Group as a whole, and to make decisions about how resources are to be allocated based on this information. These executive meetings also include reviews of the total revenue and profit and loss from advertising revenue.

Members of the Executive Team are specified in note 3 of the FY 2010 Annual Report.

Based on the above, Opera has determined that it has only one segment that meets the threshold requirements in IFRS 8 for segment reporting. Advertising and content revenue are included in other segments. Please see note 1 in the FY 2010 Annual Report for a definition of products and services for each reportable segment.

(Numbers in KNOK)

REVENUE	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Audited)
Sale of the browser	**208,168**	173,773	**607,171**	490,959
Other segments	**13,935**	4,544	**37,063**	7,698
Total	**222,104**	178,317	**644,234**	498,657

(Numbers in KNOK)

PROFIT FOR THE PERIOD	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Audited)
Sale of the browser	**50,611**	19,993	**98,983**	26,304
Other segments	**894**	178	**2,618**	(2,614)
Total	**51,505**	20,171	**101,600**	23,690

(Numbers in KNOK)

REVENUE BY REGION	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Audited)
Europe	**65,723**	42,063	**201,943**	110,916
USA/ Canada	**98,273**	71,985	**285,064**	206,198
Asia	**58,108**	64,269	**157,226**	181,544
Total	**222,104**	178,317	**644,234**	498,658

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.

Revenues generated in Norway for 3Q 2011 were KNOK 1,406 and YTD revenues generated in Norway were KNOK 3,054.

In 3Q 2011 and YTD, Opera had sales to one customer that accounted for more than 10% of total Group revenues.

(Numbers in KNOK)

REVENUE TYPE	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Audited)
Desktop consumers	**73,552**	60,302	**214,560**	171,409
Internet devices	**148,551**	118,015	**429,674**	327,248
Total	**222,104**	178,317	**644,234**	498,657

***Desktop* Consumers:** Desktop Consumer revenue includes revenue related mostly to search and eCommerce together with a small portion from Google Adsense from our community site.

Internet Devices includes revenue from mobile phones and other Internet-connected devices, such as game consoles, Connected TVs, IPTV set-top boxes, and portable media players, Opera Mini revenue from operators such as Motricity (AT&T) and MegaFon, revenue generated from the 100% Opera-branded Opera Mini product and revenue from mobile publishers.

Note 7 - Shareholder Information

Authorization to acquire own shares
The Annual General Meeting (AGM), held on June 14, 2011, passed the following resolution:
a) The Board of Directors is authorized to acquire shares in the Company. The shares are to be acquired at market terms in or in connection with a regulated market where the shares are traded.

b) The shares may only be used to fulfill obligations under incentive schemes approved by the shareholders. No new authority is granted by this item for new incentive schemes.

c) The maximum face value of the shares which the Company may acquire pursuant to this authorization is in total NOK 238,000. The minimum amount which may be paid for each share acquired pursuant to this power of attorney is NOK 10, and the maximum amount is NOK 100.

d) The authorization comprises the right to establish pledge over the Company's own shares.

e) This authorization is valid from registration with the Norwegian Register of Business Enterprises until June 30, 2012.

f) The authorization replaces the current authorization when registered in the Norwegian Register of Business Enterprises.

Board authorization to increase the share capital by issuance of new shares
The Annual General Meeting, held on June 14, 2011, passed the following resolutions:

1 Authorization regarding the incentive program
a) The Board of Directors is authorized to increase the Company’s share capital by a total amount of up to NOK 239,000, by one or several share issues of up to a total of 11,950,000 shares, each with a nominal value of NOK 0.02. The subscription price and other terms will be determined by the Board of Directors.

b) The authorization includes the right to increase the Company’s share capital in return for non-cash contributions or the right to assume special obligations on behalf of the Company.

c) The preferential rights pursuant to Section 10-4 of the Public Limited Liability Companies Act may be deviated from by the Board of Directors.

d) The authorization may only be used for issuing new shares in relation to the Company’s incentive schemes existing at any time in the Opera Group. The authorization cannot be used in connection with options that may be granted to directors on or after June 15, 2010.

e) The authorization shall be effective from the date it is registered in the Norwegian Register of Business Enterprises and shall be valid until June 30, 2012.

f) The authorization replaces the current authorization when registered in the Norwegian Register of Business Enterprises.

g) The authorization cannot be used if the Company, in the period of June 14, 2011 to June 30, 2012, pursuant to board authorizations, has issued new shares in the Company representing more than 10% of the Company’s share capital.

2 Authorization regarding acquisitions

a) The Board of Directors is authorized to increase the Company's share capital by a total amount of up to NOK 239,149, by one or several share issues of up to a total of 11,950,000 shares, each with a nominal value of NOK 0.02. The subscription price and other terms will be determined by the Board of Directors.

b) The authorization includes the right to increase the Company's share capital in return for non-cash contributions or the right to assume special obligations on behalf of the Company.

c) The preferential rights pursuant to Section 10-4 of the Public Limited Liability Companies Act may be deviated from by the Board of Directors.

d) The authorization may only be used in connection with acquisitions of businesses or companies, including mergers, within the business areas operated by the Opera Group, or which relates thereto.

e) The authorization shall be effective from the date it is registered in the Norwegian Register of Business Enterprises and shall be valid until June 30, 2012.

f) The authorization replaces the current authorization when registered in the Norwegian Register of Business Enterprises.

g) The authorization cannot be used if the Company, in the period of June 14, 2011 to June 30, 2012, pursuant to board authorizations, has issued new shares in the Company representing more than 10% of the Company's share capital.

Approval of maximum number of options

The Annual General Meeting, held on June 14, 2011, passed the following resolutions:

1. The maximum number of options to be granted during 2011, 2012, 2013 and 2014 is 11,950,000. This represents slightly less than 10% of the registered share capital of the Company. However, options cannot be granted if the aggregate of all issued , un-exercised and not terminated options represents more than 10% of the then registered share capital of the Company.

2. No employee can be granted options annually which in value exceed 200% of that employee's base salary. The value is to be based on valuation principles for options as applied under IFRS and in accordance with Opera Software's financial statements.

3. The options are to be granted in accordance with the Company's standard option agreement as approved by the Ordinary General Meeting in 2010, which i.a. means that the vesting structure is 50% after 3 years and 50% after 4 years with a strike price equal to the market price at grant.

4. No changes are made to the already approved standard option agreement. The proposal does not constitute any authority for the Board to change the terms in the standard agreement, including strike price and time of vesting, for the options that may be granted, and does not include the possibility to grant options to Board members.

Dividends for 2010 of NOK 0.18 per share

The Annual General Meeting, held on June 14, 2011, passed the following resolution:

NOK 0.18 per share is paid as dividend for 2010, constituting an aggregate dividend payment of KNOK 21,453. The dividend will be paid to those who are shareholders as of June 14, 2011, and the shares will be trading exclusive of dividend rights as of June 15, 2011.

Other items passed at the AGM

For further details about the meeting held on June 14, 2011, please see the protocol from the Annual General Meeting published on the Oslo Stock Exchange website (www.oslobors.no).

Own shares

During 3Q 2011, Opera has purchased 0 own shares and sold 319,770 own shares for KNOK 6,036. During 2Q 2011, Opera has purchased 0 own shares and sold 607,223 own shares for KNOK 10,318. During 1Q 2011, Opera purchased 1,311,000 own shares for KNOK 36,364 and sold 863,067 own shares for KNOK 10,974. As of September 30, 2011, Opera owned 47,259 shares.

Note 8 - Financial Information

Opera has chosen to include more information regarding currency risk as of September 30, 2011.

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 3Q 2011, approximately 43% (YTD: 47%) of revenues were in EUR and 52% (YTD: 52%) in USD; for expenses, approximately 49% (YTD: 50%) were in NOK, 17% (YTD: 15%) in USD, 9% (YTD: 10%) in SEK, 7% (YTD: 7%) in PLN, 5% (YTD: 5%) in JPY, 3% (YTD: 3%) in EUR, and 8% (YTD: 8%) in other currencies.

Foreign currency movements had impact on Opera's 3Q 2011 income statement in the following way: Revenue would have been approximately MNOK 232 (higher by approximately 4%) using the 3Q 2010 constant currency FX rates and revenue would have been approximately MNOK 217 (lower by approximately 2%) using the 2Q 2011 constant currency FX rates. Costs would have been approximately MNOK 171 (higher by approximately 3%) using the 3Q 2010 constant currency FX rates and cost would have been approximately MNOK 166 (higher by approximately 0%) using the 2Q 2011 constant currency FX rates. The majority of the Company's purchases are made in the following denominations: NOK, EUR, SEK, PLN, USD, JPY, CZH, CNY, KRW, TWD, AUD, ISK and INR. Exchange rate fluctuations in these currencies do impact Opera's income statement.

For 3Q 2011, Opera had a net foreign exchange gain of KNOK 13,657. KNOK 11,284 was realized foreign exchange gain and KNOK 2,373 was 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.

Opera has not entered into any foreign exchange contracts as of September 30, 2011.

Note 9 - Business Combinations

AdMarvel, Inc

On January 19, 2010, Opera Software International AS acquired 100% of the shares and voting interest of the privately held company AdMarvel, Inc. The agreed acquisition price was approximately USD 8,250 in cash. The acquisition structure also envisages up to an additional KUSD 15,000 in cash consideration, paid only if certain aggressive financial targets are met in FY 2010 and FY 2011. Opera expects that AdMarvel will help Opera to expand its portfolio of products and services to include highly scalable ad monetization services for Opera branded mobile products, and products and services offered by mobile operators and content partners. AdMarvel, based in San Mateo, California (USA), works with a broad set of constituents in the advertising ecosystem to improve the performance of mobile advertising. The company was founded in 2006 by a team of mobile veterans led by Mahi de Silva and currently employs 52 full-time equivalents. In 2009 and 2010, the Group incurred acquisition-related costs of KNOK 2,683 related to external legal fees and due diligence costs. In 2011, the Group has incurred KNOK 13 as additional acquisition related costs related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in the consolidated statement of comprehensive income.

(Numbers in KNOK)

Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	28
Accounts receivable*	2,520
Other receivables*	1,759
Cash and cash equivalents	1,954
Accounts payable	-5,314
Other short-term liabilities	-333
Total net identifiable assets	**614**
Cash consideration	-46,846
Contingent consideration	-39,007
Excess value	**-85,240**
Related customer relationships	13,299
Proprietary technology	3,518
Deferred tax on excess values	-6,723
Goodwill	75,146

** No provision for bad debt.*

The assets and liabilities that were recognized by AdMarvel immediately before the business combination, equaled the carrying amount recognized by the Group on the acquisition date. In addition, the Group booked the excess price of the fair value of the total identifiable assets as related customer relationships, proprietary technology, deferred tax on excess values and goodwill, since the excess price has been deemed to be related to these intangible assets. The substantial amount of goodwill in the acquisition of AdMarvel can be related to synergies. In addition, some of the goodwill can be related to the potential value of a future patent grant and the workforce.

Opera calculated the fair value on the acquisition date and booked a contingent consideration of KNOK 39,007 in the financial statements. The contingent consideration is revalued each quarter, and more information can be found in note 10.

The value of the related customer relationships is depreciated over a 5 year period, and the value of the proprietary technology is depreciated over a 4 year period.

The fair value of the net identifiable assets has been calculated by an external company and is deemed to be an independent valuation. Opera has treated the entire contingent consideration as consideration for the purchase of the business and no part as remuneration. The evaluation is based on the indicators outlined in IFRS 3.

Note 9 - Business Combinations (continued)

Fastmail

On April 30, 2010, Opera Software Australia PTY LTD entered into an Asset Purchase Agreement with the Fastmail Partnership whereby Opera Software Australia PTY LTD acquired the assets sustaining the operation of the email business developed by the Fastmail Partnership. The agreed acquisition price was approximately KUSD 2,163 in cash. The acquisition structure also envisages up to an additional KUSD 1,892 in cash consideration, conditional upon the retention of key employees transferred and paid only if certain technology development milestones are met within 2 years and certain targets in terms of numbers of new users are met within 5 years. The Fastmail Partnership provides email services to businesses, families, and individuals, by offering email addresses and storage space for incoming emails, as well as enabling its users to send and receive emails by connecting to the Internet with a Web-browser. The company was founded in 1999 and is based in Melbourne, Australia. Opera Software Australia PTY LTD currently employs 9 full-time equivalents. Opera expects that purchase of the Fastmail business will help Opera to expand its current messaging product portfolio and deliver cross-platform messaging to a wide range of devices, including computers, mobile phones, TVs and gaming consoles. In 2009 and 2010, the Group incurred acquisition-related costs of KNOK 1,450 related to external legal fees and due diligence costs. In 2011 the Group has not incurred additional acquisition-related costs related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in the consolidated statement of comprehensive income.

(Numbers in KNOK)

Identifiable assets acquired and liabilities assumed

Property, plant and equipment	275
Deferred tax assets	83
Other receivables*	50
Cash and cash equivalents	15
Deferred revenue	-7,648
Other short-term liabilities	-732
Total net identifiable assets	**-7,956**
Cash consideration	-12,771
Contingent consideration	-7,955
Excess value	**-28,681**
Related customer relationships	1,783
Trademark	594
Proprietary technology	4,748
Deferred tax on excess values	-2,138
Goodwill	23,694

** No provision for bad debt.*

The assets and liabilities that were recognized by the Fastmail Partnership, immediately before the business combinations, equaled the carrying amount recognized by the Group on the acquisition date. In addition, the Group booked the excess price of the fair value of the total identifiable assets as related customer relationships, trademark, proprietary technology, deferred tax on excess values and goodwill since the excess price has been deemed to be related to these intangible assets. The substantial amount of goodwill in the acquisition of Fastmail can be related to synergies and to the assembled workforce.

Opera calculated the fair value on the acquisition day and booked a contingent consideration of KNOK 7,955 in the financial statements. The contingent consideration is revalued each quarter, and more information can be found in note 10.

The value of the related customer relationships is depreciated over a 10 year period, and the value of the proprietary technology is depreciated over a 6 year period.

The fair value of the net identifiable assets has been calculated by an external company, and is deemed to be an independent valuation. Opera has treated the whole contingent consideration as consideration for the purchase of the business and no part as remuneration. The evaluation is based on the indicators outlined in IFRS 3.

Note 9 - Business Combinations

Handster, Inc

On September 9, 2011, Opera Software International AS acquired 100% of the shares and voting interest of the privately held company Handster, Inc., a leading mobile application store platform company. The agreed acquisition price was approximately USD 6,844 in cash. The acquisition structure also envisages up to an additional KUSD 3,000 in cash consideration, paid only if specific financial, operational and product development performance targets are met.

Opera expects that Handster, Inc. will strengthen our mobile store offerings to consumers, mobile operators and handset manufacturers. The combination of the Handster platform, along with Opera's position in the market, will make a big impact on the mobile ecosystem, benefiting developers, publishers, operators and handset manufacturers around the world.

Handster, based in Northbrook, Illinois, with operations in Odessa, Ukraine, has assembled the world's largest independent Android content library and offers services to mobile operators, device manufacturers and application stores globally. The company's offerings include a white-label app store platform, content management, developer tools, content curation and financial settlement services. Handster, Inc. was founded in 2004 and is an application store solution company with operations in the U.S. and Ukraine. The Handster application store offers a scalable, highly flexible white-label application store solution for mobile operators, handset manufacturers and distributors. For more information, visit www.handster.com.

Handster, Inc., currently employs 11 full-time equivalents. In 2011, the Group incurred acquisition-related costs of KNOK 584 related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in the consolidated statement of comprehensive income.

(Numbers in KNOK)

Identifiable assets acquired and liabilities assumed

Property, plant and equipment	0
Accounts receivable*	454
Other receivables*	3
Cash and cash equivalents	1,450
Accounts payable	-5
Other short-term liabilities	-1,141
Total net identifiable assets	**760**
Cash consideration	-35,849
Contingent consideration	-9,768
Excess value	**-44,857**
Related customer relationships	4,486
Related developer relationships	4,486
Proprietary technology	2,243
Deferred tax on excess values	-4,486
Goodwill	38,128

** No provision for bad debt.*

The assets and liabilities that were recognized by Handster immediately before the business combination equaled the carrying amount recognized by the Group on the acquisition date. In addition, the Group booked the excess price of the fair value of the total identifiable assets as related customer relationships, proprietary technology, deferred tax on excess values and goodwill, since the excess price has been deemed to be related to these intangible assets. The substantial amount of goodwill in the acquisition of Handster can be related to synergies. In addition, some of the goodwill can be related to the potential value of a future patent grant and the workforce.

Opera calculated the fair value on the acquisition date and booked a contingent consideration of KNOK 9,768 in the financial statements. The contingent consideration is revalued each quarter, and more information can be found in note 10.

The value of the related customer and related developer relationships is depreciated over a 5 year period, and the value of the proprietary technology is depreciated over a 4 year period.

The fair value of the net identifiable assets has not been calculated by an external company. Opera has treated the entire contingent consideration as consideration for the purchase of the business and no part as remuneration. The evaluation is based on the indicators outlined in IFRS 3.

Note 9 - Business Combinations (continued)

(Numbers in KNOK)

Information regarding goodwill

Goodwill at acquisition cost for Hern Labs AB	7,857
Accumulated depreciation as of 12/31/04	6,287
Net book value as of 12/31/04	1,570
Reversed depreciation 2004	1,572
Net book value as of 1/1/04 and 12/31/08	3,142
Goodwill at acquisition cost for Opera Software Poland Sp. z o.o	13,274
Net book value as of 12/31/09	16,416
Goodwill at acquisition cost for AdMarvel	75,146
Goodwill at acquisition cost for Fastmail	23,694
Net book value as of 12/31/10	115,256
Goodwill at acquisition cost for Handster	38,128
FX adjustment to the goodwill acquisition cost	-1,670
Net book value as of 6/30/11	**151,713**

The Group has performed a complete impairment test as of December 31, 2010 according to IAS 36. The Group considers it unnecessary to recognize an impairment loss concerning goodwill.

Note 10 - Contingent Liabilities and Provisions

Interest provision

KNOK 4,038 has been booked as a current provision for estimated interest on an VAT case in Opera Software International AS.

AdMarvel - Earn out agreement

Valuation techniques and key model inputs used to measure the contingent consideration:

Amounts in KUSD	**Probability**	**Earn out payments**	**Estimated earn out**
Earn out FY 2010, Net revenue and EBIT target	75%	5,000	3,750
Earn out Tier 1, FY 2011, Net revenue and EBIT target	50%	4,000	2,000
Earn out Tier 2, FY 2011, Net revenue and EBIT target	30%	8,000	2,400
Earn out Tier 3, FY 2011, Net revenue and EBIT target	10%	10,000	1,000
Total estimated earn out before discounting			9,150
Total estimated earn out after discounting			6,875

Assumptions	
WACC	20.0%
Tax rate	40.0%
FX rate	5.674

At the acquisition date, Opera engaged a third party to estimate the fair value of AdMarvel. Based on this estimate, Opera recorded a contingent consideration liability of KNOK 39,007 in the financial statements in 1Q 2010. The assumptions behind this fair value assessment can be found above.

For the 4Q 2010 financial results, Opera undertook a re-evaluation of the assumptions used since the acquisition date. The FY 2010 net revenue and EBIT target probability has been increased to 100%. This is because Opera has determined that AdMarvel exceeded the revenue and EBIT targets for FY 2010, as agreed in the AdMarvel purchase agreement, dated January 19, 2010. KNOK 7,377 has been expensed in 4Q 2010 due to the increased likelihood.

In addition, for FY 2011, Opera and AdMarvel have agreed on a new set of earnout targets for FY 2011, replacing those agreed in the original purchase agreement. The tier 1, tier 2 and tier 3 FY 2011 net revenue and EBIT targets have been removed and replaced by new targets as outlined in the chart below. This is because Opera has asked the AdMarvel management team to take on expanded responsibilities as part of Opera, where the AdMarvel team responsibilities will include, in addition to AdMarvel's core business, the Open Mobile Ad Exchange, the Opera Mobile Store and other Opera mobile properties. Opera estimates the amount of expected contingent consideration related to the new earn out targets to be higher than compared to the original agreement. For 4Q 2010 Opera booked a one time charge of KNOK 7,272 related to the new FY 2011 targets.

Valuation techniques and key model inputs used to measure the contingent consideration:

Amounts in KUSD	**Probability**	**Earn out payments**	**Estimated earn out**
Earn out FY 2010, Net revenue and EBIT target	100%	5,000	0
Additional Consumer Mobile Team deliverables	100%	2,000	2,000
Net revenue and Consumer Mini/Mobile rev. target	100%	2,000	2,000
Add. net revenue and Cons. Mini/Mobile revenue target	100%	1,000	1,000
Add. net revenue and Cons. Mini/Mobile revenue target	56%	3,000	1,667
Total estimated earn out before discounting			6,667
Total estimated earn out after discounting			6,041

The contingent consideration is revalued each quarter. Above, please find the assumptions and earn out valuation performed on September 30, 2011 where Opera revalued the fair value and booked a contingent consideration of KNOK 34,912 in the financial statements. KNOK 0 has been booked as a non-current provision as the FY 2010 target of MUSD 5 was paid in 2Q 2011. KNOK 34,912 has been booked as a current provision as of September 30, 2011.

Opera has also booked KNOK 1,475 as an interest expense, KNOK 2,698 as an FX expense and KNOK 3,491 as a cost reduction related to the reduced probability (from 78% to 56%) of reaching certain earn-out targets. Please also see note 9 for more details.

Note 10 - Contingent Liabilities and Provisions (continued)

Fastmail - Earn out agreement

Valuation techniques and key model inputs used to measure the contingent consideration:

Amounts in KUSD	**% of earn out**	**Probability**	**Earn out payments**	**Estimated earn out**
Retention of transferred employees	45.4%	100%	859	859
Technology development	27.2%	100%	514	514
Reaching users within 5 years	27.4%	100%	519	519
Total estimated earn out before discounting				1,892
Total estimated earn out after discounting				1,340

Assumptions	
WACC	20.2%
Tax rate	30.0%
FX rate	5.936

Above, please find the assumptions and earn out valuation performed at the acquisition date where Opera calculated the fair value and booked a contingent consideration of KNOK 7,955 in the financial statements. The contingent consideration is revalued each quarter, and KNOK 7,516 has been booked as a current provision to cover the total contingent consideration as of September 30 where the same assumptions that were used on the acquisition date have been used. The technology development target of KUSD 514 has been paid in 1Q 2011. Opera has paid the reaching user target in 4Q 2011. For 3Q 2011 Opera booked KNOK 1,166 as interest expense and KNOK 494 as FX expense. Please also see note 9 for more details.

Handster - Earn out agreement

Valuation techniques and key model inputs used to measure the contingent consideration:

Opera has estimated the total earn out value before discounting to be KUSD 2,538, at the acquisition date. The value after discounting was KUSD 1,728. Opera used a WACC at 20 %, tax rate at 40 % and foreign exchange rate at 5.651, when calculating the earn out. Based on these assumptions and the earn out valuation performed at the acquisition date, Opera calculated the fair value and booked a contingent consideration of KNOK 9,768 in the financial statements. The FY 2012 and FY 2013 earn out targets are both based on revenue and business targets. The maximum possible payment for both FY 2012 and FY 2013 is KUSD 1,500. At the acquisition date, Opera estimated the weighted probability of reaching the FY 2012 target to be 89%, and calculated the earn out value before discounting to be KUSD 1,338. The weighted probability of reaching the FY 2013 earn out target is calculated to be 80% and the earn out value before discounting to calculated to be KUSD 1,200. The weighted probability rates are estimated to change +/- 10 %.

The contingent consideration is revalued each quarter, and KNOK 9,989 has been booked as a non-current provision as of September 30, 2011 using the same assumptions that were used on the acquisition date. For 3Q 2011, Opera booked KNOK 0 as an interest expense and KNOK 221 as an FX expense. Please also see note 9 for more details.

Note 11 - CTC

In 1Q 2011, Opera and China's Telling Telecom announced that they planned on establishing a Joint Venture in Greater China with the goal of becoming the most popular consumer mobile web browser and web services platform in China. Opera will provide its browser technology and Telling Telecom will contribute a local operations team and strong distribution capabilities. Telling Telcom is the leading mobile phone distributor in China, with an 18% market share and 40,000 retail outlets.

nHorizon Innovation (Beijing) Software Ltd was co-founded by Opera Software ASA and Telling Telecom in August 2011. nHorizon is committed to developing and marketing the Oupeng mobile browser, to provide users with a simple, fast and smooth mobile Internet experience, helping people to enjoy a comfortable mobile Internet life. To learn more, please visit http://www.oupeng.com.

The total initial investment in the Joint Venture is planned to be 135 million RMB over three years. Opera will own 25 to 40% of the joint venture company, depending on Opera's capital contribution over this period. In addition, Opera is guaranteed a minimum amount of revenue from the joint venture corresponding to Opera's initial capital contribution over the three year period from the establishment of the JV.

The focus of the JV will be on the massive consumer mobile Internet market and revenue opportunity in China. Opera China will continue to target the operator, mobile OEM, device OEM and desktop markets independent from the JV.

Note 12 - Unusual Transactions

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

Note 13 - Subsequent Events

No subsequent events have occurred after the reporting date that would require the consolidated financial statements to be adjusted.

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

Note 14 - One-time Costs

During 3Q 2011, Opera Software ASA recorded a one-time restructuring charge related to a strategic cost reduction that will better align costs with revenues, legal fees related to business combinations, termination cost for switching to a new hosting provider and impairment costs for our hosting servers. Opera has currently changed the hosting business strategy and we are now looking for hosting providers that are a better fit to our future hosting strategy. For this purpose, we have booked an estimated termination cost related to moving part of our hosting servers to a new hosting provider. We will also start selling our servers after 3 years, and for a higher sales price, compared to our current strategy where we sold our servers after 4 year. The difference between the reassessed fair value, less costs to sell (based on the new strategy) and the current fair value has been booked as an impairment cost.

During 1Q 2010, Opera Software ASA recorded a one-time restructuring charge related primarily to a cost reduction program that will better align costs with revenues, and legal fees related to business combinations. These costs are included in the YTD 2010 numbers itemized above.

ONE-TIME COSTS	3Q 2011 (Unaudited)	3Q 2010 (Unaudited)	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
Salary restructuring cost	**1,841**		**1,841**	26,728
Option restructuring cost	**-4,401**		**-4,401**	-898
Office restructuring cost	**0**		**0**	1,600
Termination cost - hosting center	**2,915**		**2,915**	0
Impairment cost - hosting servers	**4,898**		**4,898**	0
Legal fees related to business combinations	**898**		**898**	1,665
Total one-time costs	**6,151**	**0**	**6,151**	**29,094**

Note 15 - Forward Looking Statements/Risk Factors

This Quarterly Report contains forward-looking statements. These statements include, among other things, statements regarding future operations and business strategies, and future financial condition and prospects. These forward-looking statements are subject to certain risks and uncertainties that could cause our actual results to differ materially from those reflected in the forward-looking statements. Factors that could cause or contribute to such differences are covered in the Opera Software FY 2010 Annual Report on page 14, under the heading "Risk Factors". We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Historical Summary - Last 6 Quarters

(Numbers in KNOK, except per share amounts)

	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)	2Q 2010 (Unaudited)
Revenue (KNOK)						
Desktop	**73,552**	70,085	70,923	70,866	60,302	59,073
Internet devices	**148,551**	144,711	136,411	122,716	118,015	109,854
Total revenue	**222,104**	214,796	207,334	193,581	178,317	168,928
Revenue (% Growth)						
Desktop	**5%**	-1%	0%	18%	2%	14%
Internet devices	**3%**	6%	11%	4%	7%	11%
Total revenue	**3%**	4%	7%	9%	6%	12%
Revenue (% of total revenue)						
Desktop	**33%**	33%	34%	37%	34%	35%
Internet devices	**67%**	67%	66%	63%	66%	65%
EBIT*	**62,264**	44,549	41,377	34,647	34,761	28,750
EBIT, excluding stock option costs*	**66,979**	48,643	46,049	38,944	39,821	32,623
EBITDA*	**71,457**	51,990	48,298	41,148	40,692	34,333
EBITDA, excluding stock option costs*	**76,172**	56,084	52,969	45,444	45,752	38,206
EPS	**0.432**	0.240	0.182	(0.005)	0.169	0.161
EPS, fully diluted	**0.424**	0.235	0.179	(0.005)	0.166	0.159

* excluding one-time costs

Supplemental information

(Numbers in MNOK)

REVENUE TYPE YTD numbers	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
Desktop	**215**	171
Internet devices	**430**	327
Total	**644**	499

(Numbers in MNOK)

REVENUE TYPE QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)
Desktop	**74**	**70**	71	71	60
Internet devices	**149**	**145**	136	123	118
Total	**222**	**215**	207	194	178

In million users

Monthly Desktop users (last month of quarter)	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)
Total	**54**	**55**	54	51	45

(Numbers in MNOK)

Internet devices YTD numbers	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
NRE	**56**	82
M&S	**32**	32
Total Opera Mini*	**186**	97

(Numbers in MNOK)

Internet devices QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)
NRE	**16**	21	20	18	19
M&S	**12**	10	9	13	10
Total Opera Mini*	**63**	63	60	48	40

**Includes all revenue types and revenue from all versions of Opera Mini (Operator branded, Operator-Opera co-branded, and Opera branded).*

Supplemental information (continued)

(Numbers in MNOK)

Revenue Customer Type YTD numbers	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
Operators	**208**	142
Desktop Consumers	**215**	171
Mobile OEMs	**53**	70
Device OEMs	**102**	93
Mobile Consumers and Publishers	**59**	20
Other	**7**	3
Total	**644**	499

(Numbers in MNOK)

Revenue Customer Type QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)
Operators	**65**	75	68	61	50
Desktop Consumers	**74**	70	71	71	60
Mobile OEMs	**23**	12	18	13	22
Device OEMs	**35**	35	33	36	33
Mobile Consumers and Publishers	**24**	21	15	11	10
Other	**2**	3	3	2	2
Total	**222**	215	207	194	178

Operators: Operator revenue includes revenue from mobile operators such as Vodafone, Telkomsel and Motricity (AT&T). The company currently offers three main operator-branded, hosted solutions to operators: Opera Mini, Opera Turbo and Opera Widgets. Opera Mini is a hosted solution for mass-market phones, offering server-side content compression and fast Internet download speeds. A similar cloud-based content compression technology is also offered for Opera Mobile and Opera Desktop, which is packaged for distribution to Operators and OEMs as Opera Turbo. Opera's revenue sources from these hosted solutions include license fees, active-user fees, NRE/development fees, hosting services, and maintenance and support.

Global mobile Original Equipment Manufacturers (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 also offers Opera Mini to mobile OEMs. Opera Mini enables operator customers the ability to offer a high-quality and consistent Web experience across a range of handsets, while using Opera Mini's compression technology to solve bandwidth and network bottleneck issues. Opera currently has license agreements with a wide range of mobile OEMs, including, HTC, HP, Motorola, Samsung, Sharp and MTK.

Global device Original Equipment Manufacturers (OEMs): 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 internet access to their operator and consumer end-customers, but also 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, Loewe and Thales.

Mobile Consumers and Publishers: Revenue generated from Opera's mobile consumers emanates primarily from mobile search, the Opera Mobile Store and content partnerships and is run by the newly established Consumer Mobile team, which has a primary responsibility to drive ARPU for Opera's consumer mobile users. Revenue generated from Opera's mobile publishers emanates from the AdMarvel platform, a broad mobile advertising solution to publishers and their partners. AdMarvel's revenue among mobile publishers stems from two major sources: (i) Ad Serving capabilities (powerful rich media ad serving, targeting and analytics) and (ii) Ad Mediation capabilities (transparency and control over ad network traffic from over 80 ad sources from around the world). Both these capabilities have helped AdMarvel publisher customers drive higher fill rates and CPMs and ultimately higher revenue.

Supplemental information (continued)

(Numbers in MNOK)

Operator revenue YTD numbers	YTD 2011 (Unaudited)	YTD 2010 (Unaudited)
NRE and M&S	**46**	54
Licenses, active-user fees and hosting	**162**	88
Total	**208**	142

(Numbers in MNOK)

Operators QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)	4Q 2010 (Unaudited)	3Q 2010 (Unaudited)
NRE and M&S	**14**	19	13	19	14
Licenses, active-user fees and hosting	**51**	56	55	42	37
Total	**65**	75	68	61	50

(Numbers in MNOK)

Mobile OEMs YTD numbers	YTD 2011 (Unaudited)
NRE and M&S	**20**
Licenses and active-user fees	**33**
Total	**53**

(Numbers in MNOK)

Mobile OEMs QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)
NRE and M&S	**8**	**6**	7
Licenses and active-user fees	**15**	**6**	12
Total	**23**	**12**	18

(Numbers in MNOK)

Device OEMs YTD numbers	YTD 2011 (Unaudited)
NRE and M&S	**20**
Licenses and active-user fees	**82**
Total	**102**

(Numbers in MNOK)

Device OEMs QTR numbers	3Q 2011 (Unaudited)	2Q 2011 (Unaudited)	1Q 2011 (Unaudited)
NRE and M&S	**6**	**5**	9
Licenses and active-user fees	**29**	**29**	24
Total	**35**	**35**	33

Supplemental information (continued)

In million subscribers

Opera Mini subscribers Operator and co-branded	(Unaudited)
January 2010	2.1
February 2010	2.2
March 2010	2.5
April 2010	3.5
May 2010	3.9
June 2010	4.5
July 2010	5.2
August 2010	6.0
September 2010	6.7
October 2010	7.5
November 2010	9.0
December 2010	10.6
January 2011	11.5
February 2011	12.0
March 2011	13.6
April 2011	15.0
May 2011	16.1
June 2011	16.2
July 2011	**16.8**
August 2011	**18.0**
September 2011	**19.7**

In million subscribers

Opera Mini subscribers State of the Mobile Web*	(Unaudited)
January 2010	49.8
February 2010	50.6
March 2010	55.3
April 2010	59.0
May 2010	61.4
June 2010	59.5
July 2010	62.3
August 2010	66.5
September 2010	71.3
October 2010	76.3
November 2010	80.1
December 2010	85.5
January 2011	90.4
February 2011	89.8
March 2011	102.5
April 2011	107.2
May 2011	113.5
June 2011	115.1
July 2011	**122.0**
August 2011	**128.0**
September 2011	**131.3**

**These numbers include Opera branded and co-branded subscribers. Please also see: http://www.opera.com/smw/.*