Quarterly Report

3Q 2013

OPERA software

Opera Quarterly Report 3Q13

Revenue was MUSD 75.5 in 3Q13, up from MUSD 56.4 in 3Q12, an increase of 34%. Adjusted EBITDA was MUSD 22.5 in 3Q13 compared to MUSD 17.0 in 3Q12. EBIT was MUSD 15.6 in 3Q13 compared to MUSD 13.7 in 3Q12.

Operational Highlights

- *Mobile Operators*

Operator cloud based license/data revenue of MUSD 16.1 in 3Q13, up 64% versus 3Q12

Operator active users (Opera Mini and Skyfire´s Horizon service) reached 86.2 million by the end of 3Q13, up 107% versus the end of 3Q12

Sun Cellular (Philippines) launched its Browse On Opera service with Opera Mini

- *Mobile Consumers (Opera Owned and Operated Properties)*

Total Opera mobile consumer users reached 262 million at the end of 3Q13, up 26% versus the end of 3Q12

Opera´s Android users reached 75.3 million at the end of 3Q13, up 131% versus the end of 3Q12

Opera launched Coast by Opera, a new browser for iPad

- *Mobile Publishers & Advertisers (Opera Publisher Partner Members)*

Revenue reached MUSD 29.6 million in 3Q13, up 110% compared to 3Q12

Total mobile advertising impressions managed was 172 billion in 3Q13, up 44% compared to 3Q12

- *Desktop Consumers*

Desktop users reached 51 million by the end of 3Q13, down 7% versus the end of 3Q12

Opera released the final version of its all-new Opera for Windows and Mac

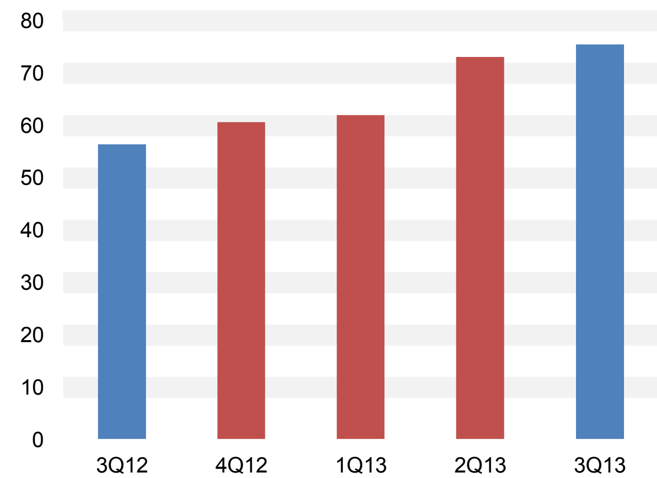
- *Device OEMs*

Revenue reached MUSD 6.8 million in 3Q13, up 61% compared to 3Q12

Financial Highlights

Revenue

Revenue in 3Q13 was MUSD 75.5, up 34% from 3Q12, when revenue was MUSD 56.4.



Operating costs

Total operating costs, were MUSD 59.9 in 3Q13 compared to MUSD 42.6 in 3Q12, an increase of 40%.

Payroll and related expenses

Total payroll and related expenses, excluding stock option costs, were MUSD 25.9 in 3Q13 compared to MUSD 23.6 in 3Q12, an increase of 10%. Payroll and related expenses increased in 3Q13 versus 3Q12 due to headcount growth and higher costs per employee.

Stock option costs

Total stock option costs for 3Q13 were MUSD 1.0 compared to MUSD 0.8 in 3Q12.

Depreciation and amortization

Depreciation and amortization expenses in 3Q13 were MUSD 5.8 compared to MUSD 2.4 in 3Q12, an increase of 139%. Depreciation and amortization costs increased primarily due to higher investments in Opera Mini server infrastructure, depreciation of intangible assets related to acquisitions and amortization of development costs.

Cost of goods sold

Cost of goods sold in 3Q13 was MUSD 14.9 compared to MUSD 6.3 in 3Q12, an increase of 137%. Cost of goods sold expenses increased in 3Q13 versus 3Q12 due to higher publisher payout costs related to higher revenue from our Mobile Publisher and Advertiser business.

Other operating expenses

Other operating expenses in 3Q13 were MUSD 12.1 compared to MUSD 9.5 in 3Q12, an increase of 28%. Other operating expenses increased in 3Q13 versus 3Q12 primarily due to higher hosting costs.

EBIT

EBIT was MUSD 15.6 in 3Q13 compared to MUSD 13.7 in 3Q12. EBITDA was MUSD 21.4 in 3Q13 compared with MUSD 16.2 in 3Q12. EBITDA, excluding stock options costs, was MUSD 22.5 compared with MUSD 17.0 in 3Q12.

Interest income and FX gains/ (losses)

Net interest expense was MUSD 0.3 in 3Q13 compared with an income of MUSD 0.3 in 3Q12. Opera had a foreign exchange loss of MUSD 1.1 in 3Q13 compared with a loss of MUSD 2.0 in 3Q12.

3Q13 IFRS Net Income was MUSD 1.3 compared to MUSD 6.5 in 3Q12. Non-IFRS 3Q13 Net Income was MUSD 14.0 compared to MUSD 10.0 in 3Q12. The Company´s non-IFRS results in 3Q13 exclude the effects of MUSD 1.0 in non-cash stock-based compensation, MUSD 8.3 related to changes in contingent consideration, MUSD 2.1 related to depreciation of intangible assets and MUSD 2.0 related to Opera's Joint Venture in China.

Profit for the period

Profit for the period was MUSD 1.3 in 3Q13 compared to MUSD 6.5 in 3Q12. EPS and fully diluted EPS were USD 0.011 and USD 0.010, respectively, in 3Q13, compared to USD 0.055 and USD 0.054, respectively, in 3Q12. Non-IFRS EPS and fully diluted Non-IFRS EPS were USD 0.114 and USD 0.111, respectively, in 3Q13, compared to USD 0.084 and USD 0.082, respectively, in 3Q12.

Liquidity and capital resources

The Company's net cash flow from operating activities was MUSD 20.1 in 3Q13 compared to MUSD 5.1 in 3Q12. Cash flow from operating activities was impacted positively by strong profitability and changes in working capital. Opera's cash balance was impacted positively by net cash flow from operating activities and negatively by investments in research and development and capital expenditures. Capital expenditures, which are primarily related to Opera's hosting operations, were MUSD 4.4 in 3Q13 versus MUSD 0.7 in 3Q12.

Cash

Cash and cash equivalents at the end of 3Q13 were MUSD 70.1 compared to MUSD 62.0 in 3Q12. Opera Software signed a MUSD 100 secured revolving credit facility with DNB Bank ASA in 1Q13, of which MUSD 60.0 has been drawn as of the end of 3Q13.

Organization

At the end of 3Q13, the Company had 1,016 full-time employees and equivalents compared to 905 at the end of 3Q12.

Revenue overview

About

Opera´s cloud based consumer products and services enable more than 300 million Internet users to discover and connect with the content and services that matter most to them, no matter what device, network or location. In turn, we help advertisers reach the audiences that build value for their businesses. Opera also delivers products and services to more than 130 operators around the world, enabling them to provide a faster, more economical and better network experience to their subscribers.

Customer Type (MUSD)	3Q13	3Q12
Mobile Operators	**17.1**	**10.4**
Mobile Consumers (Opera Owned and Operated properties)	**7.6**	**8.6**
Mobile Publishers and Advertisers (Opera Publisher Partner Members)	**29.6**	**14.1**
Desktop Consumers	**13.8**	**18.5**
Device OEMs	**6.8**	**4.2**
Other	**0.5**	**0.5**
Total Revenue	**75.5**	**56.4**

Summary

Revenue was MUSD 75.5 in 3Q13 compared to MUSD 56.4 in 3Q12, an increase of 34%.

Compared to 3Q12, 3Q13 saw strong revenue growth from Mobile Operators, Device OEMs and Mobile Publishers and Advertisers (Opera Publisher Partner Members), and a decrease in revenue from Desktop and Mobile Consumers.

Overall, Opera saw strong revenue growth from its cloud based mobile services, serving operators, consumers, advertisers and publishers. Revenue from Opera´s cloud based mobile services grew 64% to MUSD 53.3 in 3Q13 compared to MUSD 32.5 in 3Q12.

Revenue from Operators increased by 64% in 3Q13 versus 3Q12. Operator cloud based license/data revenue increased by 64% to MUSD 16.1 in 3Q13 compared to MUSD 9.8 in 3Q12, fueled by both user growth and revenue from Skyfire´s Rocket Optimizer and Horizon cloud based services.

Mobile Publishers and Advertisers (Opera Publisher Partner Members) was the largest source of revenue in 3Q13 (MUSD 29.6 in Revenue and 39% of Revenue), followed by Mobile Operators (MUSD 17.1 in Revenue and 23% of Revenue), Desktop Consumers (MUSD 13.8 in Revenue and 18% of Revenue), Mobile Consumers (MUSD 7.6 in Revenue and 10% of Revenue) and Device OEMs (MUSD 6.8 in Revenue and 9% of Revenue).

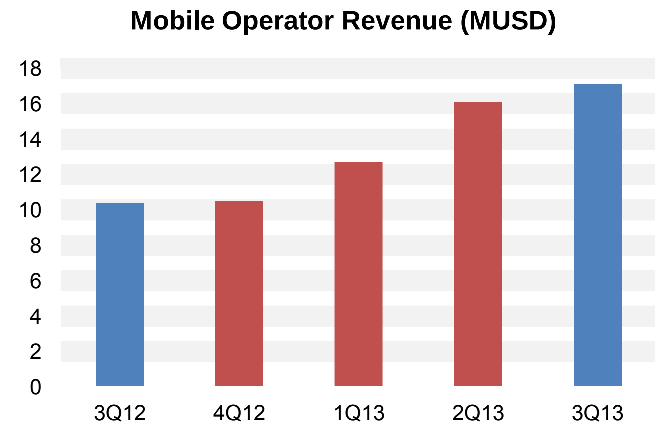
Mobile Consumer (Opera Owned & Operated properties) revenue was down 11% compared to 3Q12, with revenue driven primarily by mobile search and mobile advertising related to Opera´s owned and operated properties.

Mobile Publisher and Advertiser (Opera Publisher Partner Members) revenue grew 110% compared to 3Q12. Revenue growth was driven primarily by increased revenue from both premium and performance advertisers in the United States and the United Kingdom.

Revenue from Desktop decreased by 25% in 3Q13 versus 3Q12, due to a decrease in ARPU (Average Revenue Per User), primarily due to less search and license revenue and a user decline of 7% in 3Q13 versus 3Q12.

Device OEM revenue was up 64% compared to 3Q12, driven by higher license revenue from our Connected TV customers in particular.

Mobile Operators



As mobile 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, differentiation via data services and network performance/quality, and solutions to manage the explosion of mobile video and multi-media data network traffic spurred by the rapid adoption of smartphones and tablets.

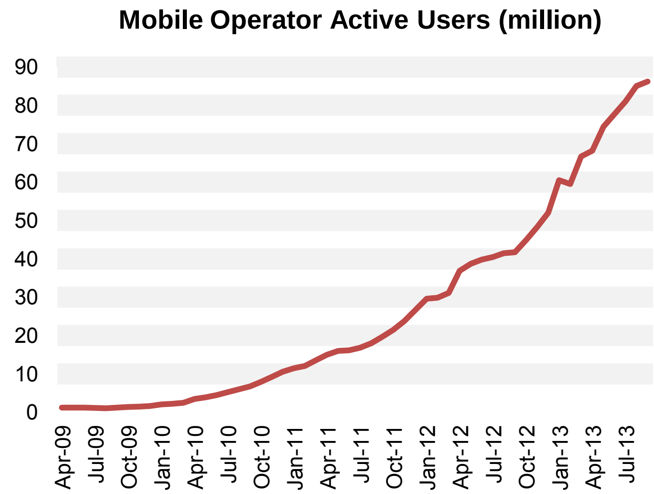
Opera is a trusted partner for operators globally. The Company currently offers four major cloud based solutions and services to Operators worldwide: (i) Operator/Co-branded versions of Opera Mini, whereby Operators are able to offer their mass market subscribers content compression, fast Internet download speeds, convenient access to operator portal services in order to drive incremental revenue, and lower priced data plans and data packages, capitalizing on the up to 90% data compression that Opera´s cloud services enables; (ii) Skyfire Rocket Optimizer™, which allows mobile operators to leverage cloud computing to optimize and compress video and other multimedia traffic on crowded cell towers, including 3G and 4G LTE networks, enabling operators to both boost the capacity of their networks by up to 60% and offer better network performance and quality to their subscribers; (iii) Skyfire Horizon™, a mobile browser extension and toolbar platform that allows users to personalize their smartphone browser and operators to gain new monetization opportunities, such as advertising; and (iv) Opera WebPass, which allows users to easily buy time-based or content-based mobile data packages through a simple, one-click purchase, similar to how users buy apps today, enabling operators to both offer a broad array of personalized data package alternatives for their subscribers and increase average revenue generated per subscriber.

Revenue for Operator Opera Mini and Skyfire Horizon™ is driven by active users of the respective products on the mobile operator´s network and can also include revenue share on data, advertising and m-Commerce.

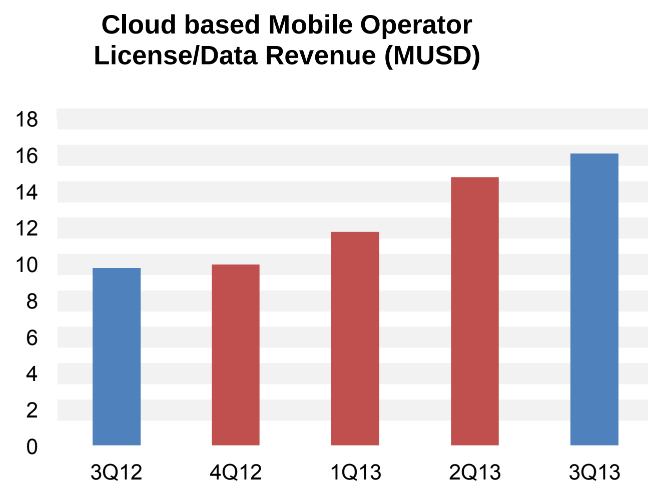
Skyfire Rocket Optimizer™ is offered to global operators under a revenue model that includes a platform fee for the core Rocket Optimizer™ technology and a network capacity fee that is tied to the operator´s traffic levels. Revenue that Opera generates from WebPass is based on a revenue share with the operator based on actual WebPass data purchases.

At the end of 3Q13, Opera had active agreements with 52 operators worldwide (total of 130+ agreements when including all subsidiaries of global frame agreements signed), including 17 out of the top 30 operators worldwide, which have approximately 2.8 billion subscribers combined, or more than 40% of the total global subscriber base. These customer figures also include Skyfire´s customer list. Skyfire itself counts three large U.S. mobile operators as customers, including one customer for its Rocket Optimizer™ solution and two customers for its Skyfire Horizon™ solution.

During the quarter, Opera continued to see strong growth in the number of Operator Opera Mini users from its existing agreements, notably from such customers as Airtel, MTN, Vimpelcom and Vodafone; the active user figures also include Skyfire Horizon active users from two major US operators, where active users are just starting to ramp up. At the end of September 2013, the total number of Opera and Skyfire active users with operators grew to 86.2 million, an increase of 107% versus the end of September 2012.



This increase in Operator active users (Opera Mini and Skyfire´s Horizon service) and revenue from Skyfire´s Rocket Optimizer and Horizon services have driven higher cloud based revenue from operators, which reached MUSD 16.1 in 3Q13 compared to MUSD 9.8 in 3Q12, an increase of 64%.

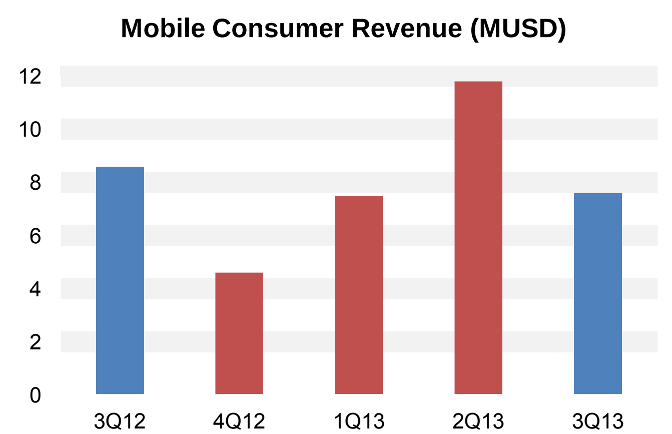


In March 2013, as part of the Company´s mission to expand the number of products and services the Company can offer its burgeoning operator customer base, Opera acquired privately-held Skyfire, a global leader in mobile video optimization and cloud solutions for mobility. Skyfire, headquartered in Mountain View, California, is best known for its cloud-based Rocket Optimizer™ mobile video optimization solution, which can detect when specific users are facing poor network connections and then intervene in milliseconds to improve network quality and performance for that user. Rocket Optimizer™ can minimize long start times, rebuffering, and stalls on video and audio streams that frustrate mobile users around the world.

With video expected to consume over two-thirds of global mobile bandwidth by 2015, and as time spent on Android and iOS devices continues to explode, Skyfire is a strong extension of Opera's solution set for operators. Opera's over 130+ carrier relationships, global sales team, and delivery organization will work to accelerate the global commercialization of Skyfire's technology. In addition, integrating Opera´s Mediaworks solutions into Skyfire Horizon™ will offer mobile operators the option of a complete turnkey solution, including ad optimization, ad sales, and rich analytics.

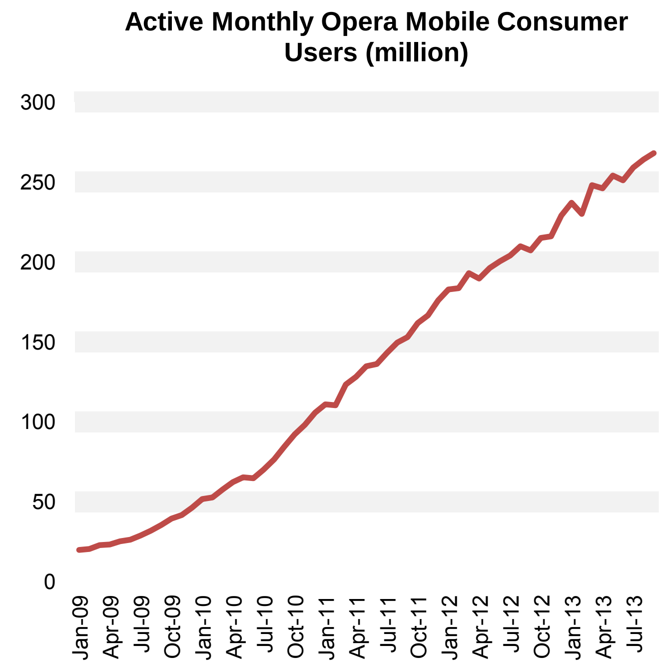
In 3Q13, Sun Cellular (Philippines) launched its Browse On Opera service with the Opera Mini browser for mobile phones, making web surfing easier for its subscribers. The Browse On service offers subscribers unlimited browsing with their Sun Cellular subscription (video and music streaming not included).

Mobile Consumers – Opera Owned and Operated Properties



During the quarter, mobile Internet usage around the world continued to grow at a rapid pace. Based on statistics from Global Statcounter, 1.6 billion consumers accessed the Internet via a full Web mobile browser at the end of 3Q13, an increase of more than 60% compared to 3Q12.

Opera continues to maintain its position as a global leading mobile consumer company. In September 2013, 262 million unique users worldwide browsed the Web using Opera's mobile consumer products.



Opera's tremendous worldwide success with mobile consumers across all mobile platforms has occurred because of Opera Mini. First, Opera Mini is 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 are superior to the competition.

Opera.com continues to be the primary channel for distributing the Opera branded version of Opera Mini. Opera has also focused on distribution via direct agreements with mobile OEMs and chip-set manufacturers; with these channels accounting for over 40% of Opera´s mobile user base. Opera Mini is also available on several handset vendor application stores, such as Apple's iPhone App Store, Google Play, BlackBerry App World and Nokia's Ovi Store.

From a platform standpoint, Opera has put significant focus on growing its user base on Android, both via Opera Mini and Opera for Android, Opera´s high end smartphone browser. In September 2013, the number of Opera users on Android reached 75.3 million, up 131% versus 3Q12. This makes Opera one of the leading third party browser applications on the Android platform.

In line with Opera´s high focus on Android, in 3Q13, Opera Software announced 7 new OEM distribution partnerships for Opera Mini on Android in India, including Micromax, Videocon, Spice, MoMagic Technologies, Wynncom, Lemon Mobile, and iBall, where these OEMs will pre-install Opera Mini as the exclusive, third-party mobile browser across their upcoming Android devices. Opera has also strengthened its position in the South Asia region by signing comparable OEM partnerships with market leaders Symphony Mobile in Bangladesh and Colors Mobile in Nepal.

Opera has also increased its focus on the iOS smartphone platform. In 3Q13, Opera launched Coast by Opera, a new tablet browser for iPad, which is a completely designed-for-iPad browser. With a more minimalist approach, elements such as back and forward buttons are gone from Coast and all navigation is done by swiping. Coast is the first of a number of new products Opera will launch on iOS in the coming months.

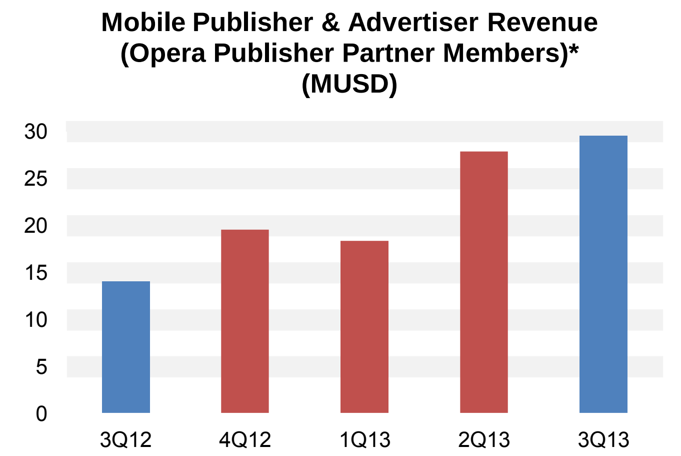
Overall, Opera´s extensive and burgeoning mobile user base has put the Company in an enviable position to both develop and expand its owned and operated properties and become a major global mobile publisher. These owned and operated properties include the Speed Dial page, the Smartpage, the Opera Mobile Store and the recently launched Discover page.

By expanding its mobile publisher properties, Opera has been able to increase usage of and user engagement with its mobile products, which, in turn, has led to higher ARPU (average revenue per user) via mobile advertising and mobile search, in particular.

Illustrating increasing usage of and engagement with Opera mobile consumer products, during the quarter, a total of 21.4 billion ad requests were generated from Opera´s owned and operated properties, an increase of 299% from 3Q12. In addition, during the quarter, the number of application downloads from the Opera Mobile Store in 3Q13 reached 145 million, up 59% compared to 3Q12. Moreover, the number of Opera users of the Smartpage and Discover page increased to 48 million users by the end of 3Q13, up 40 million in 2Q13.

Ultimately, Opera has created a large and growing mobile audience, thereby making the Company an attractive channel for advertisers, app developers and search providers seeking to reach a large and diverse audience set.

Mobile Publishers & Advertisers – Opera Publisher Partner Members



* Refers to advertising revenue which is served on Opera´s network of third party publishers. Advertising revenue which is served on Opera´s owned and operated properties is reported under "Mobile Consumers – Opera Owned and Operated Properties".

The global advertising industry continues to experience a macro shift in advertising spend from traditional offline channels, such as print, television and radio, to online channels, with mobile taking an increasing share of the online/Internet medium. This macro shift from offline to online has been fueled by several factors, namely, the increasing amount of time consumers spend online and the fact that digital advertising compared to traditional offline advertising enables much better targeting, provides opportunities for more user interaction, and provides better measurement capabilities.

The rapid growth in mobile advertising in particular is being fueled by a number of factors: (i) reach and "anytime-anywhere" access to users – there are more than 5 billion mobile phone users worldwide (compared to around 2 billion desktop users, for example); (ii) strong targeting characteristics – advertisers are able to glean meaningful amounts of aggregated information about mobile users, such as location, demographics and behavior; (iii) high performance and user response rates from Android and iOS smartphone devices in particular, which support highly interactive and entertaining ad formats due to advanced display technologies, strong graphics processors and fast processing speeds; (iv) wider spread access to high speed wireless data networks, which enables the consumption of high quality and rich media content on mobile devices; and (v) rapid growth in the mobile app economy, as developers have been able to create intuitive and interactive ways to deliver content on mobile devices, capitalizing on native operating system software development kits which facilitate the full harnessing of a mobile device's processing capabilities and functionality.

Opera's goal is to power the mobile advertising ecosystem through innovative and differentiated mobile advertising services and technology solutions, targeting premium and performance advertisers, ad agencies, publishers and developers. Opera's ultimate mission is to help both publishers increase revenue from their mobile properties and content providers and advertisers reach and acquire potential customers.

Under the Opera Mediaworks brand and through Opera's mobile advertising subsidiaries, Mobile Theory (USA) and 4th Screen Advertising (UK), and Opera's mobile ad technology platform, AdMarvel, Opera is able to offer premium mobile advertisers the ability to build their brands and engage with consumers by offering creative services, sophisticated targeting capabilities, significant audience and publisher reach, high levels of transparency and measurability on ad campaigns, and support for highly interactive and engaging advertising experiences on a full range of mobile devices, including display banner ads, interactive rich media ads and video ads.

For premium mobile publishers and developers, Opera offers technology solutions and services, highly intuitive reporting and analytical tools and access to premium advertisers (via Opera's own advertiser relationships and third party mobile ad networks), helping these publishers maximize revenue from their content and user base. At the core of Opera's success with premium publishers and developers is AdMarvel and the AdMarvel technology platform and software development kit (SDK). AdMarvel's success with premium publishers stems from three major sources: (i) Its Ad Serving capabilities (powerful rich media ad serving, targeting and analytics), (ii) Its Ad Mediation (ad performance optimization and transparency and control over ad network traffic from over 100 ad sources from around the world) and (iii) Its Campaign Management capabilities (management, uploading, scheduling and control of "house" ads and directly sourced advertising). These capabilities have helped AdMarvel publisher customers drive higher fill rates and CPMs and ultimately higher revenue. Premium publisher customers include Pandora Media, Shazam, Sky, The Wall Street Journal, and Univision.

Overall, Opera's USA based mobile advertising subsidiaries work, both directly and indirectly, with 70 out of the Top 100 Ad Age Advertisers in the United States. In addition, Opera globally powers advertising for 20 of the top 25 global media companies and manages 60 billion monthly ad requests for advertisers and publishers around the world.

Advertisers which ran campaigns via Opera´s Mobile Publisher and Advertiser business in 3Q13 include premium advertisers such as Apple, BMW, eBay, Levi's, Microsoft, Shell, and Sky, and performance advertisers such as Audible, Expedia and Netspend.

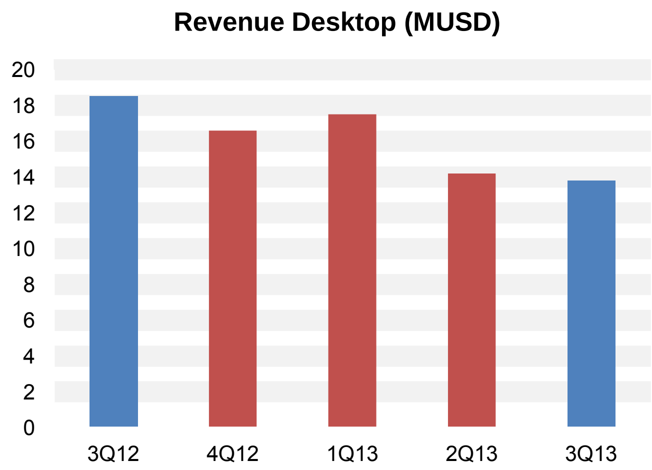
In the quarter, Opera revenue in the Mobile Publisher and Advertiser business (Opera Publisher Partner Members) grew to MUSD 29.6, up 110% compared to 3Q12.

Revenue in 3Q13 compared to 3Q12 was fueled by expanded business with existing advertiser and publisher customers as well as new customers. Revenue growth from both our mobile advertiser and mobile publisher customers, who provide content via mobile Web properties and mobile applications, continues to be strongest on Smartphone and tablet devices, with iOS and Android constituting the leading platforms.

In the quarter, the number of applications and websites powered by Opera grew to over 14,000, up from over 12,000 in 3Q12, and the number of advertising impressions managed grew to 172 billion in 3Q13 compared to 119.6 billion in 3Q12, an increase of 44%. Opera´s platform reach was over 400 million consumers (Opera Publisher Partner Members) in 3Q13, compared to 140 million consumers (Opera Publisher Partner Members) in 3Q12.

In 2013, Opera launched a new performance-based mobile advertising platform called Opera Mediaworks Performance, which provides advertisers with comprehensive tools to better reach their target audience and acquire new customers. Opera Mediaworks Performance facilitates real-time targeting, real-time bidding (RTB) and real-time reporting on mobile ad campaigns. Overall, Opera Mediaworks Performance significantly enhances Opera´s ability to help advertisers with performance or "cost per action" campaigns, such as campaigns for driving app downloads and securing customer sign-ups and leads. This means that Opera is expanding its offering within the significant mobile performance advertising market, as a complement to the large premium mobile display advertising market opportunity.

Desktop Consumers



Today, the desktop browser is more powerful 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 800 million desktop users. In addition, the rapid adoption and innovation around HTML5 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 HTML5 is making the browser and browser-based applications much more powerful than in the past.

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.

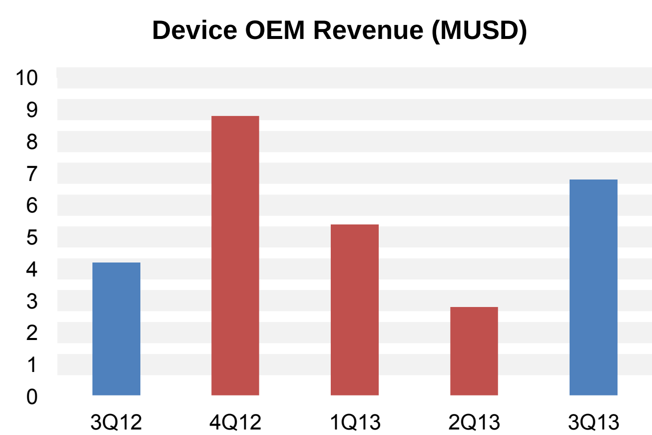
Today, the vast majority of Opera´s desktop users are in the Russia/CIS region and in the emerging markets. Opera is particularly focused on growing users in regions where it already has a strong base of users, such as Russia.

Opera's monetization strategy for its desktop browser revolves predominantly around search. Google is Opera's global search partner and provides the 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 such as Amazon.com (USA, Germany, Japan), Booking.com (64 countries), and Ozon (Russia) to further enhance ARPU.

In 3Q13, Opera released the final version of its all-new Opera for Windows and Mac, debuting with a fresh look and completely new features. The new Opera for Windows and Mac runs on the Chromium engine, so users can get access to all their websites faster and have a smoother experience when they get there, thanks to improved site compatibility. The new Discover feature brings top articles from the location and categories chosen, all in one place. "Off-Road mode", Opera's unique compression feature, enables loading webpages faster, even while on the most sluggish connection.

In September 2013, the number of Desktop users was approximately 51 million, down 7% versus September 2012. ARPU (Average Revenue Per User) decreased 18% in 3Q13 compared to 3Q12. The main contributor to lower ARPU in the quarter versus 3Q12 was lower search and license revenue, which was partly offset by higher content and advertising revenue.

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, obtain premium pricing for their product offerings and generate new revenue streams, but also by the perceived opportunity to bring many of the same services that have been deployed successfully in the mobile phone eco-system, 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.

The Opera TV Store, an HTML5-based app store for connected TVs, set-top boxes and media players, offers a selection of high-quality, easily navigated web apps. Side-by-side applications allow viewers to use TV apps without losing focus on the program they are watching. The Opera TV Store has also been enhanced with the ability to display ads, thereby enabling publishers and content providers to inject pre-roll ads and to monetize their applications.

In 3Q13, Opera Software announced the launch of a next-generation TV application technology, with the ability to transform online video into apps for connected TVs – at zero cost and all in less than a minute. The new Opera TV Snap technology has already found its first partner in Dailymotion, the world's second-largest video site, empowering its official users to reach new audiences on millions of Smart TV devices.

The Opera TV Snap solution allows content owners to re-purpose their online video channels and existing video inventory into ready-to-run HTML5 apps for the Opera TV Store, a Smart TV app storefront supported by major television and set-top-box manufacturers. Opera TV Snap is the fastest way to reach new audiences on the home's biggest screen, enabling content owners to monetize their existing video catalogs through Opera's own ad networks and similar partnerships. With no special technical skills required to transform content into a Smart TV app, Opera TV Snap breaks down the barriers to entry.

In 3Q13 TiVo, a leader in advanced television entertainment announced that they would launch TiVo devices with the Opera Devices SDK, as well as open up the world of HTML5 TV apps through the Opera TV Store. This partnership enables TiVo to bring the latest and greatest of the web and HTML5 content to cable operator customers and consumers, including business, entertainment, fashion, sports and gaming news, content and more, as well as provide developers with an SDK to create new apps for the TiVo platform for the App Store that TiVo is planning to launch later this year. This combination will prove powerful for Opera and TiVo who both have ambitions to empower the pay-TV operator market with over-the-top (OTT) web content currently available on retail devices.

Opera currently has license agreements with a wide range of consumer electronic device OEMs, including Entone, Huawei, Humax, KATHREIN, Loewe, Mediatek, Nintendo, Pioneer, Philips, Sagem, Sharp, Sony, TCL, Technicolor, Technisat, TiVo, Toshiba, TP Vision, Verifone, and Vestel.

Outlook

Opera remains positive about the Company's overall growth prospects, which is expected to be driven primarily by its mobile businesses going forward.

Within its mobile business, Opera continues to drive a compelling value proposition for operators, helping them increase data and services revenue streams and profitability. With the acquisition of Skyfire, Opera has added a robust portfolio of smartphone targeted products and services which the Company can now offer to existing and prospective operator customers. As a result, Opera expects to generate solid revenue growth from its operator business in 2013 when compared to 2012.

Moreover, Opera continues to deliver a very compelling value proposition to its rapidly burgeoning mobile consumer base, providing a fast and data saving, and thereby cheaper, browsing experience. Opera's strategy is to capitalize on its over 260 million mobile browser user base by building and expanding Opera´s owned and operated properties and monetizing these properties via mobile advertising, mobile search and mobile applications.

Within Opera's Mobile Publisher & Advertiser business (Opera Publisher Partner Members), Opera expects to generate meaningfully more revenue from this business in 2013 compared to 2012, as Opera continues to ramp up revenue directly from advertisers and ad agencies via its mobile advertising network subsidiaries, Mobile Theory and 4th Screen Advertising, and capitalize on AdMarvel's strong position with premium USA publishers.

Opera's key operational priorities in 2013 include continuing to (i) sign operator agreements for Opera's existing and new products and services, including Skyfire´s; (ii) grow revenues and users of Opera's mobile consumer products, particularly on the Android and iOS smartphone platforms, and expand usage and monetization of Opera's owned and operated properties; (iii) increase revenue from Mobile Publishers and Advertisers

(Opera Publisher Partner Members), by expanding Opera's demand side advertising reach and capabilities; (iv) grow Opera's desktop user base, particularly in Russia/CIS; and (v) increase Opera's overall profitability and margins.

Oslo, October 24, 2013

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 MUSD, except per share amounts)

	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	% Change	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)	% Change
Revenue	**75.5**	56.4	34%	**210.6**	155.3	36%
Total operating revenue	**75.5**	56.4	34%	**210.6**	155.3	36%
Cost of goods sold	**14.9**	6.3	137%	**37.5**	15.6	140%
Payroll and related expenses, excluding stock option costs	**25.9**	23.6	10%	**75.1**	66.7	13%
Stock option costs	**1.0**	0.8	23%	**3.0**	2.8	7%
Depreciation expenses	**5.8**	2.4	139%	**14.5**	6.9	110%
Other operating expenses	**12.1**	9.5	28%	**35.5**	26.3	35%
Total operating expenses	**59.9**	42.6	40%	**165.5**	118.2	40%
Results from operating activities ("EBIT"), excl. restructuring costs	**15.6**	13.7		**45.0**	37.1	
Costs for restructuring the business	**0.0**	0.0		**1.5**	5.0	
Results from operating activities ("EBIT")	**15.6**	13.7		**43.6**	32.1	
Other interest income/expense, net	**(0.3)**	0.3		**(0.7)**	1.1	
Interest expense related to contingent consideration	**(4.4)**	(2.5)		**(13.6)**	(5.6)	
FX gains/losses related to contingent consideration, net	**1.0**	2.2		**(5.5)**	0.2	
Other FX gains/losses, net (negative amount = losses)	**(1.1)**	(2.0)		**5.1**	(1.8)	
Revaluation of contingent consideration	**(5.0)**	(0.6)		**(5.2)**	(0.3)	
Share of the profit/loss of associates accounted for using the equity method	**(2.0)**	(1.2)		**(0.9)**	(2.2)	
Profit before income tax	**3.8**	9.9		**22.9**	23.4	
Provision for taxes*	**2.5**	3.4		**11.9**	9.2	
Profit for the period	**1.3**	6.5		**11.0**	14.2	
Foreign currency translation differences for foreign operations	**0.3**	1.9		**(0.0)**	4.1	
Total comprehensive income for the period	**1.6**	8.5		**11.0**	18.3	
Earnings per share:						
Basic earnings per share (USD)**	**0.011**	0.055		**0.091**	0.119	
Diluted earnings per share (USD)**	**0.010**	0.054		**0.089**	0.117	
Shares used in earnings per share calculation	**122,551,999**	118,951,571		**121,405,188**	119,006,596	
Shares used in earnings per share calculation, fully diluted	**125,802,816**	121,856,373		**123,894,708**	121,587,327	
Number of employees	**1,016**	905		**1,016**	905	

*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.

IFRS to Non-IFRS Reconciliations

(Numbers in MUSD, except per share amounts)

	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
IFRS Profit for the period	**1.3**	6.5	**11.0**	14.2
Non-cash stock-based compensation	**1.0**	0.8	**3.0**	2.8
Acquisition-related adjustment - depreciation of acquired intangible assets	**2.1**	0.7	**4.9**	1.7
Items excluded from operating expenses	**3.2**	1.5	**7.9**	4.5
Non-operations related costs	**0.0**	0.0	**1.5**	5.0
Items excluded from costs for restructuring the business	**0.0**	0.0	**1.5**	5.0
Acquisition-related adjustment - non-cash interest expense, net	**4.4**	2.5	**13.6**	5.6
Acquisition-related adjustment - non-cash FX gains/losses, net	**(1.0)**	(2.2)	**5.5**	(0.2)
Gain/losses on non-controlling strategic equity interest	**2.0**	1.2	**0.9**	2.2
Acquisition-related adjustment - other non-cash items, net	**5.0**	0.6	**5.2**	0.3
Items excluded from finance costs	**10.4**	2.2	**25.1**	7.9
Acquisition-related adjustment - non-cash income taxes	**(0.9)**	(0.3)	**(1.7)**	(0.6)
Items excluded from provision for taxes*	**(0.9)**	(0.3)	**(1.7)**	(0.6)
Non-IFRS Profit for the period***	**14.0**	10.0	**43.7**	30.9
Basic earnings per share (USD)**	**0.114**	0.084	**0.360**	0.260
Diluted earnings per share (USD)**	**0.111**	0.082	**0.353**	0.254

*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.
***From time to time Opera Software ASA may publicly disclose certain “Non-IFRS” financial measures in the course of its financial presentations, earnings releases, earnings conference calls and otherwise. The management uses certain Non-IFRS performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. We consider the use of non-IFRS financial information helpful in understanding the performance of our business, as it excludes acquisition related adjustments to revenue and expenses and other non-cash items. While our management uses the non-IFRS financial information as a tool to enhance their understanding of certain aspects of our financial performance, our management does not consider these measures to be a substitute for, or superior to, the information provided by IFRS numbers and financial information. Consistent with this approach, we believe that disclosing non-IFRS financial information to the readers of our financial statements provides such readers with useful supplemental data that, while not a substitute for IFRS numbers and financial information, allows for greater transparency in the review of our financial and operational performance.

Consolidated Statement of Financial Position

(Numbers in MUSD)

	9/30/2013 (Unaudited)	9/30/2012 (Unaudited)	12/31/2012 (Audited)
Assets			
Non-current assets			
Goodwill	**149.5**	73.5	70.3
Other intangible assets	**46.8**	11.9	12.5
Total intangible assets	**196.4**	85.3	82.8
Property, plant, and equipment			
Office machinery, equipment, etc.	**15.4**	12.4	15.8
Total property, plant, and equipment	**15.4**	12.4	15.8
Financial assets and deferred tax assets			
Deferred tax assets	**4.1**	0.0	3.8
Other investments and deposits	**5.9**	4.8	5.6
Total financial assets and deferred tax assets	**10.0**	4.8	9.4
Total non-current assets	**221.8**	102.6	108.0
Current assets			
Trade and other receivables			
Accounts receivable	**50.6**	39.3	35.2
Unbilled revenue	**29.6**	21.4	26.7
Other receivables	**30.4**	17.2	12.4
Total trade and other receivables	**110.6**	77.9	74.3
Cash and cash equivalents	**70.1**	62.0	57.2
Total current assets	**180.7**	139.9	131.5
Total assets	**402.5**	242.5	239.5

Consolidated Statement of Financial Position

(Numbers in MUSD)

	9/30/2013 (Unaudited)	9/30/2012 (Unaudited)	12/31/2012 (Audited)
Shareholders' equity and liabilities			
Equity			
Paid in capital			
Share capital	**0.4**	0.4	0.4
Share premium reserve	**104.1**	80.3	81.9
Other reserves	**18.4**	15.7	17.0
Total paid in capital	**122.9**	96.4	99.3
Retained earnings			
Other equity	**50.6**	40.9	44.4
Total retained earnings	**50.6**	40.9	44.4
Total equity	**173.5**	137.2	143.8
Liabilities			
Non-current liabilities			
Deferred tax liability	**0.0**	7.2	0.0
Other long-term liabilities	**60.1**	0.0	0.1
Provisions	**31.7**	25.0	26.1
Total non-current liabilities	**91.9**	32.3	26.2
Current liabilities			
Accounts payable	**17.9**	13.2	19.6
Taxes payable	**10.6**	3.2	7.7
Social security, VAT, and other taxation payable	**8.7**	4.8	5.9
Deferred revenue	**14.1**	11.6	11.2
Option liability	**0.0**	0.1	0.0
Other short-term liabilities	**24.9**	20.1	22.4
Provisions	**60.9**	20.0	2.7
Total current liabilities	**137.2**	73.0	69.6
Total liabilities	**229.0**	105.3	95.8
Total equity and liabilities	**402.5**	242.5	239.5

Consolidated Statement of Cash Flows

(Numbers in MUSD)

	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Cash flow from operating activities				
Profit/loss before taxes	**3.8**	9.9	**22.9**	23.4
Taxes paid	**(3.5)**	(1.1)	**(8.6)**	(3.5)
Depreciation expenses	**5.8**	2.4	**14.5**	6.9
Profit/loss from sales of property, plant, and equipment	**(0.3)**	0.0	**(0.3)**	0.0
Impairment of intangible assets	**0.0**	0.0	**0.0**	0.0
Changes in accounts receivable **	**6.3**	(12.9)	**(5.1)**	(23.0)
Changes in accounts payable	**0.9**	0.7	**(3.7)**	(1.2)
Changes in other liabilities and receivables, net	**3.5**	(1.2)	**(2.9)**	2.7
Equity method accounting for associate companies	**2.7**	1.4	**4.3**	2.9
Share-based remuneration	**0.9**	0.9	**2.7**	2.6
Interest and FX related to contingent payment */***	**8.3**	0.9	**24.2**	5.6
Conversion discrepancy	**(8.2)**	3.9	**(13.4)**	5.2
Net cash flow from operating activities	**20.1**	5.1	**34.7**	21.6
Cash flow from investment activities				
Capital expenditures	**(4.4)**	(0.7)	**(7.9)**	(4.7)
Investment in R&D ****	**(3.8)**	(0.7)	**(10.3)**	(2.0)
Acquisitions ***	**0.0**	0.0	**(62.7)**	(32.4)
Other investments	**(2.9)**	(2.4)	**(2.9)**	(2.5)
Net cash flow from investment activities	**(11.0)**	(3.9)	**(83.9)**	(41.6)
Cash flow from financing activities				
Proceeds from exercise of stock options	**0.0**	0.3	**1.5**	2.8
Proceeds of share issues, net	**3.8**	0.0	**5.9**	0.0
Proceeds from sale of shares	**0.7**	0.0	**0.7**	0.0
Proceeds from loans and borrowings	**0.0**	0.0	**60.0**	0.0
Payments of loans and borrowings	**0.0**	0.0	**(1.6)**	0.0
Dividends paid	**0.0**	0.0	**(4.4)**	(4.0)
Purchase of own shares	**0.0**	0.0	**0.0**	0.0
Net cash flow from financing activities	**4.6**	0.3	**62.1**	(1.1)
Net change in cash and cash equivalents	**13.7**	1.5	**12.9**	(21.1)
Cash and cash equivalents (beginning of period)	**56.4**	60.5	**57.2**	83.1
Cash and cash equivalents ***/********	**70.1**	62.0	**70.1**	62.0

Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows **(continued)**

*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 March 14, 2013, Opera Software ASA acquired 100% of the shares and voting interest of the privately-held company Skyfire Labs, Inc., following a payment equivalent to MUSD 49.0 comprising MUSD 35.9 in cash and MUSD 13.2 in shares (no cash-flow effect) of Opera Software ASA. At the same time, a second payment of MUSD 25.7 was set in escrow and is to be released if certain financial targets are achieved. Net cash of MUSD 8.2 in Skyfire Labs, Inc., existing on the day of acquisition, has been netted in acquisitions in the statement of cash flows.

In 2Q 2013, Opera paid the final part of the FY 2012 earnout payment of MUSD 0.5 related to the Mobile Theory acquisition deal. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2013, Opera paid the FY 2012 earnout payment of MUSD 1.9 related to the 4th Screen Advertising acquisition deal. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2013, Opera paid the FY 2012 earnout payment of MUSD 0.6 related to the Handster acquisition deal. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2013, a cash payment of MUSD 4.4, for an immaterial transaction, has been included in acquisitions in the statement of cash flows. At the same time, a second payment of MUSD 3.0 was set in escrow and is to be released if certain financial targets are achieved. Net cash of MUSD 1.9, existing on the day of acquisition, has been netted in acquisitions in the statement of cash flows.

****In 3Q 2013, MUSD 3.8 (YTD: 10.3) of Opera's investment in product development was capitalized in the consolidated statement of financial position.

*****Cash and cash equivalents of MUSD 5.8 were restricted assets as of September 30, 2013, and Cash and cash equivalents of MUSD 1.3 were restricted assets as of September 30, 2012.

******As of September 30, 2013, the conversion discrepancy profit booked on cash and cash equivalents was MUSD -0.2.

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 MUSD)

	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 12/31/2012	**119.2**	**0.4**	**77.3**	**17.6**	**0.0**	**2.0**	**46.4**	**143.8**
Comprehensive income for the period								
Profit for the period							11.0	11.0
Other comprehensive income								
Foreign currency translation differences						0.0		0.0
Total comprehensive income for the period		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**11.0**	**11.0**
Contributions by and distributions to owners								
Dividend to equity holders							-4.4	-4.4
Issue of ordinary shares related to business combinations	2.0	0.0	13.2					13.2
Issue of ordinary shares related to the incentive program	1.8	0.0	5.9					5.9
Own shares acquired								0.0
Own shares sold	0.3				0.0		1.5	1.5
Tax deduction loss own shares								0.0
Issue expenses								0.0
Tax deduction on equity bookings								0.0
Share-based payment transactions				2.7				2.7
Total contributions by and distributions to owners	**4.2**	**0.0**	**19.0**	**2.7**	**0.0**	**0.0**	**-2.9**	**18.8**
Other equity changes								
Other changes			0.0					0.0
Total other equity changes		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Balance as of 9/30/2013	**123.5**	**0.4**	**96.4**	**20.3**	**0.0**	**2.0**	**54.5**	**173.5**

Face value of the shares

The face value of the shares is NOK 0.02.

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 MUSD)

	Number	Share capital	Share premium	Other reserves	Reserve for own shares	Translation reserve	Other equity	Total equity
Balance as of 12/31/2011	**117.9**	**0.4**	**77.4**	**12.8**	**0.0**	**-2.4**	**29.4**	**117.5**
Comprehensive income for the period								
Profit for the period							14.2	14.2
Other comprehensive income								
Foreign currency translation differences						4.1		4.1
Total comprehensive income for the period		**0.0**	**0.0**	**0.0**	**0.0**	**4.1**	**14.2**	**18.3**
Contributions by and distributions to owners								
Dividend to equity holders							-4.0	-4.0
Own shares acquired								0.0
Own shares sold	1.1				0.0		2.8	2.8
Tax deduction loss own shares								0.0
Issue expenses								0.0
Tax deduction on equity bookings								0.0
Share-based payment transactions				2.6				2.6
Total contributions by and distributions to owners	**1.1**	**0.0**	**0.0**	**2.6**	**0.0**	**0.0**	**-1.1**	**1.5**
Other equity changes								
Other changes			0.0					0.0
Total other equity changes		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Balance as of 9/30/2012	**119.0**	**0.4**	**77.3**	**15.4**	**0.0**	**1.7**	**42.4**	**137.2**

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, Opera Distribution AS, Netview Technology 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 Singapore PTE. LTD., AdMarvel, Inc., LLC Opera Software (Russia), LLC Opera Software Ukraine, Opera Software Iceland ehf, Opera Web Technologies Pvt. Ltd, Handster, Inc., Mobile Theory, Inc., 4th Screen Advertising Ltd, 4th Screen Advertising Holdings Ltd, Skyfire Labs, Inc., Opera Software International US, Inc., Opera Mediaworks, LLC., Opera Mediawork Performance, LLC, OMWMSG, LLC, Opera Software Netherland BV, Opera Software Americas, LLC., Opera Commerce, LLC., 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, 2013, Opera Software International AS had branches in 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, 2012.

Note 3 - Financial Statements - Accounting Policies

The consolidated financial statements of the Opera Group for 2012 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Norwegian Accounting Act. The Group has used the same accounting policies and standards as in the consolidated financial statements of December 31, 2012.

There were no new standards, interpretations or amendments to published standards that were effective from January 1, 2013 that have significantly affected the consolidated financial statements for the first, second, and third quarter 2013.

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 - Earnings per Share

(Numbers in USD)

	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Earnings per share (basic)	**0.011**	0.055	**0.091**	0.119
Earnings per share, fully diluted	**0.010**	0.054	**0.089**	0.117
Shares used in per share calculation	**122,551,999**	118,951,571	**121,405,188**	119,006,596
Shares used in per share calculation, fully diluted	**125,802,816**	121,856,373	**123,894,708**	121,587,327

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 average stock exchange price for 3Q 2013, and year to date, is used when calculating the options that are "in the money" and when calculating the fully diluted number of shares. The options have varying exercise prices and would, upon exercise, mean payment to the Company of MNOK 226.7 (YTD: 225.4). 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. Opera has included options with a strike price below NOK 52.70 (YTD: 43.62) when calculating the fully diluted number of shares outstanding. Total options used in the calculations are 8,126,733 (YTD: 8,096,733), of which 6,427,833 (YTD: 6,397,833) options are unvested and 1,698,900 (YTD: 1,698,900) are vested but not yet exercised.

	3Q 2013	YTD 2013
Average number of shares	**122,551,999**	**121,405,188**
The following equity instruments have a diluting effect:		
Options	**8,126,733**	**8,096,733**
Total	**8,126,733**	**8,096,733**
Options	**8,126,733**	**8,096,733**
Number of shares purchased (MNOK 226.7/52.70 and MNOK 225.4/43.62)	**4,302,242**	**5,167,886**
Number of shares with diluting effect	**3,824,491**	**2,928,847**
Expected options to be exercised	**3,250,818**	**2,489,520**

Note 6 - Revenue, Cost of Goods Sold and Segment Information

The Group's business activities stem from browser related sales (i.e., revenue generated from Opera's-owned-and-operated properties, such as license, search, and advertising revenue) and advertising revenue generated from the Opera Advertising Network (i.e., non Opera owned and operated properties (primarily from Opera's AdMarvel, Mobile Theory, 4th Screen Advertising, and Opera Mediaworks subsidiaries).

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, as well as to make decisions about how resources are to be allocated based on this information.

Members of the Executive Team are specified in note 3 of the FY 2012 Annual Report.

Based on the above, Opera has determined that it has one segment. Please see note 1 in the FY 2012 Annual Report for a definition of products and services for each reportable segment.

(Numbers in MUSD)

REVENUE BY REGION	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
EMEA	**24.9**	23.9	**72.2**	56.5
Americas	**42.7**	26.9	**115.0**	76.1
Asia Pacific	**7.9**	5.6	**23.4**	22.7
Total	**75.5**	56.4	**210.6**	155.3

The geographical revenue breakdown reflects revenues from external customers attributed to the entity's country of domicile. Consequently, the revenue breakdown reflects the location of Opera's customers and partners. Because the products of Opera's customers and partners are distributed globally, the breakdown above does not accurately reflect where Opera's derivative products are actually used.

In 3Q 2013, there were no customers that accounted for more than 10% of total Group revenues. Revenue attributed to customers domiciled in USA amounted to MUSD 41.6 (YTD: 111.5).

Revenues attributed to Norway for 3Q 2013 were MUSD 0.0 (YTD: 0.0), and revenue attributed to all foreign countries in total were MUSD 75.5 (YTD: 210.6).

(Numbers in MUSD)

NON-CURRENT ASSETS	9/30/2013 (Unaudited)	9/30/2012 (Unaudited)
Non-current assets located in Norway	**24.8**	13.8
Non-current assets located in foreign countries	**193.0**	88.8
Total	**217.7**	102.6

The breakdown above reflects non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts) located in Norway and located in all foreign countries.

Assets located in the United States account for MUSD 169.5 of the total non-current assets. The vast majority of the value is related to the acquisitions described in more details in note 9.

Note 6 - Revenue, Cost of Goods Sold and Segment Information (continued)

(Numbers in MUSD)

COST OF GOODS SOLD	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Publisher cost	**14.9**	6.3	**37.5**	15.6
License cost	**0.0**	(0.0)	**0.0**	(0.0)
Total	**14.9**	6.3	**37.5**	15.6

Publisher cost consists of the agreed-upon payments we make to publishers for their advertising space in which we deliver mobile ads. These payments are typically determined in advance as either a fixed percentage of the advertising revenue we earn from mobile ads placed on the publisher's application or website, or as a fixed fee for that ad space. We recognize publisher cost at the same time we recognize the associated revenue.

License cost is cost from the purchase of licenses from third-party suppliers.

(Numbers in MUSD)

REVENUE TYPE	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Licenses/royalties	**22.7**	19.0	**63.9**	50.2
Development fees	**1.8**	2.5	**5.9**	8.9
Maintenance, support, and hosting	**2.0**	1.7	**5.8**	5.0
Search	**13.0**	14.9	**40.6**	46.4
Advertising	**35.5**	16.4	**93.0**	41.0
Application and content	**0.1**	1.6	**0.4**	3.0
Subscription	**0.3**	0.2	**1.0**	0.9
Other revenue	**0.0**	0.0	**0.0**	0.1
Total	**75.5**	56.4	**210.6**	155.3

Please see note 1 in the FY 2012 Annual Report for definition and revenue recognition of the products and services.

Note 7 - Shareholder Information

Authorization to acquire own shares
The Annual General Meeting (AGM) held on June 4, 2013, 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 240,000. 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 the date it is registered with the Norwegian Register of Business Enterprises until June 30, 2014.
f) The authorization replaces the current authorization when registered in the Norwegian Register of Business Enterprises.

During 3Q 2013, Opera purchased 0 (YTD: 0) shares and sold 0 (YTD: 339,500) own shares for MUSD 0 (YTD: 1.5). As of September 30, 2013, Opera owned 0 shares.

Board authorization to increase the share capital by issuance of new shares
The Annual General Meeting held on June 4, 2013, passed the following resolutions:

1 Authorization regarding incentive program
a) The Board of Directors is authorized to increase the Company's share capital by a total amount of up to NOK 240,000, by one or several share issues of up to a total of 12,000,000 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, 2014.
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 4, 2013, to June 30, 2014, 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 240,000, by one or several share issues of up to a total of 12,000,000 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, 2014.
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 4, 2013, to June 30, 2014, pursuant to board authorizations, has issued new shares in the Company representing more than 10% of the Company's share capital.

During 3Q 2013, Opera issued 1,228,000 (YTD: 1,739,200) ordinary shares related to the incentive program and 0 (YTD: 2,138,550) of ordinary shares related to business combinations.

Note 7 - Shareholder Information (continued)

Dividends for 2012 of NOK 0.22 per share
The Annual General Meeting held on June 4, 2013, passed the following resolution:
NOK 0.22 per share is paid as dividend for 2012, constituting an aggregate dividend payment of KNOK 26,777. The dividend will be paid to those who are shareholders at end of trading on June 4, 2013, and the shares will be trading exclusive of dividend rights as of June 5, 2013.

Other items passed at the AGM
For further details about the meeting held on June 4, 2013, please see the protocol from the Annual General Meeting published on the Oslo Stock Exchange website (www.oslobors.no).

Option programs
For information about the employee option program, please see note 3 in the FY 2012 Annual Report.

Note 8 - Financial Information

Currency risk
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 EUR and other currencies. In 3Q 2013, approximately 76% (YTD: 76%) of revenues were in USD, 16% (YTD: 14%) in EUR, 4% (YTD: 4%) in CNY and 3% (YTD: 5%) in GBP; for expenses, approximately 65% (YTD: 58%) were in USD, 11% (YTD: 17%) in NOK, 5% (YTD: 5%) in GBP, 5% (YTD: 6%) in PLN, 5% (YTD: 5%) in SEK, 2% (YTD: 3%) in CNY, and 7% (YTD: 6%) in other currencies.

Foreign currency movements impacted on Opera's 3Q 2013 income statement as follows:
Revenue would have been approximately MUSD 74.8 (lower by approximately 1%) using the 3Q 2012 constant currency FX rates and revenue would have been approximately MUSD 75.2 (lower by approximately 0%) using the 2Q 2013 constant currency FX rates. Costs would have been approximately MUSD 57.7 (lower by approximately 0%) using the 3Q 2012 constant currency FX rates and cost would have been approximately MUSD 58.7 (higher by approximately 1%) using the 2Q 2013 constant currency FX rates. The majority of the Company's purchases are made in the following denominations: NOK, USD, SEK, PLN, GBP, JPY, CNY, KRW, TWD, AUD, UAH, ISK, SGD, EUR and INR. Exchange rate fluctuations in these currencies do impact Opera's income statement.

For 3Q 2013, Opera had a net foreign exchange loss of MUSD 0.1. MUSD 0.4 was realized foreign exchange gain and MUSD 0.5 was unrealized foreign exchange loss. The unrealized foreign exchange loss is estimated as the difference between the exchange rate at the closing date and date of the transaction.

Foreign exchange contracts
Opera had not entered into any foreign exchange contracts as of September 30, 2013.

Note 9 - Business Combinations

Mobile Theory, Inc.

On February 16, 2012, Opera Software International AS acquired 100% of the shares and voting interest of the privately-held company Mobile Theory, Inc. Mobile Theory (www.mobiletheory.com) is a leading premium mobile advertising network based in San Francisco, California, USA, with offices in New York, Chicago, Los Angeles, and Seattle. The company is focused on the fast-growing US mobile advertising market. Mobile Theory's acquisition transaction highlights include: (i) $4 million cash at closing; (ii) $13 million cash in escrow (to be paid to the Sellers in 2013 and 2014 based on minimum 2012 and 2013 revenue performance targets); and (iii) $0 - $32 million in potential earnout cash consideration (to be paid to the Sellers in 2013 and 2014, based on aggressive 2012 and 2013 revenue and EBIT targets), plus additional potential limited consideration, based on over performance on EBIT in 2012 and 2013.

The acquisition enables Opera to: (i) broaden its value proposition to U.S.-based mobile advertisers and publishers by providing demand-side advertising services and (ii) bring in-house mobile advertising capabilities that will help better monetize Opera's own properties and traffic that is generated by Opera's vast user base.

Mobile Theory, Inc., currently employs 61 full-time equivalents. In 3Q 2013, the Group incurred acquisition-related costs of MUSD 0.0 (YTD: 0.0) 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 MUSD)

Identifiable assets acquired and liabilities assumed	
Other intangible assets	0.0
Other investments and deposits	0.0
Property, plant, and equipment	0.0
Accounts receivable*	2.0
Unbilled revenue	0.3
Other receivables	0.0
Cash and cash equivalents	0.3
Accounts payable	-1.8
Social security, VAT, and other taxation payable	0.0
Other short-term liabilities	-1.2
Total net identifiable assets	**-0.4**
Cash consideration	-3.9
Contingent consideration	-32.7
Excess value	**-37.0**
Related customer relationships	3.6
Proprietary technology	0.8
Deferred tax on excess values	-1.7
Goodwill	34.4

** The provision for bad debt is MUSD 0.2.*

Note 9 - Business Combinations (continued)

The assets and liabilities that were recognized by Mobile Theory 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 Mobile Theory can be attributed to the synergies that exist between the two companies and the qualified Mobile Theory workforce.

Opera calculated the fair value on the acquisition date and booked a contingent consideration of MUSD 32.7 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 and 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.

4th Screen Advertising Ltd.

On February 16, 2012, Opera Software International AS acquired 100% of the shares and voting interest of the privately-held company 4th Screen Advertising Ltd. 4th Screen Advertising (www.4th-screen.com) is a leading premium mobile-advertising network in the United Kingdom. The company, which is focused on the fast growing mobile-advertising market in the United Kingdom, is profitable and experienced strong revenue growth entering 2012. 4th Screen Advertising's acquisition transaction highlights include: (i) $5 million cash at closing; (ii) $3 million cash in escrow (to be paid to the Sellers in 2012 and 2014) and (iii) $0 - $6.5 million in potential earnout cash consideration (to be paid to the Sellers in 2013 and 2014 based on aggressive 2012 and 2013 revenue and EBIT targets), plus additional potential limited consideration based on over performance on EBIT in 2012 and 2013.

The acquisition enables Opera to: (i) provide demand-side advertising services and an even broader value proposition to mobile publishers and mobile advertisers in Europe, which is a key strategic geographic market for Opera and (ii) bring in-house mobile advertising capabilities that will help better monetize Opera's own properties and traffic that is generated by Opera's vast user base.

4th Screen Advertising Ltd currently employs 48 full-time equivalents. In 3Q 2013, the Group incurred acquisition-related costs of MUSD 0.0 (YTD: 0.0) 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.

Note 9 - Business Combinations (continued)

(Numbers in MUSD)

Identifiable assets acquired and liabilities assumed	
Property, plant, and equipment	0.1
Accounts receivable*	1.5
Unbilled revenue	5.4
Other receivables*	0.4
Cash and cash equivalents	0.8
Accounts payable	-6.9
Social security, VAT, and other taxation payable	-0.5
Other short-term liabilities	-0.5
Total net identifiable assets	**0.3**
Cash consideration	-5.2
Escrow	-3.0
Contingent consideration	-4.9
Excess value	**-12.8**
Related customer relationships	2.0
Deferred tax on excess values	-0.5
Goodwill	11.3

** No provision for bad debt.*

The assets and liabilities that were recognized by 4th Screen Advertising 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, 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 4th Screen Advertising can be attributed to the synergies that exist between the two companies and the qualified 4th Screen workforce.

Opera calculated the fair value on the acquisition date and booked a contingent consideration of MUSD 4.9 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 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)

Skyfire Labs, Inc.

On March 14, 2013, Opera Software ASA acquired 100% of the shares and voting interest of the privately-held company Skyfire Labs, Inc., a leader in mobile video optimization and cloud solutions for mobility. Opera believes Skyfire adds capabilities to our portfolio around video, app optimization, smartphones, and tablets, and strength in North America, and we are excited to expand Opera's solutions for operators.

Skyfire, is headquartered in Mountain View, California. The Company's main product, Rocket Optimizer, allows mobile operators to leverage cloud computing to optimize virtually any video and other multimedia on crowded cell towers, including 3G and 4G LTE networks. Rocket Optimizer provides mobile networks a significant boost in capacity by compressing video and other multimedia content to fit available bandwidth. Rocket Optimizer detects, and intervenes in milliseconds, when specific users are facing poor quality experience or connections that need assistance.This can minimize the long start times, rebuffering, and stalls on video and audio streams that frustrate mobile users around the world. The approach aligns with the trend toward SDN (software-defined networking) and NFV (network function virtualization) among telecommunications operators, based on its elastic and virtualization-friendly cloud architecture.

Skyfire also offers Skyfire Horizon, a mobile browser extension and toolbar platform that allows users to personalize their smartphone browsers and facilitates operators to gain new monetization opportunities.

The acquisition price includes a mix of cash and stock, with an upfront consideration of MUSD 49.1 (including MUSD 8.2 of cash on the Skyfire balance sheet) and performance-based earnout payments over three years, including MUSD 25.7 in cash held in escrow and funded upfront, that can bring the total deal size to MUSD 155.2.

Skyfire Labs, Inc. currently employs 58 full-time equivalents. In 3Q 2013, the Group incurred acquisition-related costs of MUSD 0.0 (YTD: 1.0) 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.

Note 9 - Business Combinations (continued)

(Numbers in MUSD)

Identifiable assets acquired and liabilities assumed	
Other intangible assets	4.2
Property, plant, and equipment	0.4
Deferred tax assets	9.4
Accounts receivable*	0.5
Other receivables	0.1
Cash and cash equivalents	8.2
Accounts payable	-0.1
Social security, VAT, and other taxation payable	-0.3
Deferred revenue	-5.1
Other short-term liabilities	-2.7
Other long-term liabilities	-1.6
Non-current provisions	-3.3
Total net identifiable assets	**9.7**
Cash consideration	-49.1
Contingent consideration	-40.5
Excess value	**-79.9**
Related customer relationships	3.6
Proprietary technology	19.4
Non-compete	0.4
Deferred tax on excess values	-9.4
Goodwill	65.8

** No provision for bad debt*

The assets and liabilities that were recognized by Skyfire Labs immediately before the business combination equaled the carrying amount recognized by the Group on the acquisition date. Subsequent to the business combination, the opening balance has been adjusted to reflect MUSD 9.4 in deferred tax assets. 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 Skyfire Labs can be attributed to the synergies that exist between the two companies, as well as the qualified Skyfire Labs workforce.

Opera calculated the fair value on the acquisition date and booked a contingent consideration of MUSD 40.5 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 and the proprietary technology is depreciated over a 6-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)

Individually immaterial business combinations

The Group has acquired 100% of the shares/membership interests of several companies that individually are not seen as material transactions. These business combinations are material collectively, and the numbers below are therefore disclosed in aggregate.

From April 1, 2013, Opera has the following aggregated future obligations related to these transactions: $31.7 million in potential earnout consideration as a mix of cash and stock (to be paid to the Sellers in 2014, 2015 and 2016 based on aggressive revenue and EBIT targets), plus additional potential limited consideration based on over-performance on EBIT in 2013, 2014 and 2015.

Transactions closed prior to January 1, 2013 have enabled Opera to (i) strengthen its mobile store offerings and better monetize Opera's own properties and traffic that is generated by Opera's large mobile audience and (ii) bring in-house video expertise and technology assets. In 1Q 2013, Opera closed on an acquisition transaction that brings in-house a team and product platform that now significantly enhances Opera´s ability to help advertisers with performance or “cost per action” campaigns, such as campaigns for driving app downloads and securing customer sign-ups and leads.

In 3Q 2013, the Group incurred acquisition-related costs of MUSD 0.0 (YTD: 0.7) 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 MUSD)

Identifiable assets acquired and liabilities assumed	
Other intangible assets	0.0
Other investments and deposits	0.0
Property, plant, and equipment	0.0
Accounts receivable*	2.3
Unbilled revenue	0.0
Other receivables	0.0
Cash and cash equivalents	1.3
Accounts payable	-2.0
Social security, VAT, and other taxation payable	0.0
Other short-term liabilities	-0.6
Total net identifiable assets	**1.1**
Cash consideration	-14.1
Contingent consideration	-15.9
Excess value	**-28.9**
Non-compete	0.3
Related customer relationships	2.6
Related developer relationships	0.8
Proprietary technology	4.2
Deferred tax on excess values	-0.9
Goodwill	22.0

** MUSD 0.1 in provision for bad debt.*

The assets and liabilities that were recognized immediately before the business combinations equaled the carrying amount recognized by the Group on the acquisition dates. In 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 prices has been deemed to be related to these intangible assets. Subsequent to the business combination, the allocation has been adjusted to reflect a correction of MUSD 5.9 in deferred tax asset. The substantial amount of goodwill in the acquisitions can be attributed to the synergies that exist between the Group companies, and the qualified workforce.

Note 9 - Business Combinations (continued)

Opera calculated the fair value on the acquisition dates and booked a contingent consideration of MUSD 15.9 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, related developer relationships and the proprietary technology is depreciated over a 4 to 5-year period.

The fair value of the net identifiable assets has not been calculated by an external company. Opera has treated the contingent consideration as consideration for the purchase of the business with exception of the non-compete payment which has been treated as remuneration. The evaluation is based on the indicators outlined in IFRS 3.

(Numbers in MUSD)

Information regarding goodwill

Goodwill at acquisition cost for Hern Labs AB	1.3
Accumulated depreciation as of 12/31/04	1.1
Net book value as of 12/31/04	0.3
Reversed depreciation 2004	0.3
Net book value as of 1/1/04 and 12/31/08	0.5
Goodwill at acquisition cost for Opera Software Poland Sp. z o.o	2.2
Net book value as of 12/31/09	2.8
Goodwill at acquisition cost for AdMarvel	13.2
Goodwill at acquisition cost for FastMail	4.0
Net book value as of 12/31/10	20.0
Goodwill at acquisition cost for Handster	7.2
FX adjustment to the goodwill acquisition cost	0.0
Net book value as of 12/31/11	27.2
Goodwill at acquisition cost for Mobile Theory	34.4
Goodwill at acquisition cost for 4th Screen Advertising	11.3
Goodwill at acquisition cost for Netview Technology	0.3
Impairment of FastMail goodwill	-3.0
FX adjustment to the goodwill acquisition cost	0.1
Net book value as of 12/31/12	70.3
Goodwill at acquisition cost for Skyfire Labs, Inc.	65.8
Goodwill at acquisition cost for immaterial transactions	14.4
FX adjustment to the goodwill acquisition cost	-1.0
Net book value as of 9/30/13	**149.5**

The Group has performed a complete impairment test as of December 31, 2012 according to IAS 36. The Group considers it unnecessary to recognize an impairment loss concerning goodwill.

Note 10 - Contingent Liabilities and Provisions

Mobile Theory — Earnout agreement

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

Opera has estimated the total earnout value before discounting to be MUSD 45.5, at the acquisition date. Opera used a WACC of 20% and foreign exchange rate of 5.7284, when calculating the earnout. Based on these assumptions and the earnout valuation performed at the acquisition date, Opera calculated the fair value and booked a contingent consideration of MUSD 32.7 in the financial statements. The FY 2012 and FY 2013 earnout targets are both based on revenue and EBIT targets. The maximum possible payment for both FY 2012 and FY 2013 is MUSD 45.0 plus additional potential limited consideration based on over performance of EBIT in 2012 and 2013. At the acquisition date, Opera calculated the earnout value before discounting to be MUSD 18.3 in FY 2012 and MUSD 27.3 in FY 2013. The weighted probability rates are estimated to change +/-10%.

The contingent consideration is revalued each quarter, and MUSD 0.0 has been booked as a non-current provision and MUSD 28.3 as a current provision as of September 30, 2013. For 3Q 2013, Opera booked MUSD 0.4 (YTD 3.9) as an interest expense, MUSD -0.5 (YTD 3.1) as an FX expense and MUSD 1.1 (YTD 1.7) as change in likelihood. The weighted probability rates are estimated to change +/-10%. Please also see note 9 for more details.

In 4Q 2012, Opera prepaid the 2012 earnout payment of MUSD 17.8. The final 2012 earnout payment of MUSD 0.5 was paid in 2Q 2013.

4th Screen Advertising — Earnout agreement

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

Opera has estimated the total earnout value before discounting to be MUSD 6.9, at the acquisition date. Opera used a WACC of 20% and foreign exchange rate of 5.7284, when calculating the earnout. Based on these assumptions and the earnout valuation performed at the acquisition date, Opera calculated the fair value and booked a contingent consideration of MUSD 4.9 in the financial statements. The FY 2012 and FY 2013 earnout targets are both based on revenue and EBIT targets. The maximum possible payment for both FY 2012 and FY 2013 is MUSD 6.5 plus additional potential limited consideration based on over performance of EBIT in 2012 and 2013. At the acquisition date, Opera calculated the earnout value before discounting to be MUSD 2.2 in FY 2012 and MUSD 4.7 in FY 2013. The weighted probability rates are estimated to change +/-10%.

The contingent consideration is revalued each quarter, and MUSD 0.0 has been booked as a non-current provision and MUSD 4.1 as a current provision as of September 30, 2013. For 3Q 2013, Opera booked MUSD 0.1 (YTD 0.5) as an interest expense, MNOK -0.1 (YTD 0.4) as an FX expense and MUSD 0.6 (YTD -0.1) as change in likelihood. The weighted probability rates are estimated to change +/-10%. Please also see note 9 for more details.

In 1Q 2013, Opera paid the 2012 earnout payment of MUSD 1.9.

Note 10 - Contingent Liabilities and Provisions (continued)

Skyfire Labs — Earnout agreement and senior management incentive plan

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

Opera has estimated the total earnout value before discounting to be MUSD 57.2, at the acquisition date. Opera used a WACC of 25% and foreign exchange rate of 5.7214, when calculating the earnout. Based on these assumptions and the earnout valuation performed at the acquisition date, Opera calculated the fair value and booked a contingent consideration of MUSD 40.5 in the financial statements. The FY 2013, 2014 and FY 2015 earnout targets are both based on revenue and EBIT targets. The maximum possible payment for both FY 2013, 2014 and FY 2015 is MUSD 94.7. At the acquisition date, Opera calculated the earnout value before discounting to be MUSD 26.7 in FY 2013, MUSD 30.5 in FY 2014, and MUSD 0.0 in FY 2015. The weighted probability rates are estimated to change +/-10%.

The contingent consideration is revalued each quarter, and MUSD 22.0 has been booked as a non-current provision and MUSD 13.3 as a current provision as of September 30, 2013. For 3Q 2013, Opera booked MUSD 2.9 (YTD 6.6) as an interest expense, MUSD -0.5 (YTD 1.9) as an FX expense and MUSD 0.0 (YTD 0.0) as change in likelihood. The weighted probability rates are estimated to change +/-10%. Please also see note 9 for more details.

In 3Q 2013, Opera paid portions of the 2013 earnout payment of MUSD 11.7. The payment had no impact on cash flow in 3Q 2013 since the amount was paid to the escrow agent in 1Q 2013.

Further, it has been agreed that up to the first MUSD 10.0 of any 2015 Total Earnout payments that become payable pursuant to the merger agreement, are to be part of an incentive payment to certain senior management employees. The valuation of the contingent consideration is based on the same principles as described above. The contingent consideration is revalued each quarter, and MUSD 3.9 has been booked as a non-current provision as of September 30, 2013. For 3Q 2013, Opera booked MUSD 0.2 (YTD: 0.6) as an interest expense. The weighted probability rates are estimated to change +/-10%.

Individually immaterial business combinations — Earnout agreements

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

Opera has estimated the total earnout values before discounting to be MUSD 25.4, at the acquisition date. Opera used a WACC between 20% and 25%, when calculating the earnout. Based on these assumptions and the earnout valuation performed at the acquisition date, Opera calculated the fair value and booked a contingent consideration of MUSD 15.9 in the financial statements. At the acquisition date, Opera calculated the earnout value before discounting to be MUSD 1.3 in FY 2012, MUSD 9.9 in FY 2013, MUSD 7.1 in FY 2014, and MUSD 7.1 in FY 2015.

The contingent consideration is revalued each quarter, and MUSD 10.9 has been booked as a non-current provision and MUSD 10.1 as a current provision as of September 30, 2013. For 3Q 2013, Opera booked MUSD 0.9 (YTD: 2.5) as an interest expense, MUSD 0.0 (YTD: 0.1) as an FX income and MUSD 3.3 (YTD: 3.5) as change in likelihood. The weighted probability rates are estimated to change +/-10%. Please also see note 9 for more details.

In 1Q 2013, Opera paid the 2012 earnout payment of MUSD 0.6.

Note 11 - Investment in Associated Companies

In 1Q 2011, Opera and China's Telling Telecom announced that they planned to establish a company 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 Telecom is a leading mobile phone distributor in China.

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, providing users with a simple, fast, and smooth mobile internet experience and to helping people enjoy a comfortable mobile internet life. For more information, please visit www.oupeng.com.

The focus of the company 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 company.

(Numbers in MUSD)

Information regarding nHorizon Innovation

nHorizon Innovation had the following numbers as of September 30, 2013:

Revenue	**2.0**
EBIT	**-8.7**
Net profit	**-8.9**
Assets	**7.7**
Short term liabilities	**17.7**
Equity	**-10.0**

(Numbers in MUSD)

Investment in associate

The investments in nHorizon Innovation are accounted for using the equity method. In 3Q 2013, Opera invested MUSD 5.7, of which MUSD 2.8 is payable in 4Q 2013. This investment comes in addition to the MUSD 2.4 already invested in in both 3Q and 4Q 2012 and to the MUSD 2.4 already invested in 2011. In addition, Opera is guaranteed a minimum amount of revenue from the company corresponding to Opera's initial capital contribution over the three-year period starting from the establishment of the company.

As of September 30, 2013, Opera owned 29.09% of nHorizon Innovation, and Opera has booked the following fair value on the accounting line Other investments and deposits:

Investment (Booked value January 1, 2013)	2.0
Investment during the fiscal year	5.7
FX adjustment	-0.2
Share of the profit/loss	-0.9
Elimination portion of sale	-3.4
Booked value	**3.1**

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 - Costs for restructuring the business

During 1Q 2013, Opera Software ASA recorded legal fees related to business combinations.

During 4Q 2012, the Opera Group recorded restructuring charges related to its strategic cost reduction program, which will better align costs with revenues, as well as an impairment cost for its email business. Accordingly, Opera has booked an estimated impairment cost related to the goodwill write down of the FastMail partnership that was acquired by operations in April 2010. The difference between the reassessed fair values of FastMail, less the cost to sell and the current fair value, has been booked as an impairment cost.

During 2Q 2012, Opera Software ASA recorded restructuring charges related to a strategic cost reduction that will better align costs with revenues and legal fees related to business combinations. Opera Software ASA has in 2Q 2012 signed a new office lease agreement in Nydalen and a sub-lease agreement for the current real-estate building on Waldemar Thranes gate in Oslo, Norway. The sub-lease agreement is signed with NAV and is effective from August 1, 2012, to March 31, 2016. The total booked cost in 2Q for moving the office to Nydalen has been MUSD 3.1. The cost includes costs related to loss on contracts, broker fees, lawyer fees, moving costs, VAT costs, impairment costs, and other fees. In addition, Opera incurred moving costs in the US of MUSD 0.0, severance costs of MUSD 1.0 and legal fees related to business combinations of MUSD 0.1.

During 1Q 2012, Opera Software ASA recorded legal fees related to business combinations of MUSD 0.7.

(Numbers in MUSD)

RESTRUCTURING COSTS	3Q 2013 (Unaudited)	3Q 2012 (Unaudited)	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Salary restructuring cost	**0.0**	0.0	**0.0**	1.0
Option restructuring cost	**0.0**	0.0	**0.0**	0.0
Office restructuring cost	**0.0**	0.0	**0.0**	3.2
Termination cost — hosting center	**0.0**	0.0	**0.0**	0.0
Impairment cost	**0.0**	0.0	**0.0**	0.0
Legal fees related to business combinations	**0.0**	0.0	**1.5**	0.9
Total	**0.0**	0.0	**1.5**	5.0

As of September 30, 2013, MUSD 0.6 was not paid and booked as other short-term liabilities in the statement of financial position. The comparative number as of September 30, 2012 was MUSD 1.5.

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 2012 Annual Report on page 17, 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 MUSD, except per share amounts)

	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)	4Q 2012 (Unaudited)	3Q 2012 (Unaudited)	2Q 2012 (Unaudited)
Revenue	**75.5**	73.1	62.0	60.7	56.4	52.1
Revenue (% sequential growth)	**3%**	18%	2%	8%	8%	11%
EBIT*	**15.6**	15.2	14.3	13.2	13.7	11.0
EBIT, excluding stock option costs*	**16.6**	16.2	15.2	14.0	14.6	12.0
EBITDA*	**21.4**	20.7	17.5	16.0	16.2	13.5
EBITDA, excluding stock option costs*	**22.5**	21.7	18.4	16.8	17.0	14.5
EPS	**0.011**	0.051	0.030	0.023	0.055	0.009
EPS, fully diluted	**0.010**	0.049	0.029	0.023	0.054	0.008

* excluding costs for restructuring the business

Supplemental information

(Numbers in MUSD)

Revenue Customer Type YTD numbers	YTD 2013 (Unaudited)	YTD 2012 (Unaudited)
Mobile Operators	**45.6**	31.2
Mobile Consumers	**26.9**	15.0
Mobile Publishers and Advertisers	**76.0**	34.6
Desktop Consumers	**45.5**	50.9
Device OEMs	**15.0**	19.4
Other	**1.6**	4.3
Total	**210.6**	155.3

(Numbers in MUSD)

Revenue Customer Type QTR numbers	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)	4Q 2012 (Unaudited)	3Q 2012 (Unaudited)
Mobile Operators	**17.1**	15.9	12.7	10.5	10.4
Mobile Consumers	**7.6**	11.8	7.5	4.6	8.6
Mobile Publishers and Advertisers	**29.6**	27.9	18.4	19.6	14.1
Desktop Consumers	**13.8**	14.2	17.5	16.6	18.5
Device OEMs	**6.8**	2.8	5.4	8.8	4.2
Other	**0.5**	0.5	0.6	0.6	0.5
Total	**75.5**	73.1	62.0	60.7	56.4

Operators: Opera is a trusted partner for operators globally. The Company currently offers four major cloud based solutions and services to Operators worldwide: (i) Operator/Co-branded versions of Opera Mini, whereby Operators are able to offer their mass market subscribers content compression, fast Internet download speeds, convenient access to operator portal services in order to drive incremental revenue, and lower priced data plans and data packages, capitalizing on the up to 90% data compression that Opera´s cloud services enables; (ii) Skyfire Rocket Optimizer™, which allows mobile operators to leverage cloud computing to optimize and compress video and other multimedia traffic on crowded cell towers, including 3G and 4G LTE networks, enabling operators to both boost the capacity of their networks by up to 60% and offer better network performance and quality to their subscribers; (iii) Skyfire Horizon™, a mobile browser extension and toolbar platform that allows users to personalize their smartphone browser and operators to gain new monetization opportunities, such as advertising; and (iv) Opera WebPass, which allows users to easily buy time-based or content-based mobile data packages through a simple, one-click purchase, similar to how users buy apps today, enabling operators to both offer a broad array of personalized data package alternatives for their subscribers and increase average revenue generated per subscriber.

Mobile Consumers (Opera-owned-and-operated properties): Opera has around 250 million mobile users of consumer products on a monthly basis. Opera is placing a significant emphasis on developing and expanding its owned and operated properties and capitalizing on its extensive mobile consumer user base. These owned and operated properties include the Speed Dial page, the Smartpage, the Opera Mobile Store and the Discover page. These Opera owned and operated properties are expected to be monetized primarily via mobile advertising, mobile search and mobile applications.

Supplemental information (continued)

Mobile Publishers and Advertisers (Opera Network Members): Opera's goal is to power the mobile advertising ecosystem through innovative and differentiated mobile advertising services and technology solutions, targeting premium and performance advertisers, ad agencies, publishers and developers. Opera's ultimate mission is to help both publishers increase revenue from their mobile properties and content and advertisers reach and acquire potential customers

Desktop Consumers: 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 vast majority of Opera´s desktop users are in the Russia/CIS region and in the emerging markets. Opera is particularly focused on growing users in regions where it already has a strong base of users, such as Russia.

Global Device Original Equipment Manufacturers (Device OEMs): 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.

(Numbers in MUSD)

Mobile Operator YTD numbers	**YTD 2013** (Unaudited)	**YTD 2012** (Unaudited)
NRE and M&S	**2.6**	2.1
Non cloud based license/data revenue	**0.3**	1.0
Cloud based license/data revenue	**42.7**	28.1
Total	**45.6**	31.2

(Numbers in MUSD)

Mobile Operator QTR numbers	**3Q 2013** (Unaudited)	**2Q 2013** (Unaudited)	**1Q 2013** (Unaudited)	**4Q 2012** (Unaudited)	**3Q 2012** (Unaudited)
NRE and M&S	**0.9**	0.8	0.8	0.4	0.5
Non cloud based license/data revenue	**0.1**	0.2	0.0	0.1	0.2
Cloud based license/data revenue	**16.1**	14.8	11.8	10.0	9.8
Total	**17.1**	15.9	12.7	10.5	10.4

(Numbers in MUSD)

Device OEMs YTD numbers	**YTD 2013** (Unaudited)	**YTD 2012** (Unaudited)
NRE and M&S	**5.1**	**7.3**
Licenses and active-user fees	**9.9**	**12.0**
Total	**15.0**	**19.4**

(Numbers in MUSD)

Device OEMs QTR numbers	**3Q 2013** (Unaudited)	**2Q 2013** (Unaudited)	**1Q 2013** (Unaudited)	**4Q 2012** (Unaudited)	**3Q 2012** (Unaudited)
NRE and M&S	**1.7**	1.5	1.9	2.0	2.4
Licenses and active-user fees	**5.1**	1.4	3.5	6.8	1.8
Total	**6.8**	2.8	5.4	8.8	4.2

In million subscribers

Total Opera mobile browser users Operator and co-branded*	(Unaudited)
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
October 2011	21.5
November 2011	23.9
December 2011	26.7
January 2012	29.4
February 2012	29.5
March 2012	31.1
April 2012	36.9
May 2012	38.7
June 2012	39.8
July 2012	41.2
August 2012	42.0
September 2012	41.7
October 2012	45.8
November 2012	48.8
December 2012	53.7
January 2013	60.3
February 2013	59.8
March 2013	66.7
April 2013	68.2
May 2013	74.4
June 2013	77.7
July 2013	**83.3**
August 2013	**86.3**
September 2013	**86.2**

**Includes Skyfire Horizon users.*

In million subscribers

Total Opera mobile browser users State of the Mobile Web*	(Unaudited)
January 2010	51.8
February 2010	52.8
March 2010	57.8
April 2010	62.3
May 2010	65.3
June 2010	64.7
July 2010	70.1
August 2010	76.7
September 2010	84.7
October 2010	92.2
November 2010	98.3
December 2010	105.9
January 2011	111.0
February 2011	110.4
March 2011	123.4
April 2011	128.3
May 2011	134.8
June 2011	136.2
July 2011	143.2
August 2011	149.7
September 2011	153.0
October 2011	161.9
November 2011	166.6
December 2011	175.9
January 2012	182.8
February 2012	183.7
March 2012	193.0
April 2012	189.6
May 2012	196.2
June 2012	200.4
July 2012	205.8
August 2012	209.9
September 2012	207.2
October 2012	215.4
November 2012	215.9
December 2012	229.2
January 2013	237.3
February 2013	228.5
March 2013	249.0
April 2013	246.6
May 2013	254.8
June 2013	251.4
July 2013	**259.6**
August 2013	**264.5**
September 2013	**261.6**

**Include Opera and operator hosted Mini users as well as Opera Mobile and Skyfire browser users. Please also see: http://www.opera.com/smw/.*

In million users

Monthly Desktop users (last month of quarter)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)	4Q 2012 (Unaudited)	3Q 2012 (Unaudited)
Total	**51**	52	55	55	55