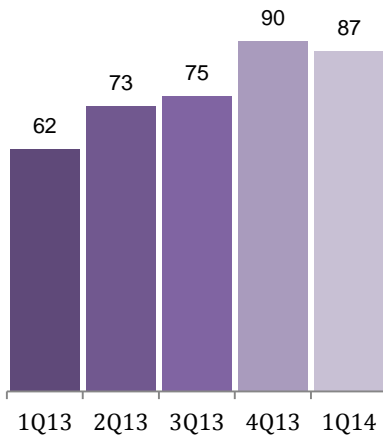




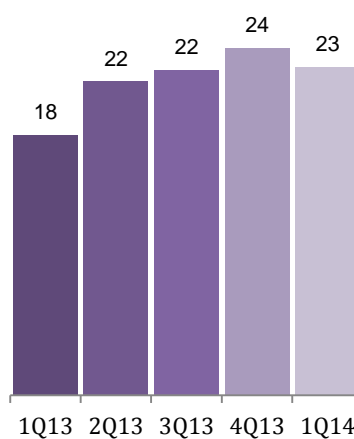
Quarterly Report

1Q 2014

Revenue (MUSD)



Adjusted EBITDA (MUSD)



Revenue growth of:

40%

HIGHLIGHTS

- Revenue growth of 40%
- Strong revenue and adjusted EBITDA
- Strong revenue growth from Mobile Operators, Mobile Consumers, and Mobile Publishers and Advertisers

Opera Quarterly Report 1Q14

Revenue was MUSD 87.0 in 1Q14, up from MUSD 62.0 in 1Q13, an increase of 40%. Adjusted EBITDA, excluding one-time extraordinary costs, was MUSD 22.7 in 1Q14 compared to MUSD 18.4 in 1Q13. EBIT, excluding one-time extraordinary costs, was MUSD 14.9 in 1Q14 compared to MUSD 14.3 in 1Q13. EBIT, including one-time extraordinary costs, was MUSD 13.6 in 1Q14 compared to MUSD 12.8 in 1Q13.

OPERATIONAL HIGHLIGHTS

Mobile Operators

- Operator cloud based license/data revenue of MUSD 17.5 in 1Q14, up 48% versus 1Q13
- Operator active users (Opera Mini and Skyfire's Horizon service) reached 112.0 million by the end of 1Q14, up 68% versus the end of 1Q13

Mobile Consumers (Opera Owned and Operated Properties)

- Total Opera mobile consumer users reached 273.9 million at the end of 1Q14, up 10% versus the end of 1Q13
- Opera's Android users reached 94.4 million at the end of 1Q14, up 78% versus the end of 1Q13
- Total of 29.5 billion ad requests were generated from Opera's owned and operated properties, an increase of 74% from 1Q13
- Opera introduced and launched Opera Max, a free and easy-to-use data savings app that compresses data across applications on mobile devices
- Signed an agreement with a major internet company for Skyfire's Rocket Optimizer Solution, comprised of the Video Controller and the Video Optimizer

Mobile Publishers & Advertisers (Opera Publisher Partner Members)

- Revenue reached MUSD 31.7 million in 1Q14, up 72% compared to 1Q13
- Total mobile advertising impressions managed (including O&O) was 187 billion in 1Q14, up 23.5% compared to 1Q13
- Announced a substantial expansion of its presence in Latin America with the acquisition of Hunt Mobile Ads

Desktop Consumers

- Desktop users reached 51 million by the end of 1Q14, down 7% versus the end of 1Q13.

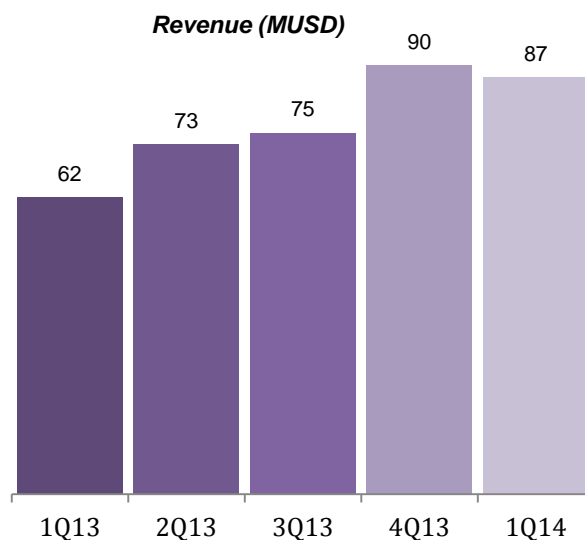
Device OEMs

- Multiple Connected TV wins including Bang & Olufsen (Denmark) and Skyworth (China)

FINANCIAL HIGHLIGHTS

Revenue

Revenue in 1Q14 was MUSD 87.0, up 40% from 1Q13, when revenue was MUSD 62.0.



Operating costs

Total operating costs, excluding one-time extraordinary costs, were MUSD 72.2 in 1Q14 compared to MUSD 47.7 in 1Q13, an increase of 51%.

Payroll and related expenses

Total payroll and related expenses, excluding stock-based compensation expenses, were MUSD 31.7 in 1Q14 compared to MUSD 23.9 in 1Q13, an increase of 33%. Payroll and related expenses increased in 1Q14 versus 1Q13 due to headcount growth and higher payroll costs per employee.

Stock-based compensation expenses

Total stock-based compensation expenses for 1Q14 were MUSD 1.1 compared to MUSD 0.9 in 1Q13.

Depreciation and amortization

Depreciation and amortization expenses in 1Q14 were MUSD 6.7 compared to MUSD 3.2 in 1Q13, an increase of 110%. 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 research and development costs.

Cost of goods sold

Cost of goods sold in 1Q14 was MUSD 16.1 compared to MUSD 8.9 in 1Q13, an increase of 81%. Cost of goods sold expenses increased in 1Q14 versus 1Q13 due to higher publisher payout costs related to higher revenue from our Mobile Publisher and Advertiser business.

Other operating expenses

Other operating expenses in 1Q14 were MUSD 16.6 compared to MUSD 10.9 in 1Q13, an increase of 52%. Other operating expenses increased in 1Q14 versus 1Q13 primarily due to higher marketing, travel and hosting costs.

One-Time Extraordinary Cost

In 1Q14, Opera recorded restructuring charges of MUSD 1.3 related to a strategic cost reduction that will better align costs with revenues and legal fees related to business combinations.

Non-IFRS EBITDA ("Adjusted EBITDA") and EBIT

EBITDA, excluding stock-based compensation expenses and one-time extraordinary costs, was MUSD 22.7 compared with MUSD 18.4 in 1Q13. EBITDA, excluding one-time extraordinary costs, was MUSD 21.6 in 1Q14 compared with MUSD 17.5 in 1Q13. EBIT, excluding one-time extraordinary costs, was MUSD 14.9 in 1Q14 compared to MUSD 14.3 in 1Q13. EBIT, including one-time extraordinary costs, was MUSD 13.6 in 1Q14 compared to MUSD 12.8 in 1Q13.

Interest income and FX gains/ (losses)

Net interest income was MUSD 0.4 in 1Q14 compared to MUSD 0.0 in 1Q13. Opera had a foreign exchange loss of MUSD 1.4 in 1Q14 compared with a gain of MUSD 2.7 in 1Q13.

Profit for the period

1Q14 IFRS Net Income was MUSD 2.5 compared to MUSD 3.6 in 1Q13. Non-IFRS 1Q14 Net Income was MUSD 14.3 compared to MUSD 14.6 in 1Q13. The Company's non-IFRS Net Income 1Q14 excludes the effects of MUSD 1.1 in non-cash stock-based compensation expenses, MUSD 1.3 in one-time extraordinary costs and MUSD 9.6 in acquisition related adjustments.

EPS and fully diluted EPS were USD 0.019 and USD 0.018, respectively, in 1Q14, compared to USD 0.030 and USD 0.029, respectively, in 1Q13. Non-IFRS EPS and fully diluted Non-IFRS EPS were USD 0.108 and USD 0.105, respectively, in 1Q14, compared to USD 0.122 and USD 0.120,

respectively, in 1Q13.

Liquidity and capital resources

The Company's net cash flow from operating activities was MUSD 15.4 in 1Q14 compared to MUSD 3.4 in 1Q13. 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, investment in Opera's Joint Venture in China and earn out payments. Capital expenditures, which are primarily related to Opera's hosting operations, were MUSD 1.6 in 1Q14 versus MUSD 2.5 in 1Q13.

Cash

Cash and cash equivalents at the end of 1Q14 were MUSD 143.0 compared to MUSD 53.6 in 1Q13.

In 1Q13, the Company signed a MUSD 100 secured revolving credit facility with DNB Bank ASA, of which MUSD 60.0 has been drawn as of the end of 1Q14.

Organization

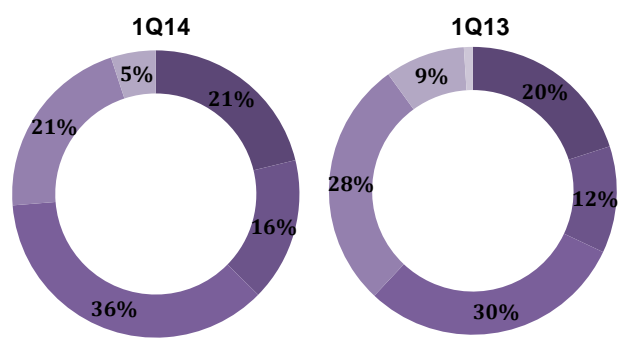
At the end of 1Q14, the Company had 1,154 full-time employees and equivalents compared to 938 at the end of 1Q13.

REVENUE OVERVIEW

About

Opera's cloud based consumer products and services enable more than 350 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 and publishers monetize their content and services. 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)



- Mobile Operators
- Mobile Consumers
- Mobile Publishers and Advertisers
- Desktop Consumers
- Device OEMs
- Other

Summary

Revenue was MUSD 87.0 in 1Q14 compared to MUSD 62.0 in 1Q13, an increase of 40%.

Customer Type (MUSD)	1Q14	1Q13
Mobile Operators	18.6	12.7
Mobile Consumers (Opera Owned and Operated properties)	13.7	7.5
Mobile Publishers and Advertisers (Opera Publisher Partner Members)	31.7	18.4
Desktop Consumers	18.5	17.5
Device OEMs	4.3	5.4
Other	0.2	0.6
Total Revenue	87.0	62.0

Compared to 1Q13, 1Q14 saw strong revenue growth from Mobile Operators, Mobile Consumers (Owned and Operated Properties) and Mobile Publishers and Advertisers (Opera Publisher Partner Members), a slight increase in revenue from Desktop and a decrease in revenue from Device OEMs.

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 68% to MUSD 63.0 in 1Q14, compared to MUSD 37.6 in 1Q13

In the quarter, Mobile Publishers and Advertisers (Opera Publisher Partner Members) was the largest source of revenue (MUSD 31.7 in Revenue and 36% of Revenue), followed by Mobile Operators (MUSD 18.6 in Revenue and 21% of Revenue), Desktop Consumers (MUSD 18.5 in Revenue and 21% of Revenue), Mobile Consumers (MUSD 13.7 in Revenue and 16% of Revenue) and Device OEMs (MUSD 4.3 in Revenue and 5% of Revenue).

Revenue from Operators increased by 47% in 1Q14 versus 1Q13. Operator cloud based license/data revenue increased by 48% to MUSD 17.5 in 1Q14 compared to MUSD 11.8 in 1Q13, fueled by both user growth and revenue from Skyfire's Rocket Optimizer and Horizon cloud based services.

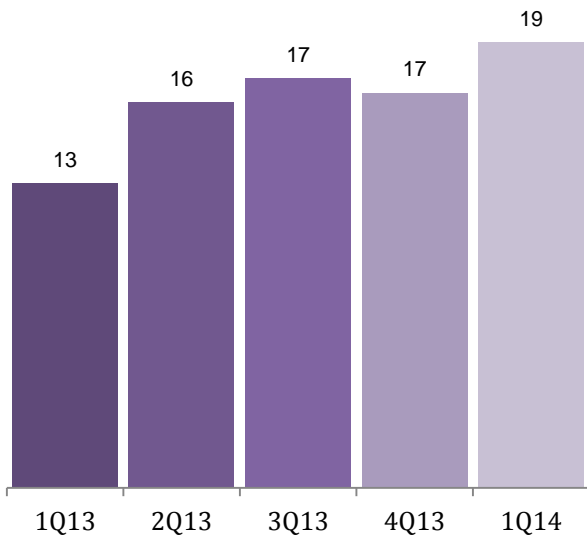
Mobile Consumer (Opera Owned & Operated properties) revenue was up 84% compared to 1Q13, with revenue driven primarily by licensing revenue, including the licensing of the Rocket Optimizer video/media optimization technology to a major Internet company (note that this revenue was split 50%/50% between the Mobile Consumer and Desktop Consumer customer types), and mobile advertising related to Opera's owned and operated properties.

Mobile Publisher and Advertiser (Opera Publisher Partner Members) revenue grew 72% compared to 1Q13. Revenue growth was driven primarily by increased revenue from premium and performance advertisers and "app-install" driven spend from primarily the mobile gaming sector.

Revenue from Desktop increased by 6% in 1Q14 versus 1Q13, with lower search revenue offset by higher licensing revenue, including the licensing of the Rocket Optimizer video/media optimization technology to a major Internet company.

Device OEM revenue was down 20% compared to 1Q13, driven by lower license revenue from our Connected TV customers in particular.

Mobile Operators (MUSD)



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, with video alone expected to comprise close to 70% of total mobile data traffic by 2017.

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.

A key element of Opera’s revenue growth plan with Operators is the Rocket Optimizer™ mobile video/media optimization solution, which can detect when specific users are facing poor network connections and then intervene in

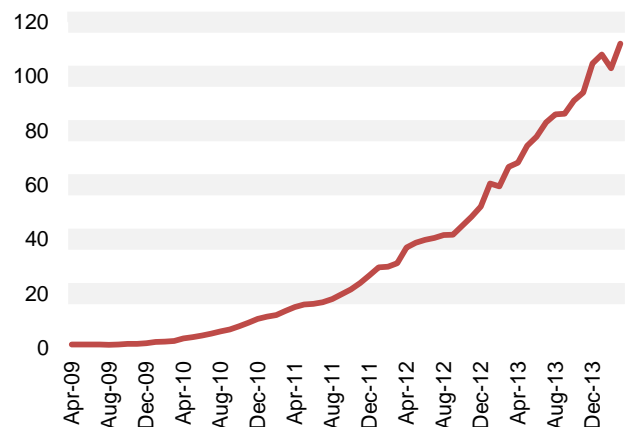
milliseconds to improve network quality and performance for that user. Rocket Optimizer™ can minimize long start times, rebuffering, and stalls on video and audio streams that frustrate mobile users around the world. The Rocket Optimizer™ solution provides operators with an instant 60% boost in bandwidth capacity across smartphones, tablets and laptops on 3G and 4G LTE networks. Its flexible cloud architecture and intelligent traffic steering dramatically reduce an operator’s total cost of ownership, in comparison with the cost of legacy in-line hardware solutions.

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 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. 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 1Q14, Opera had active agreements with 53 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 the global mobile operator Telenor and three large U.S. mobile operators as customers, with three customers for its Rocket Optimizer™ solution and two customers for its Skyfire Horizon™ solution.

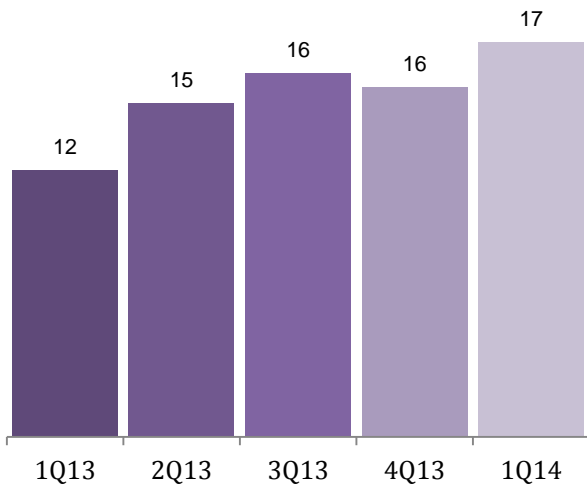
During the quarter, Opera continued to see strong growth in the number of Operator Opera Mini users from its existing agreements, notably from such customers as Airtel, MTN, Telenor, Vimpelcom and Vodafone; the active user figures also include Skyfire Horizon active users from two major US operators. At the end of March 2014, the total number of Opera Mini and Horizon active users with Operators grew to 112.0 million, an increase of 68% versus the end of March 2013.

Mobile Operator Active Users (million)



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 MUS\$ 17.5 in 1Q14 compared to MUS\$ 11.8 in 1Q13, an increase of 48%.

Cloud Based Mobile Operator Data /Licence Revenue (MUSD)



In 1Q14, Opera announced that it had expanded its mobile internet partnership with VimpelCom, where more than 10 million VimpelCom subscribers are enjoying the mobile internet through an Opera Mini-VimpelCom co-branded browser experience. Through an extension of the existing Global Framework Agreement (GFA), VimpelCom subsidiaries can opt into the entire Opera portfolio of products for monetization and optimization of mobile data, including such existing products as Opera Web Pass, Rocket Optimizer, Horizon, and Opera Max, which was introduced in 1Q14.

In 1Q14, Opera announced a partnership with one of Brazil's largest telecom operators, Oi, to bring the Opera Mini mobile browser to Oi subscribers all over Brazil. A customized version of Opera Mini will be available as a free download for Oi's entire 50 million subscriber base. Existing Opera Mini users on Oi's service will automatically be upgraded to the customized version of Opera Mini, which will give users quick access to Oi's data plans and other services.

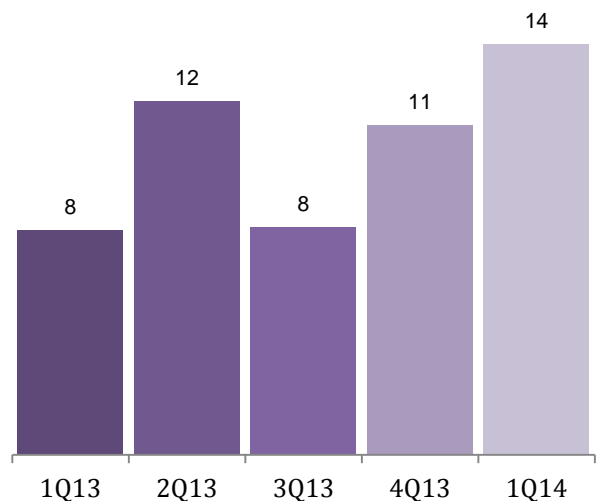
In 1Q14, Opera added Vodafone (India), Idea Cellular (India) and Telkomsel (Indonesia) to the growing list of operators launching Opera Web Pass, a solution that allows operators to offer users easier access to their mobile internet services. With Opera Web Pass, operators are able to offer various data-access services, such as one-day access to the full web or one-hour access to certain social networks. This time-based internet access can be conveniently purchased directly within the browser and the solution makes it easier for users to keep track of their data usage. For operators, Opera Web Pass lowers the barriers to entry for those subscribers wanting to go online without regular data plans.

During the quarter, Opera announced Sponsored Web

Pass, a breakthrough in bringing easy-to-understand, zero-risk mobile internet packages to consumers around the world. With Sponsored Web Pass, operators are able to facilitate advertisers sponsoring free Internet browsing for its subscriber base. A subscriber just needs to watch a short advertisement from the sponsor before continuing to browse for the sponsored duration, much like a user views advertisements as part of watching a TV program for free. When the Sponsored Web Pass expires, users are given the option of continuing to browse via a paid Web Pass purchase or via a Sponsored Web Pass from another advertising sponsor. Opera's Sponsored Web Pass allows operators to increase their revenues from data services by opening up advertisers as a source of revenue

Mobile Consumers – Opera Owned and Operated Properties

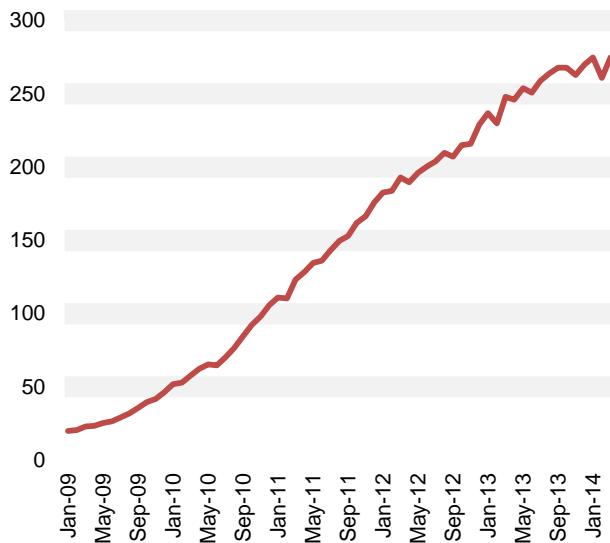
Mobile Consumer Revenue (MUSD)



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 1Q14, an increase of more than 60% compared to 1Q13.

Opera continues to maintain its position as a global leading mobile consumer company. In March 2014, 273.9 million unique users worldwide browsed the Web using Opera's mobile consumer products.

Active Monthly Opera Mobile Consumer Users (million)



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 key 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 50% 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 a significant focus on growing its user base on Android, both via Opera Mini and Opera for Android, Opera's high end smartphone browser. In March 2014, the number of Opera users on Android reached 94.4 million, up 78% versus 1Q13. This makes Opera one of the leading third party browser applications on the Android platform.

In 1Q14, Opera introduced and launched Opera Max, a free and easy-to-use data savings app that compresses data across applications on mobile devices – including video, text and images. Opera Max is a free application that allows users to get up to 50% more from their existing data plan, as well as more control over their data usage. Opera Max is particularly effective with video and image-heavy apps such as Vine, Instagram, Vevo and Flipboard. For example, if a consumer pays \$40 a month for a 1GB data plan, using Opera Max on his/her

smartphone allows him/her to consume up to 1.5 GB per month for the same cost.

Once Opera Max is downloaded, it instantaneously starts compressing and rerouting data using a Virtual Private Network (VPN) to the data-savings cloud. All non-encrypted data requests (excluding websites and apps with HTTPS connections) are sent through Opera's compression servers, which optimize video, images and websites to use less data. Opera Max also gives consumers visibility of data usage by application, which empowers users to prevent large data charges, particularly in roaming situations. Users can also easily block any app from using mobile data and restrict it to using Wi-Fi only.

Opera Max beta rolled out to Android users in the United States and Europe in 1Q14 and will be launched in other regions worldwide later in 2014.

During the quarter, Opera announced that the Opera browser will be pre-installed on the on the Nokia X software platform. Nokia models launching with Opera pre-installed on the Nokia X software platform include the devices Nokia X, Nokia X+ and Nokia XL.

In 1Q14, Opera signed an agreement with a major internet company for Skyfire's Rocket Optimizer Solution, comprised of the Video Controller and the Video Optimizer. Note that revenue generated from this agreement is split 50%/50% between Mobile Consumers and Desktop Consumers, as this technology is expected to be deployed for the major Internet company's mobile and desktop products. This agreement is a further verification of the Skyfire technology and highlights the potential use cases beyond Opera's own products and as a service to mobile operators.

In 1Q14, Opera announced that the Opera Mobile Store garnered 105 million monthly users and currently offers more than 200,000 mobile apps and games across most mobile platforms, including Android, Java, BlackBerry, Symbian and iOS. In early 2014, the app store also got a completely redesigned storefront, generating much higher conversion rates of visitors who ended up downloading and using apps. The Opera Mobile Store has proved to be an effective mobile-content distribution platform in several of the world's fastest-growing mobile markets, including India, Russia, Brazil, Indonesia and South Africa.

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 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.

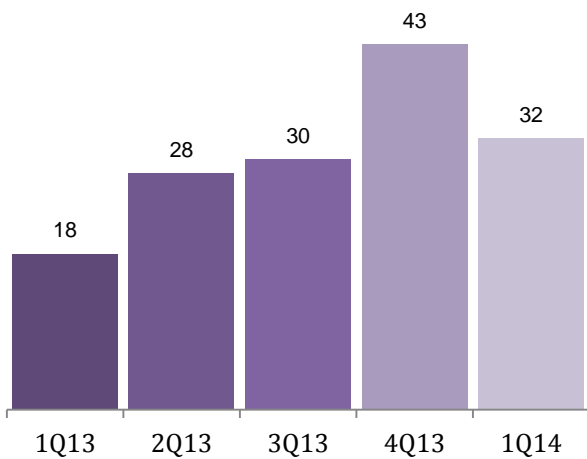
Illustrating increasing usage of and engagement with Opera mobile consumer products, during the quarter, a total of 29.5 billion ad requests were generated from Opera's owned and operated properties, an increase of 74% from 1Q13.

In addition, during the quarter, the number of application downloads from the Opera Mobile Store in 1Q14 reached 140 million, up 61% compared to 1Q13. Moreover, the number of Opera users of the Smartpage and Discover page increased to 58.6 million users by the end of 1Q14, up from 33.5 million in 1Q13.

Ultimately, Opera has created a large and growing mobile audience, and as a result of Opera’s first-party user data, the Company has become an increasingly attractive channel for advertisers and app developers as they seek to reach the Company’s large and diverse audience base.

Mobile Publishers & Advertisers – Opera Publisher Partner Members

Mobile Publisher & Advertiser Revenue (Opera Publisher Partner Members)* (MUSD)



* 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 on mobile devices 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) the dramatic increase in smartphone users to over 1.5 billion entering 2014, with smartphone users spending significantly more time engaged with their mobile devices than feature phone users; (ii) reach and “anytime-anywhere” access to users – there are more than 5 billion mobile phone users

worldwide overall (compared to around 2 billion desktop users, for example); (iii) strong targeting characteristics – advertisers are able to glean meaningful amounts of aggregated information about mobile users, such as location, demographics and behavior; (iv) 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; (v) wider spread access to high speed wireless data networks, which enables the consumption of high quality and rich media and video content on mobile devices; and (vi) rapid increase in consumer time spent in smartphone mobile applications in particular, as developers have been able to deliver highly intuitive, engaging and personalized content experiences “in-app”, 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 brand and performance advertisers, ad agencies, publishers and application 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, Opera is able to offer premium brand mobile advertisers the ability to build their brands and engage with consumers by offering creative services, sophisticated audience 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 banner display ads, interactive rich media and video ads and native advertising.

Under the Opera Response brand, Opera is able to provide performance advertisers with comprehensive tools to better reach their target audience and acquire new customers. Opera Response facilitates real-time targeting, real-time bidding (RTB) and real-time reporting on mobile ad campaigns. Overall, Opera Response helps performance advertisers and application developers with “cost per action” (CPA) campaigns, such as campaigns to secure customer sign-ups, leads and application downloads.

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 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 120 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.

Via the Opera Mediaworks Ad Exchange (OMAX), Opera offers a real-time bidding (RTB) platform that brings advertisers, ad networks and agencies together with mobile publishers and app developers for an efficient, automated media buying and selling experience. Through OMAX 2.0, publishers now have access to several new demand-side platforms (DSPs), facilitated by new audience segmentation and expanded targeting capabilities, designed to improve monetization of publisher properties. Publisher customers can also choose the option of setting up private marketplaces for their inventory with "programmatic direct" on OMAX. This brings in diverse demand sources while still maintaining publisher control.

Building on a legacy as a trusted partner for the management of a publisher's private data, Opera also offers a cooperative DMP solution. Here, publishers can opt-in, consistent with their privacy policies, to share non-personally identifiable information about their consumers to improve ad targeting capabilities and drive better monetization. This helps publishers pool their data to provide better targeting and advertisers to more easily identify and reach their target consumer.

In 1Q14, Opera announced a substantial expansion of its presence in Latin America with the acquisition of a team spanning multiple countries (Argentina, Brazil, Columbia, Costa Rica, and Mexico) to service the regional needs of advertisers and publishers. The team that joined Opera has formerly operated independently as Hunt Mobile Ads. This expansion will allow Opera's Mobile Publisher and Advertiser business to meet the growing demand for mobile ad inventory and impressions in one of the fastest-growing mobile markets in the world. Latin America represents a market of over 600 million consumers that are rapidly adopting the mobile internet and smartphones. Opera has a long-standing understanding and grasp of the mobile market in Latin America through its mobile browsers. Over 50 million of the 270 million mobile consumers that use Opera's mobile browsers are based in Latin America, with an exploding growth in ad impressions expected in 2014.

Overall, Opera's USA based mobile advertising subsidiary works directly and indirectly with 23 of the top 25 Ad Age Global Advertisers. In addition, Opera powers advertising for 17 of the top 25 Global Media companies with over 64B monthly ad impressions under management.

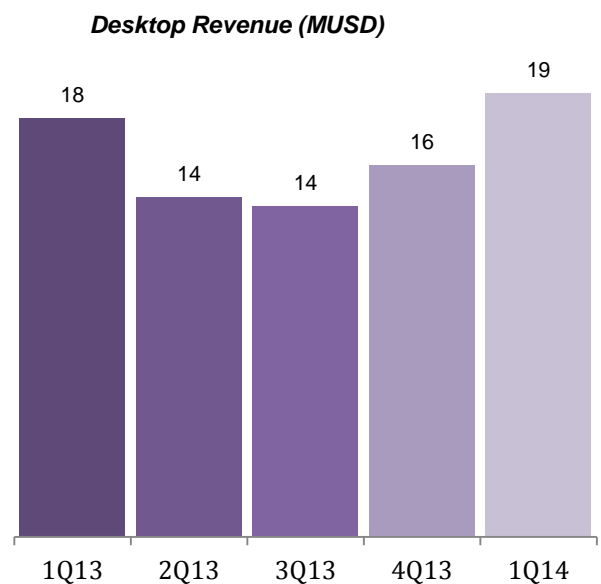
Reflecting its strongly differentiated value proposition for brand advertisers, Opera's Mobile Publisher and Advertiser business ran a record number of campaigns in 1Q14, attracting category leading brands and advertisers such as Audi, Coca Cola, eBay, Dominos-Pizza, Kellogg's, McDonalds, Old Navy, Samsung, Snickers, Sony and Wells Fargo, as well as performance advertisers such as King.com and Netspend.

In the quarter, Opera revenue in the Mobile Publisher and Advertiser business (Opera Publisher Partner Members) grew to MUSD 31.7, up 72% compared to 1Q13. Revenue in 1Q14 compared to 1Q13 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 1Q14, the number of applications and websites powered by Opera Mediaworks grew to over 14,000, up from over 12,000 in 1Q13, and the number of advertising impressions managed grew to over 187 billion in 1Q14 compared to 151 billion in 1Q13, an increase of 23.5%. Opera's platform reach was over 500 million consumers (Opera Publisher Partner Members) in 1Q14, compared to 300 million consumers (Opera Publisher Partner Members) in 1Q13.

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 desktop-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, personalizable 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.

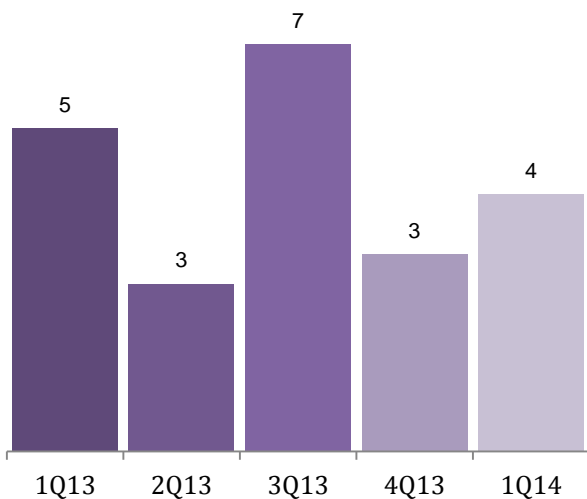
Opera's monetization strategy for its desktop browser revolves predominantly around search, which comes pre-configured on all of the Company's desktop versions. Google and Yandex are Opera's key strategic search partners and provide the majority of the Company's desktop monetization. These partnerships are supplemented by local search partnerships in certain markets, such as Japan, and China, where Opera works with, 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 1Q14, Opera signed an agreement with a major internet company for Skyfire's Rocket Optimizer Solution, comprised of the Video Controller and the Video Optimizer. Skyfire's Rocket Optimizer Solution was selected for use in several of the partner's current and future products. Note that revenue generated from this agreement is split 50%/50% between Mobile Consumers and Desktop Consumers, as this technology is expected to be deployed for the major Internet company's mobile and desktop products.

In March 2014, the number of Desktop users was approximately 51 million, down 7% versus 1Q13. Revenue was up 6% in the 1Q14 compared to 1Q13, with lower search revenue offset by higher licensing revenue, including the licensing of the Rocket Optimizer video/media optimization technology to a major Internet company.

Device OEMs

Device OEM Revenue (MUSD)



As device manufacturers and operators seek to enhance their relationships with and provide compelling

applications and services to their consumers, they are increasingly developing and deploying Internet-connected devices.

Traditionally, television has been referred to as a "lean back" medium, where interaction is passive. Today, television manufacturers and operators 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 and operators to differentiate, obtain premium pricing for their product and service 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 and operators are able to offer not only Web browsing capabilities and full Internet access to their 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 and operators are able to use their own (and third-party) developers to 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. The Opera TV Store, which contains hundreds of TV apps from popular content providers such as Vimeo, Facebook and Fashion TV, has already shipped on tens of millions of devices, including Internet TVs and Blu-ray Disc players. In addition, with innovative toolkits such as Opera TV Snap, brands and content owners can quickly repurpose their online video inventory into HTML5-based TV apps, at zero cost.

In 1Q14, Opera continued to add to its growing base of Connected TV customers by adding Bang & Olufsen (Denmark) and Skyworth (China). Danish electronics manufacturer Bang & Olufsen is now shipping the latest version of the Opera Devices Software Development Kit (SDK) on selected high-end connected TVs, bringing Bang & Olufsen viewers first-rate support for online video streaming services. The SDK powers the user interface of Bang & Olufsen's smart TVs, deploys HbbTV, and adds a unified video architecture for a simplified way to serve video content. It renders the popular web applications Spotify and BBC iPlayer, and enables content certifications for YouTube Leanback 4.0 so viewers can enjoy their favorite online clips on their TVs.

Skyworth, a leading global TV manufacturer based in China, announced that it has selected the full suite of Opera TV solutions to provide a complete, immersive Smart TV experience. After achieving No.1 domestic TV market share in China, Skyworth now has its eyes on the global Smart TV market by launching its new Smart TV

models powered by the Opera Devices Software Development Kit (SDK), along with the Opera TV Store and Opera TV browser to ensure viewers can get the most out of the web on their TV screens.

The Opera Devices SDK powers the web experience on tens of millions of devices made by over 50 customers, including Altech, Amino, Arris, Cisco, Humax, Samsung, Sharp, Sony, TCL, TiVo and Vestel. Opera's web products for Smart TV devices also include the Opera TV Store app platform and the Opera TV browser.

Outlook

Entering 2014, Opera remains positive about the Company's overall growth prospects, which is expected to be driven primarily by our mobile businesses going forward.

Within our mobile business, Opera continues to drive a compelling value proposition for operators, helping them increase data and services revenue streams and profitability. With the continued rollout of the cloud-based Rocket Optimizer™ solution and other smartphone-targeted products and services to the Company's existing and prospective customers, Opera expects to generate solid revenue growth from our operator business in 2014, compared to 2013.

Moreover, the Company continues to deliver a very compelling value proposition to our rapidly burgeoning mobile consumer base, providing a fast and data saving, and therefore cheaper, browsing experience. Opera's strategy is to capitalize on our over 270 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. Opera expects to generate solid revenue growth from our mobile-consumer user base in 2014, versus 2013, due to much larger mobile advertising revenue streams in particular from our owned and operated mobile properties, including the Smart Page and the Opera Mobile Store.

Within Opera's Mobile Publisher & Advertiser business (Opera Publisher Partner members), Opera expects to generate meaningfully more revenue from this business in 2014, compared to 2013, as Opera continues to ramp up revenue from brand and performance advertisers and application developers.

Opera's key operational priorities in 2014 include continuing to (i) sign operator agreements for Opera's existing and new products and services, including the Rocket Optimizer™ solution; (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, April 29, 2014
The Board of Directors
Opera Software ASA

Arve Johansen
Chairman
(sign.)

Lars Boilesen
CEO
(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)

	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	% Change	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)	% Change
Revenue	87.0	62.0	40%	87.0	62.0	40%
Total operating revenue	87.0	62.0	40%	87.0	62.0	40%
Cost of goods sold	16.1	8.9	81%	16.1	8.9	81%
Payroll and related expenses, excluding stock option costs	31.7	23.9	33%	31.7	23.9	33%
Stock-based compensation expenses	1.1	0.9	19%	1.1	0.9	19%
Depreciation expenses	6.7	3.2	110%	6.7	3.2	110%
Other operating expenses	16.6	10.9	52%	16.6	10.9	52%
Total operating expenses	72.2	47.7	51%	72.2	47.7	51%
Results from operating activities ("EBIT"), excl. restructuring costs	14.9	14.3		14.9	14.3	
Costs for restructuring the business	1.3	1.5		1.3	1.5	
Results from operating activities ("EBIT")	13.6	12.8		13.6	12.8	
Other interest income/expense, net	0.4	0.0		0.4	0.0	
Interest expense related to contingent consideration	(3.7)	(4.3)		(3.7)	(4.3)	
FX gains/losses related to contingent consideration, net	0.9	(3.1)		0.9	(3.1)	
Other FX gains/losses, net (negative amount = losses)	(1.4)	2.7		(1.4)	2.7	
Revaluation of contingent consideration	(4.8)	0.2		(4.8)	0.2	
Share of the profit/loss of associates accounted for using the equity method	0.0	(1.1)		0.0	(1.1)	
Profit before income tax	5.1	7.3		5.1	7.3	
Provision for taxes*	2.6	3.7		2.6	3.7	
Profit for the period	2.5	3.6		2.5	3.6	
Foreign currency translation differences for foreign operations	1.0	(1.0)		1.0	(1.0)	
Total comprehensive income for the period	3.4	2.6		3.4	2.6	
Earnings per share:						
Basic earnings per share (USD)**	0.019	0.030		0.019	0.030	
Diluted earnings per share (USD)**	0.018	0.029		0.018	0.029	
Shares used in earnings per share calculation	132,529,426	119,839,233		132,348,364	119,839,233	
Shares used in earnings per share calculation, fully diluted	136,242,763	122,151,631		136,061,700	122,151,631	
Number of employees	1,154	938		1,154	938	

*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)

	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
IFRS Profit for the period	2.5	3.6	2.5	3.6
Non-cash stock-based compensation	1.1	0.9	1.1	0.9
Acquisition-related adjustment - depreciation of acquired intangible assets	2.2	0.7	2.2	0.7
Items excluded from operating expenses	3.3	1.6	3.3	1.6
Non-operations related costs	1.3	1.5	1.3	1.5
Items excluded from costs for restructuring the business	1.3	1.5	1.3	1.5
Acquisition-related adjustment - non-cash interest expense, net	3.7	4.3	3.7	4.3
Acquisition-related adjustment - non-cash FX gains/losses, net	(0.9)	3.1	(0.9)	3.1
Gain/losses on non-controlling strategic equity interest	0.0	1.1	0.0	1.1
Acquisition-related adjustment - other non-cash items, net	4.8	(0.2)	4.8	(0.2)
Items excluded from finance costs	7.6	8.3	7.6	8.3
Acquisition-related adjustment - non-cash income taxes	(0.2)	(0.3)	(0.2)	(0.3)
Items excluded from provision for taxes*	(0.2)	(0.3)	(0.2)	(0.3)
Non-IFRS Profit for the period***	14.3	14.6	14.3	14.6
Basic earnings per share (USD)**	0.108	0.122	0.108	0.122
Diluted earnings per share (USD)**	0.105	0.120	0.105	0.120

*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 Cash Flows

(Numbers in MUSD)

	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
Cash flow from operating activities				
Profit/loss before taxes	5.1	7.3	5.1	7.3
Taxes paid	(9.6)	(2.4)	(9.6)	(2.4)
Depreciation expenses	6.7	3.2	6.7	3.2
Profit/loss from sales of property, plant, and equipment	0.2	0.0	0.2	0.0
Impairment of intangible assets	0.0	0.0	0.0	0.0
Changes in accounts receivable **	1.3	(6.0)	1.3	(6.0)
Changes in accounts payable	(8.5)	(4.4)	(8.5)	(4.4)
Changes in other liabilities and receivables, net	9.9	(0.7)	9.9	(0.7)
Equity method accounting for associate companies	0.0	1.6	0.0	1.6
Share-based remuneration	1.0	0.8	1.0	0.8
Interest and FX related to contingent payment */***	7.6	7.1	7.6	7.1
Conversion discrepancy	1.8	(3.2)	1.8	(3.2)
Net cash flow from operating activities	15.4	3.4	15.4	3.4
Cash flow from investment activities				
Capital expenditures	(1.6)	(2.5)	(1.6)	(2.5)
Investment in R&D ****	(3.1)	(2.4)	(3.1)	(2.4)
Acquisitions ***	(29.9)	(62.2)	(29.9)	(62.2)
Other investments*****	(2.6)	0.0	(2.6)	0.0
Net cash flow from investment activities	(37.2)	(67.2)	(37.2)	(67.2)
Cash flow from financing activities				
Proceeds from exercise of own shares (incentive program)	0.0	1.5	0.0	1.5
Proceeds of share issues, net (incentive program)	1.4	0.3	1.4	0.3
Proceeds of share issues, net (equity increase)	0.0	0.0	0.0	0.0
Proceeds from sale of shares	0.0	0.0	0.0	0.0
Proceeds from loans and borrowings	0.0	60.0	0.0	60.0
Payments of loans and borrowings	0.0	(1.6)	0.0	(1.6)
Dividends paid	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0
Net cash flow from financing activities	1.4	60.2	1.4	60.2
Net change in cash and cash equivalents	(20.4)	(3.6)	(20.4)	(3.6)
Cash and cash equivalents (beginning of period)	163.4	57.2	163.4	57.2
Cash and cash equivalents *****	143.0	53.6	143.0	53.6



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.

***In 1Q 2014, a cash payment of MUSD 2.5, for an immaterial transaction, has been included in acquisitions in the statement of cash flows. At the same time, a second payment of MUSD 2.5 was set in escrow and is to be released if certain financial targets are achieved. Net cash of MUSD 0.6, existing on the day of acquisition, has been netted in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2014, Opera paid the FY 2013 earnout payment of MUSD 31.3 related to the Mobile Theory acquisition deal. MUSD 7.0 of the 2013 earnout payment had no cash effect in 1Q 2014. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2014, Opera paid the FY 2013 earnout payment of MUSD 4.8 and released and escrow payment of MUSD 1.0 related to the 4th Screen Advertising acquisition deal. The escrow release payment had no cash effect in 1Q 2014. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2014, Opera paid the FY 2013 earnout payment of MUSD 1.4 related to an immaterial acquisition. The payment has been included in acquisitions in the statement of cash flows. Please see note 10 for more information.

In 1Q 2014, the escrow agent repaid MUSD 5.0 of the indemnity escrow fund to Opera as Skyfire Labs did not meet the performance targets related to the escrow.

****In 1Q 2014, MUSD 3.1 (YTD: 3.1) of Opera's investment in product development was capitalized in the consolidated statement of financial position.

*****In 1Q 2014, Opera granted nHorizon Innovation a loan of MUSD 2.3 together with a minor loan to a third party of MUSD 0.3. Please see note 11 for more information.

*****As of March 31, 2014, the conversion discrepancy profit booked on cash and cash equivalents was MUSD 0.8.

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



Consolidated Statement of Financial Position

(Numbers in MUSD)

	3/31/2014 (Unaudited)	3/31/2013 (Unaudited)	12/31/2013 (Audited)
Assets			
Non-current assets			
Goodwill	155.2	153.9	149.5
Other intangible assets	47.5	46.7	46.6
Total intangible assets	202.6	200.6	196.2
Property, plant, and equipment			
Office machinery, equipment, etc.	14.8	14.4	15.4
Total property, plant, and equipment	14.8	14.4	15.4
Financial assets and deferred tax assets			
Deferred tax assets	22.7	0.0	23.6
Other investments and deposits	7.6	1.9	5.0
Total financial assets and deferred tax assets	30.3	1.9	28.6
Total non-current assets	247.6	216.9	240.1
Current assets			
Trade and other receivables			
Accounts receivable	59.9	41.4	61.5
Unbilled revenue	34.1	29.3	32.4
Other receivables	22.1	41.3	35.6
Total trade and other receivables	116.1	112.0	129.5
Cash and cash equivalents	143.0	53.6	163.4
Total current assets	259.2	165.7	292.9
Total assets	506.8	382.6	533.0



Consolidated Statement of Financial Position

(Numbers in MUSD)

	3/31/2014 (Unaudited)	3/31/2013 (Unaudited)	12/31/2013 (Audited)
Shareholders' equity and liabilities			
Equity			
Paid in capital			
Share capital	0.4	0.4	0.4
Share premium reserve	187.9	91.6	184.2
Other reserves	20.0	16.9	18.9
Total paid in capital	208.3	108.9	203.6
Retained earnings			
Other equity	111.2	53.2	110.4
Total retained earnings	111.2	53.2	110.4
Total equity	319.5	162.0	314.0
Liabilities			
Non-current liabilities			
Deferred tax liability	0.0	2.6	0.0
Other long-term liabilities	60.1	60.2	60.1
Provisions	12.7	30.9	14.8
Total non-current liabilities	72.8	93.6	74.9
Current liabilities			
Accounts payable	14.3	17.2	22.2
Taxes payable	12.7	6.2	20.2
Social security, VAT, and other taxation payable	9.3	6.7	9.8
Deferred revenue	15.7	19.1	17.9
Option liability	0.0	0.2	0.0
Other short-term liabilities	39.4	19.8	29.1
Provisions	23.0	57.8	44.9
Total current liabilities	114.4	126.9	144.1
Total liabilities	187.3	220.5	219.0
Total equity and liabilities	506.8	382.6	533.0



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 12/31/2013	132.3	0.4	186.9	20.9	0.0	1.8	103.8	314.0
Comprehensive income for the period								
Profit for the period							2.5	2.5
Other comprehensive income								
Foreign currency translation differences						1.0		1.0
Total comprehensive income for the period		0.0	0.0	0.0	0.0	1.0	2.5	3.4
Contributions by and distributions to owners								
Dividend to equity holders								0.0
Issue of ordinary shares related to business combinations								0.0
Issue of ordinary shares related to the incentive program	0.3	0.0	1.4					1.4
Issue of ordinary shares related to equity increase								0.0
Own shares acquired								0.0
Own shares sold								0.0
Tax deduction on equity bookings								0.0
Share-based payment transactions				1.0				1.0
Total contributions by and distributions to owners	0.3	0.0	1.4	1.0	0.0	0.0	0.0	2.4
Other equity changes								
Other changes			-0.1				-0.1	-0.3
Total other equity changes		0.0	-0.1	0.0	0.0	0.0	-0.1	-0.3
Balance as of 03/31/2014	132.6	0.4	188.2	22.0	0.0	2.8	106.2	319.5

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 12/31/2012	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							3.6	3.6
Other comprehensive income								
Foreign currency translation differences						-1.0		-1.0
Total comprehensive income for the period		0.0	0.0	0.0	0.0	-1.0	3.6	2.6
Contributions by and distributions to owners								
Dividend to equity holders								0.0
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	0.1	0.0	0.3					0.3
Issue of ordinary shares related to equity increase								0.0
Own shares acquired								0.0
Own shares sold	0.3				0.0		1.5	1.5
Tax deduction on equity bookings								0.0
Share-based payment transactions				0.8				0.8
Total contributions by and distributions to owners	2.5	0.0	13.5	0.8	0.0	0.0	1.5	15.7
Other equity changes								
Other changes								0.0
Total other equity changes		0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance as of 03/31/2013	121.7	0.4	90.8	18.3	0.0	1.0	51.5	162.0

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 Holdings Ireland Limited, Opera Mediaworks Ireland Limited, Opera Software Ireland Limited, Opera Mediaworks Ad Exchange, Inc, Foriades Park SA, Hunt Mobile Ads Panamá Corp., Hunt Mobile Ads SA de CV, Hunt Mobile Ads aplicativos para internet Ltda, Huntmads SA, 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 March 31, 2014, Opera Software International AS had branches in Japan, 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, 2013.

Note 3 - Financial Statements - Accounting Policies

The consolidated financial statements of the Opera Group for 2013 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, 2013.

There were no new standards, interpretations or amendments to published standards that were effective from January 1, 2014 that have significantly affected the consolidated financial statements for the first quarter 2014.

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)

	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
Earnings per share (basic)	0.019	0.030	0.019	0.030
Earnings per share, fully diluted	0.018	0.029	0.018	0.029
Shares used in per share calculation	132,529,426	119,839,233	132,348,364	119,839,233
Shares used in per share calculation, fully diluted	136,242,763	122,151,631	136,061,700	122,151,631

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 1Q 2014, 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 258.7 (YTD: 258.7). 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 82.05 (YTD: 82.05) when calculating the fully diluted number of shares outstanding. Total options used in the calculations are 7,521,927 (YTD: 7,521,927), of which 6,183,677 (YTD: 6,183,677) options are unvested and 1,338,250 (YTD: 1,338,250) are vested but not yet exercised.

	1Q 2014	YTD 2014
Average number of shares	132,529,426	132,348,364
The following equity instruments have a diluting effect:		
Options	7,521,927	7,521,927
Total	7,521,927	7,521,927
Options	7,521,927	7,521,927
Number of shares purchased (MNOK 258.7/82.05 and MNOK 258.7/82.05)	3,153,296	3,153,296
Number of shares with diluting effect	4,368,631	4,368,631
Expected options to be exercised	3,713,336	3,713,336



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 2013 Annual Report.

Based on the above, Opera has determined that it has one segment. Please see note 1 in the FY 2013 Annual Report for a definition of products and services for each reportable segment.

(Numbers in MUSD)

REVENUE BY REGION	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
EMEA	38.0	24.7	38.0	24.7
Americas	41.8	30.4	41.8	30.4
Asia Pacific	7.2	6.8	7.2	6.8
Total	87.0	62.0	87.0	62.0

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 1Q 2014, Opera had sales to a customer that accounted for more than 10% of total Group revenues, and revenue attributed to customers domiciled in USA amounted to MUSD 40.7 (YTD: 40.7).

Revenues attributed to Norway for 1Q 2014 were MUSD 0.0 (YTD: 0.0), and revenue attributed to all foreign countries in total were MUSD 87.0 (YTD: 87.0).

(Numbers in MUSD)

NON-CURRENT ASSETS	3/31/2014 (Unaudited)	3/31/2013 (Unaudited)
Non-current assets located in Norway	28.5	10.0
Non-current assets located in foreign countries	196.5	206.9
Total	225.0	216.9

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 163.4 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	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
Publisher cost	16.1	8.9	16.1	8.9
License cost	0.0	0.0	0.0	0.0
Total	16.1	8.9	16.1	8.9

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	1Q 2014 (Unaudited)	1Q 2013 (Unaudited)	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
Licenses/royalties	31.2	20.2	31.2	20.2
Development fees	2.4	2.4	2.4	2.4
Maintenance, support, and hosting	2.3	2.1	2.3	2.1
Search	12.1	14.3	12.1	14.3
Advertising	38.4	22.6	38.4	22.6
Application and content	0.4	0.2	0.4	0.2
Subscription	0.2	0.3	0.2	0.3
Other revenue	0.0	0.0	0.0	0.0
Total	87.0	62.0	87.0	62.0

Please see note 1 in the FY 2013 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 1Q 2014, Opera purchased 0 (YTD: 0) shares and sold 0 (YTD: 339,500) own shares for MUSD 0.0 (YTD: 0.0). As of March 31, 2014, 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 1Q 2014, Opera issued 297,856 (YTD: 297,856) ordinary shares related to the incentive program, 0 (YTD: 0) of ordinary shares related to business combinations, and 0 (YTD: 0) of ordinary shares related to a equity increase.



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).

Dividends for 2013 of NOK 0.24 per share

The Board will propose to the Annual General Meeting to be held on June 4, 2014 that a dividend for 2013 of NOK 0.24 per share is paid out, representing an aggregate dividend payment of approximately MUSD 5.2.

Option programs

For information about the employee option program, please see note 3 in the FY 2013 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 USD and other currencies. In 1Q 2014, approximately 74% (YTD: 74%) of revenues were in USD, 16% (YTD: 16%) in EUR, 5% (YTD: 5%) in GBP, 2% (YTD: 2%) in CNY, and 3% (YTD: 3%) in other currencies; for expenses, approximately 65% (YTD: 65%) were in USD, 11% (YTD: 11%) in NOK, 5% (YTD: 5%) in SEK, 5% (YTD: 5%) in GBP, 5% (YTD: 5%) in PLN, 2% (YTD: 2%) in CNY, and 7% (YTD: 7%) in other currencies.

Foreign currency movements impacted Opera's 1Q 2014 income statement as follows:

Revenue would have been approximately MUSD 87.2 (higher by approximately 0%) using the 1Q 2013 constant currency FX rates and revenue would have been approximately MUSD 87.3 (higher by approximately 0%) using the 4Q 2013 constant currency FX rates. Costs would have been approximately MUSD 74.6 (higher by approximately 2%) using the 1Q 2013 constant currency FX rates and cost would have been approximately MUSD 73.0 (lower by approximately 1%) using the 4Q 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, BRL, UYU, MXN, ARS, EUR and INR. Exchange rate fluctuations in these currencies do impact Opera's income statement.

For 1Q 2014, Opera had a net foreign exchange loss of MUSD 0.5. MUSD 0.7 was realized foreign exchange loss and MUSD 0.2 was unrealized foreign exchange gain. The unrealized foreign exchange gain 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 March 31, 2014.



Note 8 - Financial Information (continued)**Fair values of financial assets and financial liabilities**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities (level 3 in the fair value hierarchy). It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Numbers in MUSD)

Carrying amount 3/31/2014

	Designated at fair value	Loans and receivables	Other Financial liabilities	Total
Financial assets not measured at fair value				
Other investments and deposits		7.6		7.6
Accounts receivable		59.9		59.9
Unbilled revenue		34.1		34.1
Cash and cash equivalents		143.0		143.0
Total financial assets not measured at fair value	0.0	244.6	0.0	244.6
Financial liabilities measured at fair value				
Provisions	35.8			35.8
Total financial liabilities measured at fair value	35.8	0.0	0.0	35.8
Financial liabilities not measured at fair value				
Secured bank loans			60.1	60.1
Accounts payable			14.3	14.3
Other short-term liabilities			39.4	39.4
Total financial liabilities not measured at fair value	0.0	0.0	113.8	113.8

For more information please see note 10.

(Numbers in MUSD)

Carrying amount 3/31/2013

	Designated at fair value	Loans and receivables	Other Financial liabilities	Total
Financial assets not measured at fair value				
Other investments and deposits		1.9		1.9
Accounts receivable		41.4		41.4
Unbilled revenue		29.3		29.3
Cash and cash equivalents		53.6		53.6
Total financial assets not measured at fair value	0.0	126.3	0.0	126.3
Financial liabilities measured at fair value				
Provisions	88.6			88.6
Total financial liabilities measured at fair value	88.6	0.0	0.0	88.6
Financial liabilities not measured at fair value				
Secured bank loans			60.0	60.0
Accounts payable			17.2	17.2
Other short-term liabilities			19.8	19.8
Total financial liabilities not measured at fair value	0.0	0.0	97.0	97.0



Note 9 - Business Combinations

Individually immaterial business combinations

From time to time, the Group acquires 100% of the shares/membership interest of one or several companies that individually are not seen as material transactions. These business combinations are material collectively, and the 2014 business combination numbers shown below are therefore disclosed in aggregate.

The aforementioned 2014 acquisitions have the following aggregated future obligations: \$5.0 million in potential cash earnout consideration (to be paid to the Sellers in 2015 and 2016 based on aggressive revenue and EBIT targets), plus additional potential limited consideration based on EBIT over-performance in 2015 and 2016.

The acquisition enables Opera Mediaworks to: (i) meet the growing demand for mobile ad inventory and impressions in one of the fastest-growing mobile markets in the world; (ii) better monetize Opera Mediaworks' existing Latin American inventory, including that of our 50 million mobile browser users in the region; and (iii) strengthen our publisher base targeted to Spanish speaking consumers in the US and elsewhere.

In 1Q 2014, 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*	1.6
Unbilled revenue	0.6
Other receivables	0.2
Cash and cash equivalents	0.6
Accounts payable	-1.9
Taxes payable	-0.2
Social security, VAT, and other taxation payable	-0.1
Other short-term liabilities	-0.2
Total net identifiable assets	0.6
Cash consideration	-2.5
Contingent consideration	-5.6
Excess value	-7.5
Related customer relationships	2.1
Deferred tax on excess values	-0.3
Goodwill	5.6

* MUSD 0.0 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 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 prices have been deemed to be related to these intangible assets.



Note 9 - Business Combinations (continued)

Opera calculated the fair value on the acquisition dates and booked a contingent consideration of MUSD 5.6 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 7-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
Sale of FastMail	-1.0
Goodwill at acquisition cost for immaterial transactions	14.4
FX adjustment to the goodwill acquisition cost	-0.1
Net book value as of 12/31/13	149.5
Goodwill at acquisition cost for immaterial transactions	5.6
FX adjustment to the goodwill acquisition cost	0.0
Net book value as of 3/31/14	155.2

The Group has performed a complete impairment test as of December 31, 2013 according to IAS 36. The Group considers it unnecessary to recognize an impairment loss concerning goodwill.



Note 10 - Contingent Liabilities and Provisions

Valuation techniques and significant unobservable inputs

Please see note 11 in the FY 2013 Annual Report for information regarding the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balance to the closing balances for Level 3 fair values.

Contingent consideration	
Balance as of 1/1/2013	28.8
Assumed in a business combination	54.7
Paid	-14.6
Finance cost	-5.5
Conversion discrepancy	-3.7
OCI	0.0
Balance as of 12/31/2013	59.7
Assumed in a business combination	5.6
Paid	-37.5
Finance cost	7.6
Conversion discrepancy	0.4
OCI	0.0
Balance as of 3/31/2014	35.8

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 contingent consideration is revalued each quarter, and MUSD 0.0 has been booked as a non-current provision and MUSD 0.4 as a current provision as of March 31, 2014. For 1Q 2014, Opera booked MUSD 0.2 (YTD 0.2) as an interest expense, MUSD 0.0 (YTD 0.0) 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.

In 1Q 2014, the escrow agent repaid MUSD 5.0 of the indemnity escrow fund to Opera as Skyfire Labs did not meet the performance targets related to the escrow.

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 3.0 has been booked as a non-current provision as of March 31, 2014. For 1Q 2014, Opera booked MUSD 0.2 (YTD: 0.2) as an interest expense and MUSD 0.0 (YTD 0.0) as change in likelihood. The weighted probability rates are estimated to change +/-10%.

(Numbers in MUSD)

Sensitivity analysis	Increase	Decrease
Annual revenue growth rate (10% movement)	2.6	4.8
EBIT margin (5% movement)	0.6	4.8



Note 10 - Contingent Liabilities and Provisions (continued)

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 30.4, at the acquisition date. Opera used a WACC between 17% 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 19.8 in the financial statements. At the acquisition date, Opera calculated the earnout value before discounting to be MUSD 8.7 in FY 2013, MUSD 9.6 in FY 2014, and MUSD 12.1 in FY 2015.

The contingent consideration is revalued each quarter, and MUSD 9.8 has been booked as a non-current provision and MUSD 22.6 as a current provision as of March 31, 2014. For 1Q 2014, Opera booked MUSD 1.5 (YTD: 1.5) as an interest expense, MUSD 0.0 (YTD: 0.0) as an FX income and MUSD 4.6 (YTD: 4.6) as change in likelihood. The weighted probability rates are estimated to change +/-10%. Please also see note 9 for more details.

In 1Q 2014, Opera paid the 2013 earnout of MUSD 1.4.

(Numbers in MUSD)

Sensitivity analysis	Increase	Decrease
Annual revenue growth rate (10% movement)	0.1	0.1
EBIT margin (5% movement)	0.6	4.0

Mobile Theory — Earnout agreement

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

In 1Q 2014, Opera booked MUSD 1.5 (YTD 1.5) as an interest expense, MUSD -0.7 (YTD -0.7) as an FX expense, MUSD -0.1 (YTD -0.1) as change in likelihood, and paid the 2013 earnout payment of MUSD 31.3. MUSD 7.0 of the 2013 earnout payment had no cash effect in 1Q 2014.

4th Screen Advertising — Earnout agreement

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

In 1Q 2014, Opera booked MUSD 0.2 (YTD 0.2) as an interest expense, MUSD -0.1 (YTD -0.1) as an FX expense, MUSD 0.3 (YTD 0.3) as change in likelihood, and paid the 2013 earnout payment of MUSD 4.8 and an escrow release payment of MUSD 1.0. The escrow release payment had no cash effect in 1Q 2014.



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	1Q 2014 (Unaudited)	YTD 2014 (Unaudited)
Revenue	3.4	3.4
EBIT	-6.2	-6.2
Net profit	-6.4	-6.4
Assets		12.0
Short term liabilities		23.5
Equity		-11.5

(Numbers in MUSD)

Investment in associate company

The investments in nHorizon Innovation are accounted for using the equity method. The total investment as of March 31, 2014 is MUSD 12.8; in addition Opera has paid a loan of MUSD 7.3. 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 March 31, 2014, 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, 2014)	0.0
Investment during the fiscal year	0.0
FX adjustment	0.0
Share of the profit/loss	0.0
Elimination portion of sale	0.0
Balance as of 3/31/2014	0.0



Note 12 - Liquidity Reserve/Credit Facility

(Numbers in MUSD)

LIQUIDITY RESERVE	3/31/2014	3/31/2013
	(Unaudited)	(Unaudited)
Cash and cash equivalents		
Cash in hand and on deposit	143.0	53.6
-of which restricted funds*	4.9	1.9
Unrestricted cash	138.1	51.7
Unutilized credit facilities	40.0	0.0
Short-term overdraft facility	0.0	0.0
Liquidity reserve	40.0	0.0

*Cash and cash equivalents of MUSD 4.9 were restricted assets as of March 31, 2014, and Cash and cash equivalents of MUSD 1.9 were restricted assets as of March 31, 2013.

(Numbers in MUSD)

CREDIT FACILITY	3/31/2014	3/31/2013
	(Unaudited)	(Unaudited)
Credit Facility		
Short-term cash credit	100.0	0.0
-of which utilized	60.0	0.0
Short-term overdraft facility	0.0	0.0
-of which utilized	0.0	0.0

Opera Software has, in February 2013, signed a MUSD 100 secured revolving credit facility with DNB Bank ASA. The facility will primarily be secured through a share pledge in Opera Software International AS, as well as floating charges over accounts receivable in Opera Software ASA and certain of its U.K. and U.S. subsidiaries. The loan agreement has the following covenants: a) a Gearing Ratio to be below 1.50:1 and B) an Equity Ratio to hold the minimum level of 35%. The facility has a term of 3 years and bears an interest rate of LIBOR + 1.75% p.a. (plus a utilization fee varying with the amount drawn). On the undrawn portion of the facility, a commitment fee of 0.61% p.a. will be paid. Opera Software intends to use the financing for general corporate purposes and potential acquisitions.

Note 13 - Unusual Transactions

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



Note 14 - Costs for restructuring the business

During 1Q 2014, 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.

(Numbers in MUSD)

RESTRUCTURING COSTS	1Q 2014	1Q 2013	YTD 2014	YTD 2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Salary restructuring cost	0.0	0.0	0.0	0.0
Option restructuring cost	0.0	0.0	0.0	0.0
Office restructuring cost	0.1	0.0	0.1	0.0
Impairment cost	0.0	0.0	0.0	0.0
Legal fees related to business combinations	1.2	1.5	1.2	1.5
Other restructuring cost	0.0	0.0	0.0	0.0
Total	1.3	1.5	1.3	1.5

As of March 31, 2014, MUSD 0.7 was not paid and booked as other short-term liabilities in the statement of financial position. The comparative number as of March 31, 2013 was MUSD 3.7.

Note 15 - 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 16 - 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 conditions 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 2013 Annual Report on page 66, 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)

	1Q 2014 (Unaudited)	4Q 2013 (Unaudited)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)	4Q 2012 (Unaudited)
Revenue	87.0	89.6	75.5	73.1	62.0	60.7
Revenue (% sequential growth)	-3%	19%	3%	18%	2%	8%
EBIT*	14.9	16.8	15.6	15.2	14.3	13.2
EBIT, excluding stock option costs*	16.0	17.7	16.6	16.2	15.2	14.0
EBITDA*	21.6	23.1	21.4	20.7	17.5	16.0
EBITDA, excluding stock option costs*	22.7	24.0	22.5	21.7	18.4	16.8
EPS	0.019	0.373	0.011	0.051	0.030	0.023
EPS, fully diluted	0.018	0.363	0.010	0.049	0.029	0.023

* excluding costs for restructuring the business



Supplemental information

(Numbers in MUSD)

Revenue Customer Type	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
YTD numbers		
Mobile Operators	18.6	12.7
Mobile Consumers	13.7	7.5
Mobile Publishers and Advertisers	31.7	18.4
Desktop Consumers	18.5	17.5
Device OEMs	4.3	5.4
Other	0.2	0.6
Total	87.0	62.0

(Numbers in MUSD)

Revenue Customer Type	1Q 2014 (Unaudited)	4Q 2013 (Unaudited)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)
QTR numbers					
Mobile Operators	18.6	16.5	17.1	15.9	12.7
Mobile Consumers	13.7	11.0	7.6	11.8	7.5
Mobile Publishers and Advertisers	31.7	43.1	29.6	27.9	18.4
Desktop Consumers	18.5	15.4	13.8	14.2	17.5
Device OEMs	4.3	3.3	6.8	2.8	5.4
Other	0.2	0.1	0.5	0.5	0.6
Total	87.0	89.6	75.5	73.1	62.0

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 270 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 2014 (Unaudited)	YTD 2013 (Unaudited)
NRE and M&S	1.0	0.8
Non cloud based license/data revenue	0.1	0.0
Cloud based license/data revenue	17.5	11.8
Total	18.6	12.7

(Numbers in MUSD)

Mobile Operator QTR numbers	1Q 2014 (Unaudited)	4Q 2013 (Unaudited)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)
NRE and M&S	1.0	0.8	0.9	0.8	0.8
Non cloud based license/data revenue	0.1	0.2	0.1	0.2	0.0
Cloud based license/data revenue	17.5	15.5	16.1	14.8	11.8
Total	18.6	16.5	17.1	15.9	12.7

(Numbers in MUSD)

Device OEMs YTD numbers	YTD 2014 (Unaudited)	YTD 2013 (Unaudited)
NRE and M&S	1.6	1.9
Licenses and active-user fees	2.7	3.5
Total	4.3	5.4

(Numbers in MUSD)

Device OEMs QTR numbers	1Q 2014 (Unaudited)	4Q 2013 (Unaudited)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)
NRE and M&S	1.6	1.6	1.7	1.5	1.9
Licenses and active-user fees	2.7	1.7	5.1	1.4	3.5
Total	4.3	3.3	6.8	2.8	5.4



Supplemental information (continued)

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
October 2013	96.6
November 2013	98.4
December 2013	104.7
January 2014	108.4
February 2014	103.7
March 2014	112.0

*Includes Skyfire Horizon users.



Supplemental information (continued)

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
October 2013	267.5
November 2013	262.5
December 2013	270.1
January 2014	275.1
February 2014	259.5
March 2014	273.9

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



Supplemental information (continued)

In million users

Monthly Desktop users (last month of quarter)	1Q 2014 (Unaudited)	4Q 2013 (Unaudited)	3Q 2013 (Unaudited)	2Q 2013 (Unaudited)	1Q 2013 (Unaudited)
Total	51	51	51	52	55

