OPERA 4Q 2009

OPERA software

OPERA SOFTWARE ASA – FOURTH QUARTER 2009

Opera delivered revenues of MNOK 142.6 in 4Q09 and EBIT of MNOK 4.7

Highlights

Revenue was MNOK 142.6 in 4Q09, down from MNOK 157.0 in 4Q08, a decrease of 9%. EBIT was MNOK 4.7 in 4Q09 compared to MNOK 30.9 in 4Q08. EBITDA in 4Q09 was MNOK 8.0, and EBITDA, excluding stock options costs, was MNOK 11.9.

Operators, Mobile and Device OEMs

- Revenue from Internet Devices decreased to MNOK 92.2 in 4Q09 compared to MNOK 115.0 in 4Q08, a decrease of 20%.
- Opera announced that it will deliver the Opera Widgets SDK to a leading telecom operator
- Opera announced that it will deliver an operator branded version of the Opera Mobile browser to power a wide range of mobile phone models for a leading North American operator.
- Opera Software signed a distribution agreement with a leading semiconductor company for the Opera Devices SDK, Opera Mobile, Opera Mini, Opera Turbo and Opera Widgets
- Opera Software released a beta version of Opera Mobile 10 to operators and OEMs
- 83 new mobile phones with Opera pre-installed were announced in the quarter, including 70 for Opera Mobile and 13 for Opera Mini
- The number of mobile phones shipped with Opera Mobile pre-installed was 4.2 million in 4Q09

Consumers

- Revenues from Desktop increased 20% in 4Q09 compared to 4Q08, as Opera continues to grow its global user base and market share
- Growth in global usage of the Opera branded version of Opera Mini continued. In December, 46.3 million unique users worldwide used the Opera branded version of Opera Mini to browse the Web; this represents a 159% increase in unique active users compared to December 2008, when active users were 17.8 million
- Opera released Opera 10.10 with Opera Unite, a powerful technology for personal content sharing directly between all your devices.
- Google Inc. and Opera renewed their agreement to integrate Google as the default search partner for the Opera desktop browser.
- Google Inc. and Opera entered into a new agreement to integrate Google as the default search partner for Opera mobile and Opera Mini

Financials

Revenues

Revenue in 4Q09 was MNOK 142.6, down 9% from 4Q08, when revenue was MNOK 157.0. Currency changes impacted revenues negatively by 12% in 4Q09 versus 4Q08. On a constant currency basis, 4Q09 revenues would have increased 3% compared to 4Q08.

Operating costs

Total operating costs for 4Q09 were MNOK 137.9 compared to MNOK 126.0 in 4Q08, an increase of 9%.

Payroll and related expenses

Total payroll and related expenses, excluding stock option costs, were MNOK 92.6 in 4Q09 compared to MNOK 88.0 in 4Q08, an increase of 5%. This increase was due primarily to higher headcount in engineering and sales and marketing globally. Payroll and related expenses were unusually low per employee in 4Q09 mainly due to much lower bonus expense and less vacation expense compared to 4Q08. Payroll and related expenses also benefitted from a stronger NOK in 4Q09 compared to 4Q08, as 54% of Opera's 4Q09 expense base was in NOK.

Stock option costs

Total stock option costs for 4Q09 were MNOK 3.9 compared to MNOK 2.3 in 4Q08. Higher stock option costs in 4Q09 compared to 4Q08 were primarily due to the issuance of more options at a higher cost per new option which was due to a higher stock price in general in 2009 compared to 2008.

Other operating expenses

Other operating expenses in 4Q09 were MNOK 38.1 compared to MNOK 33.2 in 4Q08, an increase of 15%. Other operating expenses were much lower than expected due mainly to a favorable resolution of both an outstanding accounts receivable balance and an international VAT issue, which combined had a total positive impact on operating expenses of approximately MNOK 5.

EBIT

EBIT was MNOK 4.7 in 4Q09 compared to MNOK 30.9 in 4Q08. EBIT, excluding stock option costs, was MNOK 8.6 in 4Q09 versus MNOK 33.3 in 4Q08. EBITDA in 4Q09 was MNOK 8.0 compared with MNOK 33.4 in 4Q08. EBITDA, excluding stock options costs, was MNOK 11.9 compared with MNOK 35.7 in 4Q08.

Interest income and FX gains/(losses)

Net interest income was MNOK 2.3 in 4Q09 versus MNOK 6.5 in 4Q08. Interest income was lower in 4Q09 compared to 4Q08 due to a lower yield on Opera's cash balance. Opera had no foreign exchange loss or gain in 4Q09 compared to a gain of MNOK 10.2 in 4Q08.

Profit for the period

Profit for the period was MNOK 4.0 in 4Q09 compared to MNOK 30.9 in 4Q08. EPS and fully diluted EPS were 0.03 and 0.03, respectively, in 4Q09, compared to 0.26 and 0.26, respectively, in 4Q08.

Liquidity and capital resources

The Company's net cash flow from operating activities was MNOK -14.3 in 4Q09 compared to MNOK 69.0 in 4Q08. 4Q09 cash flow from operating activities was impacted negatively by a tax payment of approximately MNOK 56 (of which the company has received a partial refund in 1Q10).

Cash

Cash and cash equivalents at the end of 4Q09 were MNOK 546.5, compared to MNOK 563.5 in 4Q08, a decrease of MNOK 17.0.

Opera delivered revenues of MNOK 142.6 in 4Q09 and EBIT of MNOK 4.7

Organization

At the end of 4Q09, the Company had 757 full-time employees and equivalents compared to 627 at the end of 4Q08.

Revenue overview

Opera's corporate mission is to provide the best Internet experience on any device. The Company continued to deliver on its mission in 2009, with Opera powering the Internet on not only a growing range of mobile phones, but also a broader array of non-mobile Internet-connected devices, such as IP set-top boxes, portable media players, gaming consoles, and VoIP phones. Moreover, attractive growth continued for Opera's desktop product, driven largely by increases in the number of users and expansion in key markets around the world.

Internet Devices

Description

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

Update

Revenue from Internet Devices fell to MNOK 92.2 in 4Q09 compared to MNOK 115.0 in 4Q08, a decrease of 20%. Revenue growth from mobile operators was very solid in the quarter compared to 4Q08, emanating from both customer agreements signed in 2009 (such as Vodafone, Motricity (AT&T) and SK Telecom) and from existing customer contracts (such as KDDI and T-Mobile). Revenue from operators comprises the largest source for Opera Software. This increase in Internet Device revenue from operators was more than offset by a decrease in revenue from mobile OEMs, due to both lower mobile shipments and development revenue.

Operators and Mobile and Device OEMs

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

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

Operators

Opera currently offers three main operator-branded hosted solutions to operators: Opera Mini, Opera Turbo and Opera Widgets. Opera Mini is a hosted solution for mass-market phones, offering server-side content compression and fast Internet download speeds. This same server-side content compression technology is now also offered for Opera Mobile and Opera Desktop, which are packaged for distribution to Operators and OEMs as Opera Turbo. Opera Mini, as well as both Opera Mobile and Opera Desktop with Turbo mode, offer up to 90% content compression, all increasing an Operator's implied throughput capacity of their mobile networks.

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

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

Opera currently has 9 comprehensive licensing agreements for the operator-branded version of Opera Mini, including T-Mobile International (in 9 of 11 European subsidiaries), Vodafone, SK Telecom, TATA Teleservices (India), O2 (Germany and Slovakia), Swisscom, Cell One (Namibia) debitel Germany and Motricity for AT&T.

In addition, Opera has agreements with 4 operators for Opera Widgets, including Vodafone, T-Mobile International and KDDI.

Opera Software also announced in 4Q09 that it signed an agreement with a partner to deliver to a leading telecom operator the Opera Widgets SDK and a solution based on Opera Widgets. The agreement covers deployment in multiple countries. Opera has a frame agreement with this partner, a leading provider of technology and services to telecom operators, which allows the partner to sub-license Opera Mini, Opera Mobile, Opera Widgets and the Opera Devices SDK to other leading operators around the world.

Opera has 2 agreements with operators – KDDI and a leading North American operator (announced in 4Q09) -where Opera Mobile is sourced directly via the operator.

Mobile OEMs

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

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

In the quarter, Opera Software released a beta version of Opera Mobile 10 to operators and OEMs. Opera Mobile 10 will be available on Android, BREW, Windows Mobile and Symbian/S60 smartphones and includes Opera's new, cross-platform UI framework. As a part of Opera's shift to unify the look and feel of its mobile browsers, the cross-platform UI framework allows operators and OEMs to implement the same user experience quickly and cost-effectively across their entire range of handsets.

Opera Software announced that it had signed an agreement with a leading semiconductor company. Opera will deliver the Opera Devices SDK, Opera Mobile, Opera Mini, Opera Turbo and Opera Widgets to the customer. The customer will be distributing these products on their various platforms.

Consumer Electronic Device OEMs

As device manufacturers seek to accelerate time to market with compelling devices, as well as enhancing their relationships with and providing compelling applications and services to their end customers, they are increasingly developing Internet-connected devices.

With the Opera Devices SDK, device manufacturers are able to use their own (and third-party) developers to create user interfaces and menu systems using Web technology, such as HTML and CSS, quickly and easily. Moreover, Opera's SDK enables device manufacturers to offer not only Web-browsing capabilities and full access to the Internet to their operator and consumer end customers, but also customized Web applications or widgets which are accessible from the home screen of the device.

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

Opera is currently seeing particularly high interest for Opera's products from the connected TV market.

Mobile Consumers

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

Yet, while just 25% of the world's population has access to a desktop computer, more than 60% of the world population, or about 4.5 billion people, have a mobile phone.

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

In December 2009, 46.3 million unique active users worldwide browsed the Web using the Opera branded version of Opera Mini, viewing 20.7 billion Web pages. As of December 31, 2009, since launch, more than 207 billion Web pages have been viewed on Opera Mini.

Opera generates revenue for the Opera-branded version of Opera Mini mainly through content partnerships, including search. Opera has Google as the default search partner for Opera Mini and Opera Mobile in all countries except Russia and the Commonwealth of Independent States, where it has Yandex as the default search engine. In addition, Opera has content partnerships with companies such as Greystripe and Livescores to drive additional revenue and ARPU. Opera has also started to generate revenue from mobile advertising, via both its content partnerships and Opera's own mobile download and Livescore portals.

Although Opera expects search to provide the majority of revenue in the short term for the Opera-branded version of Opera Mini, the Company is actively developing other ways of increasing ARPU for its growing user base. This includes working directly with operators, where Opera shares in data and content revenues generated from operator subscribers which use the Opera branded Opera Mini product.

One of the first such agreements was with the Russian mobile carrier MegaFon. With Opera Mini for MegaFon, subscribers in Moscow and Siberia can activate the new "Unlimited Internet with Opera Mini" service package. The package allows users to transmit and receive an unlimited amount of data on their phones. Opera also announced in 4Q09 similar deals with Smart Telecom of Indonesia, Tigo Guatamala and Tigo Honduras. As of December 31, 2009, Opera had 4 data revenue share deals with operators around the world for the Opera branded version of Mini.

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

OPERA SOFTWARE ASA – FOURTH QUARTER 2009

Opera delivered revenues of MNOK 142.6 in 4Q09 and EBIT of MNOK 4.7

Desktop

Description

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

Today, the desktop browser is more strategically important than ever, as the world moves rapidly towards the clear dominance of Web applications over device-centric computing. This trend is no more pronounced than with social networking, where Facebook, for example, has more than 350 million users alone.

Update

Revenue from Desktop rose 20% in 4Q09 to MNOK 50.4, compared to MNOK 41.9 in 4Q08, with users up approximately 37% since the end of 2008 and up approximately 11% vs. 3Q09.

Opera Software ASA and Google Inc. renewed their current agreement to integrate Google as the default search partner for the Opera desktop browser. The agreement is effective through March 31, 2012 and Opera will continue to include Google search as a part of its user interface. This agreement covers all language versions of the public Opera desktop browser.

Opera released Opera 10.10 with Opera Unite, a powerful technology for personal content sharing directly between all your devices. Opera unite enables both content sharing directly from your browser and streaming between your devices. Opera 10.10 also includes Opera Turbo. Opera Turbo speeds up your network connection, giving you Web surfing speeds on slow connections up to eight-times-faster than other browsers.

Outlook

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

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

The Company also sees positive growth prospects from its Desktop product, particularly as a result of user growth in the emerging markets.

Opera's key operational priorities in FY2010 include continuing to (i) grow revenues and users for its Opera branded consumer products (Desktop, Opera-branded Opera Mini), (ii) sign up new Tier 1 mobile operators and grow active users of Opera products and services with existing mobile operator customers, (iii) increase Opera's position with top mobile phone OEMs globally, (iv) build on the momentum Opera has with major consumer electronic OEMs, particularly in the connected TV space, and (v) capitalize on its unique cross-platform position and offer content-related services to its users, leveraging the fact that its browsers run on a wide and disparate array of devices.

For more information regarding the outlook, please refer to Opera's 4Q09 presentation.

Oslo, February 19, 2010
The Board of Directors
Opera Software ASA

William J. Raduchel	Lars Boilesen
Chairman	CEO
(sign.)	(sign.)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Numbers in KNOK, except per share amounts)

STATEMENT OF COMPREHENSIVE INCOME	Q4 2009 (Unaudited)	Q4 2008 (Unaudited)	% Change	FY 2009 (Unaudited)	FY 2008 (Unaudited)	% Change	FY 2008 (Audited)
Desktop	50,369	41,916	20%	184,912	116,299	59%	116,299
Internet Devices	92,200	115,035	-20%	427,826	380,807	12%	380,807
Total revenue	**142,569**	**156,951**	**-9%**	**612,738**	**497,106**	**23%**	**497,106**
Payroll and related expenses, excluding stock option costs	92,608	88,003	5%	389,625	296,493	31%	296,493
Stock option costs	3,884	2,327	67%	14,074	8,814	60%	8,814
Depreciation and amortization	3,308	2,461	34%	13,272	8,305	60%	8,305
Other operating expenses	38,084	33,212	15%	141,453	102,616	38%	102,616
Total expenses	**137,884**	**126,003**	**9%**	**558,424**	**416,227**	**34%**	**416,227**
Earnings before interest and taxes ("EBIT")	**4,686**	**30,948**		**54,314**	**80,879**		**80,878**
Interest income/expense, net	2,256	6,533		10,039	24,035		24,035
FX gains/losses, net (negative amount = losses)	17	10,233		(19,862)	24,873		24,873
Earnings before taxes ("EBT")	**6,958**	**47,714**		**44,491**	**129,787**		**129,786**
Provision for taxes*	(3,001)	(18,774)		(13,631)	(42,082)		(42,082)
Profit for the period	**3,957**	**28,939**		**30,860**	**87,704**		**87,704**
Foreign currency translation differences for foreign operations	(258)	399		(2,404)	1,968		2,626
Total comprehensive income for the period	**3,698**	**29,338**		**28,456**	**89,673**		**90,330**
Earnings per share**	0.033	0.262		0.260	0.731		0.731
Earnings per share, fully diluted**	0.033	0.261		0.255	0.727		0.727
Shares used in per share calculation (mm)	118,810,057	118,716,854		118,657,031	119,912,452		119,912,452
Shares used in per share calculation, fully diluted (mm)	120,874,526	119,166,790		121,210,653	120,619,690		120,619,690
Number of employees	757	627		757	627		627

*The FY2008 provision for taxes and EPS numbers are adjusted to match the final numbers in the FY2008 Annual Report.

**Earnings per share is calculated based on the profit for the period.

CONSOLIDATED FINANCIAL POSITION
(Numbers in KNOK)

FINANCIAL POSITION	12/31/2009 (Unaudited)	12/31/2008* (Audited)
Goodwill	16,416	3,143
Other intangible assets	1,716	1,234
Office machinery, equipment etc., net	42,848	26,928
Deferred tax assets	37,833	18,336
Other investments and deposits	15,811	5,470
Accounts receivable	65,650	120,858
Unbilled revenue	58,816	51,806
Other receivables	36,144	11,971
Cash and cash equivalents	546,482	563,548
Total assets	821,715	803,295
Share capital	2,391	2,392
Own shares	(20)	(42)
Share premium reserve	457,109	457,212
Other reserves	42,997	30,375
Retained earnings/other equity	100,450	108,276
Total equity	602,928	598,214
Accounts payable	9,357	16,194
Taxes payable	5,130	34,487
Social security, VAT and other taxation payable	21,399	18,461
Deferred revenue	123,808	56,016
Other short-term liabilities, including derivatives	59,094	79,923
Total liabilities	218,787	205,081
Total liabilities and equity	821,715	803,295

* The FY2008 numbers are as reported in the FY2008 Annual Report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Numbers in KNOK)

STATEMENT OF CHANGES IN EQUITY	**Q4 2009**	**Q4 2008**	**FY 2009**	**FY 2008**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance	601,041	571,168	598,214	532,168
Profit for the period	3,957	28,939	30,860	87,704
Equity share issue	0	413	0	403
Options	3,308	2,233	13,393	8,398
Own shares	(5,087)	(6,644)	13,385	(34,200)
Other	(291)	2,105	(52,924)	3,741
Closing balance	602,928	598,214	602,928	598,214

CONSOLIDATED STATEMENT OF CASH FLOW
(Numbers in KNOK)

STATEMENT OF CASH FLOW	Q4 2009 (Unaudited)	Q4 2008 (Unaudited)	FY 2009 (Unaudited)	FY 2008 (Unaudited)
Cash flow from operating activities				
Profit/loss before taxes	6,958	47,714	44,491	129,787
Taxes paid	(55,662)	(6,302)	(84,517)	(14,611)
Depreciation expense	3,308	2,461	13,272	8,305
Impairment of shares	0	0	0	0
Changes in accounts receivable *	18,074	(24,243)	61,553	(53,488)
Changes in accounts payable	(1,548)	10,380	(9,938)	8,659
Changes in other liabilities, net	(544)	16,690	11,513	41,908
Share-based remuneration	3,308	2,233	13,393	8,382
Conversion discrepancy	11,794	20,100	13,783	20,688
Net cash flow from operating activities	(14,312)	69,032	63,550	149,629
Cash flow from investment activities				
Acquisition of tangible fixed assets	(10,322)	(4,517)	(30,889)	(15,935)
Acquisition of shares	(818)	(1,318)	(12,525)	(1,318)
Net cash flow from investment activities	(11,140)	(5,834)	(43,414)	(17,252)
Cash flow from financing activities				
Proceeds from exercise of stock options	908	814	19,905	11,225
Proceeds of share issues, net	0	0	0	0
Dividends paid	0	0	(47,599)	0
Purchase of own shares	(9,508)	(9,206)	(9,508)	(46,867)
Net cash flow from financing activities	(8,600)	(8,392)	(37,202)	(35,642)
Net change in cash and cash equivalents**	(34,052)	54,806	(17,066)	96,735
Cash and cash equivalents (beginning of periode)	580,534	508,743	563,548	466,813
Cash and cash equivalents`***	**546,482**	**563,548**	**546,482**	**563,548**

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

**)Cash and cash equivalents of KNOK 37,855 are restricted assets as of December 31, 2009, and Cash and cash equivalents of KNOK 21,974 were restricted assets as of December 31, 2008.

***) As of December 31, 2009, the conversion discrepancy loss booked on Cash and cash equivalents was KNOK -3,098.

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

DISCLOSURE

NOTE 1: CORPORATE INFORMATION

Opera Software ASA is a company domiciled in Norway. The consolidated financial statements of the Company include the Company subsidiaries Hern Labs AB, Zizzer AS, Opera Software Poland Sp. z o.o and Opera Software International AS (which, in turn, includes Opera Software Korea Ltd, Opera Software Technology (Beijing) Co., Ltd and Opera Web Technologies Private Ltd (India), together referred to as the "Group"). As of December 31, 2009, Opera Software International AS had branch offices in Japan, USA, Poland, Czech Republic, China and Taiwan and had full control of the limited company Beijing Yuege Software Technology Service Co., Ltd.

NOTE 2: STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IAS 34: Interim Financial Reporting. These condensed consolidated interim financial statements are unaudited. The report does not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2008.

NOTE 3: FINANCIAL STATEMENTS - ACCOUNTING POLICIES

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

There were no new standards, interpretations or amendments to published standards that were effective from October 1, 2009 that have significantly affected the consolidated financial statements for the forth quarter 2009.

New standards, interpretations or amendments to published standards that were effective from July 1, 2009 that have significantly affected the consolidated financial statements for the third quarter 2009 are:

IFRIC 15 Agreements for the Construction of Real Estate. This amendment has no current impact on the consolidated financial statements since the company does not construct real estate.

New standards, interpretations or amendments to published standards that were effective from April 1, 2009 that have significantly affected the consolidated financial statements for the second quarter 2009 are:

Revised IFRS 3 Business Combinations and amended IAS 27 Consolidated and Separate Financial Statements includes changes relating to acquiring a controlling interest, but a majority stake only; accounting for changes in stake; and accounting for the price paid. The new standards are effective for annual periods beginning on or after July 1, 2009. The impact on the consolidated financial statements will depend on future business combination activity.

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

IFRS 8: Operating Segments. This standard replaces IAS 14 and requires segment disclosure based on the components of an entity that management monitors in making operating decisions, rather than disclosure of business and geographical segments. Such information may be different from what is used to prepare the statements of income and financial position. The standard therefore requires explanations of the basis on which the segment information is prepared and reconciliations to the amounts recognized in the statements of income and financial position. IFRS 8 had minor effects on Opera Group's segment reporting for the first quarter 2009.

Revised IAS1Presentation of Financial Statements. IAS 1 replaces IAS 1 Presentation of Financial Statements (revised in 2003) as amended in 2005. IAS 1 sets overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content. The amendments require Opera to present both a statement of change in equity and a statement of comprehensive income for the first quarter 2009 numbers.

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

NOTE 4: ESTIMATES

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

DISCLOSURE

(Numbers in KNOK, except per share amounts)

NOTE 5: BASIC EARNINGS PER SHARE

Basic earnings per share	**Q4 2009** (Unaudited)	**Q4 2008** (Unaudited)	**FY 2009** (Unaudited)	**FY 2008** (Unaudited)
Earnings per share (basic)	0.033	0.262	0.260	0.731
Earnings per share, fully diluted	0.033	0.261	0.255	0.727
Shares used in per share calculation (mm)	118,810,057	118,716,854	118,657,031	119,912,452
Shares used in per share calculation, fully diluted (mm)	120,874,526	119,166,790	121,210,653	120,619,690

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

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

The options have varying exercise prices and would, upon exercise, mean payment to the Company of KNOK 90,974 as of December 31, 2009. In relation to the accounting standard regarding earnings per share, the effect of these funds being used by the Company to purchase shares in the market should be considered when calculating the fully diluted number of shares outstanding. The average price in the period is used when calculating the fully diluted number of shares. The average price is calculated to be NOK 21.16 for 4Q09 and NOK 24.43 for the FY 2009. Opera has included options with a strike price below 19.00 when calculating the fully diluted number of shares outstanding. Total options used in the calculations are 6,728,120 of which 6,008,918 options are unvested and 719,202 are vested but not yet exercised.

	Q4 2009	**FY 2009**
Average number of shares	118,810,057	118,657,031
The following equity instruments have a diluting effect:		
Options	6,728,120	6,728,120
Total	6,728,120	6,728,120
Options	6,728,120	6,728,120
Number of shares purchased (KNOK 90,974/21.16/24.43)	4,299,332	3,723,859
Number of shares with diluting effect	2,428,788	3,004,261
Expected options to be exercised	2,064,469	2,553,622

DISCLOSURE
(Numbers in KNOK)

NOTE 6: SEGMENT INFORMATION
The Company has one product, the browser. This browser product is, in turn, modified for various devices depending on customer and market requirements. These derivative products all share the same core code base.

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

Opera's chief operating decision-makers are members of the Executive Team. The Executive Team meets regularly to review significant revenues and costs for the period, for the Group as a whole, and to make decisions about how resources are to be allocated based on this information. Members of the Executive Team are specified in Note 3 of the FY2008 Annual Report.

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

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

REVENUE	Q4 2009 (Unaudited)	Q4 2008 (Unaudited)	FY 2009 (Unaudited)	FY 2008 (Unaudited)
Desktop	50,369	41,916	184,912	116,299
Internet devices	92,200	115,035	427,826	380,807
Total	142,569	156,951	612,738	497,106

REVENUE BY REGION	Q4 2009 (Unaudited)	Q4 2008 (Unaudited)	FY 2009 (Unaudited)	FY 2008 (Unaudited)
Europe	38,246	51,389	149,481	155,878
USA/ Canada	55,780	44,660	199,275	137,195
Asia	48,543	60,902	263,982	204,033
Total	142,569	156,951	612,738	497,106

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

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

NOTE 7: OWN SHARES, SHARE CAPITAL, DIVIDENDS AND OPTIONS
At the Annual General Meeting on June 24, 2009, the Board of Directors obtained an authorization to buy back own shares with a maximum aggregated par value of up to NOK 239,149.00, which equals approximately 10 % of the share capital.The Company can never acquire its own shares if such acquisition would cause its holding of shares to exceed 10 % of the total number of shares in the Company.The purchase price per share shall be at a minimum NOK 0.02 and a maximum NOK 50. The shares can be used in connection with acquisitions and incentive schemes for employees and Board Members, cf. sections §§ 9-2 and 9-4 ff. of the Public Limited Companies Act. The Board of Directors may determine in which ways own shares are to be acquired and disposed of. This authority is to be valid until the date of the next Annual General Meeting, but in no event longer than June 30, 2010.

The Annual General Meeting also granted the Board of Directors the authority to increase the share capital of the Company by up to NOK 239,149, which equals approximately 10 % of the share capital, with the authority to waive the pre-emption rights of existing shareholders and to issue shares against contributions other than cash. The shares can be used in connection with acquisitions and incentive schemes for employees and Board Members. This authority is to be valid until the date of the next Annual General Meeting, but in no event longer than June 30, 2010.

The Annual General Meeting approved a distribution of dividends for 2008 in the amount of NOK 0.40 per share, consisting of NOK 0.15 as part of an intended ongoing distribution of dividends and of NOK 0.25 as a onetime distribution of dividends. As a result, a dividend of KNOK 47,599 was paid on July 6, 2009.

The Annual General Meeting approved the proposal from the Nomination Committee to change the exercise period of vested options from one to three years for new and current options held by the shareholder elected Directors of the Board. The option program for the Executive Team has also been changed accordingly. For all other employees, the exercise period of vested options has been increased from one to three years for options granted in FY2009.

The Annual General Meeting approved the proposal from the Nomination Committee to reduce the strike price for unvested options to shareholder elected Directors by the amount of any accumulated dividends. The option program for the Executive Team and employees of Company has also been changed accordingly.

The Annual General Meeting approved the proposal from the Nomination Committee that all granted options to the shareholder elected Directors of the Board shall be vested in the case of a Change of Control. The option program for the Executive Team and employees of Company has also been changed accordingly.

During 4Q09 and YTD Opera has purchased 528,500 own shares for KNOK 9,508. During 1Q09 Opera sold 1,051,970 own shares for KNOK 13,040, during 2Q09 Opera sold 425,682 own shares for KNOK 5,079, during 3Q09 Opera sold 61,680 own shares for KNOK 878 and during 4Q09 Opera sold 69,948 own shares for KNOK 908.

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

NOTE 8: PURCHASE OF SUBSIDIARY
Effective on May 1, 2009, Opera Software ASA bought all the shares in Mobica Solutions for GBP 1,175,863. The shares were capitalized with KNOK 11,568 in Opera Software ASA. The shares have been eliminated for group purposes and goodwill of KNOK 13,273 has been capitalized. Mobica Solutions has thereafter been renamed to Opera Software Poland Sp. z o.o

Before the purchase, Opera Software ASA contracted external consultants from Mobica LTD. Theses consultants have now been transferred to Opera Software Poland Sp. z o.o and the costs are now included in salary. The “net classification” impact of contracting vs. hiring the engineers on the statement of comprehensive income is therefore not significant for the Group.

NOTE 9: FINANCIAL INFORMATION
Opera has chosen to include more information regarding currency risk as of December 31, 2009.

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

Most of the Company's foreign exchange risk relates to sales and is the result of revenue contracts signed in USD and EUR. In 4Q09, approximately 62% (YTD:61%) of revenues were in EUR and 37% (YTD:38%) in USD; for expenses, approximately 54% (YTD:58%) were in NOK, 13% (YTD:11%) in SEK, 9% (YTD:8%) in PLN, 9% (YTD:8%) in JPY, 6% (YTD:6%) in USD, 2% (YTD:3%) in EUR, and 7% (YTD:6%) in other currencies.

Foreign currency movements impacted Opera's 4Q09 income statement in the following way: Revenue would have been approximately MNOK 161 (higher by approximately 12%) using the 4Q08 constant currency FX rates and revenue would have been approximately MNOK 148 (higher by approximately 4%) using the 3Q09 constant currency FX rates. Costs would have been approximately MNOK 145 (higher by approximately 5%) using the 4Q08 constant currency FX rates and cost would have been approximately MNOK 141 (higher by approximately 2%) using the 3Q09 constant currency FX rates. The majority of the Company's purchases are made in the following denominations: NOK, EUR, SEK, PLN, USD, JPY, CZH, CNY, KRW, TWD and INR. Exchange rate fluctuations in these currencies do impact Opera's income statement.

For 4Q09, Opera had a net foreign exchange loss of KNOK 17. KNOK 749 was realized foreign exchange gain and KNOK 766 was unrealized foreign exchange loss. The unrealized disagio is estimated as the difference between the exchange rate at the closing date and date of the transaction.

Opera has not entered into any foreign exchange contracts as of December 31, 2009.

NOTE 10: TAXES
Below please find a specification of taxes payable and prepaid tax booked as other receivables. The witholding tax of KNOK 18,828 has been paid back to the company in FY 2010. Withholding tax paid in 2009, exceeding the calculated taxes payable in Norway, is carried forward for future tax deductions and recognized in deferred tax assets.

Specification of tax payable:	
Current tax	4,744
Too much/little tax booked previous year	7
Tax settlement previous year	367
Taxes on capital raising costs	11
Sum taxes payable	5,130

Specification of prepaid tax:	
Prepaid tax subsidiaries/branches	-3,691
Withholding tax paid to a foreign country	-18,828
Sum other receivables	-22,520

DISCLOSURE
(Numbers in KNOK)

NOTE 11: UNUSUAL TRANSACTIONS
Opera Software ASA noted no unusual transactions during the reporting period.

NOTE 12: CONTINGENT LIABILITIES - CHANGES IN CONTINGENT LIABILITIES
There are no new issues other than those noted in the FY2008 Financial Statements.

NOTE 13: SUBSEQUENT EVENTS
In January 2010, Opera appointed Mr. Lars Boilesen as the new Chief Executive Officer, and Mr. Jon von Tetzchner, assumed a new role in Opera as co-founder. Mr. Boilesen was granted 1,200,000 options with a strike price of NOK 19.90, and the options will vest over a four year period based on the following dates: December 1st 2010 (25 %); December 1st 2011 (25 %); December 1st 2012 (25 %) and December 1st 2013 (25 %). Mr. Tetzchner was granted 1,000,000 options with a strike price of NOK 19.90, and the options will vest over a three year period based on the following dates: December 1st 2010 (25 %); December 1st 2011 (35 %) and December 1st 2012 (40 %). Any part of the Option which has become exercisable may be exercised in whole or in part during a period of three years from the vesting date.

Opera has in 2010 acquired the privately held company AdMarvel, Inc. The agreed acquisition price is approximately USD 8 million in cash. The acquisition structure also envisages up to an additional USD 15 million in cash consideration, paid only if certain aggressive financial targets are met over the next 24 months.

Opera will recognize a one time restructuring cost in the range of app. MNOK 26-30 in 1Q10.

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

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

OPERA software

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

HISTORICAL SUMMARY: LAST 6 QUARTERS	Q4 2009 (Unaudited)	Q3 2009 (Unaudited)	Q2 2009 (Unaudited)	Q1 2009 (Unaudited)	Q4 2008 (Unaudited)	Q3 2008 (Unaudited)
Revenue (KNOK)						
Desktop	50,369	42,775	44,769	46,999	41,916	28,027
Internet Devices	92,200	91,986	127,680	115,961	115,035	96,696
Total Revenue	142,569	134,761	172,448	162,960	156,951	124,723
Revenue (% Growth)						
Desktop	18%	-4%	-5%	12%	50%	21%
Internet Devices	0%	-28%	10%	1%	19%	8%
Total Revenue	6%	-22%	6%	4%	26%	11%
Revenue (% of Total Revenue)						
Desktop	35%	32%	26%	29%	27%	22%
Internet Devices	65%	68%	74%	71%	73%	78%
EBIT	4,686	(4,625)	29,383	24,870	30,948	22,692
EBIT, excluding stock option costs	8,570	(1,930)	33,214	28,534	33,274	23,792
EBITDA	7,993	(613)	32,590	27,617	33,409	24,750
EBITDA, excluding stock option costs	11,877	2,082	36,421	31,281	35,735	25,850
EPS	0.033	(0.101)	0.187	0.139	0.262	0.279
EPS, fully diluted	0.033	(0.101)	0.182	0.137	0.261	0.277