

Q1 2004



Mamut ASA

Mamut ASA – First quarter 2004

Mamut ASA increased its operating revenues by 18 per cent to MNOK 38.2 in 1Q04 compared to MNOK 32.5 in 1Q03. Operating profit before depreciation (EBITDA) for 1Q04 was MNOK 3.7, compared with MNOK 3.6 for 1Q03. The company has started the roll-out of Mamut Business Software in the Netherlands and the UK. The company will apply for a listing on the Oslo Stock Exchange in 2Q04.

Highlights

- Operating revenues of MNOK 38.2 in 1Q04, up from MNOK 32.5 in 1Q03, a growth of 18%.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of MNOK 3.7 in 1Q04 compared to MNOK 3.6 in 1Q03.
- Initiated roll-out of the Mamut Business Software concept in the Netherlands.
- Initiated roll-out of Mamut Business Software concept in the UK.
- Established a co-operation and Evesham Technology to introduce the first complete small business solution for the SME-segment in the UK.
- Introduced updated versions of Mamut Business Software and Mamut daTax Software enabled for the Altinn e-government portal.
- Best in test award winner in PC-World Norway
- Prepared for listing on the Oslo Stock Exchange during 2Q04 with Enskilda Securities and ABG Sundal Collier as financial advisors for the IPO.

Financials

Operating revenues of MNOK 38.2 in 1Q04 increased 18% from 1Q03. EBITDA in 1Q04 was MNOK 3.7, compared to MNOK 3.6 in 1Q03. EBIT in 1Q04 was MNOK 2.6, compared to MNOK 2.3 from 1Q03.

Mamut software licence sales and service agreements amounts to 93% of total revenues in 1Q04.

Cash and cash equivalents were MNOK 18.3 at the end of 1Q04, compared with MNOK 9.5 at 31.12. Equity ratio was 66% and deferred revenues reached MNOK 17.1. Diluted earnings per share (EPS) was NOK 0.05, increasing from NOK 0.04 from 1Q03.

At the end of 1Q04, the Company had 149 employees compared to 138 at the end of 4Q03 and 132 at the end of 1Q03. The Company expects a moderate organisational growth in 2004 to serve new markets with local expertise.

Markets

Mamut experienced growth in all markets in 1Q04 as a result of launch of new products and services, new partner agreements and product awards.

Operating revenues from Norway reached MNOK 33.0 in 1Q04, up from MNOK 29.4 in 1Q03, a 12% growth with EBITDA margin of 30%, reaching MNOK 10.2.

Operating revenues from Sweden reached MNOK 4.1 in 1Q04, up from MNOK 3.0 in 1Q03, a 39% growth and EBITDA MNOK -1.6.

Operating revenues from other markets reached MNOK 1.0 in 1Q04, up from MNOK 0.2 in 1Q03, a 601% growth and EBITDA MNOK -4.9.

The roll out in the Netherlands and UK was initiated in first quarter as a preparation for the launch of the extended Mamut Business Software concept in the second half of 2004.

Mamut has entered into a co-operation Evesham Technology in the UK. The co-operation is based on a joint ambition to offer fully integrated, user-friendly solutions which covers all the needs of small businesses. The companies are working closely together to promote small business solutions with joint marketing activities.

The joint offering includes Mamut's Business Software, Microsoft Office 2003 and PC's from Evesham Technology.

Mamut continue to prepare for launch of the Mamut Business Software concept in additional European markets.

Outlook

Mamut is well positioned for further growth in its existing markets and several new product and services will be launched during 2004.

Mamut is preparing for listing on the Oslo Stock Exchange during 2Q04 with Enskilda Securities and ABG Sundal Collier as financial advisors for the IPO.

The Company work actively to build strategic partnership with international partners in order to extend its distribution of Mamut Business Software in Europe.

Oslo, April 14 2004

The Board of Directors
Mamut ASA

PROFIT AND LOSS STATEMENT

(All figures in NOK 1.000)

	Q1 2004	Q1 2003	2003	2002
Operating revenues	38 204	32 510	115 811	99 118
Cost of goods sold	2 743	2 102	7 560	6 461
Personnel costs	20 506	17 494	64 830	61 136
Other operating expenses	11 257	9 321	35 183	32 301
Total operating expenses	34 506	28 917	107 573	99 898
EBITDA	3 698	3 593	8 237	(779)
Depreciation	1 143	1 263	4 887	5 315
EBIT	2 555	2 330	3 351	(6 094)
Net financial items	57	-	50	(457)
Profit before tax	2 612	2 330	3 401	(6 551)
Tax	731	652	1 066	(1 411)
Net profit	1 880	1 678	2 336	(5 140)
<i>EBITDA - margin</i>	<i>10 %</i>	<i>11 %</i>	<i>7 %</i>	<i>-1 %</i>
<i>EBIT - margin</i>	<i>7 %</i>	<i>7 %</i>	<i>3 %</i>	<i>-6 %</i>

REVENUES BREAKDOWN

	Q1 2004	Q1 2003	2003	2002
Software Licenses	18 479	15 900	60 349	51 395
Software Service Agreements	17 222	14 251	46 019	37 871
Other Products & Services	2 503	2 359	9 443	9 852
Total	38 204	32 510	115 811	99 118

GEOGRAPHICAL DISTRIBUTION

NORWAY	Q1 2004	Q1 2003	2003	2002
Operating revenues	33 040	29 410	101 549	90 571
Operating expenses (before deprec.)	22 818	20 067	72 553	67 359
EBITDA	10 222	9 343	28 996	23 212

SWEDEN

Operating revenues	4 112	2 950	13 895	8 547
Operating expenses (before deprec.)	5 748	5 250	17 924	21 958
EBITDA	(1 636)	(2 300)	(4 029)	(13 411)

OTHER MARKETS

Operating revenues	1 052	150	367	-
Operating expenses (before deprec.)	5 940	3 600	17 096	10 581
EBITDA	(4 888)	(3 450)	(16 729)	(10 581)

KEY FIGURES

	Q1 2004	Q1 2003	2003	2002
Operating revenues	38 204	32 510	115 811	99 118
EBITDA	3 698	3 593	8 237	(779)
EBIT	2 555	2 330	3 351	(6 094)
Cash flow from operations	7 214	9 192	5 154	(6 265)
Total assets	118 317	107 660	107 239	99 289
Total equity	78 307	70 726	73 068	69 966
Equity ratio	66 %	66 %	68 %	70 %
EPS (NOK)	0,05	0,05	0,07	(0,16)
EPS diluted (NOK)	0,05	0,04	0,06	(0,16)
Outstanding shares	34 538 750	33 143 250	33 510 000	33 143 250
No. of employees	149	132	138	132

Note: The quarterly financial statement is based on the same principles as the annual accounts.
All accounts are made in accordance with NRS 11.

BALANCE SHEET*(All figures in NOK 1.000)*

	31. March		31. December	
	2004	2003	2003	2002
Assets				
Fixed assets				
Trade marks	1 581	1 434	1 595	1 609
Goodwill	16 585	18 043	16 926	18 027
Deferred tax assets	35 221	34 885	35 851	35 945
Total intangible assets	53 388	54 362	54 373	55 582
Total tangible fixed assets	4 877	6 010	4 595	6 187
Total financial fixed assets	3 526	3 378	3 526	3 255
Total fixed assets	61 791	63 750	62 494	65 024
Current assets				
Inventory	1 436	1 153	1 156	951
Accounts receivable	32 096	25 545	31 237	23 803
Other short-term receivables	1 629	305	790	342
Bank deposits, cash, etc.	21 365	16 907	11 563	9 171
Total current assets	56 526	43 910	44 745	34 266
Total assets	118 317	107 660	107 239	99 289
Equity and liabilities				
Total equity	78 307	70 726	73 068	69 966
Current liabilities				
Bank overdraft	3 029	2 959	2 702	2 915
Accounts payable	3 952	3 757	4 607	3 663
Tax payable	324	-	250	66
Public duties payable	11 188	8 976	12 935	9 203
Other short-term liabilities	4 376	5 010	4 058	4 944
Deferred revenue	17 141	16 232	9 619	8 532
Total current liabilities	40 010	36 934	34 171	29 323
Total equity and liabilities	118 317	107 660	107 239	99 289

CASH FLOW STATEMENT

	Q1 2004	Q1 2003	2003	2002
Profit before tax	2 612	2 330	3 401	(6 551)
Taxes paid	-	-	48	-
Write-down of fixed assets	-	-	65	149
Depreciation	1 143	1 263	4 887	5 315
Changes in inventory, AR and AP	(1 794)	(1 851)	(6 696)	(8 609)
Calculated wages employee options	-	-	162	1 378
Changes in other balance sheet items	5 254	7 451	3 287	2 053
Cash flow from operations	7 214	9 192	5 154	(6 265)
Net cash flow from investments	(1 065)	(766)	(1 978)	(4 579)
Cash flow from financing activities	3 357	(385)	(501)	13 395
Translation differences	-	(349)	(71)	(9)
Net cash flow	9 506	7 692	2 605	2 543
Cash and cash equivalents (beginning)	8 861	6 256	6 256	3 713
Cash and cash equivalents (end)	18 336	13 948	8 861	6 256

MOVEMENT IN EQUITY

	Q1 2004	Q1 2003	2003	2002
Equity at 1st of January	73 068	69 966	69 966	60 036
Share issue/Option strike	3 617	-	1 467	14 241
Calculated wages employee options	-	-	162	1 378
Sale/Purchase of own shares	(259)	(600)	(1 228)	(310)
Translation differences	-	(318)	366	(238)
Net profit/loss for the year	1 880	1 678	2 336	(5 140)
Equity end of period	78 307	70 726	73 068	69 966



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