

**Mamut ASA
Quarterly Report
Q4 - 2009**

Quarterly Report

Mamut ASA – Quarterly report – Q4 2009

Mamut reached operating revenues of MNOK 496.6 in 2009, compared to MNOK 500.6 in 2008. The company reaches EBITDA of MNOK 83.2 and EBIT of MNOK 21.9 for 2009. The company has strengthened its strategic position, product offerings and technology platforms combined with streamlining the operations to ensure margin improvements in 2010.

Highlights Q4

- Operating revenues of MNOK 131.4 in 4Q09, compared with MNOK 132.9 in 4Q08
- Operating revenues decreased with 1% in 2009, primarily in non-core markets
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of MNOK 14.1 in 4Q09 compared to MNOK 13.0 in 4Q08 and EBIT of MNOK -1.7 in 4Q09. EBITDA margin in 2009 is lower than expected, but has improved to 17%
- Operating expenses reduced with 2% as a result of streamlining of operations
- Strengthened balance sheet with new bank loan agreement of MNOK 180 replacing existing structure from 2006. Investments reduced with 20% to a normalised investment level of MNOK 10 per quarter
- Focus on 12 European markets, of which Norway, Sweden, Denmark, the UK, Ireland, the Netherlands and Germany are defined as the core 7
- Mamut will develop and manage the next steps in the product and services offerings for all users of Microsoft Office Accounting in the UK
- Extended product offerings with award winning Mamut One based on Microsoft SQL Server
- Reached 1.000 Mamut One customers, up 70% from 3Q09
- Mamut One won the 2009 Accountancy Age Awards in the Small Business Software category where Mamut has won four of the five last awards.
- The company has built a foundation for margin improvements and continued streamline of operations to ensure financial scalability when markets improve

2009

For 2009 operating revenues amounted to MNOK 496.6, compared with MNOK 500.6 for 2008. EBITDA was MNOK 83.2 in 2009, compared to MNOK 80.0 for 2008. EBIT was MNOK 21.9 for 2009 compared to MNOK 23.6 for 2008. Profit before tax for 2009 was MNOK 10.5, compared to MNOK 8.5 for 2008.

Fourth Quarter 2009

Mamut ASA had operating revenues of MNOK 131.4 in 4Q09 compared to MNOK 132.9 in 4Q08. Operating profit before depreciation (EBITDA) for 4Q09 was MNOK 14.0, compared to MNOK 13.0 in 4Q08. EBIT for 4Q09 was MNOK -1.7, compared to MNOK -1.1 in 4Q08. Profit before tax for 4Q09 was MNOK -4.5, compared to MNOK -6.2 in 4Q08.

Cash and cash equivalents were MNOK 70.4 at the end of 2009 compared with MNOK 42.2 at the end of 3Q09. Equity ratio was 47.4% and deferred revenues were MNOK 89.0. Diluted earnings per share (EPS) were NOK -0.05 for 4Q09, compared with NOK -0.07 in 4Q08. At the end of 4Q09, the Company had 470 employees compared to 505 at the end of 2008 and 480 at the end of 3Q09.

Segment information

Segment reporting consolidates all business units in three regions; Nordic/HQ, Western Europe and Central Europe.

Nordic/HQ

Operating revenues was MNOK 94.8 in 4Q09 (-1% growth), EBITDA was MNOK 16.5 and EBIT was MNOK 9.3, an EBIT margin of 10 per cent. This region includes Norway, Sweden and Denmark.

Western Europe

Operating revenues was MNOK 25.5 in 4Q09 (-5% growth), EBITDA was MNOK 4.4 and EBIT was MNOK -8.0. This region includes the Netherlands, the UK, Republic of Ireland, Germany, Austria and Spain.

Central Europe

Operating revenues was MNOK 11.1 in 4Q09 (7% growth), EBITDA was MNOK 2.0 and EBIT was MNOK 1.3, an EBIT margin of 12 per cent. This region includes the Czech Republic, Poland and Serbia.

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Business Update

On October 30, it was announced that Mamut will develop and manage the next steps in the product and services offerings for the approx. 100,000 users of Microsoft Office Accounting in the UK. This is a result of Mamut's close work with Microsoft over the last 15 years and focus on SME solutions in the UK since 2003. In addition to receiving ongoing customer support from Mamut, current users of Microsoft Office Accounting will be offered a free upgrade to Mamut Business Software solutions. As Mamut has a heritage of strong customer service, the company will continue to invest in product development to ensure customer satisfaction and a successful transition to Mamut's Software+Services offerings, such as Mamut One.

On November 18, Mamut One was announced as winner of the 2009 Accountancy Age Awards in the Small Business Software category. Mamut wins the award for the fourth time out of five. When giving the award, the jury stated the following: "Small businesses love the product, and its testimonials really show the company in a good light. (...) Its general improvements, continued growth and strong testimonials meant that another set of Accountancy Age judges had to again choose them as the winner," said one judge. Another said it was "an outstanding effort".

Mamut has announced that the company will launch two new products, Mamut AccountEdge and Mamut AccountEdge Plus, for the Apple Macintosh platform in the UK in April 2010. The solutions will be released as part of a multi-year partnership with Acclivity, global developers of the award winning AccountEdge series of accounting software.

Mamut One

Mamut One is an all-inclusive business solution including software applications, web-based services and knowledge. The product simplifies use and management of software and services for small businesses by increasing functionality and accessibility without the need for any additional investment in infrastructure. Fully integrated with Microsoft Office, Mamut One includes hosted services that give SMEs the flexibility to access the information they need, when and where they need it. By enabling SMEs to run their entire business – not just their accounts – more efficiently, it gives users improved visibility across all operational areas, a better understanding of their customers and more streamlined processes. Mamut won a number of awards in 2009, including 2009 Microsoft Worldwide Partner Award (Software + Services category), UK Accountancy Age Award, "Best in Test" in PC World Norway and WINMAG Pro "Best Choice Award 2009" in the Netherlands.



Strategic partnerships

Mamut is actively working to establish strategic partnerships to increase the distribution of Mamut's products and services in established core markets.

Outlook

Mamut is well positioned for improved results and further growth in all markets. The company continues to maintain its focus on establishing and strengthening strategic alliances with international partners and increasing the distribution of Mamut's products and services. The company sees considerable growth potential following the launch of Mamut One in combination with existing customer bases in acquired companies.

Oslo, February 25 2010
The Board of Directors
Mamut ASA

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PROFIT AND LOSS STATEMENT - GROUP

(All figures in NOK 1.000)

	Group Q4 2009	Group Q4 2008		Group 2009	Group 2008	
Operating revenues	131 420	132 865	-1 %	496 639	500 613	-1 %
Cost of goods sold	20 230	17 718		68 625	64 787	
Personnel costs	64 405	64 333		228 335	224 463	
Other operating expenses	32 727	37 794		116 484	131 332	
Total operating expenses	117 362	119 845	-2 %	413 443	420 582	-2 %
EBITDA	14 059	13 020	8 %	83 195	80 031	4 %
Depreciation Tangible assets	5 315	5 496		23 099	22 122	
Depreciation Capitalized R&D	6 117	5 074		22 132	19 332	
Depreciation Intangible assets	4 366	3 503		16 070	14 934	
EBIT	(1 739)	(1 052)		21 895	23 642	
Net financial items	(2 793)	(5 191)		(11 416)	(15 136)	
Profit before tax	(4 533)	(6 243)		10 478	8 506	
Tax	(981)	(1 406)		3 225	2 723	
Net profit	(3 551)	(4 837)		7 254	5 783	
<i>EBITDA - margin</i>	<i>11 %</i>	<i>10 %</i>		<i>17 %</i>	<i>16 %</i>	
<i>EBIT - margin</i>	<i>-1 %</i>	<i>-1 %</i>		<i>4 %</i>	<i>5 %</i>	
EPS (NOK)	(0,06)	(0,08)		0,11	0,10	
EPS diluted (NOK)	(0,05)	(0,07)		0,10	0,09	
Outstanding shares (mill.)	64,55	59,45		64,55	59,45	
No. of employees	470	505		470	505	

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SEGMENT INFORMATION

(All figures in NOK 1.000)

Total Group	Group			Group		
	Q4 2009	Q4 2008		2009	2008	
Operating revenues	131 420	132 865	-1 %	496 639	500 613	-1 %
Operating expenses	117 362	119 845		413 443	420 582	
EBITDA	14 059	13 020		83 195	80 031	
Depreciation Tangible assets/R&D	11 432	10 570		45 230	41 455	
Depreciation Intangible assets	4 366	3 503		16 070	14 934	
EBIT	(1 739)	(1 052)		21 895	23 643	
<i>EBITDA - margin</i>	11 %	10 %		17 %	16 %	
<i>EBIT - margin</i>	-1 %	-1 %		4 %	5 %	

Nordic / HQ	Q4 2009		Q4 2008			2009		2008	
	Q4 2009	Q4 2008	Q4 2009	Q4 2008		2009	2008	2009	2008
Operating revenues	94 785	95 571	-1 %	353 155	356 775	-1 %			
Operating expenses	78 314	81 147		276 118	281 025				
EBITDA	16 472	14 424		77 037	75 750				
Depreciation Tangible assets/R&D	7 191	6 455		27 464	26 482				
EBIT	9 281	7 969		49 573	49 268				
<i>EBITDA - margin</i>	17 %	15 %		22 %	21 %				
<i>EBIT - margin</i>	10 %	8 %		14 %	14 %				

Western Europe	Q4 2009		Q4 2008			2009		2008	
	Q4 2009	Q4 2008	Q4 2009	Q4 2008		2009	2008	2009	2008
Operating revenues	25 509	26 861	-5 %	97 964	101 578	-4 %			
Operating expenses	29 874	29 660		98 536	103 116				
EBITDA	(4 365)	(2 799)		(572)	(1 538)				
Depreciation Tangible assets/R&D	3 607	3 569		15 357	12 901				
EBIT	(7 972)	(6 368)		(15 929)	(14 439)				
<i>EBITDA - margin</i>	-17 %	-10 %		-1 %	-2 %				
<i>EBIT - margin</i>	-31 %	-24 %		-16 %	-14 %				

Central Europe	Q4 2009		Q4 2008			2009		2008	
	Q4 2009	Q4 2008	Q4 2009	Q4 2008		2009	2008	2009	2008
Operating revenues	11 126	10 433	7 %	45 520	42 260	8 %			
Operating expenses	9 174	9 038		38 790	36 441				
EBITDA	1 952	1 395		6 730	5 819				
Depreciation Tangible assets/R&D	634	546		2 409	2 072				
EBIT	1 318	849		4 321	3 747				
<i>EBITDA - margin</i>	18 %	13 %		15 %	14 %				
<i>EBIT - margin</i>	12 %	8 %		9 %	9 %				

REVENUES SOURCE

(All figures in NOK 1.000)

	Group			Group		
	Q4 2009	Q4 2008		2009	2008	
Mamut Business Software	81 190	80 195	1 %	295 311	294 037	0 %
Mamut Active Services	46 043	48 277	-5 %	185 959	188 646	-1 %
Other	4 187	4 394	-5 %	15 368	17 930	-14 %
Total	131 420	132 865	-1 %	496 639	500 613	-1 %

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BALANCE SHEET - GROUP

(All figures in NOK 1.000)

	Group	Group
	31.12.2009	31.12.2008
Assets		
Fixed assets		
Capitalized R&D	32 779	32 207
Other Intangible assets	126 217	137 209
Goodwill	123 972	124 981
Deferred tax assets	144 428	147 606
Tangible fixed assets	35 363	41 592
Financial fixed assets	3 514	3 452
Total fixed assets	466 273	487 047
Current assets		
Inventory/Deferred COGS	28 989	31 868
Accounts receivable	103 723	117 653
Other short-term receivables /Prepaid exp.	14 106	15 521
Bank deposits, cash, etc.	70 353	45 404
Total current assets	217 171	210 446
Total assets	683 443	697 493
Equity and liabilities		
Total equity	324 168	309 457
Long term debt financing	180 000	172 500
Long term debt/Leasing	1 949	6 291
Long term debt	181 949	178 791
Current liabilities		
Accounts payable	21 770	32 604
Tax payable	341	1 678
Public duties payable	38 683	36 943
Other short-term liabilities	27 539	26 878
Deferred revenue	88 993	111 145
Total current liabilities	177 326	209 246
Total equity and liabilities	683 443	697 493

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CASH FLOW STATEMENT - GROUP

(All figures in NOK 1.000)

	Group Q4 2009	Group Q4 2008	Group 2009	Group 2008
Profit before tax	(4 533)	(6 243)	10 478	8 506
Taxes paid	613	(468)	(1 337)	(29)
Depreciation	15 798	14 073	61 301	56 389
Changes in inventory, AR and AP	521	8 173	1 915	(6 165)
Wages employee options	924	809	2 180	3 674
Changes in other balance sheet items	7 870	6 017	(30 820)	(9 910)
Cash flow from operations	21 192	22 361	43 717	52 465
Investments in tangible fixed assets	(4 373)	(8 068)	(15 468)	(23 251)
Investments in intangible fixed assets	(7 423)	(8 776)	(26 203)	(30 521)
Acquisition *	-	(175)	(6 150)	(22 657)
Net cash flow from investments	(11 796)	(17 018)	(47 821)	(76 429)
Proceeds from long term debt	20 000	(2 500)	7 500	20 000
Proceeds from equity issue	1 107	(1 700)	33 532	1 656
Own shares	(952)	29	(952)	29
Net paid leasing	(753)	(318)	(4 342)	(8 711)
Cash flow from financing activities	19 402	(4 489)	35 738	12 974
Translation differences	(641)	907	(6 685)	(4 535)
Net cash flow	28 157	1 760	24 949	(15 525)
Cash and cash equivalents (beginning)	42 196	43 643	45 404	60 929
Cash and cash equivalents (end)	70 353	45 404	70 353	45 404

*Last settlement from acquisitions done in 2008. See Annual Report 2008 Note 10 for details.

MOVEMENT IN EQUITY - GROUP

(All figures in NOK 1.000)

	Group 2009	Group 2008
Equity at 1st of January	309 457	309 493
Share issue	33 532	2 303
Wages employee options	2 180	3 674
Sale/Purc. own shares/exercised emp. opt.	(952)	-
Translation differences	(27 302)	(11 796)
Net profit/loss for the year	7 254	5 783
Equity end of period	324 168	309 457

Shareholders 23.02.2010

Name	Shares	Percent
AS REAL-FORVALTNING*	6 596 814	10,12 %
LUDVIG LORENTZEN AS	6 477 800	9,94 %
BRAGANZA AS	5 062 050	7,77 %
ALDEN AS	4 177 000	6,41 %
ORKLA ASA	3 283 788	5,04 %
SBL VINTAGE 1999 LTD P565	2 250 000	3,45 %
RO INVEST AS	2 072 000	3,18 %
BANAN AS	1 963 300	3,01 %
TICON	1 700 872	2,61 %
GLAAMENE INDUSTRIER	1 319 000	2,02 %
Other	30 267 026	46,44 %
Total number of shares	65 169 650	100,00 %

*AS Real-forvaltning is 100% owned by CEO Eilert Hanoa



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