Q2 2010 Presentation

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Simplifying the way small organisations do their business by delivering software, services and knowledge

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Highlights 2Q10/ 1H10

Streamlining and improved margin, cash flow

Business Highlights

- Continued improved market sentiment
- Mamut has continued streamlining of operations, including reduced cost base, headcount, investments and long term debt
- Mamut has recently won three awards, including “Editor’s Choice SaaS Award 2010” for Mamut One by ChannelPartner in Germany
- The next major release of Mamut One (in external test phase) introduces new cloud based services, application hosting and new web hosting services
- Mamut One customer base increased approx. 45% in 1H10, growth expected to increase in 2H10 with upcoming launch of next release

Financial Highlights 2Q10

- Revenues decreased with 3% in 2Q10 (primarily from low margin services)
- Operating expenses reduced with 5% due to ongoing streamlining projects
- Cash flow from operations reached MNOK 17.3 in 1H10 (MNOK 4.3 in 1H09)
- EBIT margin improved with 18% compared with 2Q09

Mamut Financials 2Q10 / 1H10

Cost savings and margin improvements

PROFIT AND LOSS STATEMENT

(All figures in NOK 1.000)

	Group Q2 2010	Group Q2 2009		Group H1 2010	Group H1 2009	
Operating revenues	**117 955**	**121 637**	**-3 %**	**244 208**	**251 376**	**-3 %**
Cost of goods sold	14 937	16 310		31 782	32 464	
Personnel costs	50 696	52 807		108 492	112 083	
Other operating expenses	26 511	27 611		53 101	55 645	
Total operating expenses	**92 144**	**96 728**	**-5 %**	**193 375**	**200 192**	**-3 %**
EBITDA	**25 811**	**24 910**	**4 %**	**50 832**	**51 185**	**-1 %**
Depreciation Tangible assets	4 667	6 050		9 711	11 836	
Depreciation Capitalized R&D	6 001	5 451		11 865	10 700	
Depreciation Intangible assets	3 819	3 791		7 821	7 893	
EBIT	**11 324**	**9 618**	**18 %**	**21 435**	**20 756**	**3 %**

- Operating Revenues -3% in 2Q10 vs 2Q09
- Cost reduction -5% in 2Q10
- No. of employees reduced to 450 in 2Q10, down from 490 per 30.06.09
- EBITDA improved 4% in 2Q10 to MNOK 25.8 (a 22% EBITDA margin)
- EBIT improved 18% in 2Q10 to MNOK 11.3 (a 10% EBIT margin)

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Revenues per Region 2Q10 / 1H10

Streamlining operations in all regions

SEGMENT INFORMATION

(All figures in NOK 1.000)

Nordic / HQ	**Q2 2010**	**Q2 2009**		**H1 2010**	**H1 2009**	
Operating revenues	**83 781**	**85 335**	**-2 %**	**175 548**	**179 891**	**-2 %**
Operating expenses	62 480	63 590		133 518	134 952	
EBITDA	**21 301**	**21 745**		**42 030**	**44 939**	
Depreciation	6 494	6 901		13 117	13 490	
EBIT	**14 807**	**14 845**		**28 913**	**31 450**	
EBITDA - margin	25 %	25 %		24 %	25 %	
EBIT - margin	18 %	17 %		16 %	17 %	
Western Europe						
Operating revenues	**22 587**	**24 178**	**-7 %**	**46 461**	**48 603**	**-4 %**
Operating expenses	20 179	22 985		41 631	45 937	
EBITDA	**2 408**	**1 193**		**4 830**	**2 666**	
Depreciation	3 587	3 987		7 271	7 872	
EBIT	**(1 179)**	**(2 794)**		**(2 441)**	**(5 206)**	
EBITDA - margin	11 %	5 %		10 %	5 %	
EBIT - margin	-5 %	-12 %		-5 %	-11 %	
Central Europe						
Operating revenues	**11 587**	**12 124**	**-4 %**	**22 199**	**22 882**	**-3 %**
Operating expenses	9 485	10 153		18 226	19 303	
EBITDA	**2 102**	**1 971**		**3 973**	**3 579**	
Depreciation	587	613		1 188	1 174	
EBIT	**1 515**	**1 358**		**2 785**	**2 405**	
EBITDA - margin	18 %	16 %		18 %	16 %	
EBIT - margin	13 %	11 %		13 %	11 %	

Segment reporting

- Nordic (NO, SE, DK)
- W.Europe (NL, UK, IE, DE, AU, ES)
- C.Europe (CZ, PL, SR)

Highlights from markets

- NO: 24% EBIT margin
- SE: 9% EBIT margin
- W.E: 11% EBITDA margin
- Central Europe: 13% EBIT margin

Segment revenues

- Business Software: 2% growth
- Hosting Services: -10% decline

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Balance Sheet and Cash Flow 1H10

Improved cash flow and reduced long term debt

BALANCE SHEET ITEMS - GROUP		
(All figures in NOK 1.000)	**Group**	**Group**
	30.06.2010	**30.06.2009**
Accounts receivable	90 991	104 972
Bank deposits, cash, etc.	56 580	41 477
Long term debt	170 769	167 916
Deferred revenue	76 951	91 398

CASH FLOW STATEMENT - GROUP		
(All figures in NOK 1.000)	**Group**	**Group**
	H1 2010	**H1 2009**
Profit before tax	15 622	13 935
Cash flow from operations	17 331	4 295
Net cash flow from investments	(17 316)	(26 252)
Cash flow from financing activities	(11 207)	21 551
Net cash flow	(13 772)	(3 927)
Cash and cash equivalents (end)	56 580	41 477

Highlights

- Cash flow from operations MNOK 17.3 in 1H10 (MNOK 4.3 in 1H09)
- Reduced long term debt with MNOK 11.2 in 1H10
- Accounts receivable reduced with MNOK 13 from 4Q09, continued focus on further reduction
- Decreased Deferred Revenues reflects revenue level and change in annual invoice cycle in 2010
- CAPEX investment level adjusted to MNOK 9 per quarter run rate (MNOK 11 in 2009)

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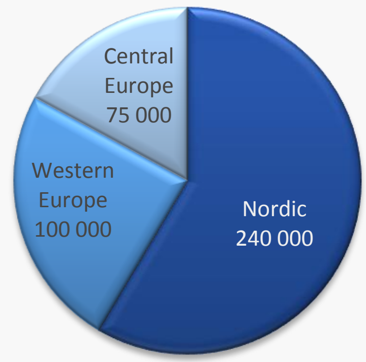
Company overview

Key Facts

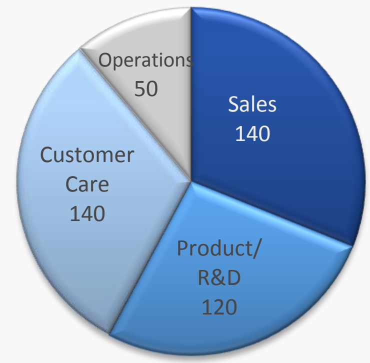
- Established 1994 in Oslo, Norway
- Listed on Oslo Stock Exchange since May 04
- Over 400,000 customers in 12 countries
- 450 employees whereof 330 at HQ in Oslo
- Over 90% of revenue from direct sales
- Scalable ERP solution for SMEs based on a single source code for seven European markets

Customers and Organisation

Customers by Region



Organisation by Function



The Mamut Business Model

- Complete business and web based solutions and hosting services to the European SME market
- Feature-rich and user-friendly product and solutions with a low total cost of ownership (TCO)
- Direct, all-inclusive customer care for all products
- Additional distribution through strategic partnerships and joint ventures

Mamut 1994-2009

Mamut Business Software +100 000 customers

Mamut Active Services +330 000 customers

Mamut Open Services + 100 000 users

Mamut Business Network

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Stellar

LOOPIA

Klubben Online

active24

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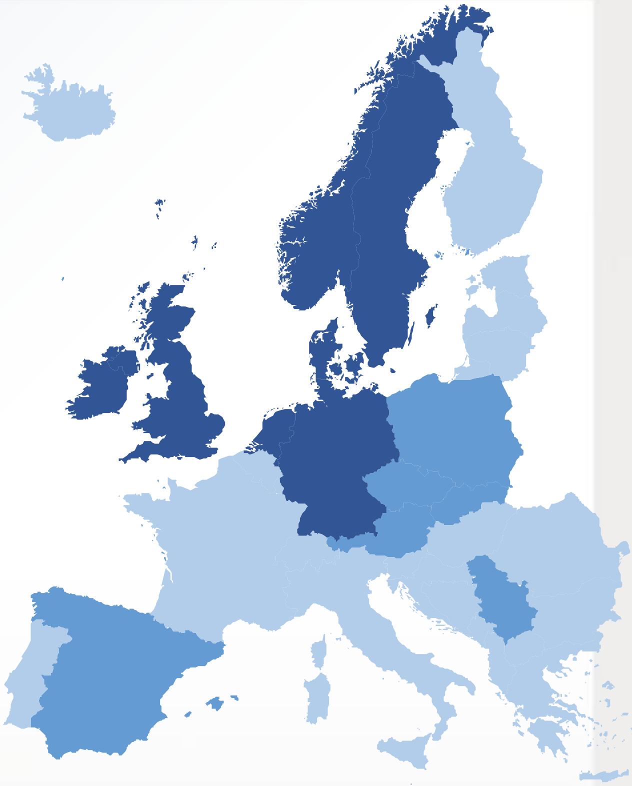
Mamut's 7 Core Markets

Markets with full Mamut product offering



- **80% of all customers, 90% of revenues**
  - ARPC higher due to more business customers
- **All core business units centralised at HQ**
  - Local offices support national market
- **Complete product and services range**
  - Business Software and hosting services
  - Mamut One is the primary offering

Markets	Customers	Revenues*	ARPC*	FTEs	EBITDA Margin*
Core 7	*320.000*	*445*	*1400*	*420*	*16%*
Hosting markets	*80.000*	*50*	*620*	*60*	*20%*
Total	**400.000**	**495**	**1200**	**480**	**17%**

Core 7 markets	Hosting markets
Norway Germany Sweden Netherlands Denmark UK and Ireland	Czech Rep. Serbia Poland Austria Spain

**Revenues and EBITDA margin 2009 in MNOK, estimated ARPC for 2009 in NOK, FTE average in 2009*

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Business Opportunities

Upgrade opportunities in all markets

- **Mamut One available in all core markets**
  - Award winning, feature-rich with low TCO compared to peers in all markets
  - Upgrade all customers to Mamut One solutions from €29 user/month
  - Premium edition licenses from €800 and from €100 user/month subscriptions
- **Upgrade Campaigns in all core 7 markets**
  - New major release of Mamut One (launch second half 2010)
  - Targeting existing customers with focus on increased user value / more users
  - Migration of Stellar (DK), MYOB (UK) and Office Accounting (UK) users, offering extended functionality and benefits
- **Premium Hosting Services Upgrade Initiative**
  - Introducing new premium hosting offerings in all core markets
  - Improved upgrade paths for all Active24 customers
  - New NGO solution to be launched (Klubben Online, NO)

Earnings Capacity

Key initiatives for further growth and scalability

- ## Revenue Growth Potential
  - Launch of new major release of Mamut One with new price structure including new add-on services such as application hosting
  - Upgrade potential for 400,000 existing customers with Mamut One and new web premium hosting packages
  - Germany: Joint venture with Haufe Lexware
  - UK: MYOB and Microsoft Office Accounting user base
- ## Operational Scalability
  - Centralised organisation to handle increased volumes for Core 7 markets
  - Reducing cost base to ensure operational flexibility
  - Improved back office solutions and infrastructure
  - More resources dedicated to customer service

Outlook and growth drivers

Focus on financial scalability and growth potential

- **Goals for 2010**
  - Focus on margin improvements
  - Continue to streamline operations and reduce cost base
  - Ensure financial scalability with market improvements

- **Strategic Opportunities**
  - Focus on strategic partnerships to increase the distribution of Mamut's products and services in established core markets

- **Long Term Goals**
  - A more detailed outline of growth, costs and long term planning will be presented at the company's Capital Markets Day on November 10th 2010

Q&A

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