

Mamut ASA
Quarterly Report
Q4 - 2007

Quarterly Report

Mamut ASA – Quarterly report – Q4 2007

Mamut ASA continues its growth and reached operating revenues of MNOK 445.1 in 2007, compared to MNOK 404.0 (pro forma) in 2006, a growth representing 10 per cent. EBIT for 2007 reaching MNOK 15.1, including a write-off of bad debt of MNOK 14.2, compared to MNOK -14.2 (pro forma) in 2006. Mamut is currently negotiating with several companies in Western Europe regarding acquisitions and strategic partnerships.

Highlights Q4

- Operating revenues of MNOK 122.6 in 4Q07, up from MNOK 108.2 in 4Q06
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of MNOK 12.1 in 4Q07 compared to MNOK 19.3 in 4Q06. EBIT of MNOK 1.1 in 4Q07 and EBIT of MNOK 15.1 in 2007, including non-recurring write-off of bad debt of MNOK 14.2 in companies acquired by Active 24 prior to 2006
- Continued growth in all existing markets and well positioned for future growth and profitability
- Mamut added more than 13,000 new customers in 4Q07, reaching 350,000 customers
- Mamut is currently negotiating the acquisition of three independent IT companies within the SME sector
- Mamut has announced the launch of Mamut Business Platform and introduced Mamut One as the company's primary offering to its European customers. Mamut One is the first offering based on Mamut Business Platform combining the power and advantages of business software applications together with web-based solutions
- Mamut and Validis have entered into a strategic alliance to offer an innovative accounting service to SME customers as part of the Mamut Business Platform
- Mamut and eZ Systems have entered into a strategic co-operation for developing and distributing Web Publisher solutions and related services as a core component of the Mamut Business Platform
- Preparing for forthcoming launches of new strategic partnerships built on Mamut Business Platform

Fourth Quarter 2007

Mamut ASA increased its operating revenues to MNOK 122.6 in 4Q07 compared to MNOK 108.2 in 4Q06. Operating profit before depreciation (EBITDA) for 4Q07 was MNOK 12.1, compared to MNOK 19.3 in 4Q06. EBIT for 4Q07 was MNOK 1.1, compared to MNOK 9.2 in 4Q06. Profit before tax for 4Q07 was MNOK -2.2, compared to MNOK 8.9 in 4Q06. All figures include a non-recurring write-off of bad debt of MNOK 14.2 in companies acquired by Active 24 prior to 2006

Cash and cash equivalents were MNOK 61.0 at the end of 4Q07 compared with MNOK 34.1 at the end of 3Q07. Equity ratio was 46 per cent and deferred revenues reached MNOK 100.2. Diluted earnings per share (EPS) were NOK -0.03 for 4Q07, compared with NOK 0.11 in 4Q06.

2007

For 2007 operating revenues amounted to MNOK 445.1, compared with MNOK 404.0 (pro forma) in 2006, a growth of 10 per cent. EBITDA was MNOK 63.5 in 2007, compared to MNOK 40.8 (pro forma) in 2006. EBIT was MNOK 15.1 for 2007 compared to MNOK -14.2 (pro forma) in 2006. At the end of 2007, the company had 440 employees compared to 393 at the end of 4Q06 and 435 at the end of 3Q07.

Segment information

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

Nordic/HQ

Operating revenues reached MNOK 89.0 in 4Q07 (13% growth), EBITDA was MNOK 23.6 and EBIT was MNOK 17.9, an EBIT margin of 20 per cent. This region includes Norway, Sweden, Denmark and Finland.

Western Europe

Operating revenues reached MNOK 24.2 in 4Q07 (11% growth), EBITDA was MNOK -12.6 and EBIT was MNOK -15.1. This region includes the Netherlands, the UK, Republic of Ireland, Germany, Austria, Belgium, France, Switzerland and Spain.

Central Europe

Operating revenues reached MNOK 9.4 in 4Q07 (27% growth), EBITDA was MNOK 1.1 and EBIT was MNOK 0.7, an EBIT margin of 7 per cent. This region includes the Czech Republic, Poland and Serbia.

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Business Update

4Q07 is the 52nd consecutive quarter with double digit percentage growth for Mamut. Mamut has increased its activity level in all markets with strong sales of software and services to new and existing customers. In addition Mamut has combined the introduction of several new products and services strengthening the company's position for future growth and profitability. Mamut has added over 13,000 new customers in 4Q07, reaching 350,000 customers.

Mamut is currently negotiating the acquisition of three independent IT companies within the SME sector. All the three companies are located in Western Europe.

Mamut and Validis have entered into a strategic alliance to offer an innovative accounting service to SME customers as part of the Mamut Business Platform. Validis offers a web based accounts validation service that uses a combination of business intelligence and advanced data algorithms to instantly and efficiently validate a company's set of accounting data.

Mamut and eZ Systems have entered into a strategic co-operation for developing and distributing Web Publisher solutions and related services to Mamut's customers in Europe. The agreement covers 16 European markets and the Mamut Web Publisher will be a core component in Mamut Business Platform.

The dispute between Mamut ASA's wholly owned subsidiary, Active 24 AS and 24SevenOffice ASA has been tried by the court of first instance. 24SevenOffice lost on all counts and is ordered to cover all of Active 24's legal costs and pay damages for the loss suffered by Active 24 in connection with the case. The counterpart has chosen to appeal the unanimous decision rendered by the Oslo court of first instance.

Mamut Business Platform and Mamut One

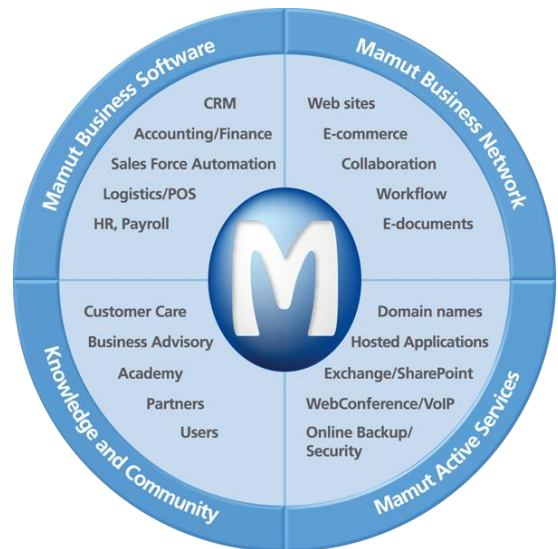
Mamut has announced the launch of Mamut Business Platform and introduced Mamut One as the company's primary offering to its European customers. Mamut One is the first offering based on Mamut Business Platform combining the power and advantages of business software applications together with web-based solutions.

Mamut Business Platform provides all users with the right information on the right device, anywhere, at any time, without any additional investments in infrastructure.

The strategic aspects of the launch include a broader offering to existing and new customers in Europe, a strengthened ability for the company to enter into new strategic partnerships, and greater opportunity to explore possible acquisitions in European markets. Through deploying Mamut Business Platform BackOffice internally, Mamut expects to further improve the company's internal efficiency and scalability.

Outlook

Mamut is well positioned for further growth and improved results in all markets. The company continues to maintain its focus on establishing and strengthening strategic alliances with international partners in the different markets to increase the distribution of Mamut's products and services. The integration of Active 24 will strengthen the offerings for the SME and consumer segments. The company has increased its activity level in exploring possible merger and acquisition opportunities in new and existing markets related to Mamut Business Platform.



Oslo, February 21 2008
The Board of Directors
Mamut ASA

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PROFIT AND LOSS STATEMENT - GROUP (as presented)

(All figures in NOK 1.000)

	Group Q4 2007	Group Q4 2006		Group 2007	Group 2006	
Operating revenues	122 578	108 229	13 %	445 115	312 365	42 %
Cost of goods sold	18 122	15 949		57 877	34 995	
Personnel costs	49 869	43 312		198 726	156 894	
Other operating expenses	28 341	29 699		110 811	92 946	
Write-off bad debt	14 170	-		14 170	-	
Total operating expenses	110 501	88 961	24 %	381 585	284 836	34 %
EBITDA	12 077	19 268		63 530	27 530	
Depreciation Tangible assets	5 408	2 559		18 787	13 518	
Depreciation Capitalized R&D	4 337	3 316		15 072	11 219	
Depreciation Intangible assets	1 264	4 243		14 598	9 154	
EBIT	1 067	9 151		15 073	(6 361)	
Net financial items	(3 246)	(265)		(12 328)	(1 380)	
Profit before tax	(2 179)	8 885		2 745	(7 742)	
Tax	(461)	2 739		918	(2 183)	
Net profit before dis. oper.	(1 718)	6 147		1 826	(5 559)	
Discontinued operations	-	-		-	7 138	
Net profit	(1 718)	6 147		1 826	1 579	
<i>EBITDA - margin</i>	<i>10 %</i>	<i>18 %</i>		<i>14 %</i>	<i>9 %</i>	
<i>EBIT - margin</i>	<i>1 %</i>	<i>8 %</i>		<i>3 %</i>	<i>-2 %</i>	
EPS (NOK)	(0,03)	0,12		0,03	0,03	
EPS diluted (NOK)	(0,03)	0,11		0,03	0,03	
Outstanding shares (mill.)	58,70	53,37		58,70	53,37	
No. of employees	440	393		440	393	

PROFIT AND LOSS STATEMENT - GROUP (pro-forma)

(All figures in NOK 1.000)

	Group Q4 2007	Group Q4 2006		Group 2007	Pro-forma 2006	
Operating revenues	122 578	108 229	13 %	445 115	403 988	10 %
Cost of goods sold	18 122	15 949		57 877	56 256	
Personnel costs	49 869	43 312		198 726	191 109	
Other operating expenses	28 341	29 699		110 811	115 857	
Write-off bad debt	14 170	-		14 170	-	
Total operating expenses	110 501	88 961	24 %	381 585	363 222	5 %
EBITDA	12 077	19 268		63 530	40 766	
Depreciation Tangible assets	5 408	2 559		18 787	26 766	
Depreciation Capitalized R&D	4 337	3 316		15 072	11 219	
Depreciation Intangible assets	1 264	4 243		14 598	16 972	
EBIT	1 067	9 151		15 073	(14 191)	

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SEGMENT INFORMATION

(All figures in NOK 1.000)

	Group Q4 2007	Group Q4 2006		Group 2007	Pro-forma 2006	
Total Group						
Operating revenues	122 578	108 229	13 %	445 115	403 988	10 %
Operating expenses	96 331	88 961	8 %	367 415	363 222	1 %
Write-off bad debt	14 170	-		14 170	-	
EBITDA	12 077	19 268		63 530	40 766	
Depreciation Tangible assets/R&D	9 745	5 875		33 859	37 985	
Depreciation Intangible assets	1 264	4 243		14 598	16 972	
EBIT	1 067	9 151		15 073	(14 191)	
<i>EBITDA - margin</i>	<i>10 %</i>	<i>18 %</i>		<i>14 %</i>	<i>10 %</i>	
<i>EBIT - margin</i>	<i>1 %</i>	<i>8 %</i>		<i>3 %</i>	<i>-4 %</i>	

	Q4 2007	Q4 2006		2007	2006	
Nordic / HQ						
Operating revenues	88 982	78 949	13 %	324 584	295 969	10 %
Operating expenses	62 318	59 368	5 %	241 283	238 657	1 %
Write-off bad debt	3 047	-		3 047	-	
EBITDA	23 617	19 581		80 254	57 311	
Depreciation Tangible assets/R&D	5 676	3 830		21 895	22 398	
EBIT	17 941	15 751		58 358	34 913	
<i>EBITDA - margin</i>	<i>27 %</i>	<i>25 %</i>		<i>25 %</i>	<i>19 %</i>	
<i>EBIT - margin</i>	<i>20 %</i>	<i>20 %</i>		<i>18 %</i>	<i>12 %</i>	

	Q4 2007	Q4 2006		2007	2006	
Western Europe						
Operating revenues	24 236	21 893	11 %	86 508	78 918	10 %
Operating expenses	25 720	22 948	12 %	96 093	93 666	3 %
Write-off bad debt	11 123	-		11 123	-	
EBITDA	(12 607)	(1 055)		(20 708)	(14 748)	
Depreciation Tangible assets/R&D	2 512	2 043		10 368	11 179	
EBIT	(15 119)	(3 098)		(31 076)	(25 927)	
<i>EBITDA - margin</i>	<i>-52 %</i>	<i>-5 %</i>		<i>-24 %</i>	<i>-19 %</i>	
<i>EBIT - margin</i>	<i>-62 %</i>	<i>-14 %</i>		<i>-36 %</i>	<i>-33 %</i>	

	Q4 2007	Q4 2006		2007	2006	
Central Europe						
Operating revenues	9 360	7 387	27 %	34 024	29 101	17 %
Operating expenses	8 293	6 645	25 %	30 039	30 898	-3 %
EBITDA	1 067	742		3 985	(1 797)	
Depreciation Tangible assets/R&D	413	182		1 596	5 128	
EBIT	654	560		2 389	(6 926)	
<i>EBITDA - margin</i>	<i>11 %</i>	<i>10 %</i>		<i>12 %</i>	<i>-6 %</i>	
<i>EBIT - margin</i>	<i>7 %</i>	<i>8 %</i>		<i>7 %</i>	<i>-24 %</i>	

REVENUES SOURCE

(All figures in NOK 1.000)

	Group Q4 2007	Group Q4 2006		Group 2007	Pro-forma 2006	
Mamut Business Software	71 745	56 280	27 %	249 268	204 974	22 %
Mamut Active Services	43 585	41 149	6 %	173 146	171 838	1 %
Other	7 247	10 800	-33 %	22 701	27 176	-16 %
Total	122 577	108 229	13 %	445 115	403 988	10 %

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BALANCE SHEET - GROUP		
<i>(All figures in NOK 1.000)</i>	Group	Group
	31.12.07	31.12.06
Assets		
Fixed assets		
Capitalized R&D	28 019	20 287
Other Intangible assets	134 359	134 646
Goodwill	98 852	89 922
Deferred tax assets	175 408	178 763
Tangible fixed assets	39 915	36 097
Financial fixed assets	3 236	3 396
Total fixed assets	479 788	463 113
Current assets		
Inventory/Deferred COGS	26 141	18 684
Accounts receivable	98 370	83 509
Other short-term receivables /Prepaid expenses	13 417	22 810
Bank deposits, cash, etc.	60 953	57 855
Total current assets	198 881	182 858
Total assets	678 669	645 970
Equity and liabilities		
Total equity	308 978	247 929
Deferred tax liability	30 485	34 279
Long term debt/Leasing	15 002	19 706
Long term debt financing	150 000	160 000
Long term debt	165 002	179 706
Current liabilities		
Accounts payable	20 010	15 754
Tax payable	(418)	(3 133)
Public duties payable	32 756	28 296
Other short-term liabilities	21 638	31 012
Deferred revenue	100 217	112 128
Total current liabilities	174 203	184 056
Total equity and liabilities	678 669	645 970

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CASH FLOW STATEMENT - GROUP

(All figures in NOK 1.000)

	Group Q4 2007	Group Q4 2006	Group 2007	Group 2006
Profit before tax	(2 179)	8 885	2 745	(7 742)
Taxes paid	(521)	200	(985)	200
Depreciation	11 010	10 117	48 457	33 891
Changes in inventory, AR and AP	(9 784)	(9 622)	(18 062)	(10 574)
Wages employee options	321	714	4 003	3 299
Changes in other balance sheet items	12 077	(4 982)	2 980	7 619
Cash flow from operations	10 925	5 313	39 138	26 693
Investments in tangible fixed assets	(7 487)	(5 407)	(22 605)	(12 847)
Investments in intangible fixed assets	(9 744)	(5 115)	(22 804)	(19 946)
Goodwill due to acquisition	(3 030)	-	(8 930)	(265 400)
Acquisition of technology	(5 587)	-	(12 061)	(1 170)
Net cash flow from investments	(25 848)	(10 522)	(66 400)	(299 363)
Proceeds from long term debt	(2 500)	(40 000)	(22 500)	160 000
Proceeds from equity issue	47 543	61 868	64 432	62 383
Own shares	(1 600)	(642)	(1 600)	(5 305)
Net paid leasing	2 485	(3 567)	(4 704)	(7 174)
Cash flow from financing activities	45 928	17 659	35 627	209 905
Translation differences	(4 184)	(4 982)	(5 268)	951
Net cash flow	26 821	7 468	3 098	(61 814)
Cash and cash equivalents (beginning)	34 132	50 387	57 855	119 669
Cash and cash equivalents (end)	60 953	57 855	60 953	57 855

MOVEMENT IN EQUITY - GROUP

	2007	2006
Equity at 1st of January	247 929	188 699
Share issue	64 432	63 744
Wages employee options	4 003	3 299
Sale/Purc. own shares/exercised emp. opt.	(1 600)	(5 305)
Translation differences	(7 612)	(4 088)
Net profit/loss for the year	1 826	1 579
Equity end of period	308 978	247 929



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