

Press release Norman ASA 4th quarter 2008

NORMAN[®]

Lysaker, January 23rd 2009

Strong year-end for Norman

Norman ASA, the data security company, today announced its fourth quarter and full year 2008 results. Norman's sales revenues in the fourth quarter were NOK 73.5 million which represent a 22% growth over fourth quarter of 2007. EBITDA in the fourth quarter reached NOK 50.1 million, up from NOK 18.7 million in the fourth quarter of 2007. The acquisitions in Benelux contributed positively to the EBITDA with a one-off effect of NOK 41.7 million.

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Sales revenue in 2008 ended at NOK 263.7 million, up from NOK 248.9 million in 2007. EBITDA for the full year 2008 was NOK 68.3 million, compared to NOK 35.9 million the previous year.

Market

The demand for advanced security solutions is still strong. Norman experienced growth in all product areas in the fourth quarter despite the financial turmoil the world is currently experiencing.

The malware threats facing companies, the public sector and individual computer users reached an all time high level in the fourth quarter. Never before has the world experienced such a variety and sophistication of security threats. The current financial crisis represents a backdrop for a new wave of fraud attempts both towards consumers and companies. In 2008 it is estimated that there is more illegitimate code released than legitimate code. Norman increased the general threat level from Low to Medium in December. The warning was announced on the Norman home-page and through e-mail and SMS to registered customers.

Core Security

The Core security product area experienced good progress in all geographical regions due to the ever growing security threats. OEM revenue continues to grow and contribute positively to the growth in North America. Several important contracts related to

internet banking was extended and expanded. New sales of malware incident services were also introduced and sold to the banking sector.

Network Protection

The Norman Network Protection product area also developed positively in the fourth quarter. A number of contracts were signed and sales efforts in Europe and the United States were intensified by the hiring of dedicated sales resources on both continents.



The agreement with Dell Inc. whereby Dell handles all logistics of the sales of the Norman Network Protection 'as an appliance', was replicated in all major European countries. The process with implementing similar set-up in North America has commenced.

Advanced Malware Analyzers

The Norman SandBox Analyzer products area saw a number of new contracts in the fourth quarter. Among the new customers are the Swedish Security Police (S kerhetspolisen). On the renewal side, SonicWALL and a number of major manufacturing companies, national security agencies and US Federal sector has renewed. The portfolio of major companies and institutions using the Norman SandBox Analyzer products is increasing.

The SandBox Analyzer Software Development Kit (SandBox SDK) was introduced to some key customers for testing. This product can be implemented in a number of third party solutions and is a strategically important product in developing the unique Norman SandBox technology product offering further.

Finance

With the exception of currency exposure and the risk considered normal for an international IT company, Norman faces no particular risk going forward. The Company has revenues and

expenses in a number of currencies, particularly EUR, CHF and USD and is exposed to fluctuations in these currencies. Foreign exchange risks arise from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Norman's financial position remains strong. Total cash at the end of 2008 was NOK 101.5 million, compared to NOK 108.2 million at the end of 2007. The Company had 201 employees at the end of 2008 (178 at the end of 2007).

Outlook

Norman will continue to invest in its sophisticated anti-malware technology. Despite a more turbulent global economic situation, there are no indications that the growth in data security threats will diminish. Norman's client portfolio is also well balanced, including SMEs as well as major corporations, financial institutions and government agencies. However, the current financial turmoil might impact demand in the shorter perspective.

The Company's strong financial position provides flexibility in terms of future growth alternatives and in creating shareholder value.

Enclosed is a summary of the interim financial statements for the fourth quarter 2008.

For further information, please contact:

- Chairman of the board Svein Ramsay Goli (+47 9075 6757)
- CEO Trygve Aasland (+47 4153 9717)
- CFO Simen Nyberg-Hansen (+47 9820 6355)

Sterk årsavslutning for Norman

Datasikkerhetselskapet Norman ASA annonserte i dag sitt fjerde kvartal og 2008-resultat. Normans salgsinntekter i fjerde kvartal var på NOK 73,5 millioner, en vekst på 22 % fra fjerde kvartal i 2007. EBITDA for fjerde kvartal var NOK 50,1 millioner, opp fra NOK 18,7 millioner i det samme kvartalet i 2007. Oppkjøpene i Benelux bidrar positivt med en engangseffekt på NOK 41,7 millioner.

Salgsinntektene i fjor endte på NOK 263.7 millioner, opp fra 248,9 millioner i 2007. EBITDA for hele 2008 var 68,3 millioner, sammenliknet med NOK 35,9 millioner i foregående år.

Markedet

Etterspørselen etter avanserte sikkerhetsløsninger er fortsatt sterk. Norman opplevde vekst i alle sine produktområder i fjerde kvartal, til tross for de finansielle urolighetene verden befinner seg i.

Sikkerhetstruslene som selskaper, offentlig sektor og individuelle databrukere står overfor, nådde nye høyder i fjerde kvartal. Aldri tidligere har verden opplevd et så omfattende og avansert trusselbilde. Den pågående finanskrisen utgjør et bakteppe for en ny bølge av svindelforsøk på nettet både mot konsumenter og selskaper. I 2008 er det estimert at det er publisert mer illegal enn legal kode. Norman satte opp sitt trusselnivå fra Lav til Middels i desember. Dette ble annonsert via selskapets websider og via e-post og SMS til registrerte kunder.

Core Security

Innenfor produktområdet Core Security hadde Norman god fremgang i alle geografiske områder på grunn av det økte trusselbildet. OEM-inntektene fortsatte å øke og bidro positivt til veksten i Nord-Amerika. Flere viktige kontrakter knyttet til nettbankløsninger ble forlenget og utvidet. Et nytt serviceprodukt relatert til virusutbrudd ble

introdusert og solgt i bank-sektoren.

Network Protection

Produktområdet Network Protection utviklet seg også positivt i fjerde kvartal. En rekke kontrakter ble inngått og salgsinnsatsen i Europa og USA ble trappet opp gjennom ansettelse av dedikerte salgssressurser på begge kontinent.



Avtalen med Dell Inc, hvor Dell håndterer all logistikk rundt salg av Norman Network Protection som en 'appliance', ble replikert til å gjelde alle de større europeiske landene. Prosessen med å implementere samme avtale i Nord-Amerika ble påbegynt.

Advanced Malware Analyzers

Det ble solgt flere Norman SandBox Analyzer-produktene i fjerde kvartal. Blant de nye kundene er den svenske Sakerhetspolisen (SÄPO). Av tidligere inngåtte kontrakter som ble fornyet, finner vi Sonicwall og en rekke store produksjonsbedrifter, nasjonale sikkerhetsmyndigheter og offentlig sektor i USA. Porteføljen av selskaper og offentlige organer som benytter SandBox Analyzer-produktene, er økende.

SandBox Analyzer Software Development Kit (SandBox SDK) ble introdusert til noen nøkkelukter for testing. Dette produktet kan bli implementert i en rekke tredjepartsløsninger og er et viktig strategisk produkt i utviklingen av produkter som inneholder den unike Norman SandBox-teknologien.

Finans

Med unntak av valutarisiko og de risikoer som er normale for et internasjonalt IT-selskap, ser Norman ingen øvrige risikofaktorer i tiden fremover. Selskapet har inntekter og kostnader i en rekke valutaer, særlig EUR, CHF og USD, og er eksponert for svingninger i disse valutaene. Valutarisiko oppstår fra fremtidige forretningsmessige transaksjoner,

balanseførte eiendeler og forpliktelser og nettoinvesteringer i utenlandsk virksomhet.

Normans finansielle stilling er fortsatt sterk.

Kontantbeholdningen ved utgangen av 2008 var 101,5 millioner kroner, mot 108,2 millioner kroner ved utgangen av 2007. Selskapet hadde 201 ansatte ved utgangen av 2008 (178 ved utgangen av 2007).

Fremtidsutsikter

Norman vil fortsatt investere i avanserte sikkerhetsløsninger. Til tross for en mer turbulent global økonomisk situasjon, er det ingenting som tyder på at sikkerhetstruslene vil bli mindre. Normans kundeportefølje er også godt balansert og omfatter både små og mellomstore bedrifter, store selskaper og finansinstitusjoner samt offentlige myndighetsorganer. Den pågående finanskrisen kan imidlertid føre til redusert etterspørsel på kort sikt.

Selskapets sterke finansielle stilling gir fleksibilitet og muliggjør ulike vekstalternativer samt verdiskapning for aksjonærene.

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Vedlagt følger et sammendrag av resultatregnskap og balanse for fjerde kvartal 2008. For ytterligere informasjon, kontakt:

- *Styreformann: Svein Ramsay Goli (9075 6757),*
- *CEO: Trygve Aasland (4153 9717),*
- *CFO: Simen Nyberg-Hansen (9820 6355)*

Norman ASA
Condensed consolidated interim income statement, unaudited

(Figures in NOK 1.000)	Note	4Q08	4Q07	2008	2007
Sales revenue		73.520	60.042	263.681	248.938
Other operating income	8	7.432	21.095	15.325	21.095
Net revenues		80.952	81.137	279.006	270.033
<i>Sales revenue - % growth from previous year</i>		<i>22%</i>	<i>-8%</i>	<i>6%</i>	<i>-1%</i>
Cost of goods sold		10.937	10.404	34.649	39.283
Personnel expenses		36.803	32.727	130.597	120.755
Other operating expenses		24.274	17.746	84.275	70.703
Other losses/(gains)	8	-41.428	-10	-40.342	721
Loss on receivables		240	1.571	1.495	2.624
Sub-total		30.826	62.438	210.674	234.086
EBITDA		50.126	18.699	68.332	35.947
<i>EBITDA margin excl other losses/(gains)</i>		<i>11%</i>	<i>23%</i>	<i>11%</i>	<i>14%</i>
Depreciation and amortization		1.989	1.843	8.255	6.058
Operating profit (EBIT)		48.137	16.856	60.077	29.889
Interest income		634	409	2.641	1.587
Interest expense		4	4	21	18
Profit before tax		48.767	17.261	62.697	31.458
Income tax expense		928	5.874	4.829	9.584
Profit for the period		47.839	11.387	57.868	21.874
Attributable to:					
Equity holders of the company		47.839	9.277	57.350	18.078
Minority interest		0	2.110	518	3.796
		47.839	11.387	57.868	21.874
Earnings per share for profit attributable to the equity holders of the company					
Earnings per share – basic and diluted		kr 4.91	kr 0.95	kr 5.88	kr 1.85

Norman ASA
Condensed consolidated interim balance sheet, unaudited

(Figures in NOK 1.000)	Note	31 Dec 08	31 Dec 07
ASSETS			
<i>Non-current assets</i>			
Intangible assets	7/9	20.691	15.554
Goodwill	9	45.257	1.972
Property, plant and equipment		5.559	6.091
Deferred tax asset		33.384	31.202
		104.891	54.819
<i>Current assets</i>			
Inventory		4.030	898
Trade receivables		29.743	25.013
Other current receivables		7.002	7.520
Cash and cash equivalents		101.456	108.189
		142.231	141.620
Total assets		247.122	196.439
EQUITY			
<i>Capital and reserves attributable to the company's equity holders</i>			
Share capital		3.772	3.772
Treasury shares		-25	-17
Other equity		30.184	2.595
Other contributed equity		799	-289
Cumulative translation adjustment		-177	3.687
		34.553	9.748
Minority interest		0	3.918
Total equity		34.553	13.666
LIABILITIES			
<i>Non-current liabilities</i>			
Deferred income – non-current		38.892	40.045
Deferred tax		1.283	0
		40.175	40.045
<i>Current liabilities</i>			
Trade and other payables		13.595	7.212
Current income tax liabilities		1.305	7.205
Payroll tax, VAT, social tax etc		9.970	8.188
Deferred income – current		123.007	102.112
Other current liabilities		24.517	18.011
		172.394	142.728
Total liabilities		212.569	182.773
Total equity and liabilities		247.122	196.439

Lysaker, January 22nd 2009
Svein Ramsay Goli
Chairman of the Board of Directors
Norman ASA

Norman ASA
Condensed consolidated interim statement of cash flows, unaudited

(Figures in NOK 1.000)	Note	2008	2007
Cash flow from operating activities			
Profit before tax		62.697	31.458
Depreciation and amortization		8.255	6.058
Calculation of share option costs		1.088	791
Loss/(profit) on receivables		1.495	2.624
Gain on acquisition	8	-41.654	0
Payment of tax		-8.621	-5.344
<i>Changes in assets & liabilities</i>			
Accounts receivable		-5.171	7.591
Inventory		-2.677	96
Other operating assets / liabilities		1.156	17.442
Accounts payable		5.955	-3.031
Net cash flow from operating activities		22.523	57.685
Cash flow from investing activities			
Acquisition of subsidiary, net of cash acquired		-3.290	0
Payments for purchase of long term assets		-8.003	-12.923
Net cash flow from investing activities		-11.293	-12.923
Cash flow from financing activities			
Payment of dividend		-29.260	-9.784
(Payments)/receipts for (purchase)/sale of own shares		-509	-2.283
Net cash flow from financing activities		-29.769	-12.067
Effect of foreign exchange rate changes		11.806	-2.379
Net changes in cash & cash equivalents		-6.733	30.316
Cash & cash equivalents as at period start		108.189	77.873
Cash & cash equivalents as at period end		101.456	108.189

Norman ASA

Condensed consolidated interim statement of changes in equity, unaudited

(Figures in NOK 1.000)	Share capital	Treasury Shares	Other contributed equity	Other equity	Cumulative transl. adjustment	Minority interest	Total equity
Balance as at 1.1.07	3.926	-154	-1.018	-3.433	1.455	104	880
Currency translation differences	-	-	-	-	2.232	18	2.250
Net income/(expense) recognized directly in equity	-	-	-	-	2.232	18	2.250
Profit for the year	-	-	-	18.078	-	3.796	21.874
<i>Total recognized income for 2007</i>	-	-	-	18.078	2.232	3.814	24.124
Dividend paid to equity holders	-	-	-	-9.784	-	-	-9.784
Purchase of treasury shares	-	-17	-	-2.266	-	-	-2.283
Reduction in share capital by cancellation of treasury shares	-154	154	-	-	-	-	-
Employee share option scheme; value of services provided	-	-	729	-	-	-	729
	-154	137	729	-12.050	-	-	-11.338
Balance as at 31.12.07	3.772	-17	-289	2.595	3.687	3.918	13.666
Balance as at 1.1.08	3.772	-17	-289	2.595	3.687	3.918	13.666
Currency translation differences	-	-	-	-	-3.864	175	-3.689
Net income/(expense) recognized directly in equity	-	-	-	-	-3.864	175	-3.689
Profit for the year	-	-	-	57.350	-	518	57.868
<i>Total recognized income for 2008</i>	-	-	-	57.350	-3.864	693	54.179
Dividend paid to equity holders	-	-	-	-29.260	-	-	-29.260
Purchase of treasury shares	-	-8	-	-501	-	-	-509
Purchase of minority	-	-	-	-	-	-4.611	-4.611
Employee share option scheme; value of services provided	-	-	1.088	-	-	-	1.088
	-	-8	1.088	-29.761	-	-4.611	-33.292
Balance as at 31.12.08	3.772	-25	799	30.184	-177	0	34.553

Norman ASA

Notes to the condensed consolidated interim financial statements, unaudited

Note 1: Reporting entity

Norman ASA (the "Company") is a company domiciled in Bærum, Norway. These December 2008 condensed consolidated interim financial statements of Norman ASA and its subsidiaries (together "the Group" or "Norman") are for the twelve months ended December 31st 2008.

The consolidated financial statements of the Group as at and for the year ended December 31st 2007 are available upon request from the Company's registered office at Strandveien 37, Lysaker, or at www.norman.com.

Note 2: Statement of compliance

These condensed consolidated interim financial statements of the Group have been prepared in accordance with rules and regulations from Oslo Stock Exchange and International Financial Reporting Standard (IFRS) IAS 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31st 2007.

These condensed consolidated interim financial statements were approved by the Board of Directors on January 22nd 2009.

Note 3: Significant accounting policies

These condensed consolidated interim financial statements have been prepared under the historical cost convention. They have been prepared under the same accounting principles as those set out in the consolidated financial statements of the Group as at and for the year ended December 31st 2007.

Note 4: Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31st 2007.

Note 5: Segment reporting

IAS 14 requires segmental reporting on both a primary and secondary basis. Business segment is the primary reporting format for the Group, as products and services represent the predominant source and nature of risks and returns. Norman is a niche player specializing in development, marketing and sales of data security software products and operates only within one primary segment. Norman's secondary segment is geographical segments. The geographical split of net revenues, total assets and capital expenditures is as follows:

(Figures in NOK 000)	Norway*)				Other Europe				North America			
	4Q08	4Q07	2008	2007	4Q08	4Q07	2008	2007	4Q08	4Q07	2008	2007
Sales revenue	11.803	11.780	45.496	48.012	56.674	43.973	197.039	185.867	5.043	4.289	21.146	15.059
Total assets			137.925	83.702			105.656	110.335			3.541	2.402
Capital expenditures	1.767	3.189	6.585	11.500	337	431	1.324	1.161	28	4	94	262

*) Transactions with Group companies are eliminated

Norman ASA

Notes to the condensed consolidated interim financial statements, unaudited

Note 6: Income statement analysis

Expenses can be presented either by the nature of expenses or by their function. Norman has decided to classify expenses by nature on the face of the income statement, but will for information purposes also specify expenses by business function.

(Figures in NOK 1.000)	Note	4Q08	4Q07	2008	2007
Sales revenue		73.520	60.042	263.681	248.938
Other operating income	8	7.432	21.095	15.325	21.095
Net revenues		80.952	81.137	279.006	270.033
<i>Sales revenue - % growth from previous year</i>		<i>22%</i>	<i>-8%</i>	<i>6%</i>	<i>-1%</i>
Cost of goods sold		10.937	10.404	34.649	39.283
R&D expenses		12.098	12.797	45.159	40.111
Sales expenses		33.775	27.912	121.465	115.804
Marketing expenses		7.578	3.971	19.437	14.231
G&A expenses		7.626	5.793	28.811	21.312
Other losses/(gains)	8	-41.428	-10	-40.342	721
Loss on receivables		240	1.571	1.495	2.624
Sub-total		30.826	62.438	210.674	234.086
EBITDA		50.126	18.699	68.332	35.947
<i>EBITDA margin excl other losses/(gains)</i>		<i>11%</i>	<i>23%</i>	<i>11%</i>	<i>14%</i>
Depreciation and amortization		1.989	1.843	8.255	6.058
Operating profit (EBIT)		48.137	16.856	60.077	29.889

Note 7: Intangible assets

During 4th quarter 2008, Norman has capitalized NOK 1.2 million (4Q07: NOK 1.5 million) in development costs related to the development of new products (2008: NOK 4.9 million, 2007: NOK 7.6 million).

Note 8: Other operating income and other losses/gains

In the fourth calendar quarter of 2007 Norman received NOK 39.0 million from entities controlled by the management shareholders in Norman ASA's 70% owned Dutch subsidiary Norman Shark BV. The background for the income is that the management shareholders and companies controlled by them have withheld revenue from the Group that should have been booked in the Group. In Norman's financial statements, an amount of NOK 21.1 million was booked as "other operating income" in the fourth calendar quarter of 2007. The remaining NOK 17.9 million was booked as deferred revenue in the balance sheet. In 2008 NOK 10.2 million of the NOK 17.9 million is booked as "other operating income" (NOK 2.3 million in Q4).

In the fourth calendar quarter of 2008 Norman ASA acquired the remaining 30% of Norman Shark BV and 100% of DCC Shark BV. These transactions were part of the settlement with former management in Norman Shark BV. The purchase price for the Norman SHARK BV and DCC Shark BV shares was substantially lower than the fair value of the shares, and this difference resulted to a one-off increase in the Norman 2008/Q4 EBITDA of NOK 41.7 million. Of this, NOK 5.1 million is seen as a compensation for the revenue withheld from the Group and classified as "other operating income" and NOK 36,6 is seen as a gain on the option to acquire the companies and is classified as "other gain/losses". This one time effect has no impact on the cash flow.

Note 9: Goodwill and intangible assets - acquisition

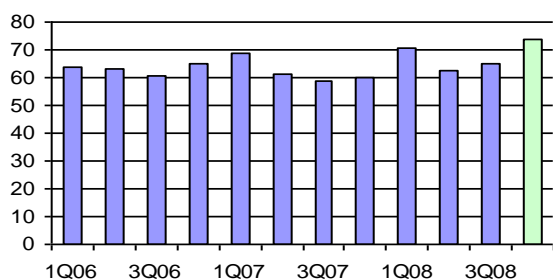
In the fourth quarter of 2008 Norman ASA acquired the remaining 30% of Norman Shark BV and 100 % of DCC Shark BV (see note 8). For accounting purposes, these transactions are deemed to have taken place on October 31st 2008, and has been accounted for using the purchase method.

Note 9 cont.:

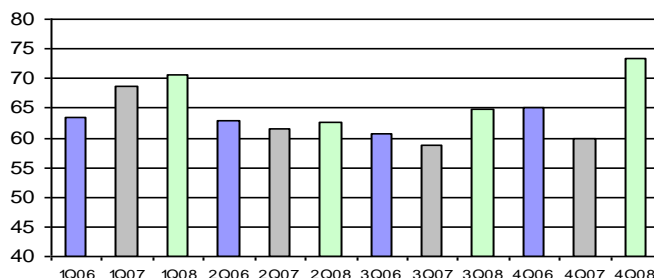
The purchase price for the Norman Shark BV and DCC Shark BV shares of NOK 5.4 million was substantially lower than fair value of the shares. Based on fair value of the shares acquired, the goodwill arising on these transactions amounted to NOK 37.5 million and a separately identifiable intangible asset related to customer relationships of NOK 4.4 million was recognised.

Quarterly developments

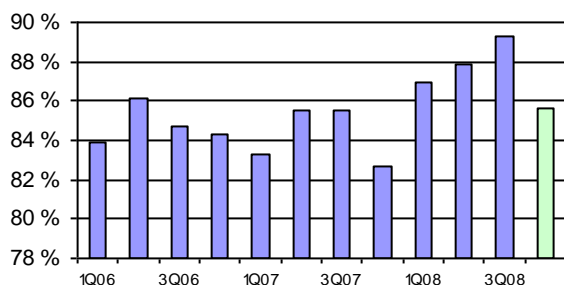
Revenues (MNOK)



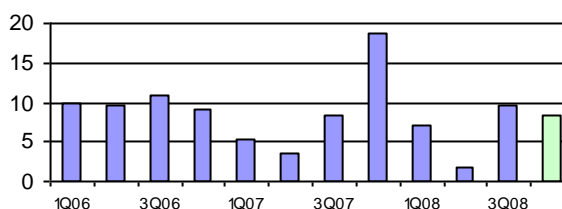
Quarterly revenues yoy (MNOK)



Gross profit margin

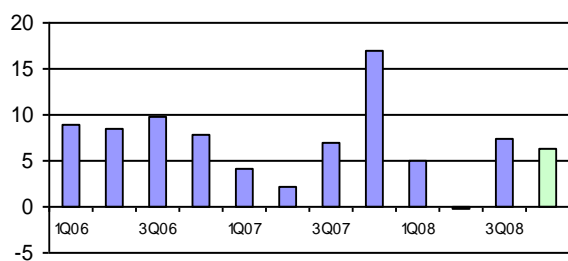


EBITDA (MNOK)



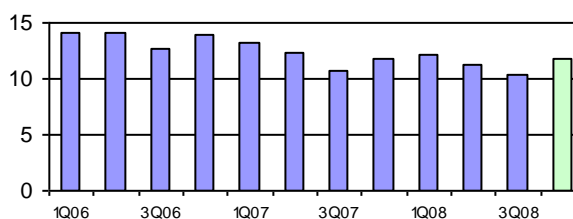
*4Q08 ex. gain on acquisition of NOK 41.7 million

EBIT (MNOK)

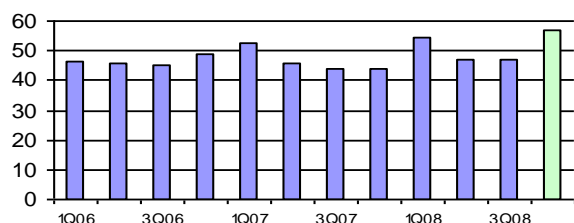


*4Q08 ex. gain on acquisition of NOK 41.7 million

Norway revenues (MNOK)



Other Europe revenues (MNOK)



North America revenues (MNOK)

