

NORMAN ASA

**1. kvartal 2008 /
1st quarter 2008**

**Lysaker, 17. april 2008 /
17th April 2008**

Norman viser vekst og god fortjeneste

Datasikkerhetsselskapet Norman ASA fikk en omsetning på 70,7 millioner kroner i første kvartal 2008, en økning fra 68,7 millioner kroner i første kvartal i fjor. EBITDA-resultatet var 7,0 millioner kroner, opp 32% fra samme periode i fjor. EBITDA marginen for Q1 '08 endte på 10%.

Normans resultat før skatt i første kvartal endte på 5,2 millioner kroner, opp fra 4,4 millioner kroner i første kvartal i fjor.

Selskapet opplevde en negativ valuta effekt i Q1. Justert for den negative valutaeffekten var inntektsveksten 6%.

- Norman opplevde betydelig vekst generert fra de initiativ som ble tatt i 2007. Vi er veldig fornøyde over å se de positive resultatene som kommer ut av Norman's refokusering i det vi trer inn i 2008, sier adm. direktør Trygve Aasland i Norman.

Første kvartal representerte salgsstarten for Normans nye generasjon av sitt hovedprodukt, Norman Security Suite. Enbrukerversjonen av suiten ble lansert mot slutten av 2007 og corporate-versjonen er ventet i andre halvår i år. OEM-avtaler, som inngår i forretningsområdet Core Security, utviklet seg positivt i første kvartal. Blant Normans OEM-kunder er selskaper som Microsoft og F-Secure.

Innenfor forretningsområdet Advanced Malware Analyzers har alle kunder hvor ett års lisensen har utløpt, fornyet sine lisenser. Flere nye kontrakter ble inngått i kvartalet, blant annet med nye referansekunder som Light Speed Systems og Microsoft Release Lab. Sistnevnte er den enheten i Microsoft som har ansvaret for å analysere og godkjenne alle nye Microsoft-produkter før de slippes på markedet, og har industriens høyeste standard for sikkerhets og kvalitetssikring. Norman Analyzer Pro vil være en integrert del av Microsofts kvalitetsprosess for nye produkter og applikasjoner. Blant Normans øvrige kunder i dette forretningsområdet er globale IT-selskaper, finansinstitusjoner og nasjonale sikkerhetsorganisasjoner. De fleste av disse kundene ønsker av sikkerhetsgrunner ikke å bli identifisert.

I tråd med markedets fokus på å sikre den interne trafikken på kunders nettverk har Norman Network protection blitt installert i ulike vertikale markeder som produksjons-, utdannelse- og helsesektoren. Disse installasjonene er gjort i en rekke Europeiske land. I første kvartal inngikk Norman den første kontrakten mot helsesektoren, hvor Norman Network Protection sørger for datasikkerheten der sensitive pasientopplysninger, avansert medisinsk utstyr og sykehusets administrative funksjoner skal knyttes opp mot hverandre. Helseektoren er sammen med produksjons- og utdanningsinstitusjoner attraktive markeder for Norman Network Protection.

83 prosent av Normans salg er nå utenfor Norge. Den sterkeste veksten er for tiden i Nord-Amerika, der omsetningen økte med 39 prosent i første kvartal

Normans finansielle stilling er fortsatt sterk. Selskapet har ingen rentebærende gjeld. Kontantbeholdningen var ved slutten av kvartalet 115,8 millioner kroner, en økning på 7,2 millioner kroner fra utgangen av 2007.

Selskapet hadde 187 ansatte ved utgangen av første kvartal (194 ved slutten av første kvartal i fjor).

Norman vil fortsette å levere nye produkter til markedet i 2008. Etter hvert som de nye produktene får gjennomslag regner Norman med å få ny fart og oppnå økt organisk vekst, da særlig i andre halvår.

Selskapet vil fortsette å investere i produktutvikling og markedsføring, både innen de tradisjonelle produktområdene og i nye vekstområder. Normans sterke finansielle stilling gir selskapet betydelig fleksibilitet i forhold til fremtidige vekstalternativer samt skape verdi for selskapets aksjonærer.

Vedlagt følger et sammendrag av resultatregnskap og balanse for første kvartal 2008.

For ytterligere informasjon, kontakt:

- Svein Ramsay Goli, styreformann (+47 9075 6757)
- Trygve Aasland, administrerende direktør (+47 4153 9717)
- Simen Nyberg-Hansen, finansdirektør (+47 9820 6355)

Norman shows growth and strong profitability

Norman ASA, the data security company, today announced its first quarter 2008 results. Net revenue ended at NOK 70.7 million, up from NOK 68.7 million in last year's first quarter. EBITDA was NOK 7.0 million, up 32% from previous year. The EBITDA margin for Q1 '08 ended at 10%.

Norman's profit before tax for the first quarter ended at NOK 5.2 million up from NOK 4.4 million previous year.

The company was hit by a negative currency effect in Q1. Adjusted for negative currency effect the revenue growth was 6%.

"Norman experienced considerable growth generated from the initiatives taken in 2007. We are quite excited to see positive results from our refocusing as we are entering into 2008," said Norman's CEO Trygve Aasland.

The first quarter represented the sales start for the new generation of Norman's core product, Norman Security Suite. The single user version of the suite was released at the end of 2007 and the corporate version is expected in the second half of 2008. OEM agreements, included in the Core Security business area, developed positively in the first quarter. Among Norman's OEM customers are companies like Microsoft and F-Secure.

Within the business area Advanced Malware Analyzers, all customers completing their first year of using the product renewed their licenses. Several new contracts were secured in the first quarter. Among the new reference customers are Light Speed Systems and Microsoft Release Lab. The Release Lab analyses and approves all new Microsoft products and patches prior to release and maintains the industry's highest security and quality assurance standards. Norman Analyzer Pro will be an integral part of the quality process for new Microsoft products and applications. Among Norman's other customers in this business area are global IT organisations, financial institutions and national security agencies. The majority of these customers prefer not to be identified for security reasons.

In line with the market's increased focus on internal network security the new Norman Network Protection product has been installed in various vertical markets like manufacturing, education and healthcare. These installations are spread throughout Europe. In the first quarter Norman signed its first network protection contracts within the healthcare vertical, where Norman Network Protection will provide state-of-the-art data security in the interaction between sensitive patient data, sophisticated medical equipment and the hospital's administrative functions. Hospitals, alongside manufacturing industries and educational institutions, represent attractive segments for Norman Network Protection.

83% of Norman's sales are now outside Norway. The strongest growth is currently seen in North America, where Norman's revenue grew by 39% in the first quarter.

Norman's financial position remains strong. The company has no interest bearing debt. Total cash at the end of the quarter amounted to NOK 115.4 million, which is NOK 7.2 million more than at the end of last year.

The company had 187 employees at the end of the first quarter (194 at the end of the previous year's first quarter).

Norman will continue to bring new products to the market in 2008. As the new products are adopted by the market, Norman expects to gain momentum and renewed organic growth, especially in the second half of the year.

The company will continue to invest in product development and marketing both in its traditional products areas and its new areas of growth. Norman's strong cash position represents a considerable flexibility in terms of future growth alternatives and in creating share holder value.

Enclosed is a summary of the interim financial statements for the first 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)*

Norman ASA
Condensed consolidated interim income statement, unaudited

(Figures in NOK 1.000)	Note	1Q08	1Q07	2007
Revenue		70.715	68.690	248.938
Other operating income	8	0	0	21.095
Net revenues		70.715	68.690	270.033
<i>Net revenues - % growth from previous year</i>		<i>3%</i>	<i>8%</i>	<i>7%</i>
Cost of goods sold		10.729	11.525	39.283
Personnel expenses		34.836	32.395	120.755
Other operating expenses		17.952	18.953	71.424
Loss on receivables		232	481	2.624
Sub-total		63.749	63.354	234.086
EBITDA		6.966	5.336	35.947
<i>EBITDA margin</i>		<i>10%</i>	<i>8%</i>	<i>13%</i>
Depreciation and amortization		2.089	1.278	6.058
Operating profit (EBIT)		4.877	4.058	29.889
Interest income		316	357	1.587
Interest expense		4	4	18
Profit before tax		5.189	4.411	31.458
Income tax expense		1.454	970	9.584
Profit for the period		3.735	3.441	21.874
Attributable to:				
Equity holders of the company		3.157	3.001	18.078
Minority interest		578	440	3.796
		3.735	3.441	21.874
Earnings per share for profit attributable to the equity holders of the company				
Earnings per share – basic and diluted		kr 0.32	kr 0.31	kr 1.85

Norman ASA
Condensed consolidated interim balance sheet, unaudited

(Figures in NOK 1.000)	31 Mar 08	31 Mar 07	31 Dec 07
ASSETS			
Non-current assets			
Intangible assets	15.046	11.803	15.554
Goodwill	1.972	1.972	1.972
Property, plant and equipment	5.772	5.235	6.091
Deferred tax asset	31.202	33.045	31.202
	53.992	52.055	54.819
Current assets			
Inventory	1.177	1.354	898
Trade receivables	31.036	35.543	25.013
Other current receivables	7.534	9.963	7.520
Cash and cash equivalents	115.445	89.057	108.189
	155.192	135.917	141.620
Total assets	209.184	187.972	196.439
EQUITY			
Capital and reserves attributable to the company's equity holders			
Share capital	3.772	3.926	3.772
Treasury shares	-17	-159	-17
Other equity	5.752	-1.167	2.595
Other contributed equity	72	-900	-289
Cumulative translation adjustment	2.841	2.371	3.687
	12.420	4.071	9.748
Minority interest	4.541	548	3.918
Total equity	16.961	4.619	13.666
LIABILITIES			
Non-current liabilities			
Retirement benefit obligation	0	885	0
Deferred income – non-current	37.793	36.487	40.045
	37.793	37.372	40.045
Current liabilities			
Trade and other payables	6.577	7.562	7.212
Current income tax liabilities	8.649	4.213	7.205
Payroll tax, VAT, social tax etc	8.115	9.649	8.188
Deferred income – current	109.043	104.167	102.112
Other current liabilities	22.046	20.390	18.011
	154.430	145.981	142.728
Total liabilities	192.223	183.353	182.773
Total equity and liabilities	209.184	187.972	196.439

Lysaker, 16th April 2008
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)	Jan-Mar 08	Jan-Mar 07	2007
Cash flow from operating activities			
Profit before tax	5.189	4.411	31.458
Depreciation and amortization	2.089	1.278	6.058
Calculation of share option costs	361	118	791
Loss/(profit) on receivables	232	481	2.624
Payment of tax	-194	-1.534	-5.344
<i>Changes in assets & liabilities</i>			
Accounts receivable	-6.257	-744	7.591
Inventory	-279	-360	96
Other operating assets / liabilities	6.542	15.319	17.442
Accounts payable	-635	-2.680	-3.031
Net cash flow from operating activities	7.048	16.289	57.685
Cash flow from investing activities			
Payments for purchase of long term assets	-2.019	-3.308	-12.923
Net cash flow from investing activities	-2.019	-3.308	-12.923
Cash flow from financing activities			
Payment of dividend	-	-	-9.784
(Payments)/receipts for (purchase)/sale of own shares	-	-740	-2.283
Net cash flow from financing activities	-	-740	-12.067
Effect of foreign exchange rate changes	2.227	-1.057	-2.379
Net changes in cash & cash equivalents	7.256	11.184	30.316
Cash & cash equivalents as at period start	108.189	77.873	77.873
Cash & cash equivalents as at period end	115.445	89.057	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	-	-	-	-	916	4	920
Net income/(expense) recognized directly in equity	-	-	-	-	916	4	920
Profit for the year	-	-	-	3.001	-	440	3.441
<i>Total recognized income for 1Q07</i>	-	-	-	3.001	916	444	4.361
Purchase of treasury shares	-	-5	-	-735	-	-	-740
Employee share option scheme; value of services provided	-	-	118	-	-	-	118
	-	-5	118	-735	-	-	-622
Balance as at 31.03.07	3.926	-159	-900	-1.167	2.371	548	4.619
Balance as at 1.1.08	3.772	-17	-289	2.595	3.687	3.918	13.666
Currency translation differences	-	-	-	-	-846	45	-801
Net income/(expense) recognized directly in equity	-	-	-	-	-846	45	-801
Profit for the year	-	-	-	3.157	-	578	3.735
<i>Total recognized income for 1Q08</i>	-	-	-	3.157	-846	623	2.934
Employee share option scheme; value of services provided	-	-	361	-	-	-	361
	-	-	361	-	-	-	361
Balance as at 31.03.08	3.772	-17	72	5.752	2.841	4.541	16.961

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 March 2008 condensed consolidated interim financial statements of Norman ASA and its subsidiaries (together “the Group”) are for the three months ended 31 March 2008.

The consolidated financial statements of the Group as at and for the year ended 31 December 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 Norman ASA 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 31 December 2007.

These condensed consolidated interim financial statements were approved by the Board of Directors on 16 April 2008.

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 31 December 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 31 December 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 company 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 1.000)	Norway *)		Other Europe		North America	
	Jan-Mar08	Jan-Mar07	Jan-Mar08	Jan-Mar07	Jan-Mar08	Jan-Mar07
Net revenues	12.107	13.158	54.275	52.410	4.333	3.122
Total assets	92.183	97.276	113.769	87.501	3.232	3.195
Capital expenditures	1.795	2.862	205	322	19	124

*) 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	1Q08	1Q07	2007
Revenue		70.715	68.690	248.938
Other operating income	8	0	0	21.095
Net revenues		70.715	68.690	270.033
<i>Net revenues - % growth from previous year</i>		<i>3%</i>	<i>8%</i>	<i>7%</i>
Cost of goods sold		10.729	11.525	39.283
R&D expenses		12.062	9.133	40.111
Sales expenses		29.173	33.445	115.804
Marketing expenses		2.890	2.733	14.231
G&A expenses		8.663	6.037	22.033
Loss on receivables		232	481	2.624
Sub-total		63.749	63.354	234.086
EBITDA		6.966	5.336	35.947
<i>EBITDA margin</i>		<i>10%</i>	<i>8%</i>	<i>13%</i>
Depreciation and amortization		2.089	1.278	6.058
Operating profit (EBIT)		4.877	4.058	29.889

Note 7: Intangible assets

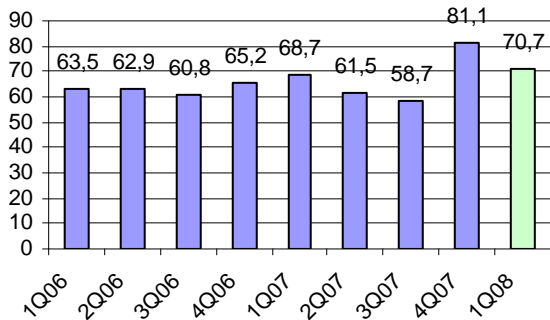
During 1th quarter 2008, Norman has capitalized NOK 1.2 million in development costs related to the development of new products (1Q07: NOK 2.1 million).

Note 8: Net revenues

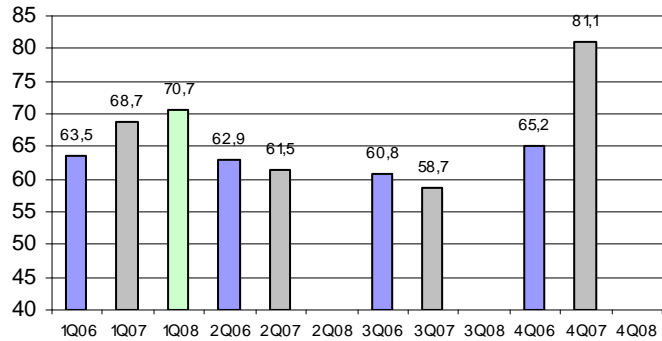
In 2007 Norman received NOK 39.0 million from entities controlled by the management shareholders in Norman's 70% owned Dutch subsidiary Norman Shark BV. The background for the income is that the management shareholders and companies controlled by them have withheld revenue from the Norman Group that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

Quarterly developments

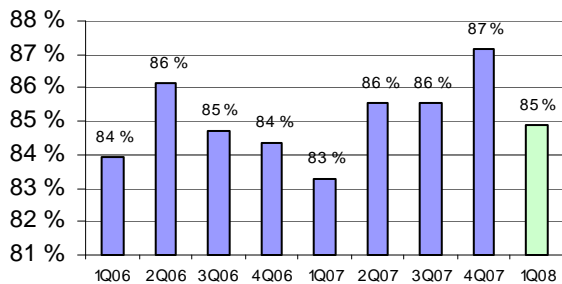
Net revenues (MNOK)



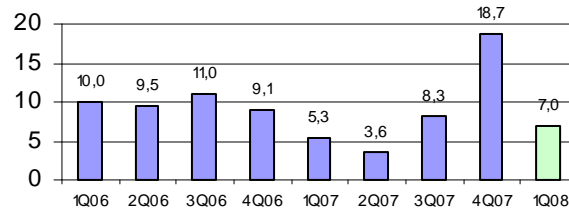
Quarterly net revenues yoy (MNOK)



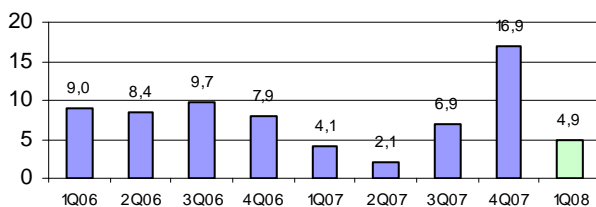
Gross profit margin



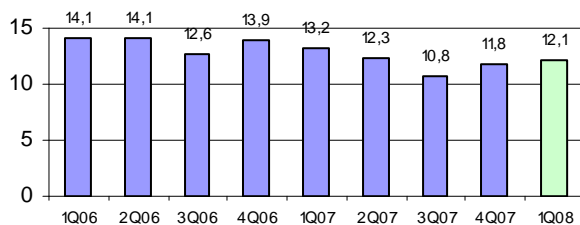
EBITDA (MNOK)



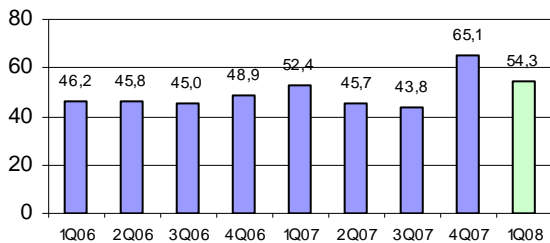
EBIT (MNOK)



Norway revenues (MNOK)



Other Europe revenues (MNOK)



North America revenues (MNOK)

