

OPERA SOFTWARE ASA

Continuous innovation



OPERA SOFTWARE - one click ahead

Back in 1994, a group of researchers working for Telenor explored an early version of the World Wide Web, noting that the software used to browse the Web was immature. The founders of Opera Software, Jon S. von Tetzchner and Geir Ivarsøy, envisioned a multimedia Web where text, images, and sound could be browsed from any device. No software yet offered these features, and they began developing their own Internet browser software, naming it "Opera." In June 1995, Mr. Tetzchner and Mr. Ivarsøy acquired the rights to the browser solution and founded Opera Software ASA.

PHASE ONE

FOCUS ON RESEARCH AND DEVELOPMENT IN THE DESKTOP MARKET

In the beginning, Opera's primary focus was on making the smallest and fastest browser with the best user experience for Windows PCs. In September 1996, the first version of Opera was made available on the Internet as "shareware," meaning users could download the browser for free, but then had to register and pay after a 30-day trial period.

PHASE TWO

R&D FOR MULTIPLE PLATFORMS WITH FOCUS ON INTERNET DEVICES

By offering the smallest and fastest browser on Windows, Opera had considerable competitive advantages in the new and fast-growing market for handheld Internet devices. Opera therefore started development on several new platforms in 1998.

PHASE THREE

FULL-BLOWN COMMERCIALIZATION

In 2000, Opera's growth strategy started paying off with industry leading partners signing up to Opera's vision. Desktop has also demonstrated impressive growth. Opera changed the business model for its desktop browser from a shareware model to an ad-sponsored model. Success was immediate, and today more than 1.3 million people a month download and install the Opera browser in their PCs.

PHASE FOUR

FROM BROWSING TO PLATFORM

The advances in Opera 7 made it possible to work on a new track with mobile operators, offering them the technology concept called the "Opera Platform." Expanding on the traditional role as a Web content viewer, the browser can now turn into the main start-up screen, integrating the Internet with the device's local applications. As commercialization continues, the Opera Platform will be a new main pillar to fuel growth in all of Opera's product lines.



THE OPERA PRODUCTS

The Opera product portfolio is constantly expanding, but currently consists of:

THE OPERA BROWSER:

The small and fast browser with strong standards support with built-in SSR and MMR technology that reformats Web pages and other content for all type of screen sizes. The browser is made available for all major operating systems.

THE OPERA PLATFORM:

Opera Platform enables integration of online content with local applications. The browser can function as a viewer for local applications and be used to take control over soft keys. This enables the browser to be used as a home screen of Internet devices.

MAIL CLIENT:

The mail client has been available for Opera Desktop for two years and is now being ported to other platforms.

SERVER SOLUTION:

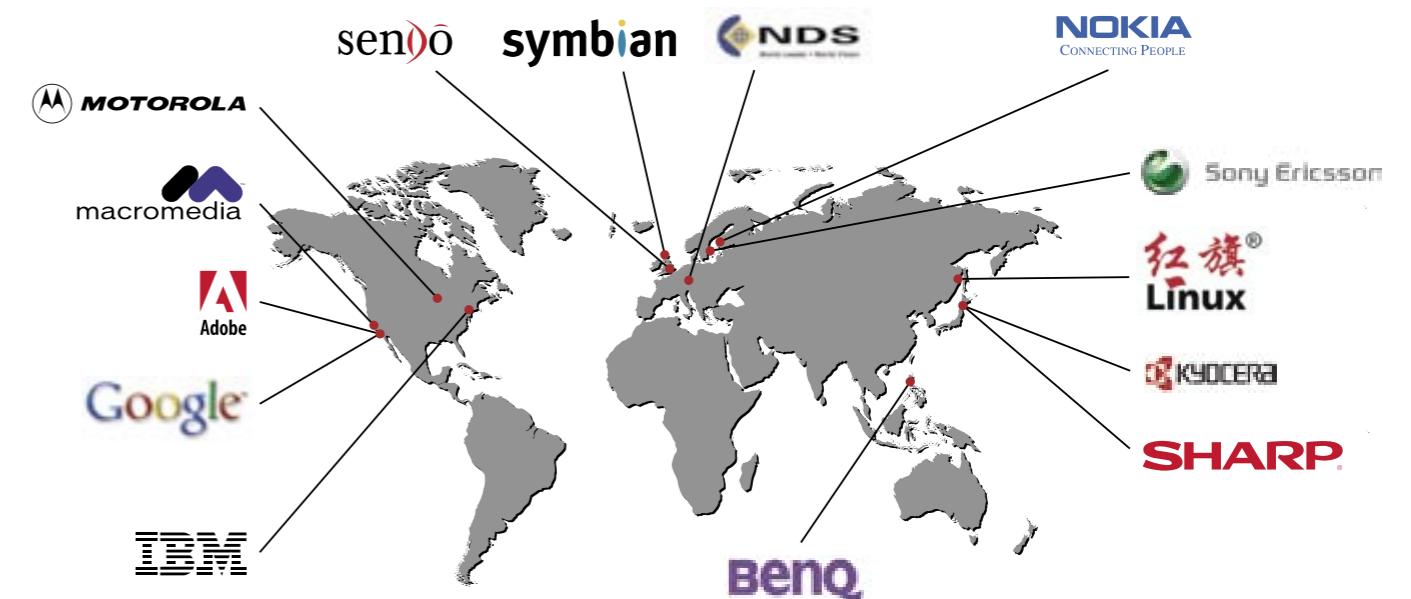
By letting Internet traffic pass through a server located at Opera or with the operator, surfing speed can be significantly increased. The server will reduce the size of images and text before sending the data out to the mobile surfer.

WEB AUTHORING TOOL - CDK:

With the Opera Content Developer Kit (CDK) developers can preview of how a Web page will look when browsing from an Opera-equipped phone, crucial to Web developers seeking to make their sites look great also from mobiles.

THE OPERA PARTNERS

Over the years, some of the industry's biggest players have signed up to Opera's vision of the Internet. These partners include:



INNOVATION DRIVING NEW PRODUCTS

At Opera, the spirit of continuous innovation is constantly nurtured - offering new, exciting products to the market - as well as opening up completely new markets.

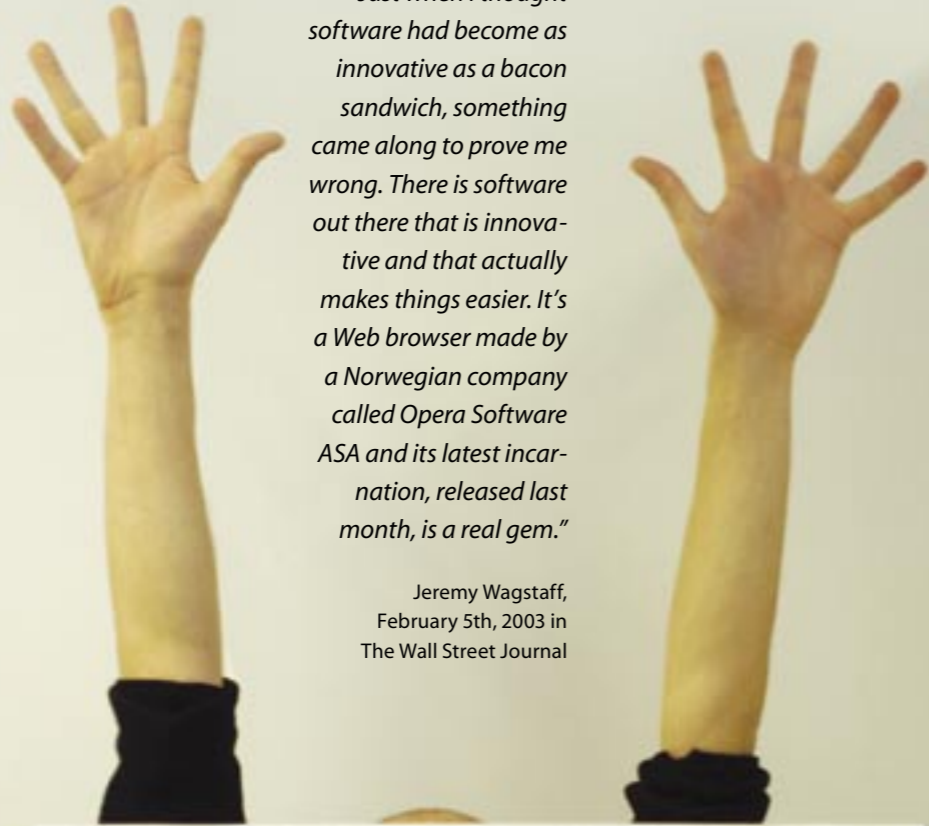
Throughout this brochure we will highlight a few of the innovations that continue to make Opera "The Best User Experience on any Device."

INNOVATING IN DESKTOP BROWSING

Since the first public release in 1994, Opera has been recognized as a leader in user interface innovation on desktop PCs. Opera has demonstrated its ability to focus on continued innovative leadership, developing many features that have changed how millions of users work the Web. Some features other browsers have later copied, others still remain unique to Opera's Internet experience. Examples of Opera innovations are features such as mouse gestures, zooming, integrated Google search, multiple document interfaces, spatial navigation and Fast Forward. By continuously emphasizing providing users with new features and functions that make browsing more enjoyable, Opera is pushing the envelope on browser innovation.

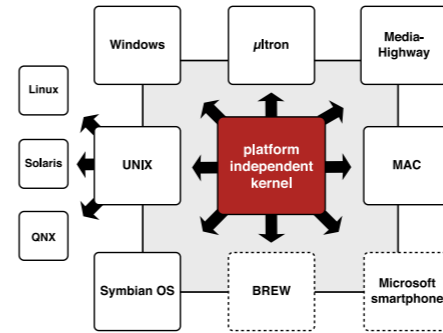
"Just when I thought software had become as innovative as a bacon sandwich, something came along to prove me wrong. There is software out there that is innovative and that actually makes things easier. It's a Web browser made by a Norwegian company called Opera Software ASA and its latest incarnation, released last month, is a real gem."

Jeremy Wagstaff,
February 5th, 2003 in
The Wall Street Journal



THE FOUNDATION OF SUCCESS: 8 MILLION DESKTOP USERS

Since Opera's browser core is completely platform-independent, fans of the desktop version are also the backbone of all of Opera's other business areas. These millions of users battle-test Opera every day on the real Web, reporting back bugs if something is not 100%. Reported bugs are then fixed in the core, making the fix available on anything that runs Opera, for example a smartphone on Linux or a PC running Mac OS.



OPERA - THE FASTEST BROWSER ON EARTH

For a typical user, a Web browser is merely a tool to view Web pages. However, other users recognize that this particular application is the central window to the Web, and they look for the best in quality and efficiency. At Opera we call this Web savvy group for "power users."

Power users prefer using Opera for their home and professional Web browsing.

These power users have been won over by Opera's unique approach to coding, the 5 Ss that guide all code development efforts:

SPEED: Opera is renowned for being the world's fastest browser. Several independent magazine tests show that Opera is significantly faster than its competitors.

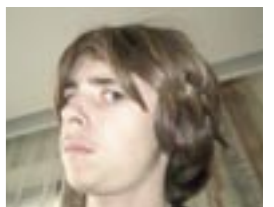
SMALL SIZE: Opera is much smaller than other major browsers, and has a small memory footprint - yet it is all that is needed to surf the Web.

SECURITY: Opera features all the technology needed to provide users with the best in Internet security.

STANDARDS COMPLIANCE: Opera supports all open standards needed to surf the Web, markup languages (HTML and XML), style sheets (CSS1 and CSS2), as well as ECMAScript, JavaScript and DOM.

STATE OF THE ART: Opera provides users with the latest in user interface innovations to let users surf the Web faster and more comfortably.

Since its release in 1996, the Opera browser has built a cult following on the Web. Millions of Opera fans adore and rave about Opera to others, get others to join, report bugs to Opera, as well as provide invaluable problem-solving help to other users. Just click on over to Opera's community site, my.opera.com, and you will see what we mean.



REFORMATTING THE WEB FOR SMALL SCREENS

Since 2001, Opera has focused on how to adapt Web pages originally developed for desktop monitors into user-friendly content on smaller screens. The alternatives available until then were not very compelling:

- 1: Present it as you would on a desktop computer. This meant scrolling excessively to the right to read content.
- 2: Zoom. This gave a nice overview of the page and structure, but presented difficulties when trying to read text.

In 2002 Opera introduced its Small-Screen Rendering (SSR) technology that made it possible to reformat Web pages for the small screens on handsets, eliminating horizontal scrolling on small-screen devices. SSR proved a paradigm shift for Opera and the use of Web on small, mobile Internet devices.



"...[Opera's]...new software will help transform the wireless web from a misnomer into a reality."

The Economist,
December 14th, 2002

"I think it's absolutely phenomenal technology."

Michael Gartenberg, Research Director,
Jupiter Research's Client Access
and Technologies Group

OPERA FOR MOBILE

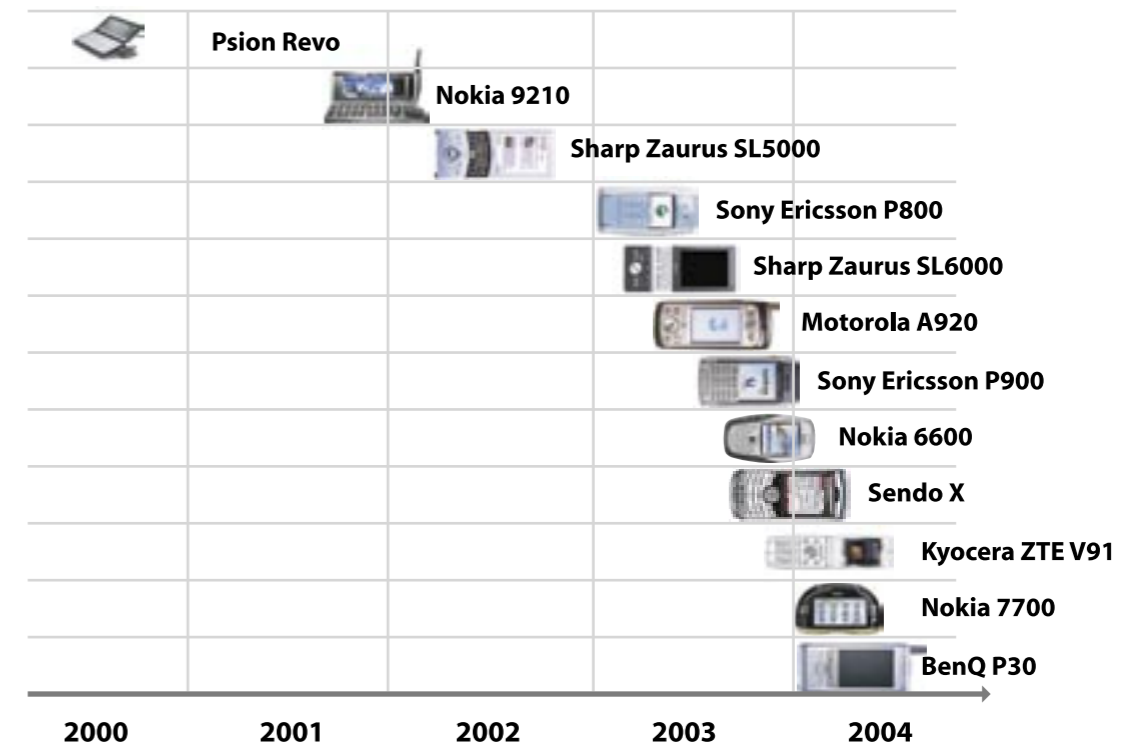
With Opera being a small, fast, cross-platform browser, it's ideal for handheld devices. In 1998, Opera started focusing on the emerging handheld market. The potential is huge. Currently there are around 600 million desktops in use, but over 1 billion cell phones - admittedly not all yet capable of running a browser.

THE WEB IS CALLING

For many years, developers tried to introduce new markup languages specially made to display the mobile Web, such as WAP. WAP proved a spectacular failure. The reason is simple: what made the Internet a success on PC's was the abundance of easily accessible information and services. Without compelling content, the Web or any other type of Internet service is uninteresting to users. WAP lacked compelling content and subsequently failed. With Opera, users enjoy the full Internet experience, accessing all the favorite sites they know from surfing on their desktop PCs. Thanks to Opera's support for technologies such as Street HTML, SSR, and MSR the enjoyment and use of the mobile Web is finally reaching its full potential.

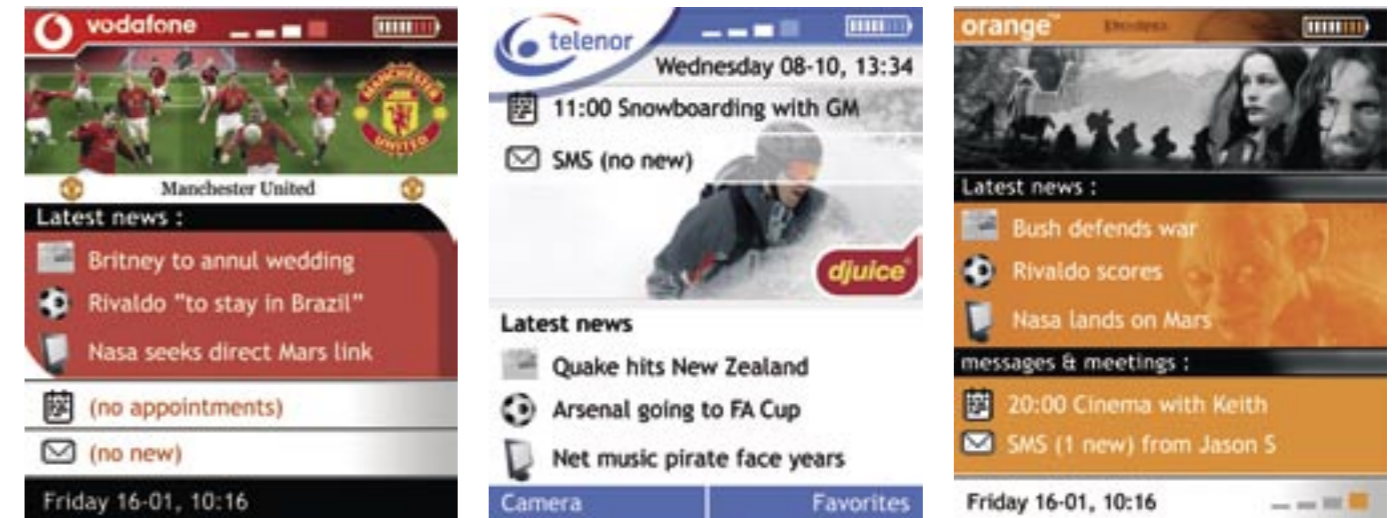
Opera is currently being integrated into phones coming from several handset manufacturers, as well as being added directly on existing devices by operators all around the world.

Key project deliveries



SPINNING THE WEB INTO HANDSETS

Opera's core is constantly evolving, offering the very best of support for the industry's open standards. In 2003, with the level of advanced support for technologies such as DOM and JavaScript introduced in Opera 7, Opera could unveil the exciting new technology concept called the "Opera Platform." The Opera Platform expands the use of browser technology from just being an application for Web viewing. On a handset, Opera can now turn into the main start-up screen, integrating the Internet with all its content with a device's local applications, such as calendar, SMS, and e-mail. Using the Opera Platform, Opera's open standards browser technology now positions itself to become a key technology component on any device.



THE OPERA PLATFORM

Traditionally, Opera has delivered the browser mainly as a viewer for Internet content to be used on mobile phones just as a browser is used on a desktop PC. The Opera Platform extends the usefulness of Opera, something that will especially excite mobile network operators.

Currently, average revenue per user (ARPU) is falling as a result of lower prices per voice minute, leading operators to seek more revenues by increasing data traffic. In order to secure higher data revenues, users need to be offered new and compelling services and content. The Opera Platform enables operators to place the services that drive revenue right under their users' noses, on the handset's home screen. The personalized user experience stimulates usage, in turn driving data revenue.

Using the Opera Platform, operators can now update millions of their subscribers over the air instantly with varying information. Using only the same open standards that made Opera famous as a Web viewer, the operator gains complete control over the phone's user interface. Creating content is also a breeze, not more difficult than creating information for a Web page.

The Opera Platform puts the browser as the central component on the handset. It no longer matters what operating system the phone is using. Operators can now tailor all applications and branding through Opera - getting the whole user experience to revolve around the browser, with Opera getting as the phone's central component. Opera not only fetches information from the Web, but also integrates with the phone's back-end applications.

"The Opera Platform allows network operators to bring online content directly in front of users, in a move that could bring mobile Internet into the mainstream."

Matthew Broersma, ZDNet UK



MEDIUM - SCREEN RENDERING (MSR)

SSR was only the start of Opera's reformatting technology. While SSR does a great job in generating user-friendly versions of Web pages for today's smartphone-sized screens, it is not a perfect solution for larger screen sizes. In 2003, Opera therefore came up with a way to solve the problem of rendering Web content also on mid-sized screens, ranging in size from PDAs used in "landscape mode" to low-resolution TV screens. MSR addresses all these mid to top-tier devices, delicately reformatting content to fit the screen size, without having to resort to horizontal scrolling or zooming.

MSR identifies the Web page's content and adapts these different elements individually to fit on medium-sized screens. Original fonts and colors are kept, and the design and style is left virtually untouched.

Opera's MSR innovation has already been delivered to several partners and has been met with enthusiasm from the industry



OPERA FOR iTV

The interactive TV (iTV) business area in Opera develops browser and presentation engine software for set-top boxes (STBs).

A STB is a device that enables a television set to receive and decode digital television (DTV) broadcasts, and it can also become a user interface to the Internet. A STB is necessary to television viewers who wish to use their current analog television sets to receive digital broadcasts.

Opera provides solutions for both low-end STBs that do not have the ability to integrate Internet access, as well as more advanced high-end STBs that open for interactivity. For the low-end STB Opera is delivered as a presentation engine, while the high-end STB also can get Opera as full-featured browser. In both instances Opera can also be used as the primary graphical user interface to navigate channels and other forms of dynamic content not presented within the browser, just like the Opera Platform is used on mobile phones.

Opera has a strong development effort in iTV, preparing for the growth in the digital TV market expected in 2006/2007.

MULTIMODAL: WEB TALKIN`

As devices become smaller, modes of interaction other than keyboard and stylus are a necessity. Present and future devices will greatly benefit from the use of multimodal access methods. Multimodal access is the ability to combine multiple modes or channels in the same interaction or session. The methods of input include speech recognition, keyboard, touch screen, and stylus. Depending on the situation and the device, a combination of input modes will make using a small device easier. For example, in a Web browser on a PDA, you can select items by tapping or by providing spoken input. Similarly, you can use voice or stylus to enter information into a field. With multimodal technology, information on the device can be both displayed and spoken.

In 2001, IBM, Motorola, and Opera submitted its proposal for a new open standard to the World Wide Web Consortium (W3C). The open X+V HTML standard combines IBM's Voice XML standard with Opera's support for XHTML. X+V will provide a way to create multimodal Web applications. In the future, Opera and IBM will license technology from each other to assist their separate clients in building and promoting multimodal applications.

"As we move further into the pervasive computing model, where our phones, handhelds and even cars become our gateways to information access, the ability to interact with technology in the most natural and convenient way possible will be key. Together with Opera, one of the leading providers of browser technology, IBM aims to build an interface that will allow technology to adapt to end users, rather than forcing them to adapt to technology."

Rod Adkins, General Manager, IBM Pervasive Computing Division

EXCITING OPPORTUNITIES TO COME...

Opera sees a wide range of future opportunities for its technology in a variety of markets. Some of those markets can already be seen today, in others only time will demonstrate the use of Opera's technology, and some markets do not even yet exist.

HOME PRODUCTS

Opera foresees opportunities within appliances such as WI-FI enabled devices, consoles etc. The console can potentially navigate or help the refrigerator order groceries. The same console might inform users about a new dish from a "cuisine multimodal portal."

AUTOMOTIVE

Multimodal applications in the automotive industry span from vehicle navigation systems in the consumer and commercial space to fleet management in the transportation space.

Navigation systems can offer drivers the opportunity to access information visually and by voice in a "hands-free" environment. For instance, if you are running out of gas, you can give a voice order to the dashboard: "Gas stations, please!" The multimodal browser responds with a list of options retrieved by a portal based on your location from the on-board GPS.

BUILDING AUTOMATION

Different building automation systems can be controlled visually and orally, such as access control, elevators, energy management, security, air condition and heat control, lighting, metering, and security applications.

With Opera's HTML and JavaScript presentation engine, the industry can develop cheaper and better solutions with voice enhancements.

HEALTH

Potential market opportunities in the health industry include companies that supply solutions to individual doctors, as well as larger solutions for hospitals.

In the future, doctors might choose to visit their patients and have all the patient journals with them via a server-based system, filling out a prescription directly to the pharmacy via their Webpad.

IN-FLIGHT ENTERTAINMENT

Airlines are now including various entertainment and information features on longer flights, such as on-line/on-screen interactive services (accessed via touch-screen, buttons, or gamepad).

With Opera, airlines can provide the passengers with different entertainment packages via their system, and passengers can access the entertainment menu and gain access to the full Internet, all via the remote control and using Opera's spatial navigation.

INNOVATION CONTINUES

Who knows what wonders will come out of Opera's development tomorrow ... or maybe even tonight? What is for certain is that Opera has concentrated the biggest brain cluster in browser technology today in its Norwegian and Swedish offices. Over the next few years, Opera's developers will continue to bring dazzle and excitement to millions of people all around the world.

GREAT PEOPLE MAKE GREAT SOFTWARE

Opera's technologies continue shaping the fast-paced Internet, telecom and iTV industries. Our developers get continuous praise from media and millions of users for the quality of their coding and the browser's overall design.

Industrial partners recognize Opera's development team for their outstanding commitment and professional project management.

Opera strives to maintain this lead in Web technology by employing the very best people in the browser world today, as well as training new employees into Opera's unique culture of innovation. Employees are recruited from all around the world, currently Opera's staff is made up of people from 19 different nations, adding up to around one-third being non-Norwegian. Opera is headquartered in Oslo, Norway, with a development center in Linköping, Sweden.



THE SLIM LADY SINGS...

Opera is today a household name in the Internet industry. Considering the company's small size and lack of an advertising budget, this is no small feat. Instead of spending vast sums on advertising campaigns, Opera has relied on media relations and word-of-mouth. Top technology journalists around the globe take note when Opera releases new versions, many of them being users and fans themselves. Likewise trade journalists start discussing the implications when Opera introduces new innovations to the market, like Small-Screen Rendering and Opera Platform. In these Opera-centered articles, Opera's executives are frequent interview subjects, and are also invited to comment on more industry-wide articles, like the introduction of new Internet standards or proposed legislation on software patents.

Being a mass-consumer product for desktop computers, and as such a classic "David vs. Goliath" (Opera vs. Microsoft) story, has certainly helped this effort a lot, but in the last few years the company has also gained considerable recognition for the momentum it is enjoying in the mobile Internet market.

In its marketing effort, Opera has proved, just like it has proved with its browser application, that smallness is not necessarily a hindrance to success and recognition.

Opera, ae, f.(lat):
work, labor,
task, attention,
care, service.