Results 2nd Quarter 2008

August 14th 2008

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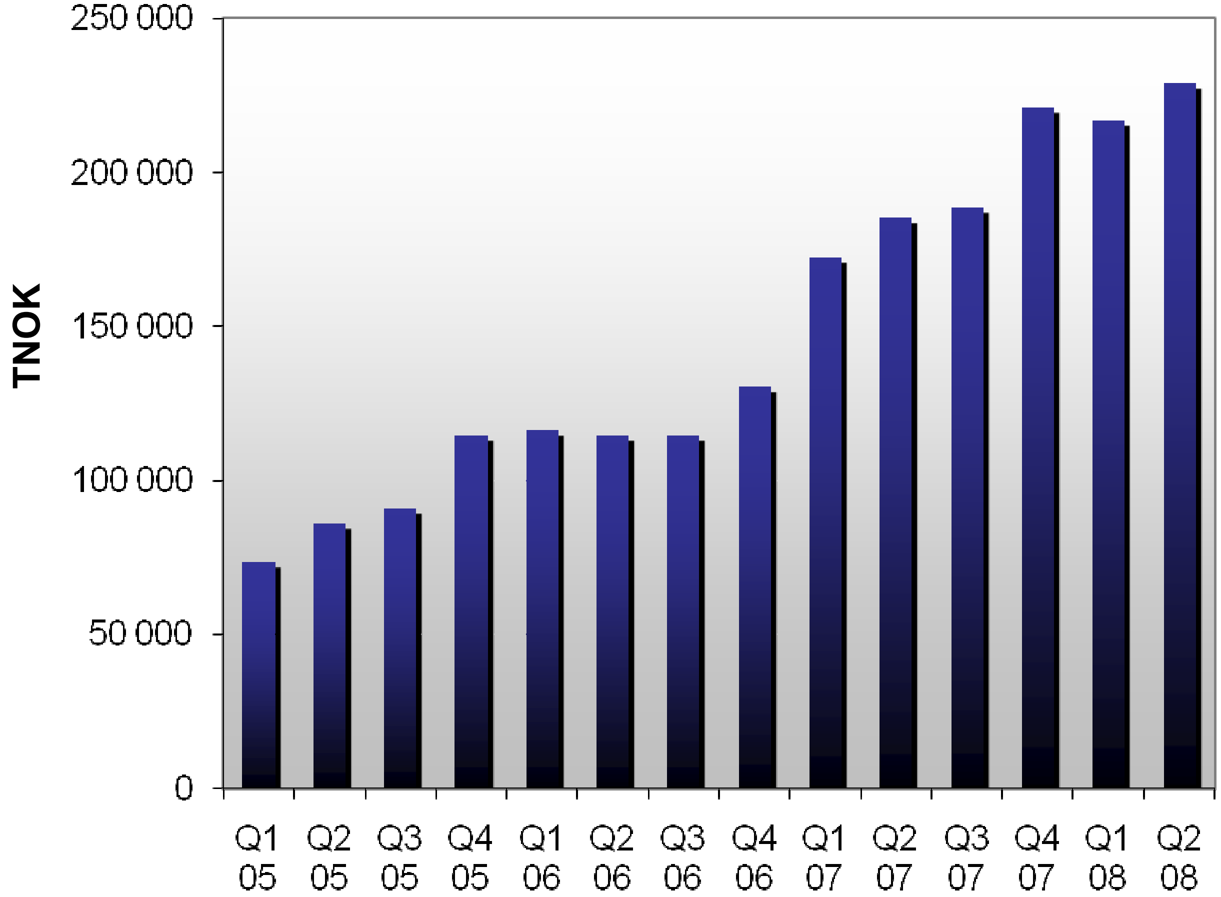
Q2 2008 Overview

- **Group revenue of MNOK 229,0 (MNOK 185,5)**
  - 23 % annual growth, of which 20 % organic growth
- **Total outsourcing order inflow of MNOK 208 (MNOK 126)**
  - New business order inflow of MNOK 125 (MNOK 106)
- **EBITA of MNOK 16,5 (MNOK 12,9)**
  - EBITA margin 7,2 %
- **Profit before tax of MNOK 11,1 (MNOK 9,6)**
- **Net income of MNOK 7,8 (MNOK 8,8)**
  - Effective tax rate of 28 % vs. 7% in Q2 2007

Quarterly Revenue 2005 – Q2 2008

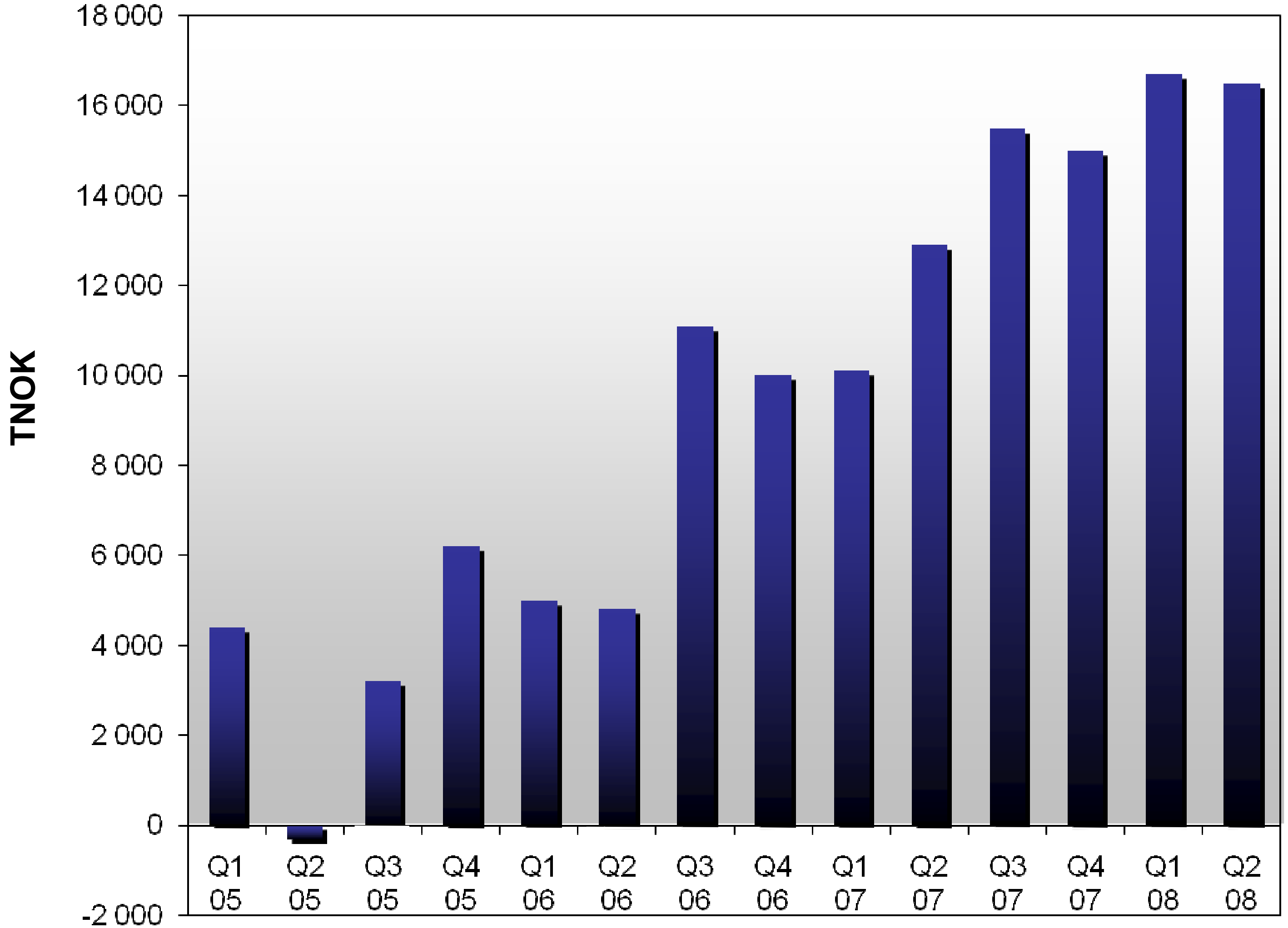


Growth Q2 08 vs. Q2 07:

Revenue: **23 %**

Organic: **20 %**

Quarterly EBITA 2005 – Q2 2008



EBITA margin
Q2 2008:
7,2 %

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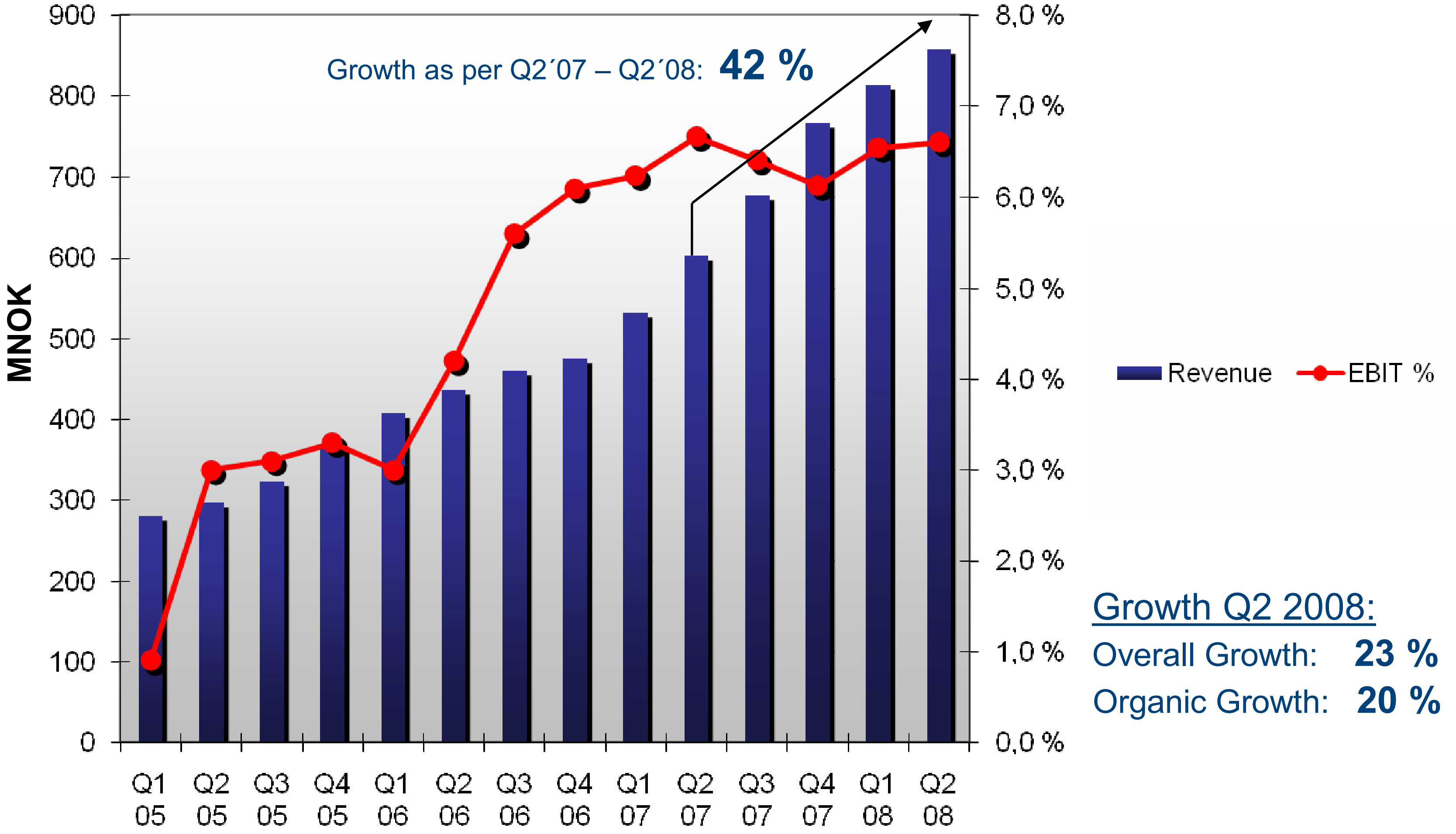
P&L - 12 months rolling



<u>Growth Q2 2008:</u>

Overall Growth: **23 %**

Organic Growth: **20 %**

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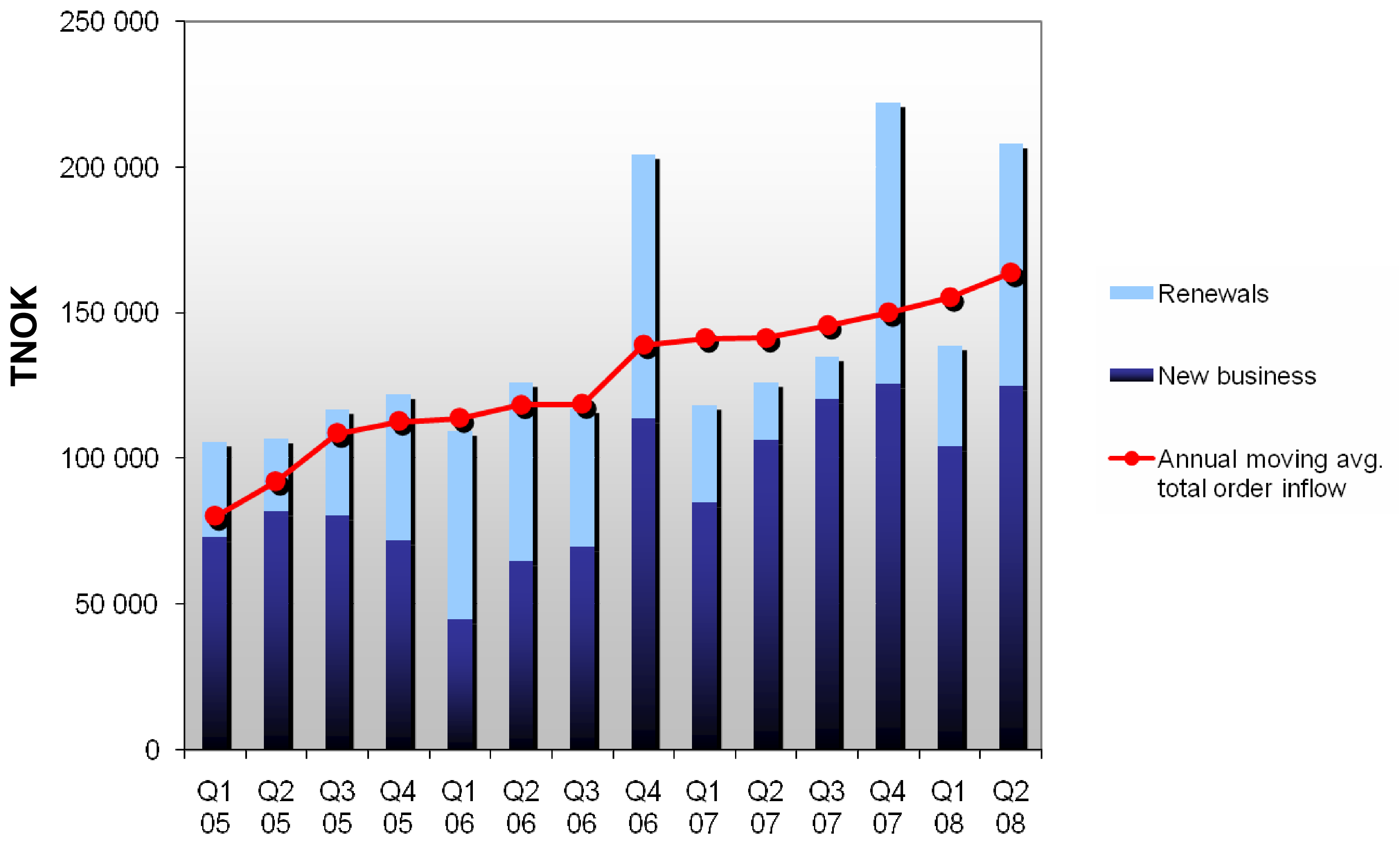
Order inflow 2005 – Q2 2008



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Order inflow Q2 2008

New customers / upsells

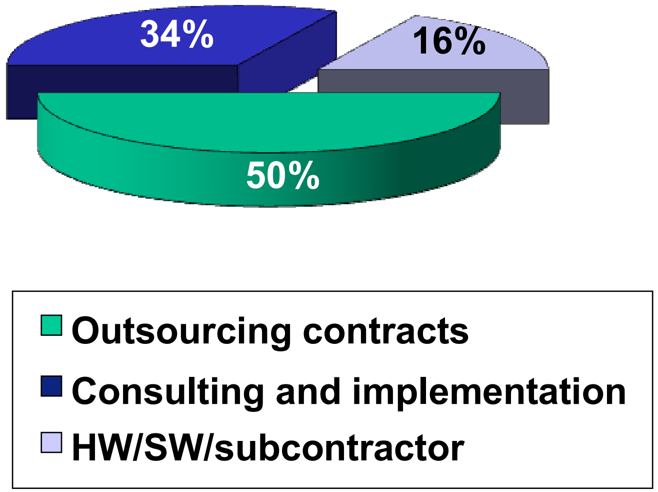
- Bravida
- Heimdalgruppen
- SN Power
- Waldegruppen
- Meglerhuset Vest
- Gothia, Niscaya, RnB, SACO
- …and more

Contract renewals

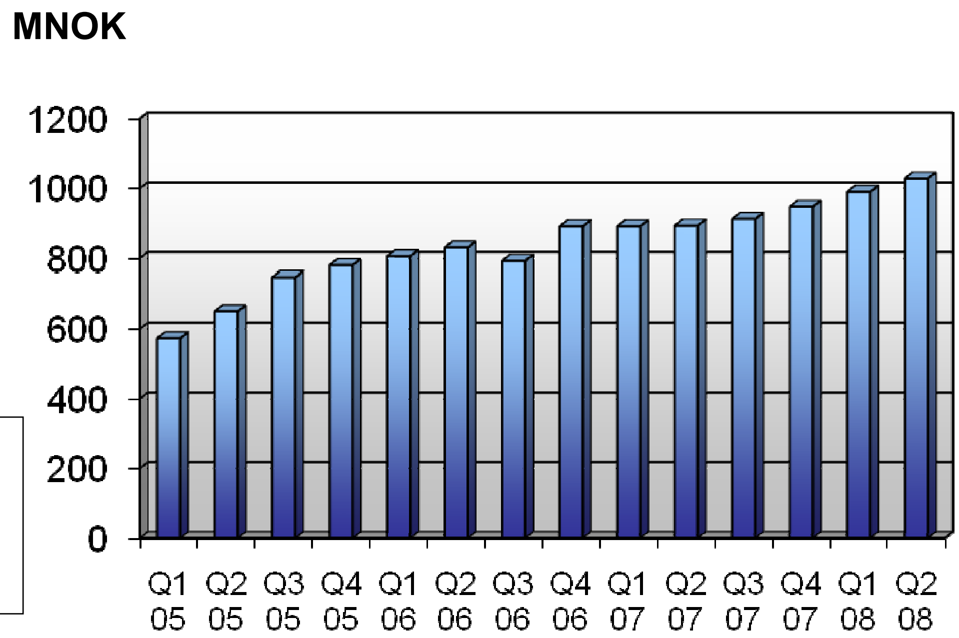
- Norgesmøllen
- Skanem
- Fabege
- Barncancerfonden
- Windoor
- …and more

Large backlog of recurring revenue

Breakdown of revenue Q2 08



Order backlog (Outsourcing Contracts)



Income Statement

CONDENSED INCOME STATEMENT (MNOK)	Q2 2008	Q2 2007	Growth Q2 2007-Q2 2008	1H 2008	1H 2007	Growth 1H 2007-1H 2008	2007
Revenue	**229,0**	**185,5**	**23,4 %**	**446,1**	**358,0**	**24,6 %**	**767,9**
Cost of goods sold	**-61,2**	**-48,4**	**26,6 %**	**-120,8**	**-95,0**	**27,1 %**	**-218,9**
Gross Margin	**167,8**	**137,2**	**22,3 %**	**325,4**	**262,9**	**23,7 %**	**549,0**
GM %	***73,3 %***	***73,9 %***		***72,9 %***	***73,4 %***		***71,5 %***
Personnel cost	-111,0	-96,0	15,6 %	-214,9	-180,5	19,0 %	-366,6
Other operating expenses	-27,6	-16,0	72,4 %	-51,6	-35,4	45,7 %	-80,0
Depreciation	-12,8	-12,2	4,5 %	-25,8	-24,0	7,3 %	-49,0
EBITA	**16,5**	**12,9**	**27,2 %**	**33,1**	**23,0**	**44,2 %**	**53,5**
EBITA %	***7,2 %***	***7,0 %***		***7,4 %***	***6,4 %***		***7,0 %***
Amortisation	-1,8	-1,6	8,7 %	-3,6	-2,9	22,2 %	-6,4
Operating profit (EBIT)	**14,7**	**11,3**	**29,9 %**	**29,6**	**20,1**	**47,4 %**	**47,1**
EBIT %	***6,4 %***	***6,1 %***		***6,6 %***	***5,6 %***		***6,1 %***
Net financial items	-3,5	-1,7		-6,5	-3,0		-9,2
Profit/loss before tax	**11,1**	**9,6**	**16,4 %**	**23,0**	**17,1**	**35,1 %**	**37,9**
Tax	-3,3	-0,7		-6,5	-1,3		12,0
Net income	**7,8**	**8,8**	**-11,4 %**	**16,5**	**15,7**	**4,9 %**	**49,9**
Earnings per share (NOK)							
Basic EPS	0,21	0,24		0,45	0,43		1,36
Diluted EPS	0,21	0,24		0,45	0,43		1,35

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Balance Sheet – assets

CONDENSED BALANCE SHEET (MNOK)	30.06.2008	31.03.2008	31.12.2007	30.06.2007
Deferred tax asset	61,7	62,8	63,0	48,3
Goodwill	262,6	265,6	262,3	255,0
Customer relationships	26,7	28,5	29,6	27,8
Trademarks	21,1	21,6	21,6	22,6
Software licenses	26,1	25,8	23,1	22,0
Tangible fixed assets	77,8	79,2	77,9	75,8
Financial fixed assets	1,2	1,2	1,2	0,4
Total fixed assets	**477,2**	**484,6**	**478,6**	**452,0**
Inventory	1,1	0,8	0,3	1,0
Accounts receivable	150,6	141,6	126,3	104,9
Other short term receivables	27,7	42,7	28,4	30,1
Cash and cash equivalents	70,1	68,5	73,1	75,7
Total current assets	**249,5**	**253,6**	**228,1**	**211,7**
TOTAL ASSETS	**726,6**	**738,2**	**706,7**	**663,7**

Balance Sheet – liabilities / equity

CONDENSED BALANCE SHEET (MNOK)	30.06.2008	31.03.2008	31.12.2007	30.06.2007
Equity	**338,4**	**334,3**	**320,9**	**298,5**
Interest bearing debt	174,2	174,2	199,2	206,6
Deferred tax liability	19,3	19,9	19,9	11,9
Other long term debt	17,3	17,2	16,7	15,6
Long term debt	**210,7**	**211,3**	**235,8**	**234,1**
Accounts payable	42,3	44,5	49,7	39,6
Public duties payable	48,4	52,9	49,8	45,4
Other short term debt	86,8	95,3	50,5	46,0
Short term debt	**177,5**	**192,6**	**150,0**	**131,0**
TOTAL LIABILITIES AND EQUITY	**726,6**	**738,2**	**706,7**	**663,7**
Equity ratio	**47 %**	**45 %**	**45 %**	**45 %**

Cash Flow Statement

CASH FLOW (MNOK)	Q2 2008	Q2 2007	1H 2008	1H 2007
Cash flow from operations	**20,8**	**-4,6**	**32,9**	**8,4**
Cash flow from investments	**-19,8**	**-18,5**	**-36,9**	**-265,7**
Cash flow from financing	**1,0**	**2,2**	**1,0**	**204,4**
Translation differences	-0,4	-1,8	0,1	-6,4
NET CHANGE IN CASH	**1,6**	**-22,6**	**-3,0**	**-59,3**
Cash at beginning of period	**68,5**	**98,3**	**73,1**	**135,0**
Cash at end of period	**70,1**	**75,7**	**70,1**	**75,7**

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Segment Reporting Q2 2008

IFRS Segments (MNOK)	Q2-2008	Q2-2007	Growth	Organic Growth	Year to Date
Norway IT Operations					
Revenue	107,6	92,0	16,9 %	20,9 %	214,4
EBITA	8,8	8,9	N/A	9,0 %	17,6
EBITA %	8,2 %	9,7 %			8,2 %
EBIT	8,4	8,6	N/A	9,4 %	17,0
Sweden IT Operations					
Revenue	64,0	59,9	6,9 %	6,9 %	123,1
EBITA	0,8	2,1	N/A	N/A	1,9
EBITA %	1,2 %	3,5 %			1,5 %
EBIT	0,2	1,4	N/A	N/A	0,6
Sweden IT Solutions					
Revenue	57,4	33,7	70,6 %	40,0 %	108,7
EBITA	6,9	2,0	246,9 %	113,0 %	13,6
EBITA %	12,0 %	5,9 %			12,5 %
EBIT	6,1	1,3	355,9 %	170,1 %	12,0
Consolidated					
Revenue	229,0	185,6	23,4 %	19,8 %	446,1
EBITA	16,5	12,9	27,2 %	13,9 %	33,2
EBITA %	7,2 %	7,0 %			7,4 %
EBIT	14,7	11,3	29,9 %	16,5 %	29,6

* Note: Organic growth excludes the prior 12 months' acquisitions and divestitures.
In local currency, Sweden IT operations growth is 10,4 % (all organic).
In local currency, Sweden IT solutions growth is 76,0 %; organic growth is 43,0 %.

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IT Operations

- **Q2 2008 Results**
  - Continued strong performance across all parameters in Norway, however EBITA margin fell from last year due to growth-related investments in staff and a comparison against a particularly strong Q2 last year
  - TC Sweden returned to profitability in Q1 as targeted and has seen an improvement in underlying performance. The turnaround process continues.
    - Key elements in turnaround plan:
      OPEX efficiencies, COGS savings, focus on growth in professional services
- **Areas of strength**
  - Second highest order inflow in company history and solid generation of future prospect lists, cross-sales opportunities w/ Kentor
  - Order backlog above NOK 1 bn for the first time
  - Continued positive effects to underlying performance from Swedish turnaround plan
- **Priorities going forward**
  - Maintain momentum in Norway, while executing the turnaround in TC Sweden
  - Focus on EBIT and cash flow improvements

IT Solutions

- **Q2 2008 Results**
  - Outstanding performance across all parameters in Kentor
- **Areas of strength**
  - Continued accelerating growth (44 % organic growth in local currency)
  - Continued solid generation of orders
    - New customers include Handelshögskolan, Lindorff , Dagens Nyheter, Volkswagen Finans, Sergel AB, Arkitektkopia and Mälarenergi
    - Continued strong demand from Comhem, Tele2, SACO, Stockholms Läns Landsting and Gbg Energi
    - Growing number of cross sales: RnB, Canal+, Kungsleden, Parks&Resorts, SLL, Tele2 and H&M
  - Strong performance in all units
- **Priorities going forward**
  - Continued penetration of existing Kentor and TeleComputing customers
  - Increasing focus on the public sector
  - Establishment of Kentor Norway

Long term goals and execution:

“Best in Class 2008”

	Long term goals	Yearly KPI	Q2 2008	YTD 2008
Growth	1.000 mnok in 2008	M&A 100-150 mnok / year	0	0
		Exceed market growth organically (6-8%)	19,8 %	16,7 %
Margins	10% reaching scalability and growing in line with market	Operating margins (EBITA) 6-8% while exceeding market growth	7,2 %	7,4 %
Customer satisfaction	4 (1-5)	Survey 2 / year	3,7	3,75
Employee satisfaction	70 points on a 100 point scale (overall ESI)	Annual Survey	N/A	N/A

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Future Outlook

TeleComputing is well-positioned to sustain revenue and profit growth above the market growth rate:

- IT Operations business is focused on SMB segment – highest growth in the Outsourcing market
- Unique and highly efficient “one-to-many” platform supporting 600 customers – “best in class” service at a cost attractive to SMB
- Kentor acquisition offers new long term opportunities for customer penetration through cross sales on joint customer base
- Continued successful investments into new service and product offerings. Includes state-of-the-art webshop, managed services concept, launch of CRM offering, expansion of nearshoring base in St. Petersburg

Results 2nd Quarter 2008

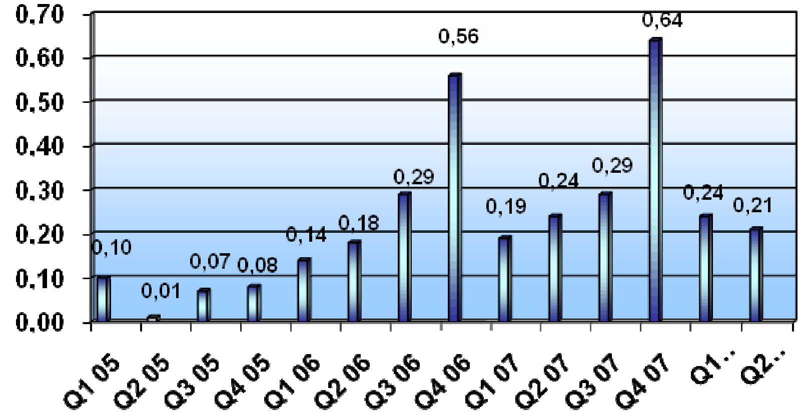
Appendix

Shareholder information

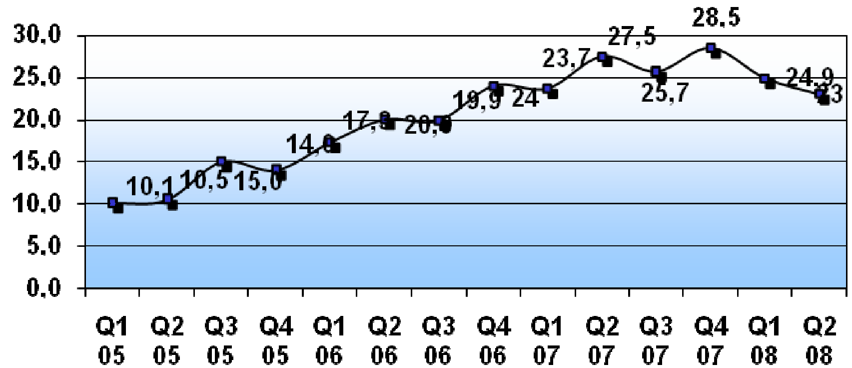
20 largest shareholders

Name	Share	08.08.2008
Sabaro Investments	38,04 %	13 982 270
SIS Segaintersettle AG	19,07 %	7 008 655
Nobelsystem Skandinavia	7,31 %	2 686 000
Enskilda, egenhandel	4,73 %	1 737 491
ABG Sundal Collier egenhandel	4,31 %	1 582 500
DnB NOR Bank ASA egenhandel	4,05 %	1 489 900
Nordea Securities AB	2,72 %	1 000 000
Epsilon AS	2,31 %	848 000
Bess Jahres Stiftelse	2,12 %	780 000
Heliport Invest AS	1,46 %	535 000
Max Bjerke AS	1,36 %	500 000
Bråthen, Kjell	1,23 %	453 000
Marian AS	0,63 %	230 000
JP Morgan Securities Ltd.	0,54 %	200 000
Kaasa Sven Tore	0,52 %	192 069
Nordea Securities AB	0,52 %	191 000
Erling Johnsen AS	0,47 %	174 500
Sabaro Investments c/o Landmark	0,41 %	150 000
Catering og restaurantservice AS	0,40 %	147 500
Euroclear Bank S.A./ client	0,40 %	146 025
20 largest shareholders	**92,60 %**	
Total number of shares	**36 752 190**	

EPS



Stock price - Historic Development



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Q & A

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