

Q32008

Presentation 6 November 2008

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Agenda:
Q3 Results
Market activity
Take Away



INTERPRETATION



MODELING



SIMULATION



WELL & COMPLETION



PRODUCTION & PROCESS

Highlights



Revenue

Q3 revenue growth of 19.4% compared to Q3 2007

EBITDA

Q3 EBITDA growth of 26.3% compared to Q3 2007
YTD EBITDA growth of 24.2% to NOK 140.2 million

EBITDA Margin

YTD 2008 margin of 14.7% up compared to YTD 2007 margin 12.6%

Software Revenue

Q3 revenue growth of 19.1% compared to Q3 2007

Hardware Revenue

Q3 revenue growth of 19.5% compared to Q3 2007



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Roxar Income Statement



<i>All figures in NOK 1,000</i>	3Q 2008	2Q 2008	3Q 2007	YTD 2008	YTD 2007	2007
Revenue	335 782	311 924	281 156	951 027	893 785	1 208 801
EBITDA	39 693	51 999	31 419	140 204	112 922	112 390
EBITDA margin	12 %	17 %	11 %	15 %	13 %	9 %

- Increased activity in the hardware section
- Software stabilised in Q3 following the strong Q2 results
- Margins down due to lower software license sales



Software – consolidating strong performance

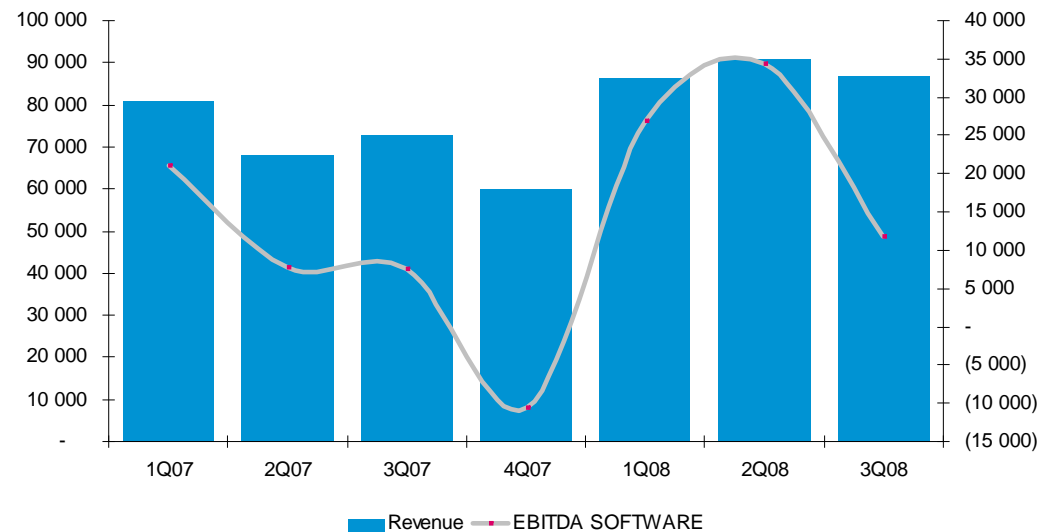


<i>All figures in NOK 1,000</i>	3Q 2008	2Q 2008	3Q 2007	YTD 2008	YTD 2007	2007
Revenue	86 679	90 787	72 788	263 924	221 983	282 204
EBITDA	11 809	34 389	7 497	73 136	36 338	26 244
EBITDA margin	14 %	38 %	10 %	28 %	16 %	9 %

Q3 2008 revenue 4% lower than Q2 2008:

- Sales/Leases: MNOK 26.3 (-48%)
- Maintenance: MNOK 27.8 (+15%)
- Service: MNOK 32.5 (+108%)
- Year on year EBITDA growth of 101%
- More old clients have turned on their maintenance
- Improved planning systems for enhanced productivity in the service department is ahead of plan

Software Quarterly Revenue/EBITDA



Hardware – growth picking up

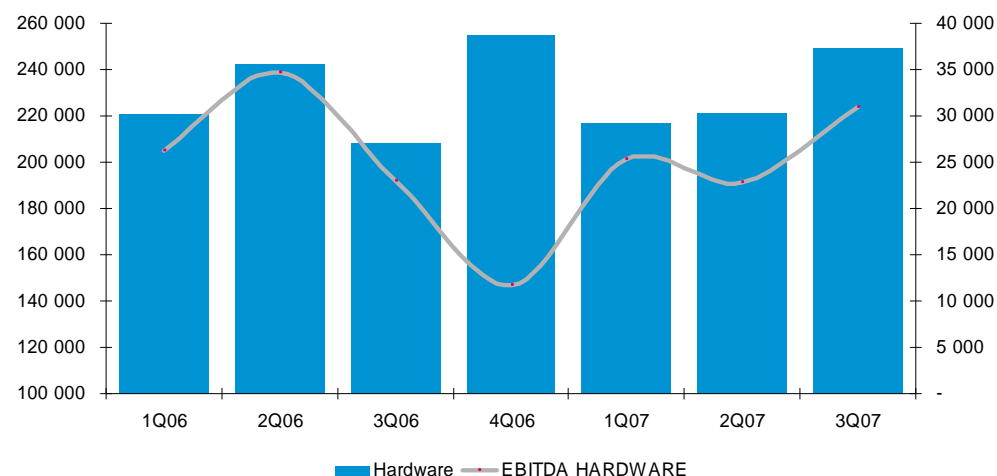


<i>All figures in NOK 1,000</i>	3Q 2008	2Q 2008	3Q 2007	YTD 2008	YTD 2007	2007
Revenue	249 102	221 137	208 368	687 102	671 803	926 596
EBITDA	30 916	22 879	22 946	79 068	83 764	99 373
EBITDA margin	12 %	10 %	11 %	12 %	12 %	11 %

Q3 2008 revenue 13% higher than Q2 2008

- Topside: MNOK 74.7 (+44%)
- Subsea: MNOK 82.7 (+18%)
- Downhole: MNOK 50.8 (+14%)
- Services: MNOK 40.8 (-26%)
- Continued strong topside market
- Improving subsea market

Hardware Quarterly Revenue/EBITDA



Continued strong cash flow



<i>All figures in NOK 1,000</i>	3Q 2008	2Q 2008	1Q 2008	YTD 2008
Net cash generated from operating	61 683	81 753	-10 626	132 810
Net cash from investing/financing activities	-54 647	-57 927	-49 324	-161 898
Net increase in cash	7 035	23 826	-59 950	-29 088
Cash at the end of the period	141 031	133 996	110 170	141 031

Instalments on bank debt of
NOK 24 mill paid in Q3 2008

95% of YTD EBITDA converted
into operating cash flow



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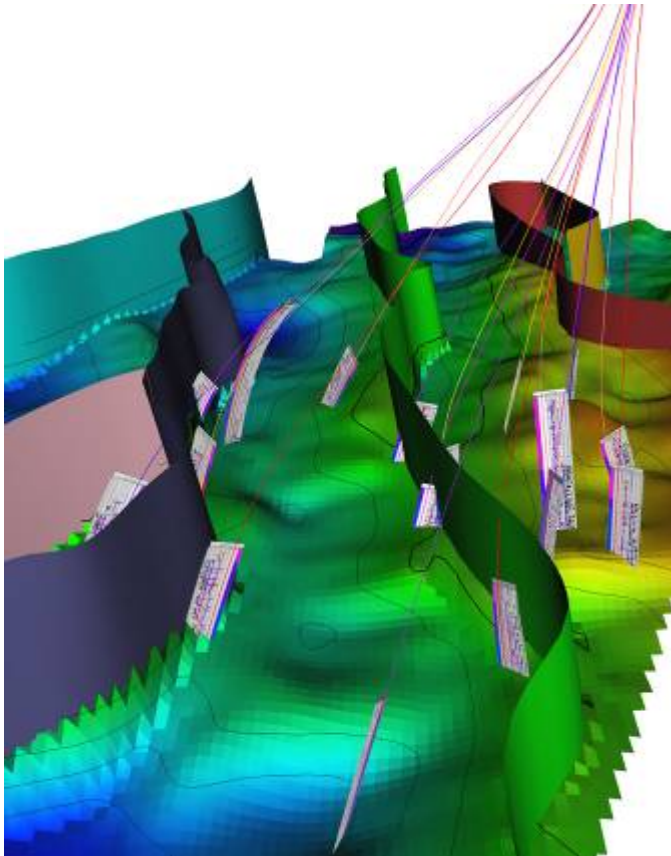


WELL & COMPLETION



PRODUCTION & PROCESS

Roxar – turning information into value



Technology company developing solutions for production optimization, production regularity and improved decision making.

- Roxar offers most comprehensive suite of topside, subsea and downhole metering and monitoring products
- Roxar is a global leader in 3D-reservoir geological modeling and integrated simulation



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Company highlights



- New office opens in Brazil due to successful Petrobras relationship
- New office opens in St. Petersburg
- New single phase meter will hit the market in Q4
- High expectations to launch of new modelling software in December



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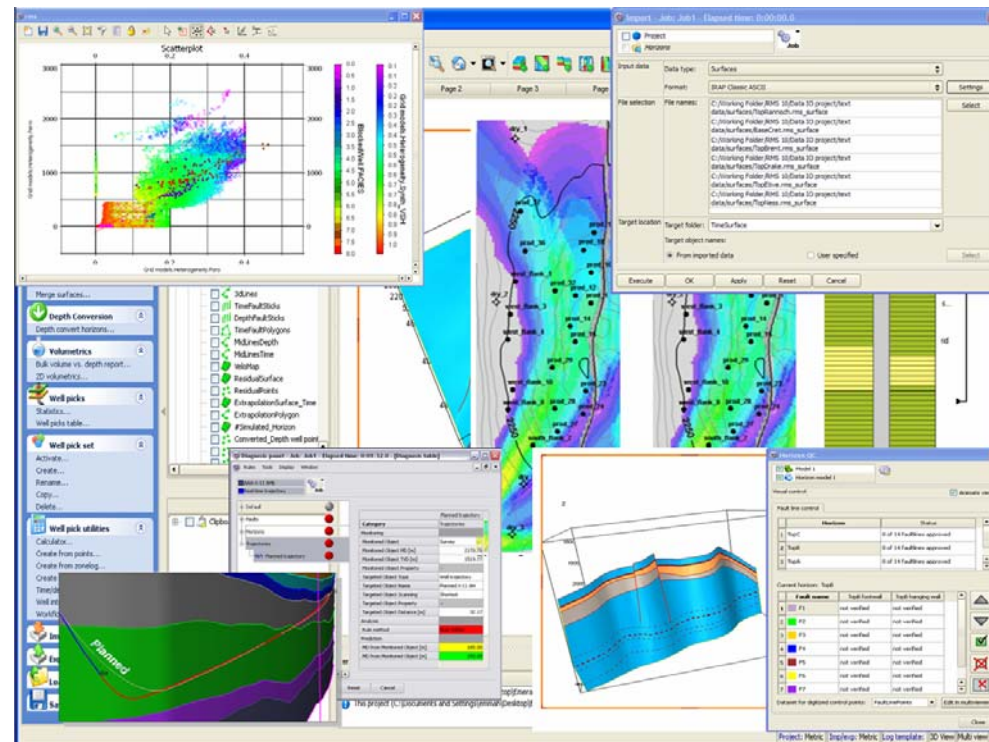
PRODUCTION & PROCESS

RMS 2009 Release – Innovation at its best



Ease of use and enhanced capabilities

- Improved user interface
- Enhanced Windows functionality
- Enhanced solutions for;
Data analysis
Structural modelling
Import/export functionality
- New functionality;
Local update
Geosteering – real time update
- Real-time monitoring



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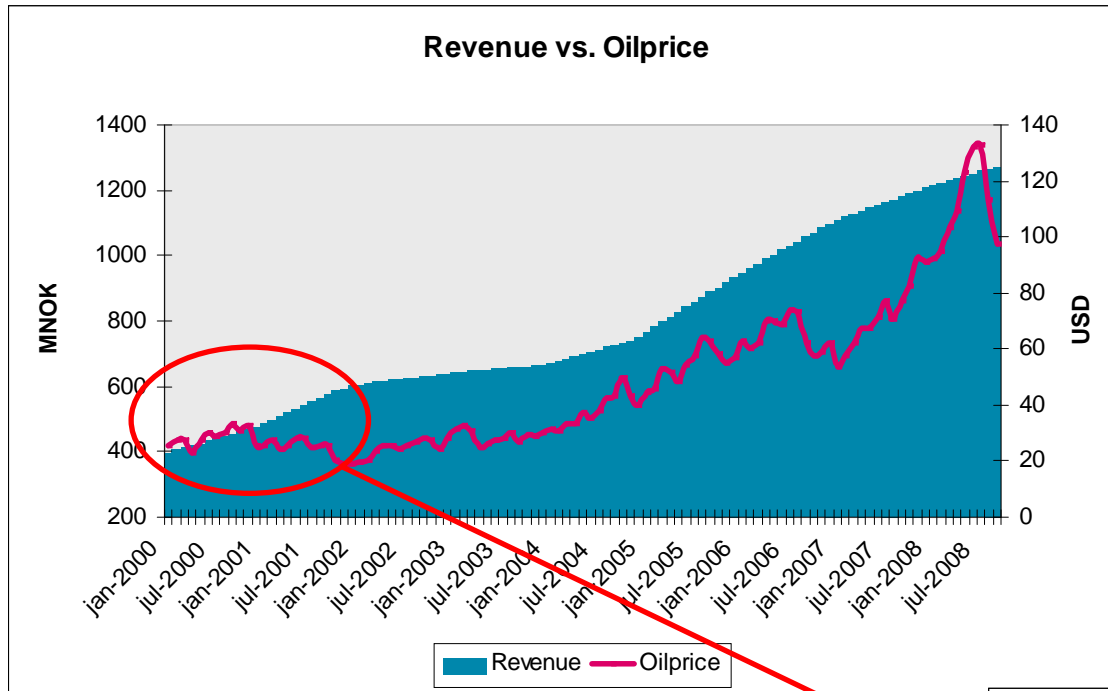


WELL & COMPLETION



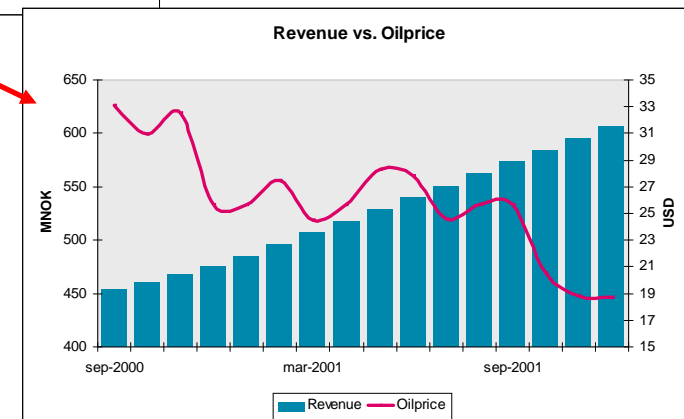
PRODUCTION & PROCESS

Steady revenue growth despite volatile oil prices



Roxar sales are driven mostly by technology adoption

Underlying activity in business is of lesser importance



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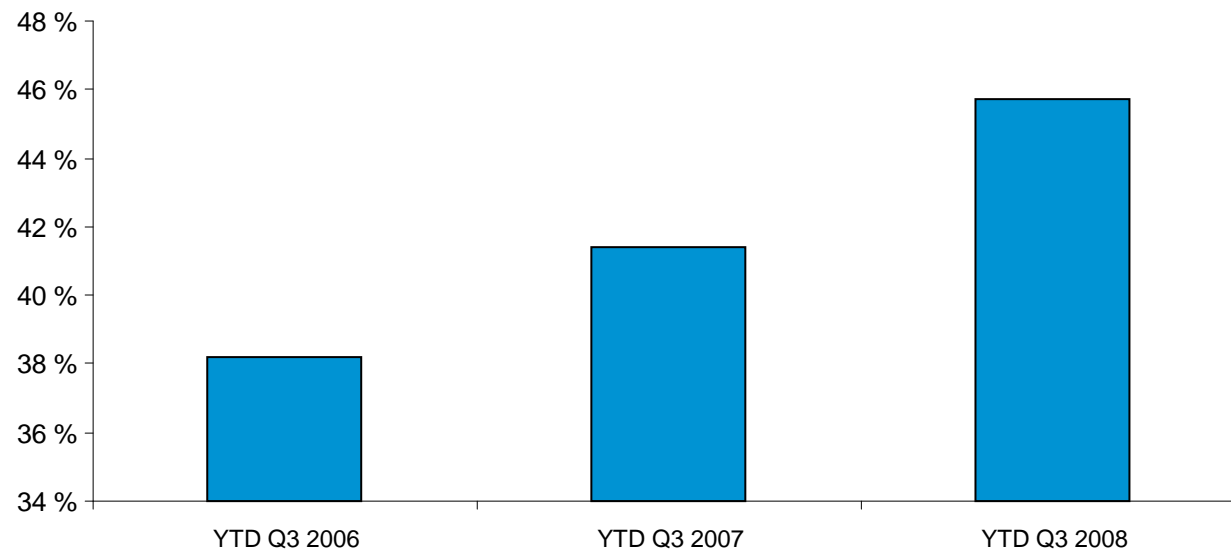


PRODUCTION & PROCESS

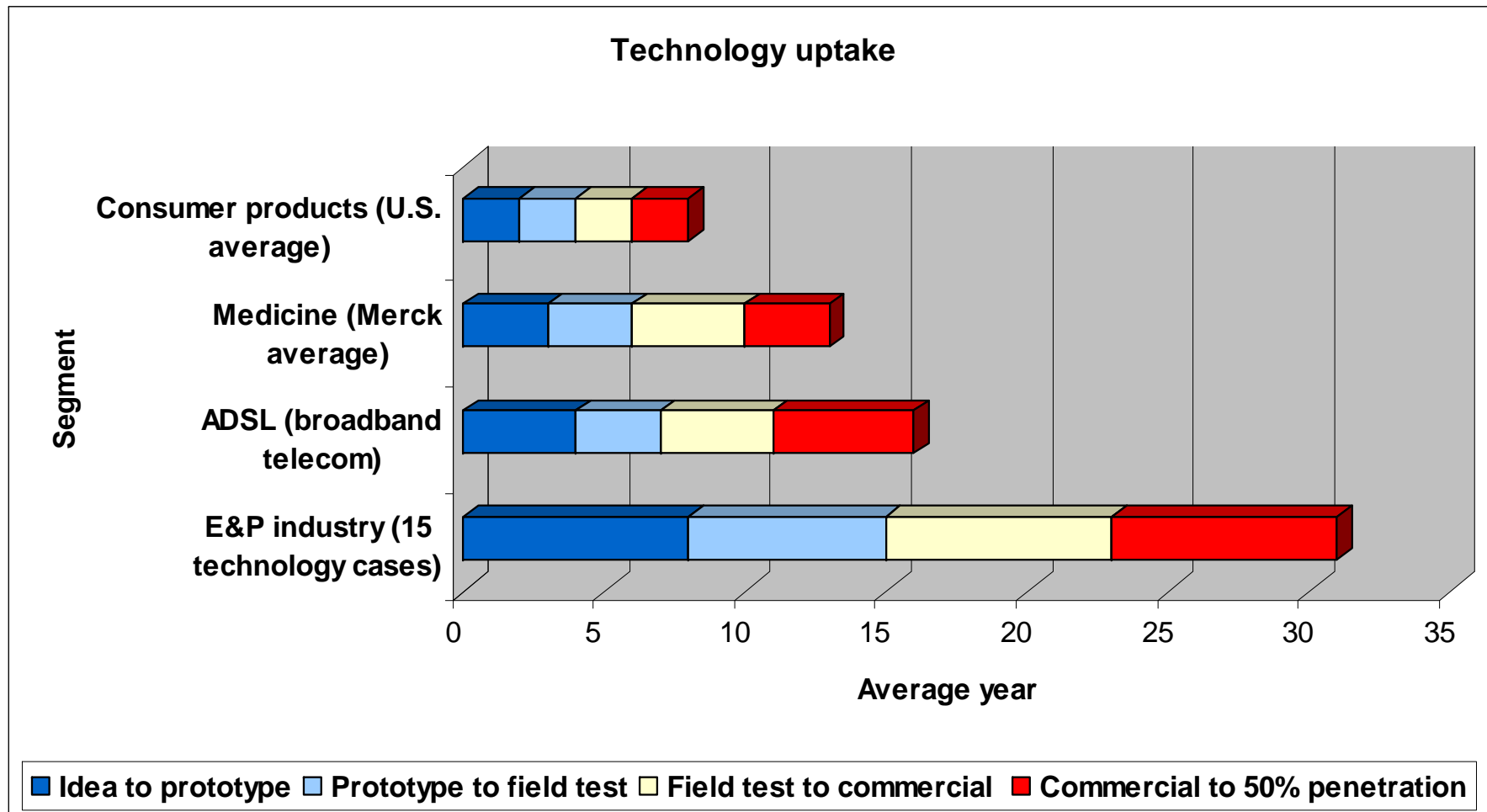
Strong foundation for Roxar revenue



Recurring revenues



Technology uptake in the E&P industry is slow....



Source: McKinsey



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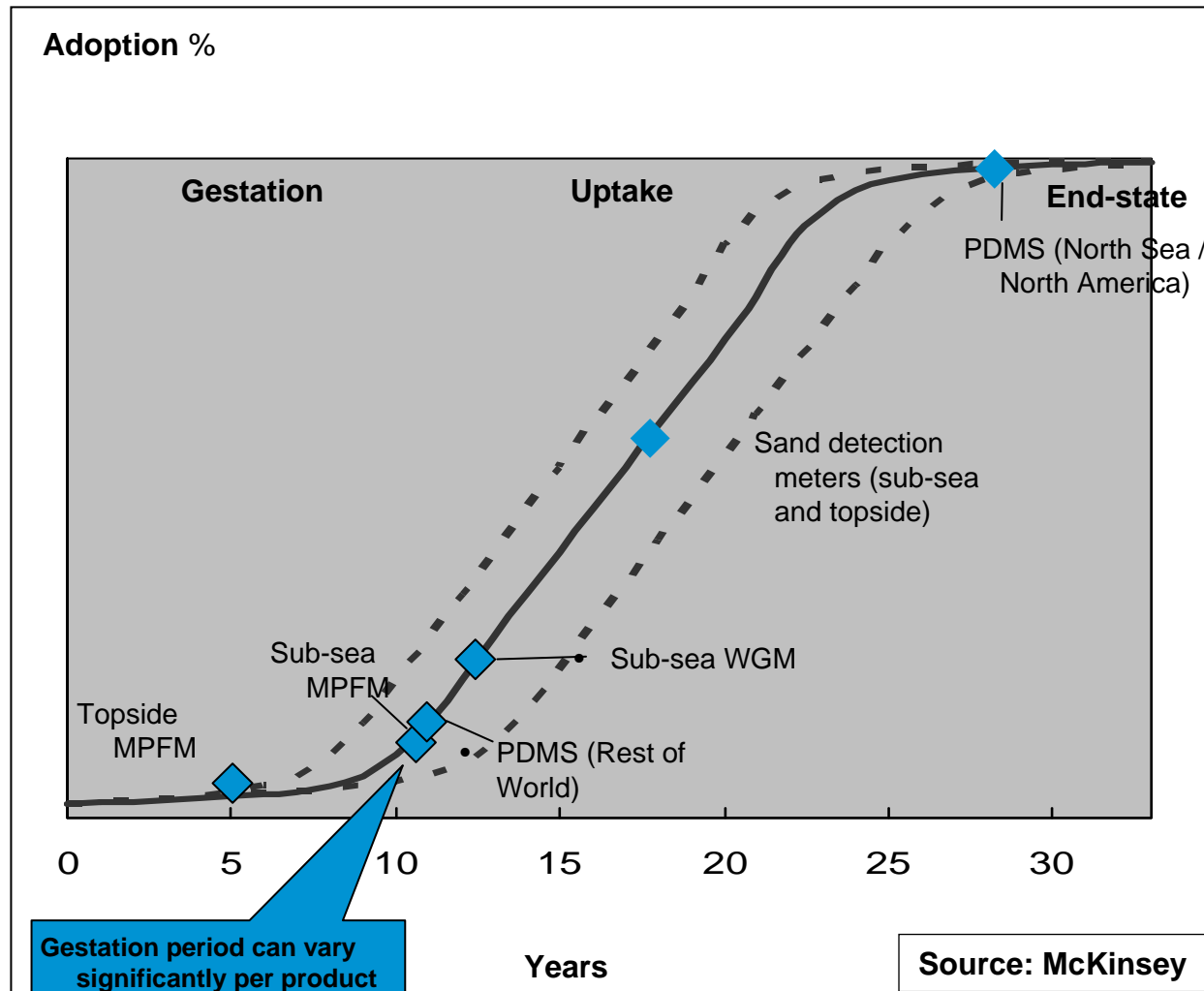


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... meaning that Roxar technology has a long growth period ahead



Most of RFM's products appear to have just entered the *Uptake* phase of their 'S-curve', hence should face strong demand growth



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PRODUCTION & PROCESS

More meters per project



Project 2001-08	Project A	Project B	Project C
Development Phase 1	0 meters installed	1 meter installed	9 meters installed
Development Phase 2	2 meters installed	8 meters installed	14 meters installed
Development Phase 3	19 meters installed	14 meters installed	
Development Phase 4		25 meter installed	

Clients are becoming increasingly familiar with the technology

Technology is considered proven

Leads to purchasing of larger quantities



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Take away



- Roxar has consistently delivered growth over more than 10 years
- Revenue growth dependent on technology adoption (not oil price)
- Secure revenue stream (more recurring revenue)
- Long growth period ahead
- Technology is proven



We give you...

...maximum reservoir performance



INTERPRETATION



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