

Q4 2010
Quarterly Report



Record Revenue for core business areas SaaS software and SaaS VoIP in 4Q 2010 and for the full year 2010

Record revenue for the core business areas SaaS software and SaaS VoIP in 4Q 2010 of MNOK 16.1. For the full year 2010 core business revenue ended at MNOK 60.6 where 90% is recurring revenue. This represents a growth of 44% compared to 2009.

The company had a total consolidated revenue of MNOK 17.4 and an operating profit before depreciation (EBITDA) of MNOK -2.2 for 4Q10. For the full year 2010 EBITDA, excluding accruals for Mamut lawsuit, ended at MNOK -0.5.

24Seven Technology Group ASA believe it will be a substantial player in the international market for SaaS business software and is well positioned to take advantage of the window of opportunity in the market, as stated in the company's 3Q 2010 report. The company is therefore continuing with increased investments in internationalization of the software and company.

Highlights 4Q 2010

- Record revenue for core business areas SaaS software and SaaS VoIP of MNOK 16.1 in 4Q10, up 28% compared to 4Q09 and for full year 2010 of MNOK 60.6, up 44% compared to 2009
- Core business revenue, consisting of 90% recurring revenue, contributes 92% of total revenue in the group in 4Q10
- Total revenue in 4Q was MNOK 17.4, a record quarterly revenue, adjusted for sale of services segment, AccountOnIt AS.
- Total revenue of MNOK 87.2 for full year 2010, compared to MNOK 75 in 2009
 - Unconsolidated revenue for full year 2010 of MNOK 99.2
- Sold private customers in Phonzo AS for MNOK 12
- Sales process started for Høgås Teknologipark AS, subsidiary owning real estate. Bid for MNOK 13 valid through 31.03.2011

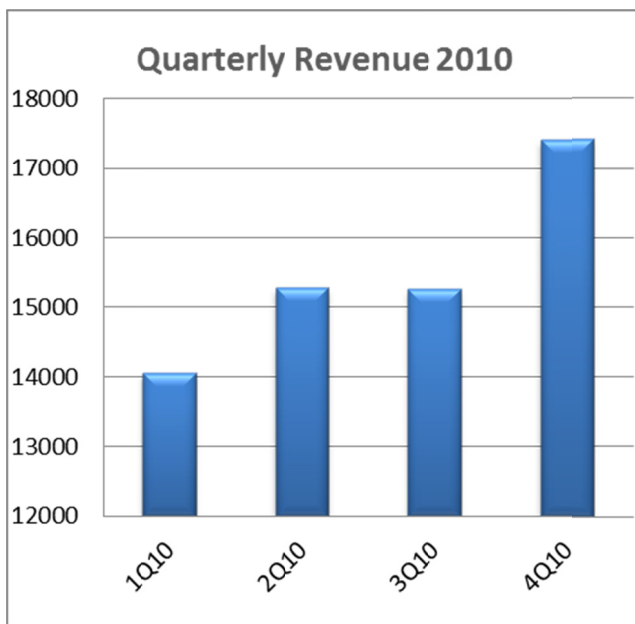
Internationalization

- Internationalization process is progressing as planned
 - Beta release internationally in early 2Q11
 - Full release internationally and on Google Marketplace in 3Q11
- New market communication platform with new website and registration processes in 24SevenOffice to be launched in 1Q11
- Successfully transformed the sales processes in Oyatel, the group's SaaS VoIP division, to the SaaS model where 90% of all sales are now completed online, compared to only 10% one year ago

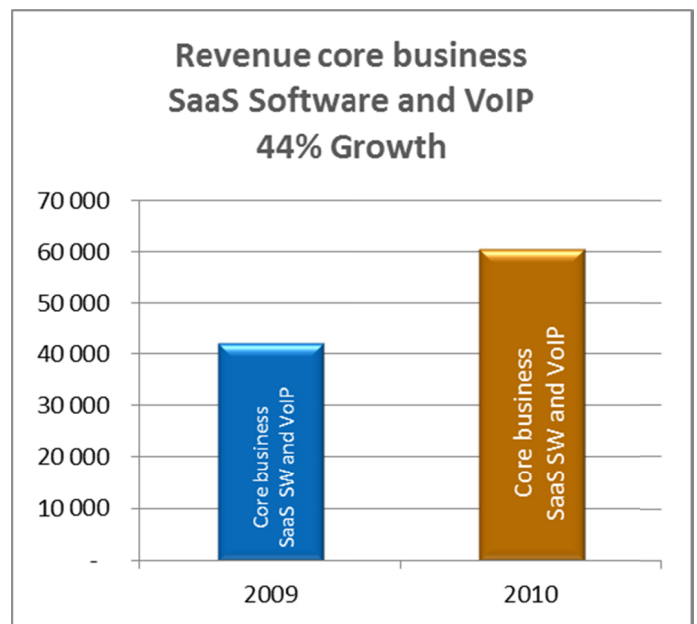
Financial Review - Fourth Quarter 2010

The company's total consolidated revenue was MNOK 17.4 in 4Q10. For 2010 revenue totalled MNOK 87.2. Unconsolidated revenue, which includes revenue from acquired Propartner Holding AS, for 2010, was MNOK 99.2.

Revenue for core business areas SaaS business software and SaaS VoIP totalled MNOK 16.1 in 4Q 2010. For the full year 2010 core business revenue ended at MNOK 60.6, of which 90% is recurring revenue. This is a growth of 44% compared to 2009.



Graph shows comparable figures from existing business units. Revenue from services division, which was sold in 3Q10, is excluded from the comparable quarters.



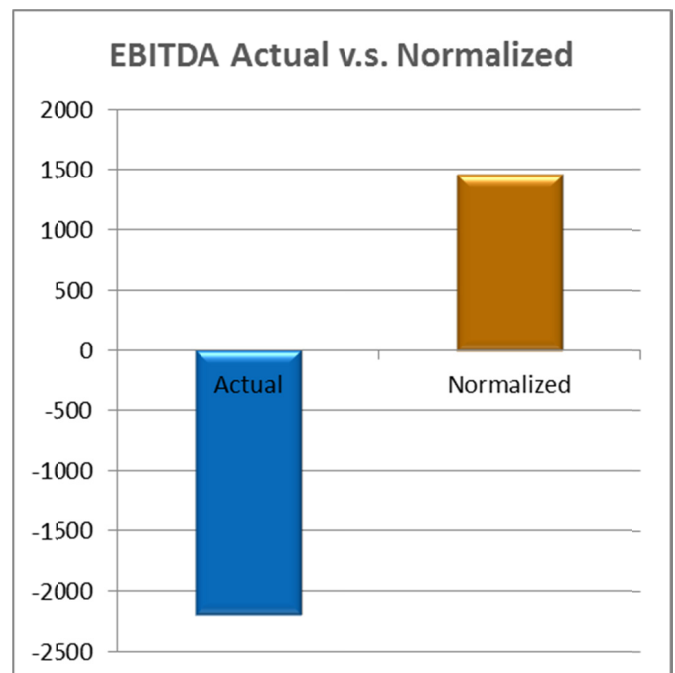
Figures excluding inter-company group revenue.

EBITDA ended negatively, as earlier announced, at MNOK -2.2 in 4Q10 compared to MNOK 1.3 in 4Q09. For the full year 2010 EBITDA totalled MNOK -0.5, excluding accruals for the Mamut lawsuit.

Sales profit of MNOK 2.1 from the sales of private customers in Phonzo AS, is not included in group revenue or EBITDA. The profit is accounted for in deferred revenue in the balance sheet.

The company is investing heavily in internationalisation and has made significant changes in group structure in 2010. Total costs for internationalization, merger, acquisitions and sales of companies to lawyers, auditors and consultants amounted to MNOK 3.7 in Q4.

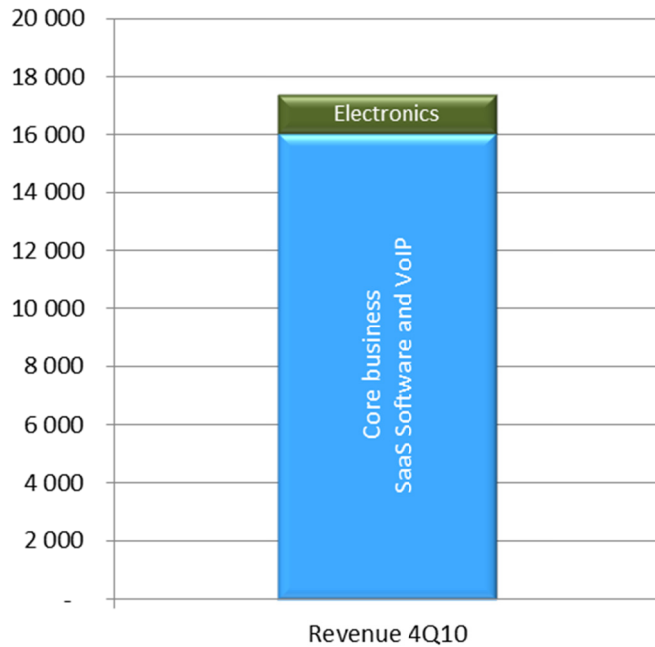
Without investments in internationalization and mergers, acquisitions and sales the group's EBITDA would have ended at MNOK 1.5. Investments in running costs concerning internationalization can be retracted in two to three months notice. This



proves the company has a solid customer base and recurring revenue stream giving flexibility to invest in further growth by taking advantage of the window of opportunity in the market.

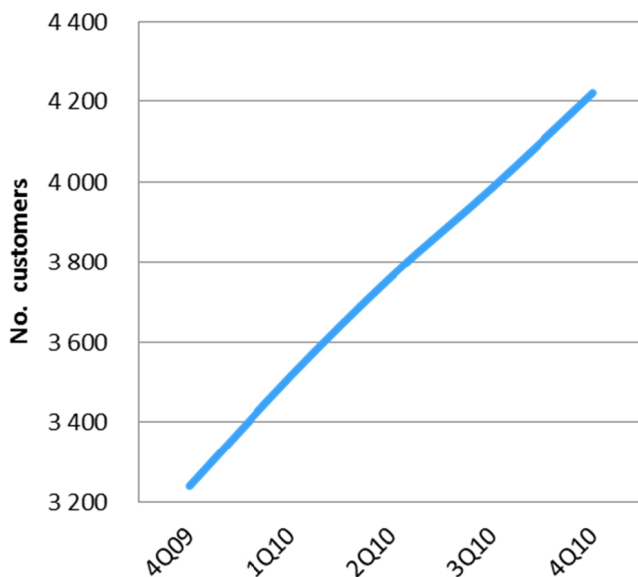
Services division, which was sold in 3Q10, has in previous quarters contributed with an average EBITDA of MNOK 1 per quarter.

Core business contributed to 92 % of the total revenue in 4Q 2010 as shown in the graph below.



Growth in invoiced customers of 30%, compared to 4Q09, totalling 4221 customers at the end of 4Q10. Invoiced customers include accounting customers through partners.

Invoiced customers

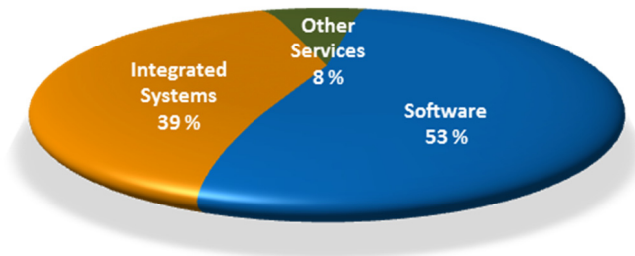


Cash and cash equivalents

Cash and cash equivalents were MNOK 10.9 at the end of 4Q10. The company has not used any of the previous offered credit line or implemented factoring agreements for any of the group's companies. The company has outstanding sellers credit for a total of MNOK 10.5.

Segment Information

Core business consists of 90% recurring revenue. Revenue share per segment is as below.



From 1Q11 the company will change its segment reporting to better reflect the group's business units going forward after mergers, sales and acquisitions in 2010. The new segments will be:

1. SaaS software
2. SaaS VoIP
3. Electronics

24Seven Technology Group - International Strategy update

Internationalization - Heavy investments, huge potential

24Seven Technology Group ASA believe it will be a substantial player in the international market for SaaS business software and is well positioned to take advantage of the window of opportunity in the market, as stated in the company's 3Q 2010 report. The company is therefore continuing its increased investments in internationalization of the software and company as earlier announced.

First phase of the internationalization is to launch international distribution of generic product modules on the web. The process is progressing as planned and the first beta release will be officially launched in 1Q11. The beta release will be a free version and will not generate revenue. In second and third quarter 2011 the full release will be launched on the web and on Google Marketplace. Registrations and customer counts is expected to pick up in third quarter 2011. Substantial revenue from this investment is not expected before first half of 2012.

Investments will continue in first half of 2011 and EBITDA is as earlier announced expected to be negative the coming quarters due to investments in connection with the international release. Without investments in internationalization and mergers, acquisitions and sales the group's EBITDA would have ended at MNOK 1.5. Investments in running costs concerning internationalization can be retracted within two to three months notice. This proves the company has a solid customer base and recurring revenue stream giving flexibility to invest in further growth by taking advantage of the window of opportunity in the market.

Phase 1 – International distribution of generic modules

International distribution of generic modules is based on launching products on App marketplaces such as Google Apps Marketplace and Apple App Store. The company is finalizing its integration with Google which is expected to launch in first quarter 2011.

Oyatel, the group's SaaS VoIP division, has successfully transformed the sales processes to the SaaS model where 90% of all sales are now completed online, compared to only 10% one year ago. The key to their success have been their concept of Oyatel trial, where customers can register and try a full-fledged telephony system online. Oyatel trial and buy is marketed through an extensive use of social channels, such as blogging and Twitter, search engines, mainly Google, and partner distribution channels and their iPhone app on Apple App Store.

Based on the experience from the transformation of Oyatel's sales processes, 24SevenOffice will launch a new market communication platform and website with focus on online sales in 1Q11 which will offer free trials, viral spread, blog, social media and lead generation through active search engine strategy. The company is also investing in building an international distribution channel.

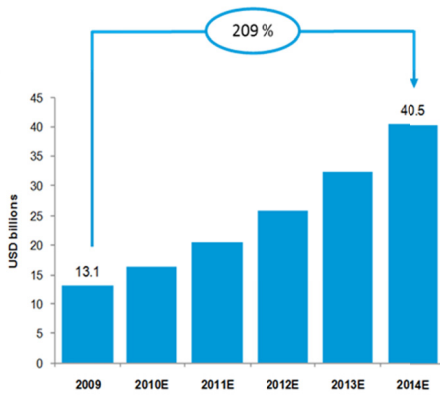
International distribution of generic modules is an efficient way of testing market demand and environment in different local markets. It is also an efficient way of discovering the markets with the greatest potential for the entire 24SevenOffice platform at a relatively low cost.

All online marketplaces are based on revenue sharing after closing sales online, thus offering a cost efficient sales and marketing processes internationally. Oyatel has launched an app for iPhone on Apple App Store and 24SevenOffice will first launch on Google App Marketplace.

1. Google Apps Marketplace is promoting and selling third party software to Google's business offerings. Google has more than 25 million users in more than 3 million companies, growing with more than 4,000 new companies daily.
2. Apple App Store is promoting and selling third party software to Apple's iPhone, iPad and iPod. More than 5 billion apps have been downloaded in two years and still increasing.

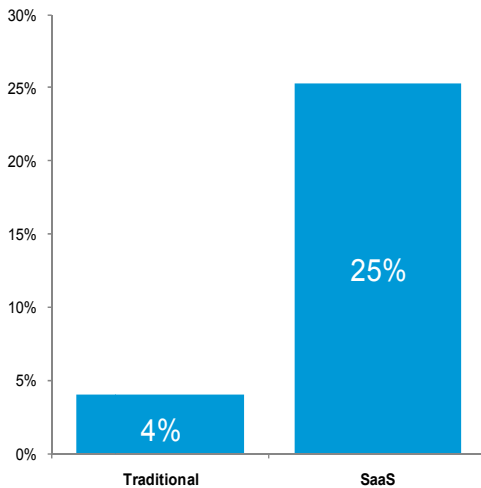
SaaS market – window of opportunity

Estimated global SaaS market revenue by year



Source: IDC

Predicted annual growth- SaaS vs. Traditional



Source: IDC

The SaaS market is rapidly growing and gaining momentum internationally. Well-known companies such as IDC and Gartner have published several reports:

According to IDC, the SaaS market is experiencing rapid growth, with estimated global SaaS market revenue expected to reach 40.5 billion USD by 2014.

Gartner predicts that 30% of all new software in the business market will be delivered as SaaS by 2012 and that the transition from traditional software to SaaS will be more a revolution than an evolution.

Social Issues Research predicts that SaaS will be the business standards in the SME market by 2020.

The SaaS market is expected to increase by 25 % annually during the next four years, contrary to traditional local software installations which are predicted to grow by only 4 % annually during the same period.

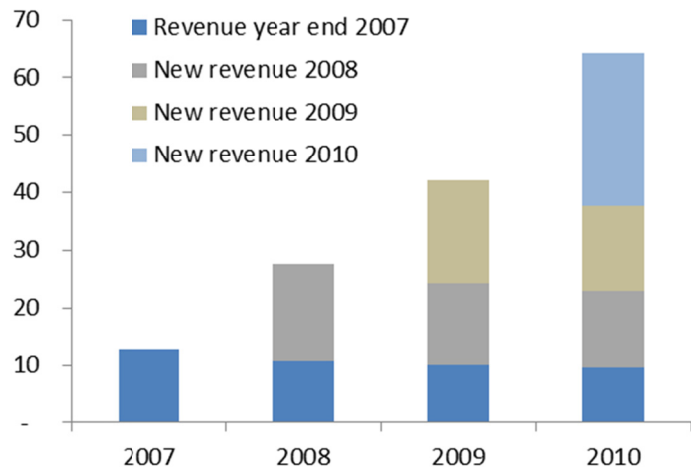
Recurring revenue adds visibility to the business model

24seven Technology Group’s revenue is primarily recurring and is thus less dependent on new sales compared to other parts of the IT market. All services delivered in all segments are in the outsourcing industry, which is predicted to benefit in an economic recession as companies try to find ways to reduce expenses.

24seven Technology Group owns all source code used in the applications and are not dependent on other companies’ license policies.

Benefits of recurring revenue business model

- Recurring revenue stream from existing customers
- New revenue from new customers
- Multiple sources of revenue from different products
- Low churn
- Low deployment costs
- Constant software upgrades which is easily implemented
- Predictable growth by monitoring usage
- Aggregated operating environment



Financial Calendar

24seven Technology Group will present its 1Q 2011 figures on May 20th 2011.

Oslo, February 25th 2011
 The Board of Directors
 24Seven Technology Group ASA

Profit and loss statement

(all figures in NOK 1.000)

	Q4 - 2010	2010	Q4 - 2009	2009
Revenue				
Operating Revenue	17 415	87 185	20 243	74 977
Other Income	-	-	2	10
Expenses				
Cost of sales	7 053	27 852	5 558	18 558
Wages and salaries	5 656	35 166	8 966	36 746
Other operating expenses	6 899	37 069*	4 386	22 041
Total operating expenses	19 609	100 088 *	18 910	77 345
EBITDA	(2 195)	(12 904)*	1 335	(2 358)
Depreciation, amortisation & write-down	4 040	8 194	1 282	5 008
EBIT	(6 234)	(21 097)*	53	(7 366)
Net financial items	796	2 629	70	1 258
EBT	(7 031)	(23 727)*	(17)	(8 624)
Taxes	(1 115)	(5 226)	(19 196)	(19 107)
Net profit / loss	(5 916)	(18 501)*	19 179	10 483
Attributable to:				
Minority Interests	(404)	(284)	(753)	(1 208)
Equity holders of the parent	(5 512)	(18 217)	19 932	11 691
Average no. of shares	18 485 331	15 608 086	14 626 123	14 152 862
Earnings per share	-0,30	-1,17	1,36	0,83

*) Accruals of MNOK 12.4 made in connection with the appealed ruling from the lawsuit from Mamut and Active 24 are included in the figures.

Balance Sheet

(all figures in NOK 1.000)

ASSETS	31.12.2010	31.12.2009
<i>Non current assets</i>		
Deferred tax asset	26 667	19 736
Development cost / Technology	16 611	7 837
Goodwill	15 965	20 856
Customer bases	20 925	4 363
Brand name	1 848	962
Property, Plant & Equipment	27 969	1 402
Other non-current assets	6 139	159
Total non current assets	116 124	55 315
<i>Current assets</i>		
Inventory	45	70
Trade receivables	13 929	9 263
Other current receivables	16 146	8 515
Cash and short-term deposits	10 877	8 114
Total current assets	40 997	25 963
TOTAL ASSETS	157 121	81 278
EQUITY AND DEBT		
<i>Equity</i>		
Share capital	2 285	1 755
Share premium	119 904	95 633
Translation reserve	-133	-158
Retained earnings	-85 851	-67 900
Equity before minority interest	36 204	29 330
Minority	8 000	1 931
Total equity Capital	44 204	31 261
<i>Liabilities</i>		
Debt to credit institutions	29 662	4 179
Sellers credit	19 437	11 501
Deferred taxes	14 614	1 648
Total non current liabilities	63 713	17 328
Accounts payable	10 862	7 659
Deferred revenue	8 231	4 156
Public duties payable	2 656	3 947
Taxes payable	521	325
Debt to credit institutions	4 479	8 436
Other current liabilities	22 456	8 166
Total current liabilities	49 204	32 690
Total liabilities	112 917	50 017
TOTAL EQUITY AND LIABILITIES	157 121	81 278

Statement of changes in equity

2009

	Attributable to equity holders of the parent					Minority Interest	Total Equity
	Share capital	Share Premium	Translation Differences	Retained Earnings	Total		
Equity 31.12.2008	1 605	90 933	-151	-79 757	12 630	3 149	15 779
Currency translation differences	-	-	-6	-	-6	-10	-16
Equity Issue	150	4 850	-	-	5 000	-	5 000
Equity Issue expenses	-	-150	-	-	-150	-	-150
Employee options	-	-	-	166	166	-	166
Net profit for the year	-	-	-	11 691	11 691	-1 208	10 483
Equity 31.12.2009	1 755	95 633	-158	-67 900	29 331	1 931	31 262

2010

	Attributable to equity holders of the parent					Minority Interest	Total Equity
	Share capital	Share Premium	Translation Differences	Retained Earnings	Total		
Equity 01.01.2010	1 755	95 633	-158	-67 900	29 331	1 931	31 262
Acquired minority stake	-	-	-	-2 192	-2 192	112	-2 080
Currency translation differences	-	-	24	-	24	7	31
Equity Issue	530	24 761	-	-	25 291	-	25 291
Equity Issue expenses	-	-490	-	-	-490	-	-490
Employee options	-	-	-	1 372	1 372	-	1 372
Changes due to acquisitions	-	-	-	-	-	4 751	4 751
Equity component convertible loan	-	-	-	-	-	1 482	1 482
Net loss for the year	-	-	-	-17 131	-17 131	-284	-17 416
Equity 31.12.2010	2 285	119 904	-133	-85 851	36 204	8 000	44 204

Cash Flow Statement

	2010	2009
<i>Operating Activities</i>		
Operating earnings before interest and taxes (EBIT)	-21 097	-7 366
Depreciation, amortisation & write-down	8 194	5 008
Net financial items	2 629	1 258
Cash earnings in operations	(15 533)	(3 616)
Changes in working capital	12 147	-3 577
Cash flow from operating activities	(3 386)	(7 193)
<i>Investment activities</i>		
Development costs to balance sheet	-5 413	-3 417
Net cash flow from acquisitions	-4 584	0
Net investments in tangible fixed assets	-658	367
Net cash flow from investment activities	(10 654)	(3 050)
<i>Financing activities</i>		
Increase (decrease) long-term debt	-1 183	2 676
Proceeds from sale of assets	13 442	0
R&D grants	950	0
Net deposited equity	6 425	4 850
Increase (decrease) short-term debt	-2 831	3 907
Net cash flow from financing activities	16 803	11 433
Cash and bank deposits at 01.01	8 114	6 924
Net changes of cash and bank deposits	2 763	1 190
Cash and bank deposits at 31.12	10 877	8 114

Notes to 4Q 2010 Interim Financial report

(all figures in NOK 1.000)

Q4 - 2010

Business segment	Saas Software	Integrated Systems	Services	Other Services	Elimination	Total
Operating Revenue	9 468	6 950	-	1 333	(337)	17 414
Other Income	-	-	-	-	-	-
Operating Expenses	12 595	7 031	-	81	(337)	19 370
Operating profit before depreciation	(3 127)	(82)	-	1 253	-	(1 956)
Depreciation	693	878	-	2 517	(49)	4 040
Operating Result	(3 821)	(960)	-	(1 265)	49	(5 996)

2010

Business segment	Saas Software	Integrated Systems	Services	Other Services	Elimination	Total
Operating Revenue	40 736	23 417	25 177	2 594	(4 739)	87 185
Other Income	-	-	-	-	-	-
Operating Expenses	58 188	23 132	23 204	303	(4 739)	100 088
Operating profit before depreciation	(17 452)	284	1 973	2 292	-	(12 903)
Depreciation	2 260	2 007	1 324	2 671	(69)	8 194
Operating Results	(19 713)	(1 723)	649	(380)	69	(21 097)

Q4 - 2009

Business segment	Saas Software	Integrated Systems	Services	Other Services	Elimination	Total
Operating Revenue	10 794	4 605	8 057	-	(3 213)	20 243
Other Income	2	-	-	-	-	2
Operating Expenses	8 122	6 056	7 843	-	(3 111)	18 910
Operating profit before depreciation	2 674	(1 451)	214	-	(102)	1 335
Depreciation	483	312	506	-	(18)	1 283
Operating Result	2 191	(1 763)	(292)	-	(84)	52

2009

Business segment	Saas Software	Integrated Systems	Services	Other Services	Elimination	Total
Operating Revenue	34 305	12 135	34 531	-	(5 994)	74 977
Other Income	10	-	-	-	-	10
Operating Expenses	37 968	13 755	31 513	-	(5 892)	77 344
Operating profit before depreciation	(3 653)	(1 620)	3 018	-	(102)	(2 357)
Depreciation	2 250	901	2 017	-	(159)	5 008
Operating Result	(5 903)	(2 521)	1 001	-	57	(7 366)

Operating revenue by Geographical Area

	Q4 - 2010	2010	Q4 - 2009	2009
Norway	14 786	80 347	18 944	69 958
Sweden	2 628	6 837	1 299	5 019
Total	17 415	87 185	20 243	74 977

Notes to 4Q 2010 Interim Financial report

Note 2 - Financial Framework and Accounting Principles

The accounting principles applied are the same as those used for the Group's 2009 Consolidated Financial Statements. These statements were prepared in accordance with the international accounting standards published by the International Accounting Standard Board.

The interim accounts have been prepared in accordance with Oslo Axess rules and regulations and IAS 34 - "Interim Financial Reporting". Please refer to annual report, where the accounting policies are described in detail.

Note 3 - Estimates

The preparation of interim accounts involves the use of estimates and assumptions. These estimates impact the amounts stated for assets, obligations, revenues and costs. Actual results may differ from these estimates.

Note 4 - Changes in the Group's structure

The company changed name from 24SevenOffice ASA to 24Seven Technology Group ASA on April 30th 2010, establishing 24Seven Technology Group as the group's holding company, and moving all operational business to daughter companies, including the operational business of the previous 24SevenOffice ASA to the daughter company 24SevenOffice AS.

In May the group acquired 70 percent of Propartner Holding AS for MNOK 42. The acquisition increased the Groups debt with a maximum limit of MNOK 42, to be settled within 3 years and 6 months from the acquisition date. The acquisition was settled as a convertible loan to a subsidiary of 24Seven Technology Group ASA. The loan is secured by a pledge in the shares of this subsidiary and in a company which is the daughter of this subsidiary. This company was created with the aim of owning the source code and other software rights. The transaction was concluded on July 16th.

On June 28th, 24Seven Technology Group ASA bought the remaining 49% of Accountonit AS, becoming the sole owner of Accountonit AS.

The operational production unit of Propartner Holding AS, Propartner Defence AS was sold to the Propartner Defence management on August 9th 2010. As a part of the sales agreement, Propartner Holding AS retains all IPR in electronics, defense technology and videoconferencing technology. We have also secured sales and marketing rights associated with customer relations, and retained key skills essential for 24Seven Technology Group ASA.

The group sold all shares in daughter company Accountonit AS on August 31st 2010 for MNOK 25 to Accountonit Holding AS.

The group bought the Norwegian IP-telephony company Phonzo AS from Agder Energy Venture AS for approximately NOK 13 850 000. The agreement was effective from 01.11.2010 (acquisition date). 24Seven Technology Group ASA settled NOK 11 950 000 of the purchase price with shares at NOK 5 per share.

The company sold the private customers in Phonzo AS, for MNOK 12 to Norcall AS on November 28th. 24Seven Technology Group ASA retained all technology and business customers in Phonzo AS. Sales profit of MNOK 2.1 from the transaction is not included in group revenue or EBITDA. The profit is accounted for in deferred revenue in the balance sheet.

Note 5 - Stock option program

In January the company extended the stock option program for key employees by granting options for 490.000 shares. Total cost accrued for the program 31.12.2010 is NOK 1.538.722.

Note 6 - Equity Issue

In April 2010 the group completed a private placement of 1 080 000 shares to a price of NOK 6 per share. Total expenses with the capital expansion is NOK 680 000.

Note 7 - Liabilities structure

Of the total long term interest bearing debt in the group, the mother company, 24Seven Technology Group ASA, which is a pure holding company without any independent business, is only accounting for 5 MNOK from Innovasjon Norge, and 12.4 MNOK from the Mamut lawsuit, not finally settled. All other debt is structured in daughter companies, with no mother company guarantee.

Note 8 - Events after 31.12.2010

There have been no other material events subsequent to the end of the interim period that have not been reflected in the Group's fourth quarter financial statement.



Q4 2010

Quarterly Report

Published by:
24Seven Technology Group ASA
Østensjøveien 34
0667 Oslo

Investor Relations:
Phone: + 47 21548100
Fax: + 47 21548101
www.24SevenOffice.com