



Proha Plc

Interim Report
1.1.–31.3.2004

Q1 2004 in Brief ...

- Net Sales 16.9 Meur (22.1 Meur in Q1 2003)
- EBIT –2.5 Meur (0.1 Meur)
- EBITA –2.1 Meur (0.6 Meur), including 1.0 Meur (0.0 Meur) non-recurring restructuring charges
- Result for the period –2.9 Meur (–0.7 Meur)
- Decline in net sales due to
 - Appreciation of the euro
 - Completion of some major consulting agreements H1 2003
 - Major license sales revenue recognized during Q1 2003
- Cash and cash equivalents amounted to 6.5 Meur (12.8 Meur). Decrease 0.5 Meur during Q1 2004 compared to 31.12.2003
- After the end of Q1 Proha decided to acquire full ownership of Dovre International AS, Norway

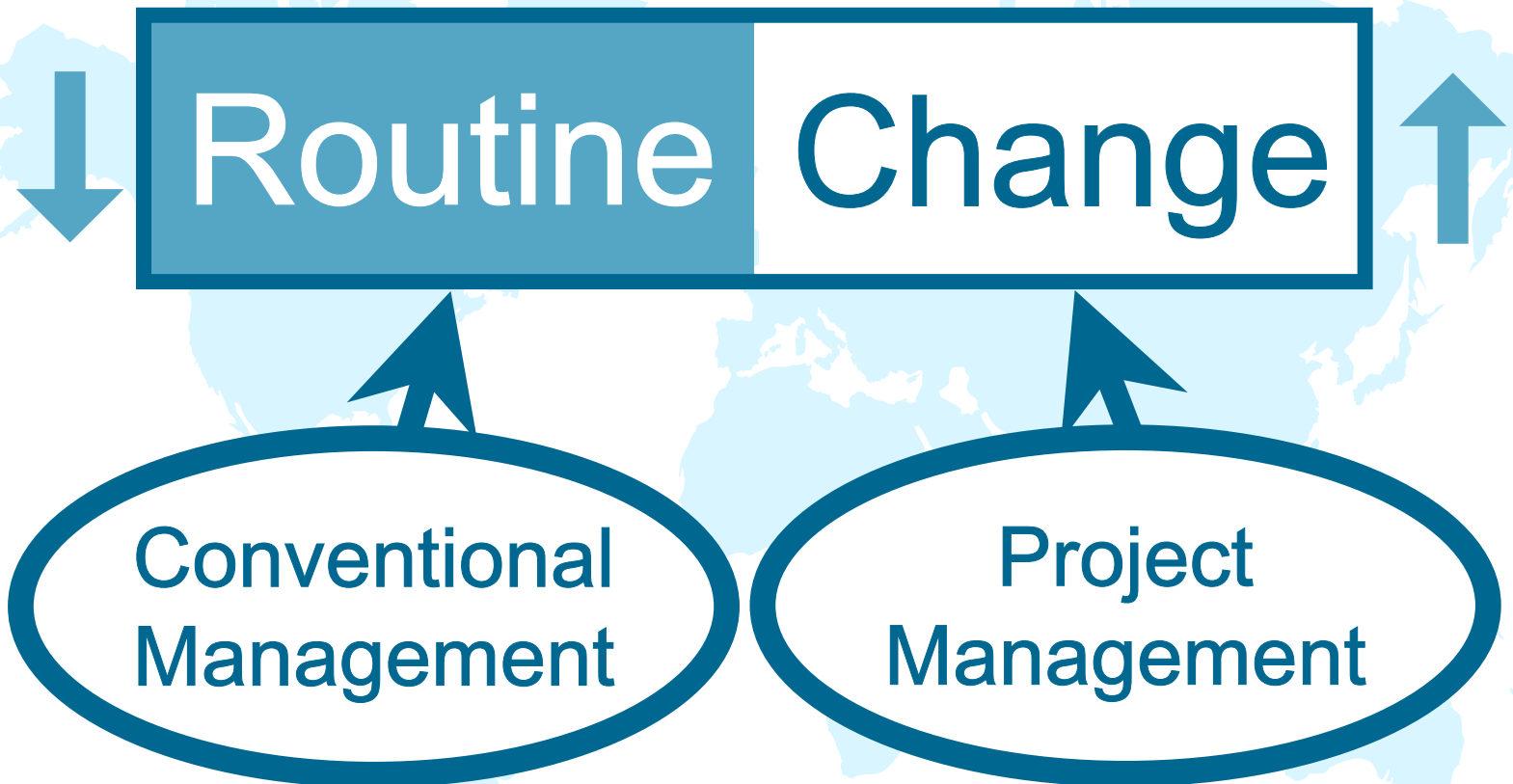
... Q1 2004 in Brief

- New Artemis management started at the end of January
- The restructuring was substantially completed during Q1
- Approximately 1 million euro non-recurring restructuring charges included
- Artemis cost level has been adjusted to enable Proha group to achieve profitability during Q2 2004
- Appreciation of euro has 1.5 Meur negative effect to the euro denominated net sales compared to Q1 2003
- After the decline in net sales during the first half of 2003 the net sales has remained essentially on the same level

Agenda

- Proha – Global Software Company
- Project and Portfolio Management
- Q1 2004 Financials
 - Key Numbers
 - Revenue Distributions
 - Personnel
 - The Impact of Strong Euro
- Dovre
- Future Expectations

Our Business, Our Opportunity



Proha Focus

- Artemis – a global project, resource and portfolio management software for the enterprise
- Safran and Dovre software and consultancy and advisory services within project management and supply chain management
- Divesting other small operations will continue

Sample of Artemis Customers by Industry

Energy

Exelon



Progress Energy



ONCOR

British Energy



Aerospace & Defense

BAE SYSTEMS



Eurofighter



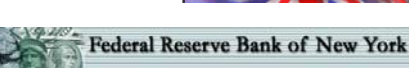
Automotive



Financial Services



Government



High Tech



SIEMENS



COMPAQ



Pharma



Abbott Laboratories

Aventis Pharma
Aventis Pasteur



Telecom

NOKIA





Dovre Customers



Oil and Gas

- Norsk Hydro
- Statoil
- TotalFina Elf
- ExxonMobil
- BP
- Enterprise Oil Exp. Ltd.
- Conoco Norway AS
- Phillips Petroleum
- AS Norske Shell



Telecom./IT

- Telenor
- Enitel
- Broadband Mobile
- Tele 2/ Song Networks
- Excense
- IFS



Public Sector

- Ministry of Finance
- Central Hospital in Stavanger
- Statsbygg(The Directorate of Public Construction and Property)
- Ministry of Defence



Energy

- Statnett
- Naturkraft
- Øresund vindmill park
- Fred Olsen renewables



Transport

- SAS
- NSB(Norwegian railways)
- Braathen
- Oslo Lufthavn(Airport)
- NSB Gardermoenbanen
- Ministry of Communication



Industry

- Polimoon
- Elkem
- Skretting AS
- Aker
- Kværner
- ABB

Clear Focus with New Executive Team at Artemis

- Patrick Ternier was appointed the President and CEO of Artemis International Solutions Corporation in January 2004
- Leadership in the global Portfolio, Project and Resource Management software market
- The discipline of Portfolio Management gains world wide acceptance
- Company reputation and professionalism of personnel highly regarded by customers (Study by MetaGroup)

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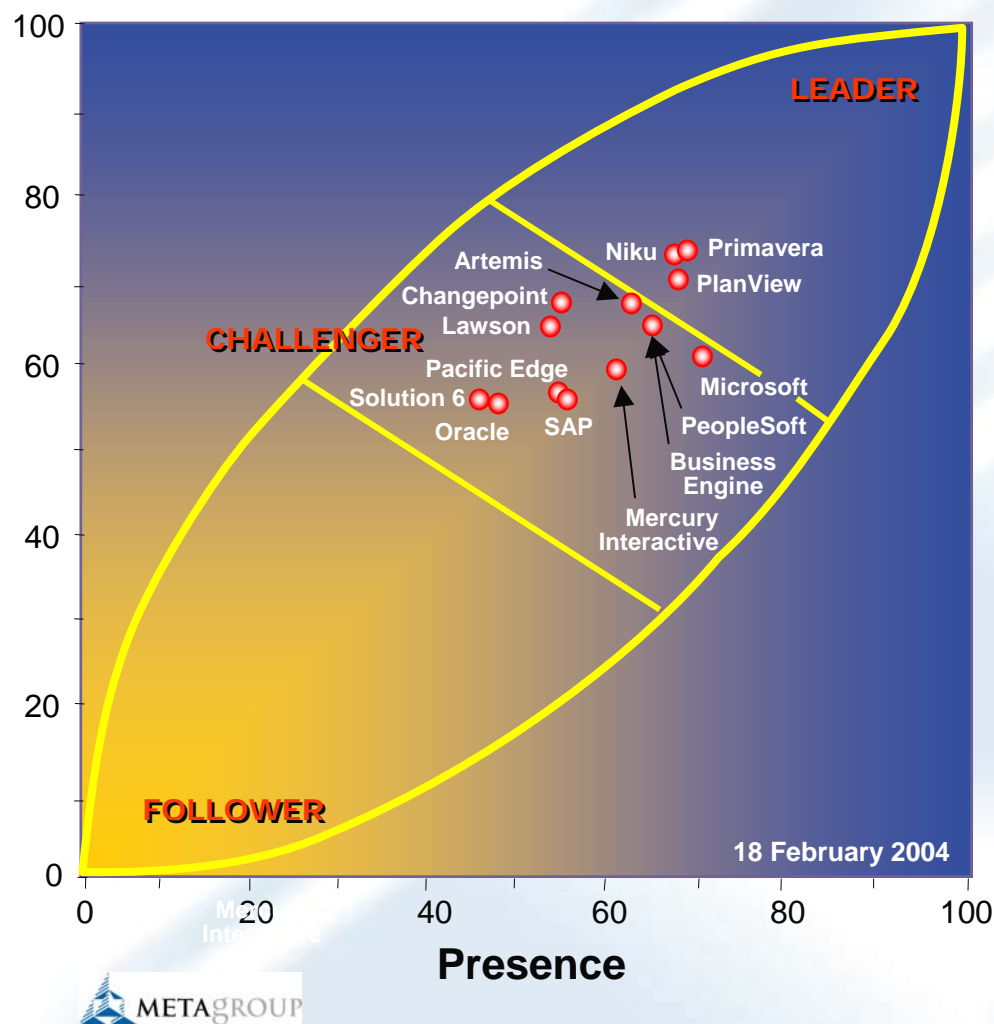
World Market Leader in Project and Portfolio Management Software

Truly Global



Project Portfolio Management Tools

- ▶ Includes robust and evolving tools to support "5 P's";
- ▶ ERP, EPM, PSA, PfM are targeting this market
- ▶ Tools are not cheap, nor easy, and nor effective without behavioral change
- ▶ PPM and PfM markets converge in 2004



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Q1 2004 Financials

Financial Highlights

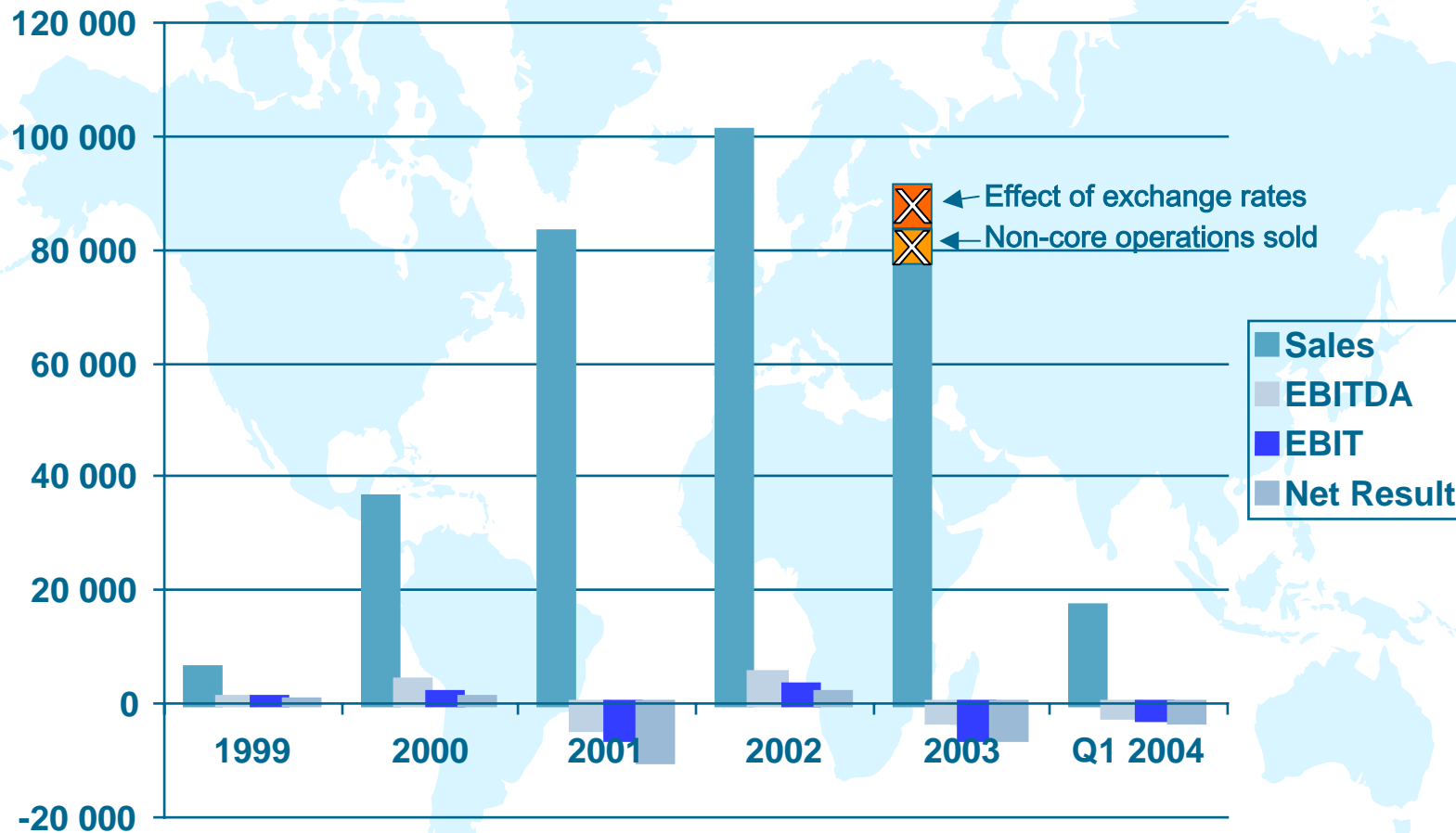
	Q1 2004	Q1 2003
Net sales (MEUR 1000)	16.9	22.1
EBITDA*	-1.9	0.8
EBITA**	-2.1	0.6
EBIT***	-2.5	0.1
Result for the period	-2.9	-0.7
% of net sales	-17.2%	-3.1%
Earnings per share, EUR	-0.05	-0.01
Equity per share, EUR	0.12	0.28
Average personnel	598	650
Personnel at the end of the period	591	649

*Earnings before depreciation and goodwill amortization

** Earnings before goodwill amortization

*** Operating result

Net Sales and Result

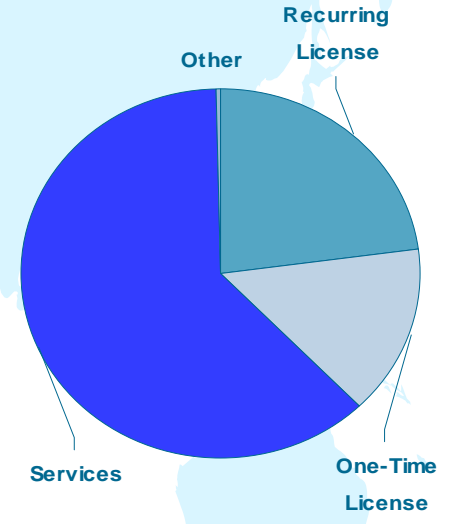
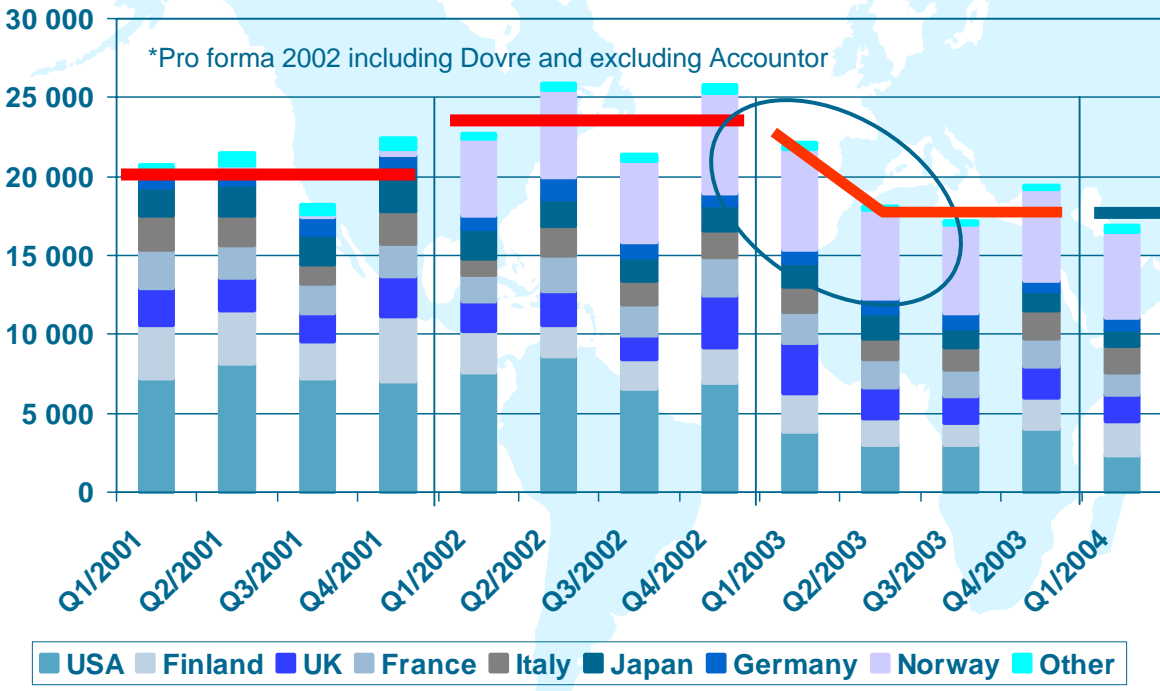
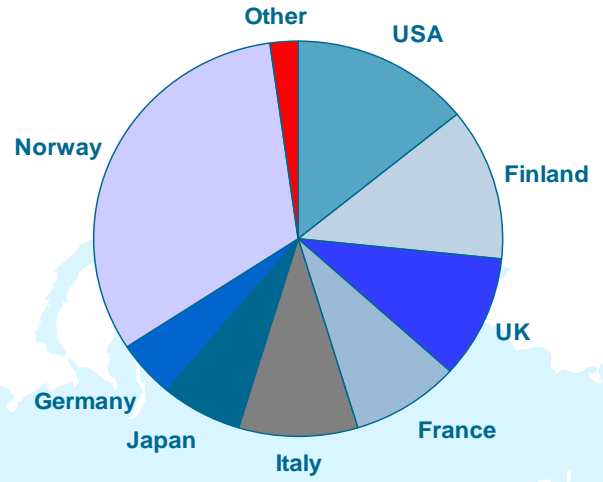


The Impact of Strong Euro

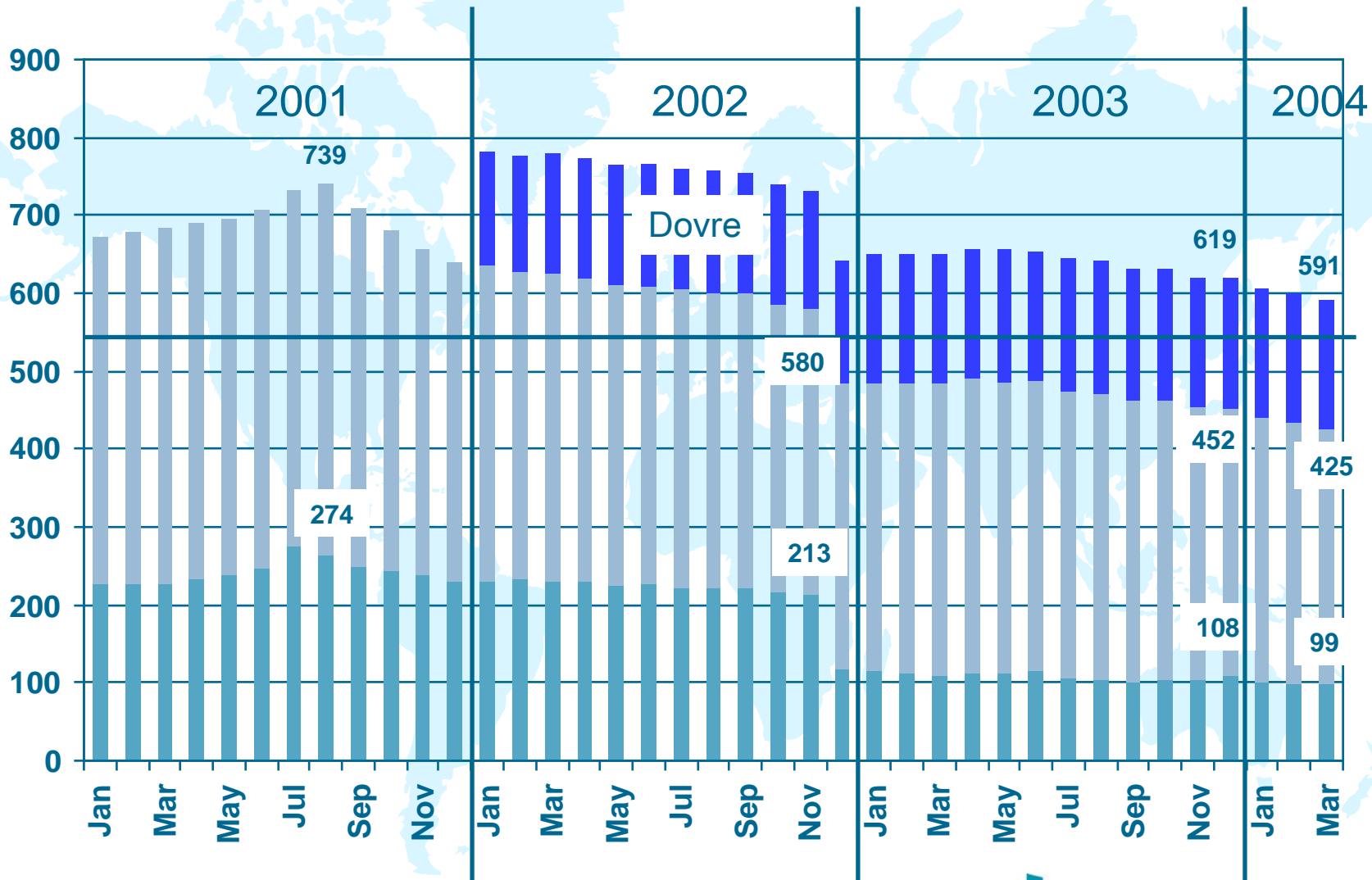
In Million Euro	Euro	USD	NOK	GBP	SGD	JPY	Total
2003 Revenue with 2003 Exchange rate	6.9	3.8	6.4	3.2	0.4	1.5	22.1
2003 Revenue with 2004 Exchange Rate	6.9	3.3	5.6	3.1	0.4	1.4	20.6
Effect of the Stronger Euro	- 0	- 0.5	- 0.8	- 0.1	- 0.0	- 0.1	-1.5

Exchange rates do not have a material effect on net result.

Revenue Distribution



Personnel



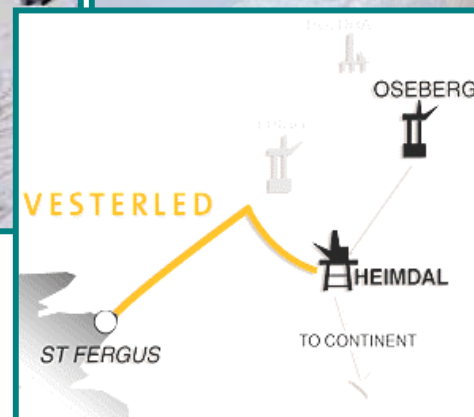
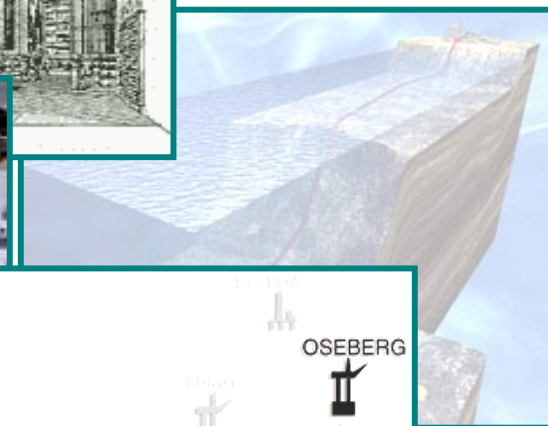
Dovre International AS Acquisition

- Decision made to use the option to acquire full ownership
 - Prior to the execution Proha owns 40% through Safran
- The acquisition does not have an impact on consolidated net sales
 - Dovre has been consolidated as a subsidiary based on Proha's control due to shareholder agreement
- Share exchange transaction
- 10–14% of the total number of Proha shares after issuing the new shares



Company

- Established in 1984
- 165 employees
- Arve Jensen as Managing Director
- Consultancy and advisory services within:



Project Management



Supply Chain Management



Norway and International

Largest Software Product Company

2004	Q1 Revenue M€	Profit before extraordinary items M€	Profit before extraordinary items %	Market Cap 5.5.2004 M€	Market Cap divided by annualized Revenue
TietoEnator	380,50	30,60	8,04 %	2 034,86	1,34
WM-data Novo	82,10	-1,40	-1,71 %	n/a	n/a
Saunalahti Group	31,81	2,47	7,78 %	154,70	1,22
Proha	16,89	-2,38	-14,11 %	33,62	0,50
Aldata	15,90	-0,90	-5,66 %	109,92	1,73
Yomi	14,80	0,60	4,05 %	96,25	1,63
Comptel	12,49	2,69	21,51 %	216,25	4,33
Tecnomen	11,70	-0,70	-5,98 %	71,45	1,53
Teleste	11,10	-0,15	-1,38 %	99,18	2,23
F-Secure	10,50	1,20	11,43 %	211,92	5,05
Tekla	9,09	-0,66	-7,26 %	47,43	1,30
Basware	7,13	0,99	13,82 %	63,27	2,22
Tieto-X	6,48	0,64	9,81 %	24,04	0,93
Sysopen	6,46	0,33	5,06 %	31,86	1,23
Satama	6,12	0,56	9,06 %	44,76	1,83
Solteq	5,40	0,43	7,86 %	20,85	0,96
Done Solutions	5,20	-0,50	-9,62 %	7,92	0,38
Stonesoft	5,05	-3,10	-61,53 %	38,39	1,90
TJ Group	5,04	-1,56	-30,86 %	34,69	1,72
SSH	1,70	-2,10	-123,53 %	36,21	5,32
QPR	1,41	0,13	9,37 %	6,40	1,14

Expectations for 2004

- The profitability is expected to improve
- The cost level at Artemis has been adjusted to a level that enables the Group to achieve profitability during the second quarter of the year 2004
- The restructuring actions at Artemis were substantially completed during the first quarter
- Emphasis for the year is profitability and readiness for growth