



Proha Plc

Financial Statements

1.1.– 31.12.2005

1.1.–31.12.2005 in Brief ...

- The financial statements are prepared under the International Financial Reporting Standards (IFRS)
- Net Sales 64.5 Meur (65.7 Meur 1.1.–31.12.2004)
 - Artemis 38.1 Meur (41.9 Meur) representing 59% (64%)
Norway 25.8 Meur (22.4 Meur) representing 40% (34%)
- Operating Result -3.6 Meur (-2.0 Meur)
- Operating Result before non-recurring items -4.2 Meur (-4.2 Meur)
- Net result -6.0 Meur (-2.9 Meur)
- Cash and cash equivalents 7.3 Meur (5.1 Meur)
- Cash flow from operations 0.2 Meur (-8.7 Meur)

1.1.–31.12.2005 in Brief ...

- The result for 2005 was affected by change in the accounting treatment of software development cost and benefit plans
- Operatively the result was as anticipated, but not satisfactory
- Artemis did not meet the goals set by the management
- 2005 period of change, resulting in Artemis agreement with Trilogy
- Oil & Gas: high activity and all time high revenue for Dovre
- Dovre's US subsidiary's net sales more than doubled compared to previous year being 12% of Dovre's total revenues
- Mobile Business Unit introduced its first solution
- MBU expected to add value to other Proha products in the future

Proha Group Worldwide

- Artemis – a global project, resource and portfolio management software for the enterprise
- Dovre and Safran – software and consultancy and advisory services within project management and supply chain management



Sample of Customers

Sample of Dovre Customers

<p>Oil and Gas</p> <ul style="list-style-type: none"> Norsk Hydro StatOil TotalFina Elf Esso/Mobil Enterprise Oil Exp. Ltd. Conoco Norway AS Phillips Petroleum AS Norske Shell 	<p>Telecom./IT</p> <ul style="list-style-type: none"> Telenor Enitel Broadband Mobile Tule 2/ Song Networks Excense IP S 	<p>Public Sector</p> <ul style="list-style-type: none"> Ministry of Finance Central Hospital in Stavanger Statsbygg(The Directorate of Public Construction and Property) Ministry of Defence
<p>Energy</p> <ul style="list-style-type: none"> Statnett Naturkraft Oresund vindmill park Fred Olsen renewables 	<p>Transport</p> <ul style="list-style-type: none"> SAS NNSB (Norwegian railways) Braathen Oslo Lufthavn(Airport) NST Gardemoenbanen Ministry of Communication 	<p>Industry</p> <ul style="list-style-type: none"> Polimoon Elkem Skretting AS AKER Kvaerner ABB

Sample of Artemis Customers

<p>Energy</p> <ul style="list-style-type: none"> Exelon Progress Energy ONCOR British Energy Enel 	<p>Aerospace & Defense</p> <ul style="list-style-type: none"> RAS SYSTEMS Eurofighter BOEING EADS NASA 	<p>Automotive</p> <ul style="list-style-type: none"> Audi Peugeot BMW VW Opel Toyota 	<p>Financial Services</p> <ul style="list-style-type: none"> ASB-AMRI UBS AGF
<p>Government</p> <ul style="list-style-type: none"> Quebec DEFENCE 	<p>High Tech</p> <ul style="list-style-type: none"> SIEMENS ALCATEL COMPAQ Bull 	<p>Pharma</p> <ul style="list-style-type: none"> Fujisawa Healthcare, Inc. Abbott Laboratories KIRIN Bayer 	<p>Telecom</p> <ul style="list-style-type: none"> NOKIA TELECOM EMISSON france telecom

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Sample of Safran Customers



1.1.–31.12.2005 Financials

Financial Highlights

Per Period	2005	2004
EUR million	1-12	1-12
Net Sales	64.5	65.7
Operating result	-3.6	-2.0
Net result	-6.0	-2.9
Cash and cash equivalents	7.3	5.1
Cash flow from operations	0.2	-8.7
Earnings per share/ EUR	-0.098	-0.050
Equity per share/ EUR	0.07	0.15
Equity to assets ratio	11.0 %	23.4 %
Average personnel	525	569
Personnel at the end of the period	531	525

Comparison by Quarter

Per Quarter EUR million	2005				2004			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Sales	17.9	14.6	16.6	15.4	17.3	14.5	17.0	16.9
Operating result	-0.8	-1.4	-0.6	-0.7	-0.1	-1.8	2.3	-2.3
Net result	-1.6	-1.9	-1.2	-1.3	-0.2	-2.1	2.0	-2.6
Cash flow from operations	3.7	-1.7	-2.6	0.7	-1.9	-1.5	-1.6	-3.8

Cumulative EUR million	2005				2004			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Sales	64.5	46.6	32.0	15.4	65.7	48.4	33.9	16.9
Operating result	-3.6	-2.7	-1.3	-0.7	-2.0	-1.9	0.0	-2.3
Net result	-6.0	-4.4	-2.5	-1.3	-2.9	-2.7	-0.6	-2.6
Cash flow from operations	0.2	-3.6	-1.8	0.7	-8.7	-6.9	-5.4	-3.8

Key Numbers by Segment

By Period	2005	2004
EUR million	1-12	1-12
Net sales		
Artemis sub-group	38,1	41,9
Norwegian subsidiaries	25,8	22,4
Non-allocated items	0,9	1,8
Inter-segment	-0,2	-0,3
Group total	64,5	65,7
Operating result		
Artemis sub-group	-2,6	-1,6
Norwegian subsidiaries	1,0	1,1
Non-allocated items	-1,8	-1,3
Inter-segment	-0,2	-0,2
Group total	-3,6	-2,0
One-time items		
Non-recurring income	0,9	4,0
Non-recurring charges	-0,3	-1,8
Net	0,6	2,2

Segments by Quarter

By Quarter EUR million	2005				2004			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales								
Artemis sub-group	10,8	8,3	9,8	9,1	11,1	8,9	10,9	11,0
Norwegian subsidiaries	6,9	6,2	6,5	6,2	6,0	5,3	5,7	5,4
Non-allocated items	0,3	0,2	0,2	0,2	0,3	0,3	0,5	0,6
Inter-segment	0,0	-0,1	0,0	0,0	-0,1	-0,1	-0,1	-0,1
Group total	17,9	14,6	16,6	15,4	17,3	14,5	17,0	16,9
Operating result								
Artemis sub-group	-0,3	-1,5	-0,4	-0,4	-0,2	-1,6	2,5	-2,3
Norwegian subsidiaries	0,1	0,4	0,3	0,2	0,4	0,1	0,1	0,4
Non-allocated items	-0,5	-0,3	-0,5	-0,4	-0,2	-0,3	-0,3	-0,4
Inter-segment	0,0	0,0	-0,1	0,0	-0,2	-0,1	0,0	0,0
Group total	-0,8	-1,4	-0,6	-0,7	-0,1	-1,8	2,3	-2,3
One-time items								
Non-recurring income	0,0	0,0	0,3	0,6	0,0	0,0	4,0	0,0
Non-recurring charges	0,0	0,0	-0,1	-0,2	0,0	-0,6	-0,2	-1,0
Net	0,0	0,0	0,2	0,4	0,0	-0,6	3,8	-1,0

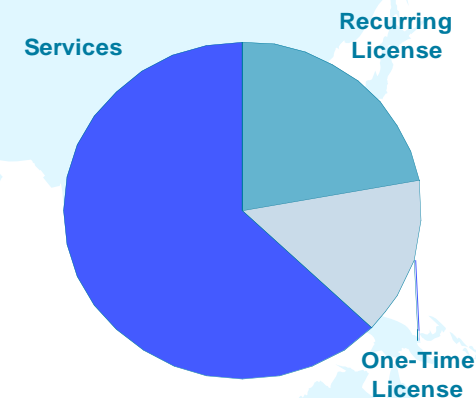
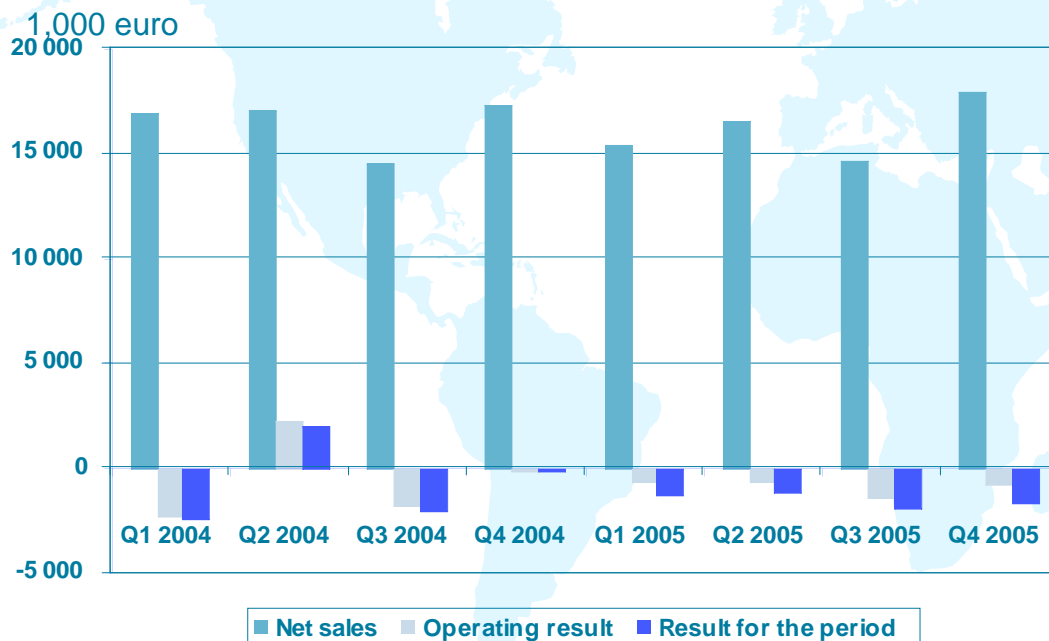
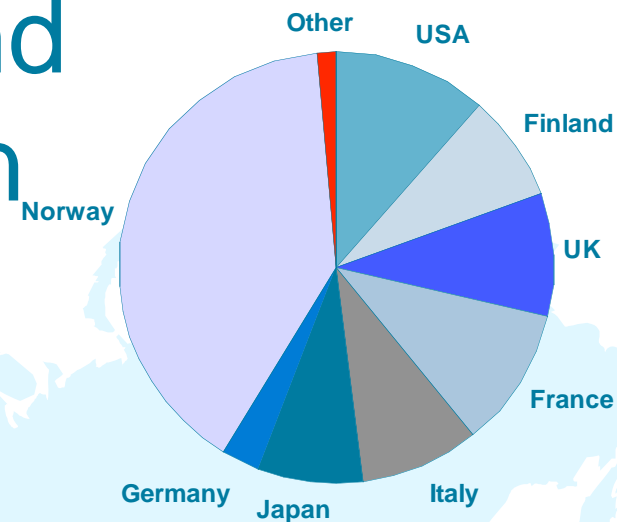
Segments by Quarter, Cumulative

Cumulative EUR million	2005				2004			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales								
Artemis sub-group	38.1	27.3	19.0	9.1	41.9	30.8	21.9	11.0
Norwegian subsidiaries	25.8	18.9	12.7	6.2	22.4	16.4	11.1	5.4
Non-allocated items	0.9	0.6	0.4	0.2	1.8	1.4	1.1	0.6
Inter-segment	-0.2	-0.2	-0.1	0.0	-0.3	-0.2	-0.2	-0.1
Group total	64.5	46.6	32.0	15.4	65.7	48.4	33.9	16.9
Operating result								
Artemis sub-group	-2.6	-2.3	-0.8	-0.4	-1.6	-1.4	0.2	-2.3
Norwegian subsidiaries	1.0	0.9	0.6	0.2	1.1	0.7	0.6	0.4
Non-allocated items	-1.8	-1.2	-0.9	-0.4	-1.3	-1.1	-0.8	-0.4
Inter-segment	-0.2	-0.1	-0.1	0.0	-0.2	-0.1	0.0	0.0
Group total	-3.6	-2.7	-1.3	-0.7	-2.0	-1.9	0.0	-2.3
One-time items								
Non-recurring income	0.9	0.9	0.9	0.6	4.0	4.0	4.0	0.0
Non-recurring charges	-0.3	-0.3	-0.3	-0.2	-1.8	-1.8	-1.2	-1.0
Net	0.6	0.6	0.6	0.4	2.2	2.2	2.8	-1.0

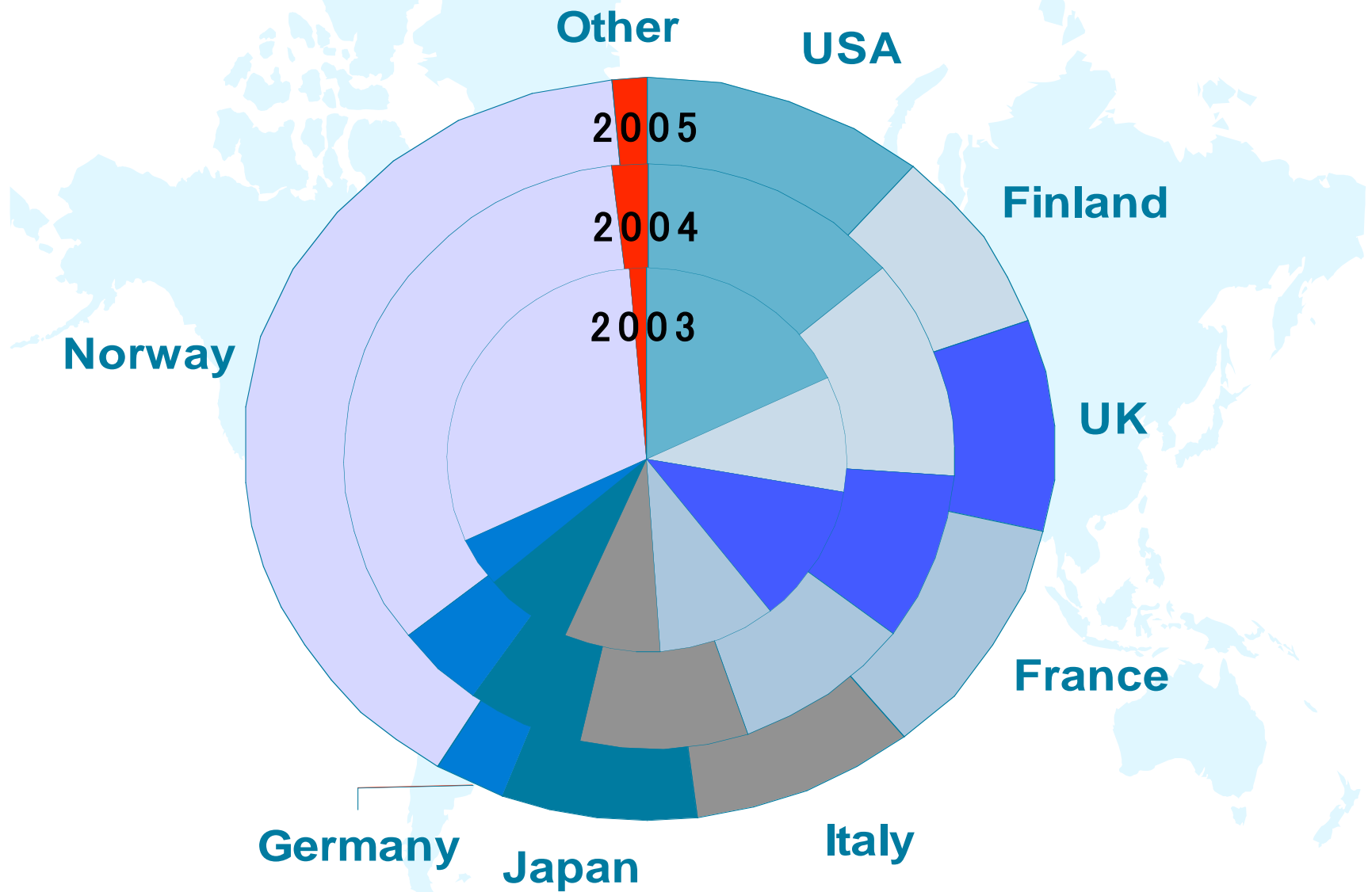
Net Sales, Result and Revenue Distribution

Exchange rates do not have a material effect on net sales or result from Q4 2004 to Q4 2005.

International sales by Dovre and Safran are listed under Norway

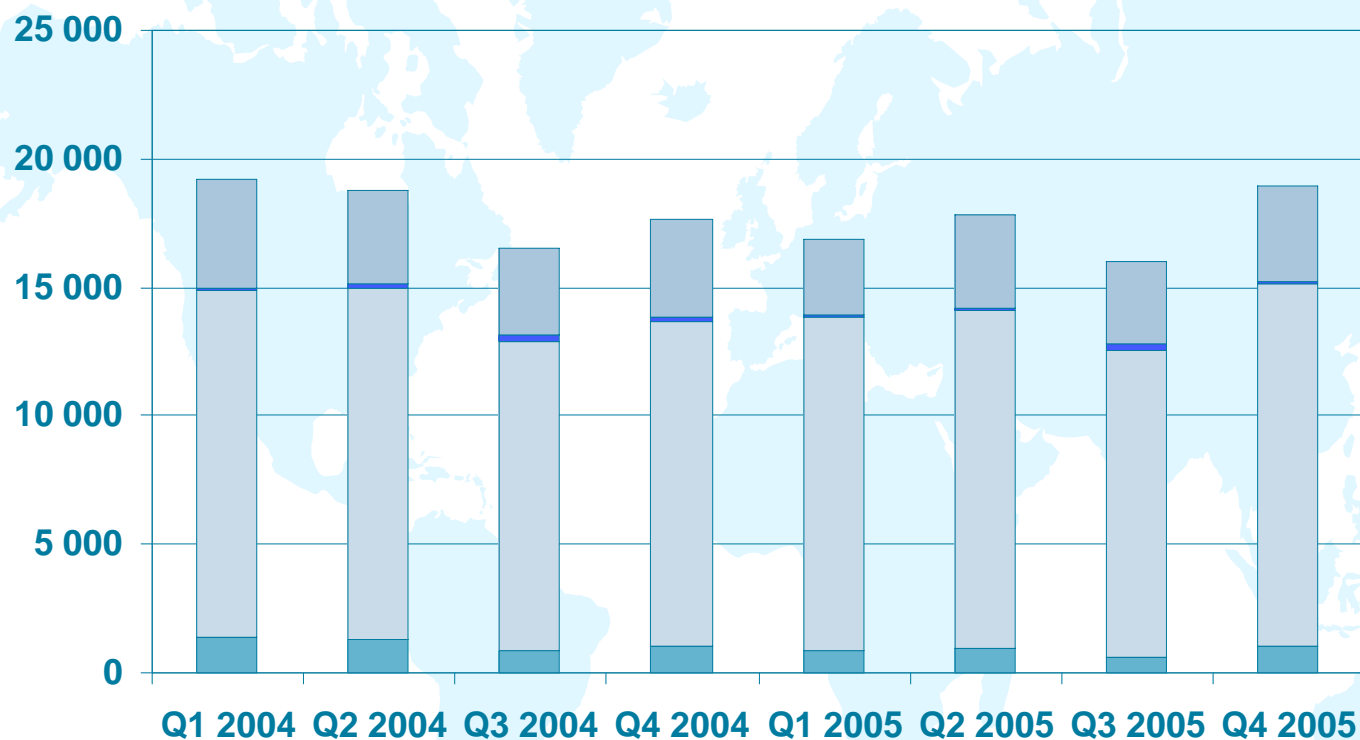


Revenue Distribution



Operating Expenses

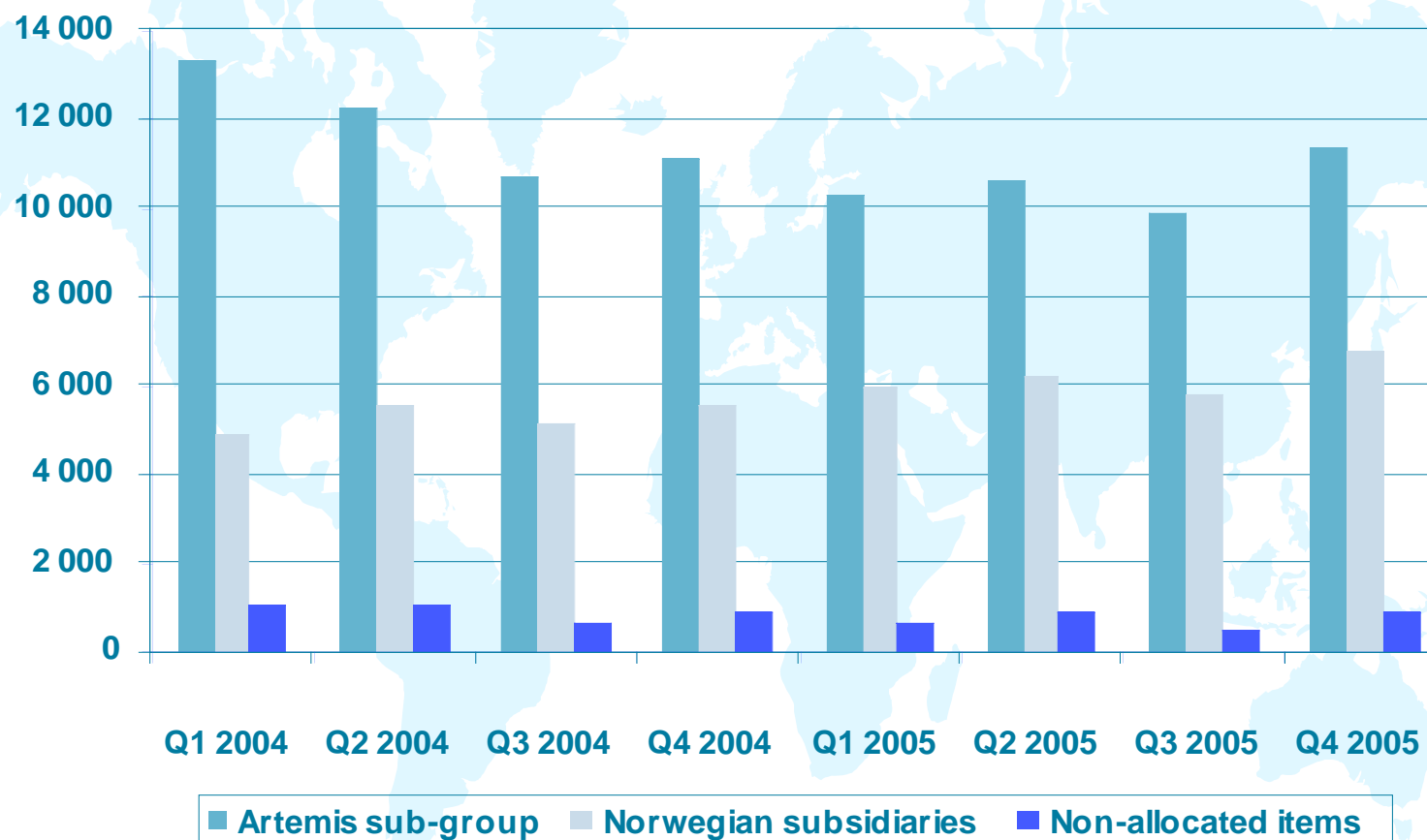
EUR 1,000



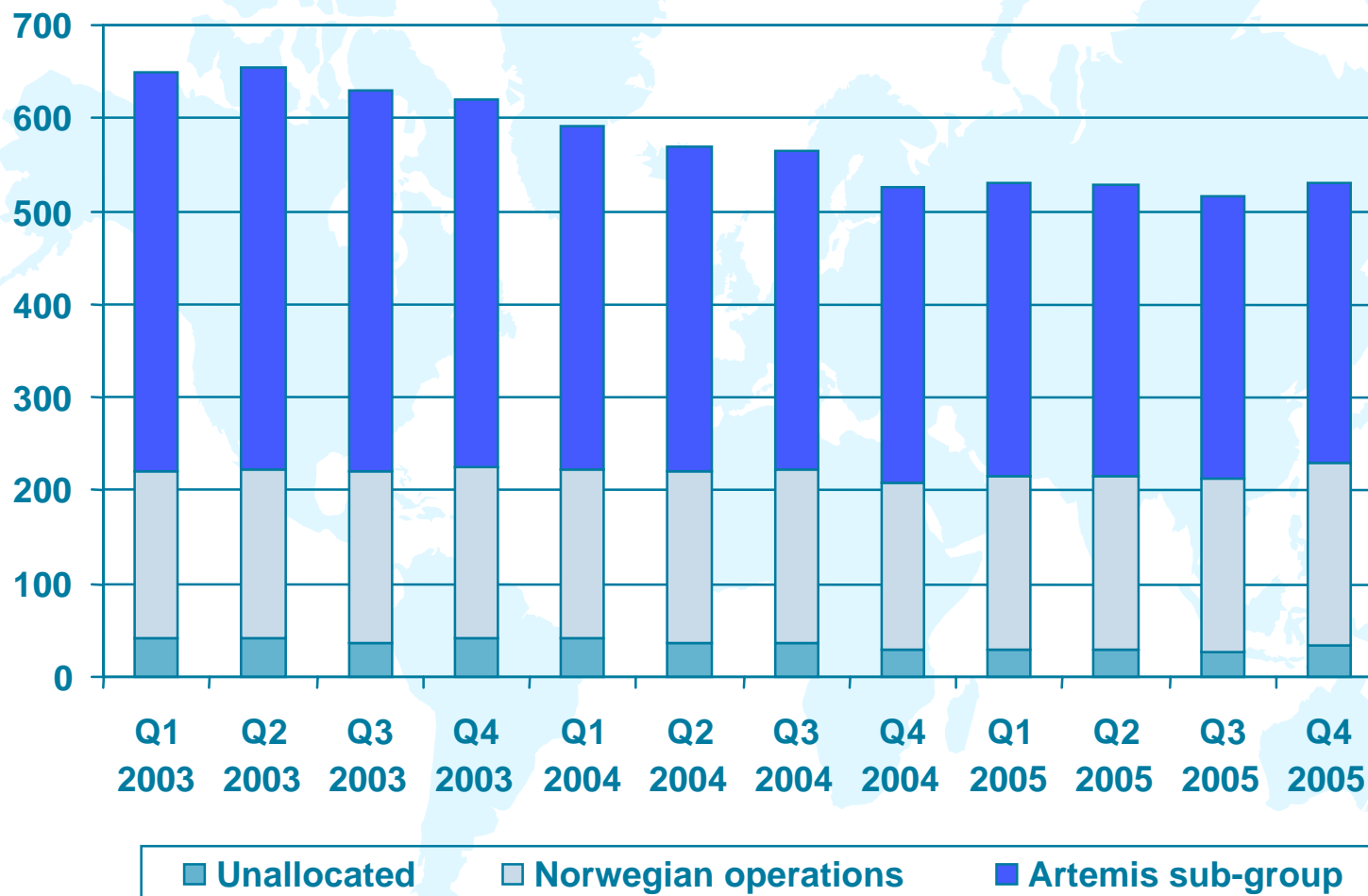
Materials and services
 Staff costs
 Depreciation according to Plan
 Other operating expenses

Operating Expenses by Segment

EUR 1,000



Personnel at the End of the Period

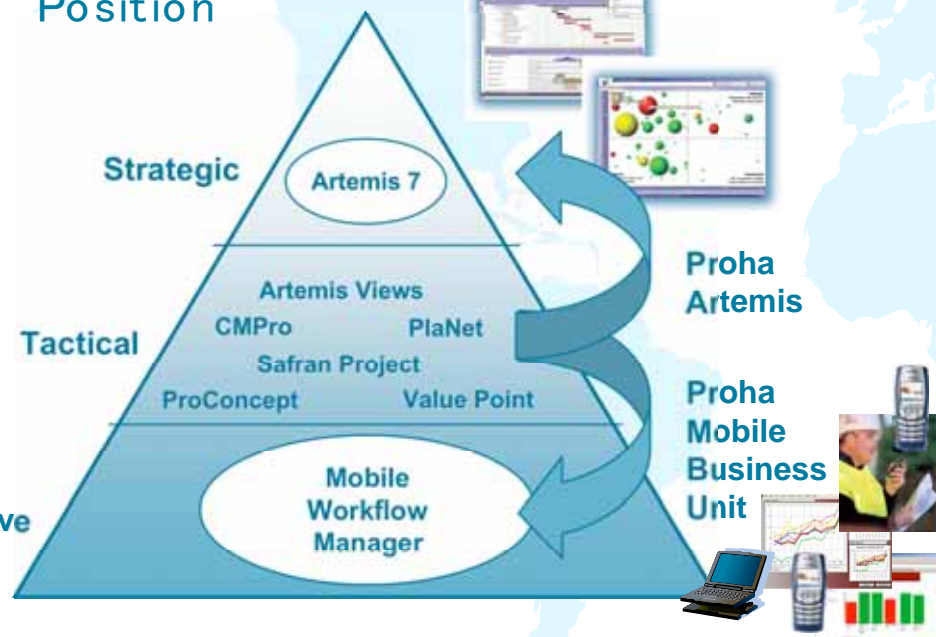


Proha Mobile Business Unit

Mobile
Workflow
Manager



Position



- Started in September
- Develops unique mobile software functionality
- Provides integration services for this software
- The first product Mobile Workflow Manager
- In cooperation with BookIT Oy and Tekes
- No immediate impact on Proha's net sales or result
- Growth potential for 2006



Artemis transaction

As currently agreed

Transaction

- Proha Plc and Artemis have accepted the offer to buy Artemis' entire share capital made by Trilogy, Inc.
- Trilogy will pay Artemis shareholders USD 1.60 per share of common stock
- In closing the sale Proha will get approx. USD 12.7 million (EUR 10.7 million) for its share in Artemis.
- Proha has the right to make an agreement with more favorable terms with other parties until March 31, 2006
- Proha is also negotiating on alternatives where it would continue to have a minority interest in Artemis.
- The described arrangements also aim at delisting of Artemis.
- Non solicited competing offers may be received until the Annual Meeting of Artemis stockholders, estimated to take place in May

Implications to Proha financials

- Material positive impact on the shareholders' equity of Proha Group
- Increase in the parent company cash assets by USD 12,7 million (EUR 10.7 million)
- Proha Group consolidated balance sheet
 - Artemis assets EUR 26,3 million (incl. goodwill 7,3 million) (as of 31.12.2005)
 - Artemis liabilities EUR 27,2 million (as of 31.12.2005)
 - Consideration for Artemis shares USD 12,7 million (EUR 10.7 million)
 - +/- changes in exchange rates
- In Proha Group Artemis accounted for approximately 59.1% (2005) of the total net sales.
- Group operating result for 2005 was EUR -3.6 million with Artemis accounting for EUR -2.6 million of the total amount.

Preliminary calculation

Proha Group balance sheet 31.12.2005		Million Euros
Artemis asset		- 26.3
Artemis liabilities		+ 27.2
Consideration for Artemis shares	EUR/USD 1.1919	+ 10.7
Totaling		+ 11.6

After Transaction

- Assuming the transaction will be closed on terms now negotiated with Trilogy:
- Proha will focus on
 - the growth and international expansion of the project management business in the oil and gas sector
 - development and sales of Proha's other project management software
- Proha's business is composed of project management services and software that are offered and sold to customers worldwide
- After closing
 - 75% of Proha's business comes from oil and gas sector and
 - 25% from other project management (calculated from the division of net sales in 2005)



Expectations

2006

- The completion of Artemis transaction will have a significant impact on Proha Group's operations in 2006
- If the transaction is completed on terms now negotiated with Trilogy, the sale will have a significant positive impact on Proha Group's shareholders' equity and cash assets.
- The increased investments in the oil and gas industry have a significant impact on Proha's oil and gas sector PM business
- The investments are anticipated to keep the demand strong also for 2006
- The challenge for Proha's oil and gas sector operations is to respond to the demand
- Improved profitability and increased share of international business are the main goals



Thank you