



ORC

January – December 2009

Thomas Bill, CEO

Anders Berg, CFO

Agenda

- Company overview
- Market trends and Orc Software solutions
- Orc Software Q4, 2009
- CameronTec
- Financials
- Outlook 2010

Core focus is
trading and connectivity
solutions for the worldwide
financial industry

Global Presence

250
employees

EMEA:

Amsterdam
Frankfurt
London
Milan
Moscow
Paris
Stockholm

Americas:

Chicago
New York

Asia Pacific:

Hong Kong
Sydney
Tokyo

600+ customer sites worldwide
representing major investment
banks and financial institutions

Orc Solutions

Orc Trading >



Trade any listed instrument from a single platform, cross-asset class, on 100+ markets

Orc Algorithmic Trading

Server-based trading solution capable of running thousands of trading strategies simultaneously and offered with ultra low latency, native connectivity to 100+ markets.

Orc Market Making

Thousands of instruments quoted on multiple markets simultaneously.

Orc Advanced Trading

Advanced pricing, trading and hedging capabilities with limited risk exposure.

Orc Connect >



Fast, reliable access to liquidity pools. Orc CameronFIX and Orc CameronFAST enabled

Orc DMA for Brokerage

Sell-side solution for offering customers access to liquidity pools to trade directly on any market.

Orc Liquidity Access

The complete trading solution for fast, reliable access to derivatives and cash markets globally.

Orc CameronFIX Universal Server

High performance Financial Information eXchange Protocol (FIX) solution used to connect buy-side and sell-side firms and exchanges globally.

100+ Market Connections to Worldwide Exchanges

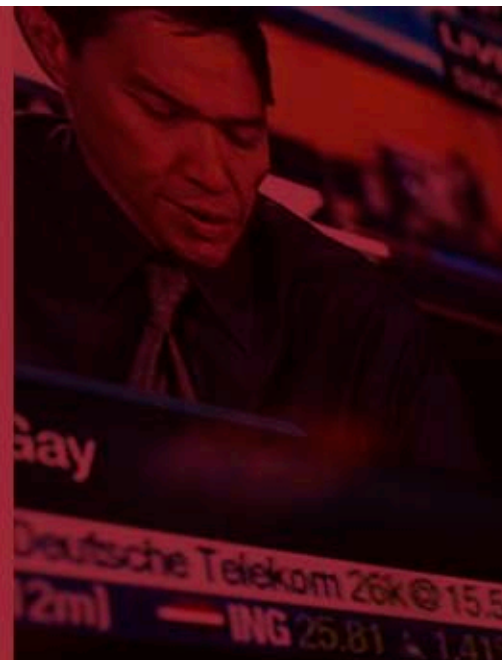


Customer License Model

Subscription fees in advance

Service and support included
in subscription fee

Solution updates included in
subscription fee



Global Market Trends Affecting our Business

- Increased use of listed derivatives
 - Increased requirements for integrated equities and derivatives solutions.
 - New segments opens up, asset managers, long/short hedge funds
- Paradigm shift: Trading is becoming automated
- OTC products becoming exchange traded and cleared
 - Will create opportunities for arbitrage and volatility trading
 - Will create demand for more real-time risk management solutions
- The division between buy- and sell-side continues to erode
 - A new market is opening up where buy-side firms are buying “sell-side systems”

Global Market Trends Affecting our Business

- Customers in all segments looking for Managed Services and Software as a Service – customers want to focus on core business and less on IT
- Brokers need to offer more advanced technology in order to compete
- In-house built systems are being replaced by vendor solutions
 - Strong demand for “off-the-shelf” market connectivity
 - Total addressable market for algorithmic engines is increasing



Orc Software
Q4 2009

Outlook for 2009 [from January 2009]

- The risk level is currently high
- Even under current volatile market conditions the trends working in Orc's favor remain strong
- Orc's solutions are well suited to current market conditions

- Based on current market conditions, Orc's revenue model and the implemented efficiency program
 - Orc will increase the ACV during 2009 Yes [SEK 652 m (645)]
 - Orc will increase revenues compared to 2008 Yes [SEK 705 m (564)]
 - Orc will increase earnings compared to 2008 Yes [SEK 207 m (93)]

Outcome P/L and ACV Q4 2009

- Revenues SEK180 m (147)
- EBIT SEK 61 m (9)
- EBIT Margin 34% (6)
- Positive currency effect SEK +5 m (+16)
- EBIT Margin excluding positive currency effect 31%

- ACV end Q4: SEK 652 m (SEK +24 m Q-o-Q)
- With Q3 FX rates SEK + 11 m
- End Q4 2008: SEK 645 m (+SEK 7 m Y-o-Y)

- Dividend proposed by the BoD: SEK 10 (4) per share

Orc Software Q4 2009

- Very strong finish of the year
 - Banks are starting to invest globally
- EMEA strongest Region with excellent results in Nordics
 - Orc benefiting from exchange platform upgrades
 - Banks need to review trading infrastructure
- Chicago market the strongest individual market
 - Large deal with US Bank in Chicago
- Churn continued to be high, but has not increased
 - Many market makers are going through a tough period with increased churn as result

Orc Software Q4 2009

- We see signs that churn could be coming down, but we are planning for continued high levels
- New office in Tokyo launched in October
 - Several deals with new and existing Japanese customers
- Goldman Sachs partnership developing well with an increase of 100% of the number of users and billing
 - We are investigating several new areas of cooperation

Orc Software Q4 2009

- The four biggest downsizings/terminations in the quarter :
 1. Local Trading Firm (EMEA)
 2. Local Trading Firm (Americas)
 3. Regional Bank (EMEA)
 4. Local Trading Firm (APAC)

- The four biggest orders in the quarter:
 1. Regional Bank (EMEA)
 2. Regional Bank (Americas)
 3. Local Broker (EMEA)
 4. Local Trading Firm (APAC)

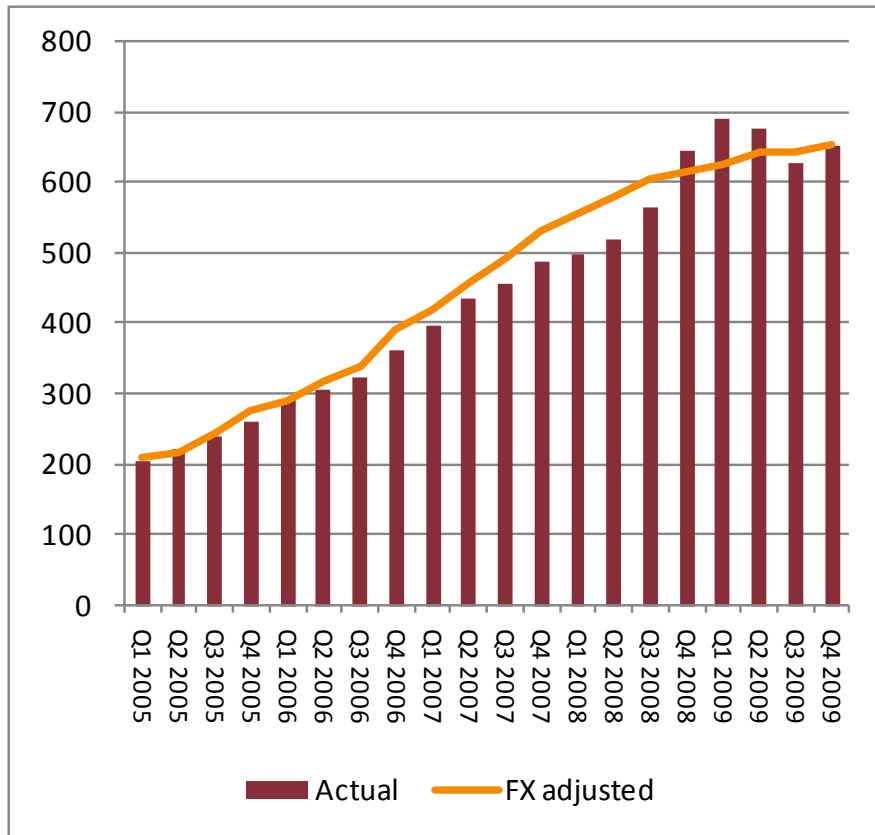
CameronTec

- FIX is becoming an increasingly important standard for the financial markets
- CameronFIX is today the only remaining independent major FIX supplier
- Orc wants to put more emphasis on CameronFIX
- From January 1, 2010 CameronTec has been established as a separate unit within the Orc Group
- The new entity will be completely focused on FIX
- CameronTec will establish its' own sales model – more indirect sales than Orc
- Orc will continue to base its' product on CameronFIX
- There will continue to be strong synergies between CameronTec and the rest of Orc
- Anders Henriksson, a long time Orc employee, is the new CEO of CameronTec



Financials

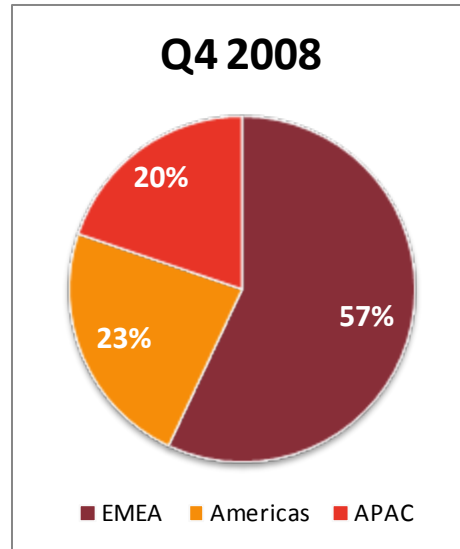
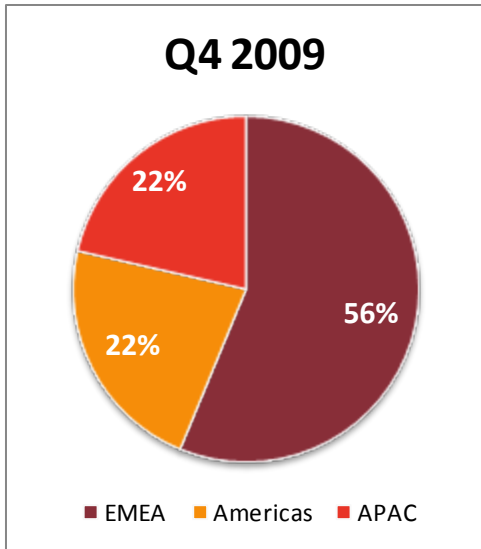
Annualized Contract Value (ACV)



- Amounts to SEK 652 m at end of Q4 2009
 - Contracted revenue for the coming twelve months
 - Equals **131%** on Operating expenses in 2009
- Up 1% compared to end of Q4 2008
 - Up 7% FX adjusted
- Up 4% compared to Q3 2009
 - Up 2% FX adjusted

Regional ACV

SEK million	Q4 2009	Q4 2008	Change	%
EMEA	366,8	367,7	-0,9	0%
Americas	145,7	149,6	-3,9	-3%
APAC	139,8	127,8	12,0	9%
Total	652,3	645,1	7,2	1%



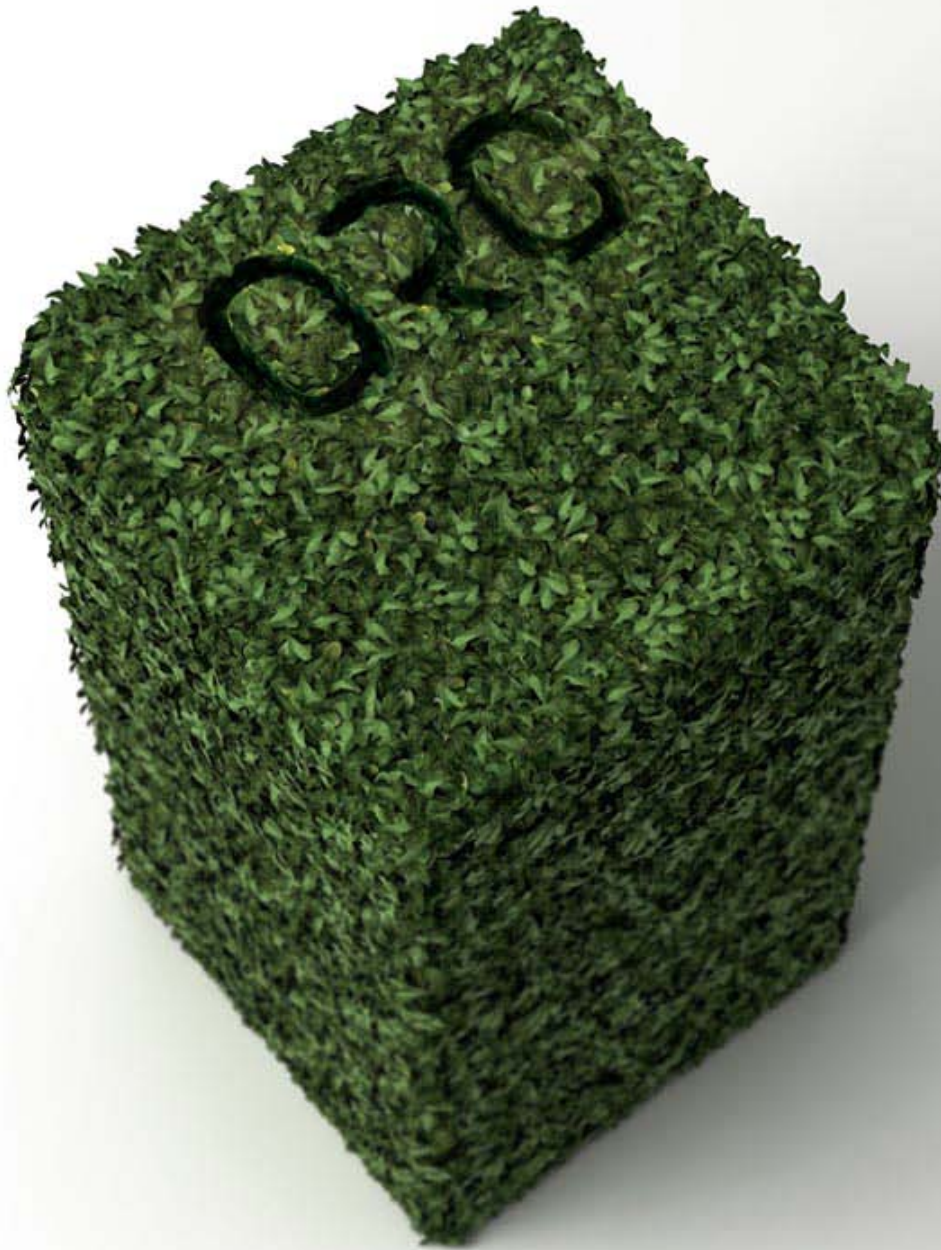
Consolidated Income Statement

SEK million	Q4 2009	Q4 2008	Change	%	Jan-Dec 2009	Jan-dec 2008	Change	%	Comments
System revenue	178	146	32	22%	696	552	144	26%	Increase in recurring revenue 26% CFIX model change
Other revenue	2	1	1	100%	9	12	-3	-25%	Less of consulting etc, more system rev.
Operating revenue	180	147	33	22%	705	564	141	25%	
Cost of goods sold	-7	-10	3	-30%	-39	-37	-2	5%	
External expenses	-37	-50	13	-26%	-137	-157	20	-13%	Efficiency program
Personnel costs	-76	-87	11	-13%	-292	-289	-3	1%	Fewer employees, FX rate difference
Capitalized work	1	4	-3	-75%	4	15	-11	-73%	Less R&D activity that can be capitalized
Depreciation etc	-5	-11	6	-55%	-21	-25	4	-16%	
FX revaluation	5	16	-11		-13	22	-35		Rev. of Balance Sheets items, e.g. A/R etc
Operating expenses	-119	-138	19	-14%	-498	-471	-27	6%	
Operating income	61	9	52	583%	207	93	114	123%	
Net financial income	0	1	-1		1	3	-2		
Income before tax	61	10	51	510%	208	96	112	117%	
Tax	-14	-6	-8		-58	-31	-27		
Net income	47	4	43	1082%	150	65	85	131%	
Operating margin	34%	6%	28%		29%	16%	13%		
OPEX excl FX & Cap work	-125	-158	33	-21%	-489	-508	19	-4%	
Op. marg. excl FX & Cap work	31%	-7%	38%		31%	10%	21%		

Balance Sheet

SEK million	Dec 31, 2009	Sep 30, 2009	Change	Comments
Fixed assets	296	305	-9	Change: Capitalized dev + Equipment - Depreciation etc
Current receivables	144	152	-8	Change in outstanding A/R
Cash and equivalents	315	226	89	
	755	683	72	
Equity	450	374	76	Change: Profit + New share issue (Personnel Options)
Long-term liabilities	53	51	2	Deferred tax
Current liabilities	252	258	-6	
	755	683	72	
Equity/Assets ratio	60%	55%	5%	

- Dividend proposed by the BoD: SEK 153 m



Outlook

Outlook 2010

- The risk level continues to be high
- Orc has a strong offering in line with market trends
- Orc will invest in new products and services
- With the FX rates of January 2010 and assuming that churn comes down to more normal levels during 2010
 - Orc will increase the ACV during 2010
 - Orc will increase revenues compared to 2009
 - Orc will increase earnings compared to 2009



www.orcsoftware.com