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## **CAMO Inc Q3 financials 2002**

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The Profit and Loss statement for CAMO Inc is as follows as of September 30, 2002  
( all numbers in 000 USD ):

	<b>Quarter</b>	<b>Accumulated</b>
	<b>2002</b>	<b>2002</b>
Sales	2,010	6,450
COGS	1,341	3,709
Gross Margin	670	2,742
Operating expenses	667	2,419
Operating Income	3	322
Other expenses*	- 1,097	- 894
Net result	1,100	1,216

\*USD 1,185,000 of expenses incurred in 2001 creating a liability for CAMO Inc was written off in August 2002 as part of an equity transaction and consequently accrued as a negative expense in 2002.

Actual revenues achieved in Q3 were lower than budgeted, but the accumulated operating income is still according to plan. The reduced revenues is mostly related to CAMOSmart Inc ( “old” CAMO in the US ) and the discontinuity of Market research services. Despite the substantial cost reductions implemented in Q3 at CAMO Smart, this was the only CAMO operating company not achieving profitability in Q3. The other CAMO companies have been according to plan for Q3. The executive team has implemented several personnel changes to strengthen the sales and marketing focus of the CAMO Smart organization in Q3. Paal Brevik has taken over the sales responsibility of the CAMO Smart team. A dedicated sales person for the Unscrambler product line in the US started in August and has already been able to produce sales increases. CAMO Smart Inc is expected to produce at a minimum a break even operating result for Q4 with the current expense level.

CAMO Technology Inc achieved the second consecutive quarter with increase in portfolio of billable consultants. The backorders at the end of Q3 is 23 % higher than at the end of Q2. In addition, the average length and rate of the engagements has also increased. Camo has invested in experienced sales- and commercial resources in Q3 including Frank Hagen, Robert Fletcher and Catherine Alfonzo.

The continued progress and results achieved in CAMO Technology Inc and CAMO Process AS is expected to continue in the foreseeable future. The challenge in the next 2 quarters is to expand the number of partners and direct client contracts for CAMO Smart Inc.

We expect to produce somewhat higher revenues and better operating result in Q4 compared to Q3.

November 4<sup>th</sup>, 2002

Ashwani Jasti  
CEO

Bjorn Skare  
Executive Chairman

### **About CAMO**

CAMO helps smart people get smarter. Founded in 1984, CAMO provides product lifecycle management software, real-time decision support software, and online market research technology. The company has 120 employees and more than 1,800 customers in 46 countries in the food, chemical, pharmaceutical and manufacturing industries. Headquarters are in Woodbridge, NJ with additional offices in the United States, India, and Norway. For further information, please visit our web site at [www.camo.com](http://www.camo.com).

### **Forward-Looking Statements**

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding market opportunity, benefits for customers, product availability and engineering and design activities. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from the statements made, including: 1) in regard to revenues, gross margins and earnings uncertainties associated with market acceptance of and demand for the Company's products, impact of competitive products and pricing and dependence on third party suppliers; and 2) in regard to new product introductions, uncertainties associated with the development of technology and intellectual property rights. CAMO does not undertake any obligation to publicly release the result of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.