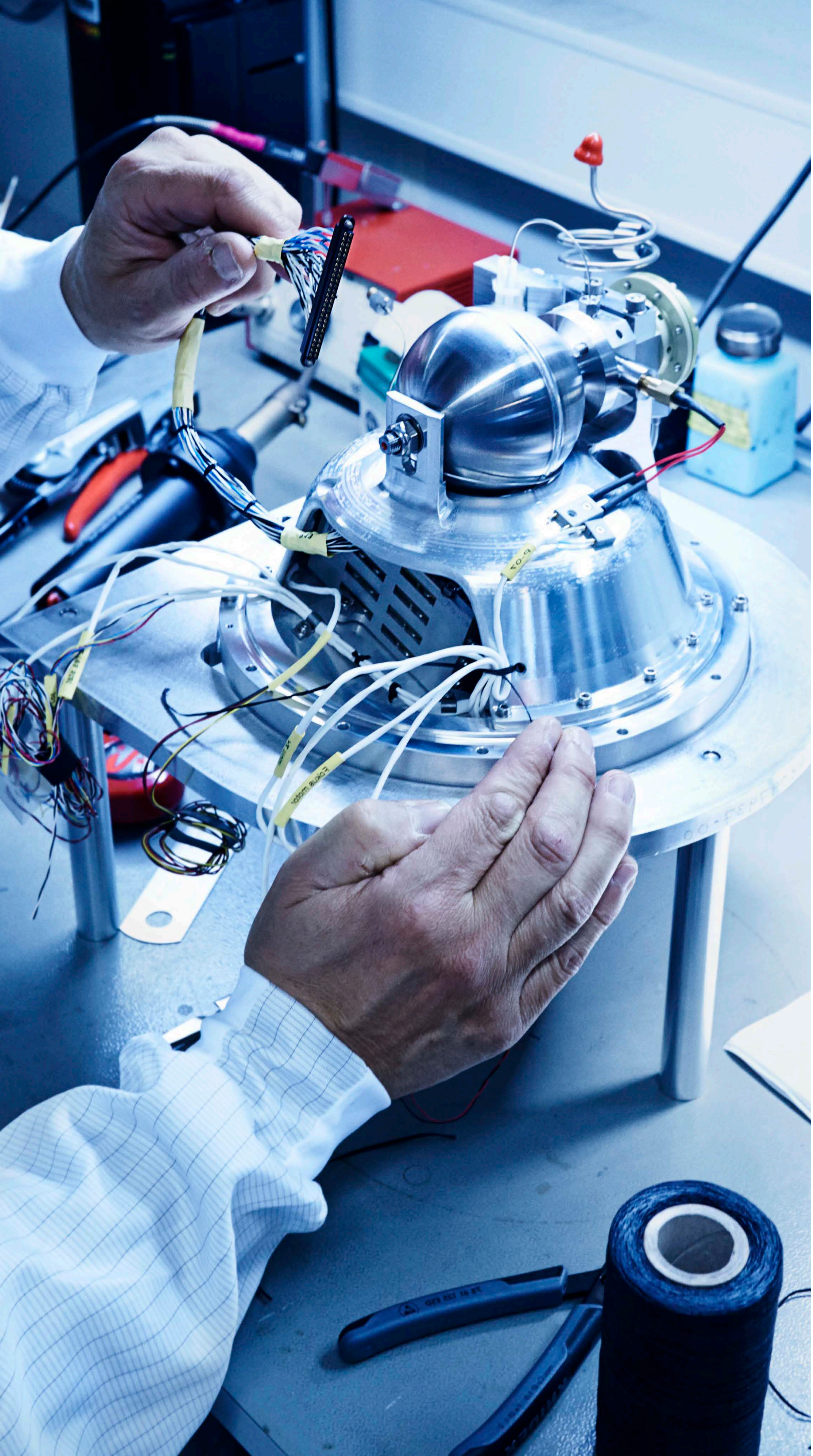


KONGSBERG

Q4 / PRELIMINARY ANNUAL ACCOUNTS 2014

kongsberg.com

Overall, KONGSBERG had a good year in 2014, with good earnings, a strong cash flow and growth in operating revenues, as well as a record influx of new orders on the defence side as well as for Kongsberg Maritime. Accounting for roughly 84 per cent of the Group's sales, Kongsberg Maritime and Kongsberg Defence Systems saw a good year, while the two smaller business areas did not report satisfactory underlying earnings. The Board proposes that the Annual General meeting decides on a record high dividend of NOK 9.25/share (NOK 5.25), including NOK 5.00 is extraordinary.

Kongsberg Maritime had an a very good year, with growth in operating revenues of 17.4 per cent to NOK 9.7 billion, a good EBITDA margin and new orders for more than NOK 10 billion. Kongsberg Defence Systems had a record-high EBITDA margin of 12.4 per cent, in addition to winning several major contracts leading to new orders for NOK 9 billion. Kongsberg Protech Systems had lower operating revenues in 2014 than in previous years, and a low underlying EBITDA. At the same time, KPS noted a steep rise in its order backlog, i.e. more than MNOK 700 in 2014, equivalent to a book/bill of 1.43. Kongsberg Oil & Gas Technologies had a challenging year, marked by a steep decline in the oil and gas market leading to negative results and major restructering has been done in KOGT.

The provisional financial statements for 2014 show operating revenues of MNOK 16 613 (MNOK 16 323), up 1.8 per cent compared with 2013. EBITDA was MNOK 2 060 in 2014, down from MNOK 2 142 in 2013. The provisional profit for the year after tax came to MNOK 880 (MNOK 1 225), which is equivalent to NOK 7.28 per share (NOK 10.24). Earnings per share adjusted for the write-down of goodwill in KOGT came to NOK 9.78.

In Q4 2014, operating revenues were MNOK 4 418 (MNOK 4 745), and EBITDA was MNOK 545 (MNOK 611), resulting in an EBITDA margin of 12.3 per cent (12.9 per cent). The Group's new orders in Q4 totalled MNOK 4 541 (MNOK 3 697), equivalent to a book/bill of 1.03. KONGSBERG had an order backlog worth more than NOK 21 billion at year-end 2014.

KM posted high operating revenues and an EBITDA margin of 10.8 for the quarter. Accrual effects and somewhat higher costs in Q4 had an adverse impact on KM's profits. KDS reported yet another strong quarter with an EBITA margin of 13.7 per cent. KPS booked a strong influx of orders, and a higher dissolution of provisions resulted in a high EBITDA. KOGT incurred high restructuring costs during the quarter and had a negative underlying EBITDA.

Q4 HIGHLIGHTS

- KM's operating revenues climbed by 15.7 per cent year-on-year.
- KDS had good order intake and had a strong EBITDA margin of 13.7 per cent.
- KPS had intake of new orders and continued low operating revenues. Dissolution of provisions add up to MNOK 143 resulted in Q4.
- KOGT had a weak quarter and was impacted by internal restructuring programmes and by the steep decline in the oil and gas market. The business area has recorded a goodwill impairment by MNOK 300 in Q4.
- The Group has booked a good volume of new orders in Q4, up 22.8 per cent year-on-year.

HIGHLIGHTS OF 2014

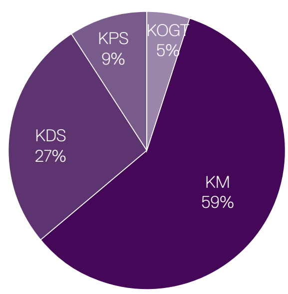
- 2014 punkt: Record high dividend proposal: NOK 9.25/share (NOK 5.25), including NOK 5.00/share as extraordinary dividend.
- KM had an exceptional year, with strong margins, 17.4 per cent growth in sales, and record-high new orders
- KDS had a record-high 12.4 per cent EBITDA margin and also won several large and important contracts in 2014.
- KPS had a year with low operating revenues, resulting in weak underlying results. New orders were favourable, leading to a book/bill of 1.43.
- KOGT has had a challenging year due to among others a decline in the oil and gas market. There has been several rounds of restructuring in the business area, due to a low activity level.
- The cash flow from operations was very strong in 2014 with MNOK 2 315 (MNOK 1 983).

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013
Operating revenues	**4 418**	4 745	**16 613**	16 323
EBITDA	**545**	611	**2 060**	2 142
EBITDA (%)	**12.3**	12.9	**12.4**	13.1
EBIT	**113**	472	**1 258**	1 659
EBIT (%)	**2.6**	9,9	**7.6**	10.2
Earnings before tax	**139**	465	**1 285**	1 644
Earnings after tax	**32**	375	**880**	1 225
EPS (NOK)	**0.26**	3.14	**7.28**	10.24
New orders	**4 541**	3 697	**22 097**	15 043

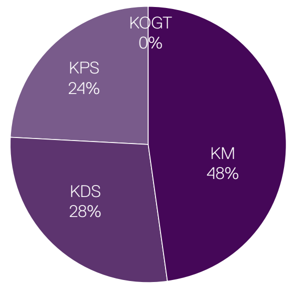
	31.12.	30.9.
MNOK	**2014**	2014
Equity ratio (%)	**31.0**	36.4
Net interest-bearing dept	**(3 551)**	(3 045)
Working capital [1)]	**3 274**	3 980
ROCE (%) [2)]	**16.4**	20.5
Order backlog	**21 020**	20 580
No. of employees	**7 726**	7 688

[1)] *Current assets – current liabilities and provisions*
[2)] *EBIT / average (booked equity + gross interest bearing liabilities), based on last 12 months.*

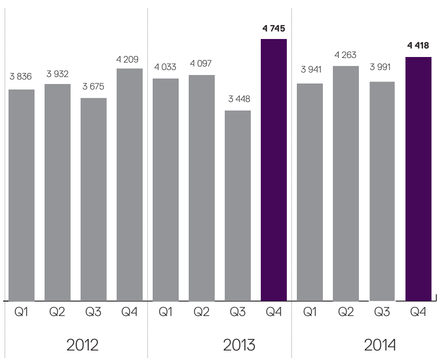
OPERATING REVENUES BY AREA
Q4



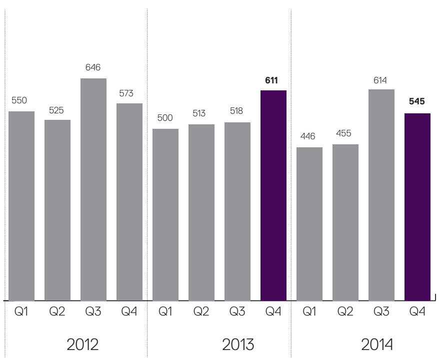
EBITDA BY AREA
Q4



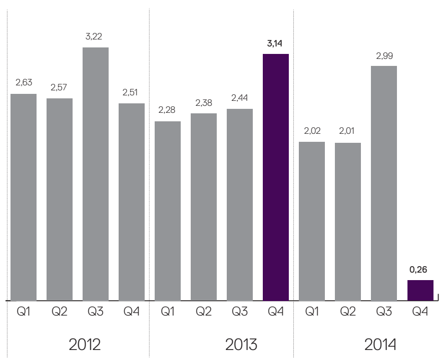
OPERATING REVENUES



EBITDA



EPS



> *2014 ended as yet another good year for KONGSBERG, even though the last quarter showed a somewhat variable underlying picture. Our two defence segments added to their order books significantly in 2014, and are embarking on 2015 with a strong foundation. KDS' margin is still improving and has now passed the 10 per cent EBITA mark. KM has a very high level of activity as well as a good influx of new orders in a more demanding market. At KOGT, among others, the declining level of activity for oil companies presented challenges in Q4 as well. Altogether, KONGSBERG has a very strong order backlog and we see good opportunities for the future of our defence and civilian areas alike.*

Walter Qvam, konsernsjef

PERFORMANCE AND THE ORDER SITUATION

Operating revenues added up to MNOK 4 418 (MNOK 4 745) in Q4 2014. EBITDA totalled MNOK 545, (MNOK 611), resulting in an EBITDA margin of 12.3 per cent (12.9 per cent). Adjusted for the one-off effect of the JSM phase III bridge contract signed in Q4 2013, operating revenues in Q4 2014 were on par with last year. KM saw a quarter with a high level of activity but a somewhat lower EBITDA margin, 10.8 per cent, mainly due to higher development costs and some one-off effects. KDS reported yet another strong quarter with an EBITDA margin of 13.7 per cent. KPS has low underlying margins, but the dissolution of provisions for guarantees led to a strong EBITDA for the quarter. KOGT had yet another quarter of less than satisfactory results, reporting a negative underlying EBITDA. Weaker prospects for KOGT caused the Board to resolve a write-down of goodwill by MNOK 300. The write-down was ascribable to weaker prospects in KOGT's market segments.

Earnings before tax came to MNOK 139 (MNOK 465) in Q4, while earnings after tax were MNOK 32 (MNOK 375). This translates into earnings per share of NOK 0.26 (NOK 3.14 per share). Adjusted for the write-down at KOGT, earning per share during the quarter were NOK 2.76.

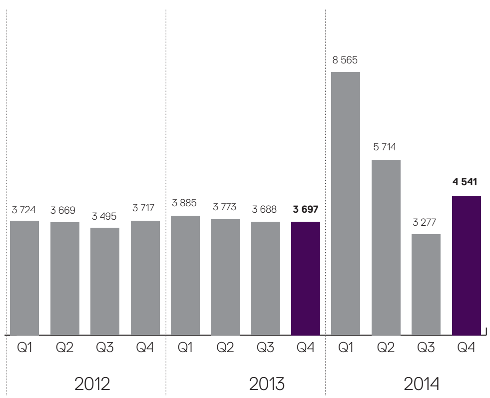
New orders in Q4 2014 added up to MNOK 4 541 (MNOK 3 697), equivalent to a book/bill of 1.03. New orders are mainly due to the strong influx at KM, as well as to KDS' contract for a coastal artillery system with the Polish Ministry of Defence. KONGSBERG's backlog at year-end 2014 is more than about NOK 21 billion.

The preliminary net profit for the year for 2014 showed operating revenues of MNOK 16 613 (MNOK 16 323), an increase of 1.8 per cent. EBITDA is MNOK 2 060 (MNOK 2 142). This translates into an EBITDA margin of 12.4 per cent (13.1 per cent). New orders for 2014 were very strong, i.e. MNOK 22 097 (MNOK 15 043). This is primarily attributable to a strong volume of new orders for KM and to KDS winning several major contracts during the year.

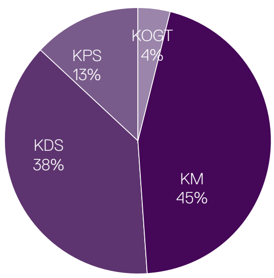
The accumulated earnings before tax was MNOK 1 285 (MNOK 1 644), and the net profit after tax came to MNOK 880 (MNOK 1 225). The return on average capital employed (ROACE) was 16.4 per cent in 2014 (21.5 per cent). ROACE adjusted for the impairment of goodwill in KOGT is 20.1 per cent.

Since the 1st of January 2014, Kongsberg Satellite Services AS, 50 per cent of which is owned by KONGSBERG, has been recognised using the equity method. This accounts for a decrease in reported sales of MNOK 257 for 2014 as a whole, compared with 2013. Previously subject to gross consolidation, the company's profit/loss now appears on the line "Share of the profit/loss in jointly-controlled companies and associates". The comparative figures have not been adjusted to reflect this change, see also Note 8.

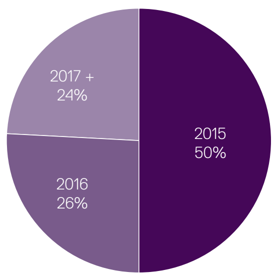
NEW ORDERS



NEW ORDERS
Q4



ORDER BACKLOG
Breakdown by delivery dates



Order backlog at the end of Q4 2014, MNOK 21.020

CASH FLOW

KONGSBERG saw a net increase in bank deposits and cash equivalents of MNOK 524 in Q4. The net cash flow from operating activities in Q4 was MNOK 278 (MNOK 1 066). Net current assets increased by MNOK 267 in Q4. The cash flow can vary significantly from quarter to quarter as a result of customers' terms of payment and capital tied up in projects, in general.

In 2014, KONGSBERG saw a net increase in bank deposits and cash equivalents of MNOK 1 152 (MNOK 763). The net cash flow from operating activities was MNOK 2 315 (MNOK 1 983). The strong cash flow from operations was in response to a generally better cash flow for the Group, and to larger advance payments from customers in 2014 compared with normal levels.

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013
EBITDA	**545**	611	**2 060**	2 142
Change in net current assets and other operating related items	**(267)**	455	**255**	(159)
Net cash flow from operating activities	**278**	**1 066**	**2 315**	**1 983**
Net cash flow from investing activities	**139**	(180)	**(211)**	(775)
Net cash flow used in financing activities [1]	**25**	5	**(1050)**	(480)
Effect of changes in exchange rates on cash and short-term deposits	**82**	5	**98**	35
Net change in cash and short-term deposits	**524**	**896**	**1 152**	**763**

[1] *Included paid dividend*

BALANCE SHEET

At the end of 2014, the Group had net interest-bearing debt of MNOK -3 551, compared with MNOK -3 045 at the end of Q3 2014 and MNOK -1 935 at the end of 2013. The Group's bank deposits and cash equivalents added up to MNOK 4 424 at year end, compared with MNOK 3 900 at the end of Q3 and MNOK 3 272 at the end of 2013. KONGSBERG's equity was MNOK 6 282 (31.0 per cent), compared with MNOK 6 906 (36.4 per cent) at end-Q3 and MNOK 6 657 (38.2 per cent) at year-end. Equity was reduced during the quarter due, inter alia, to negative values in KONGSBERG's currency hedging portfolio.

KONGSBERG has a credit facility of NOK 1.5 billion with a syndicate consisting of five banks. The line of credit is currently undrawn.

	30.12.	30.9.	31.12.
MNOK	**2014**	2014	2013
Equity	**6 282**	6 906	6 657
Equity ratio(%)	**31.0**	36.4	38.2
Total assets	**20 273**	18 957	17 435
Working capital	**3 274**	3 980	3 319
Gross interest-bearing liabilities	**873**	855	1 337
Gross bank deposits and cash equivalents	**4 424**	3 900	3 272
Net interest-bearing liabilities	**(3 551)**	(3 045)	(1 935)

DIVIDEND

The Board proposes that the Annual General Meeting on 7 May 2015 adopts an ordinary dividend for fiscal 2014 of NOK 4.25/share (NOK 4.25) and an extraordinary dividend of NOK 5.00/share (NOK 1.00) – adding up to NOK 9.25/share (NOK 5.25. The ordinary and total pay-out ratio is correspondingly 42.7 % and 93.0 % of ordinary net profit before impairment. Ordinary and total dividend equals correspondingly 58.4 % and 127.1 % of ordinary net profit 2014. When proposing the extraordinary dividend the board has taken into consideration KONGSBERG's strong balance sheet by year-end 2014 and the support of the company's growth strategy going forward. The Board's conclusion is that there is room for a certain adjustment of the capital structure and at the same time have sufficient financial capacity for opportunities that may occur. Based on this the Board has concluded an extraordinary dividend of NOK 5.00/share.

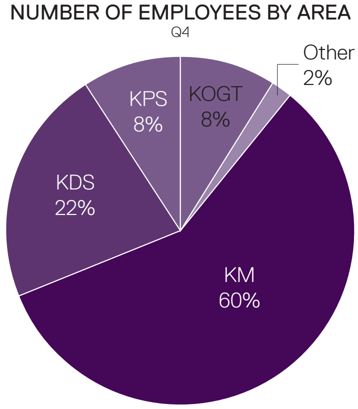
CURRENCY

KONGSBERG has a foreign exchange policy entailing that contractual currency flows are hedged against forward contracts. In addition, some anticipated new orders are hedged in accordance with established principles. The goal of the foreign exchange policy is to reduce currency risk in existing projects and in a share of the orders expected to be booked in the next 2 years. The decline in the Norwegian NOK is generally positive for KONGSBERG, but at year end the currency portfolio contained negative values and had a negative impact on equity, see also Note 5.

HUMAN RESOURCES

KONGSBERG had 7 726 employees at year-end 2014, an increase of 38 employees during the quarter. There were more employees at KM as a result of a higher volume of activity. The number of employees at KOGT has been reduced to adapt capacity to the market. At the end of 2014, roughly 38 per cent of KONGSBERG's employees worked outside Norway.

NUMBER OF EMPLOYEES BY AREA



OTHER MATTERS

The corruption charge in Romania

In February 2014, a charge was filed against Kongsberg Gruppen ASA, Kongsberg Defence & Aerospace AS and an employee of Kongsberg Defence & Aerospace, alleging corruption in conjunction with deliveries of communications equipment to Romania from 2003 to 2008. KONGSBERG is collaborating with the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim) to clarify the circumstances in question. The investigation is still expected to take time. See also Note 35 and the paragraph entitled "Risk factors and risk management" in the Directors' Report in the Annual Report for 2113. The Board's assessment at year end is the same as described in the Annual Report.

Rolls-Royce Marine AS v Kongsberg Evotec AS

KONGSBERG has been served a writ of summons from Rolls-Royce Marine AS. Given the information currently available, KONGSBERG and independent advisers have reviewed the case and determined that the claims have not been established as probable. The oral proceedings have now been rescheduled to begin in week 7 of 2015. See also Note 35 in the financial statements for 2013 and the Q3 2014 report.

OTHER ACTIVITIES

"Other activities" consist mainly of eliminations and external operating revenues for Property Operations. Three buildings were sold in 2014, two of which were under construction. The sale had a positive effect of MNOK 61 on the EBITDA. Otherwise, in 2014 "Other activities" were influenced by costs linked to the DeltaOne improvement programme and certain centrally financed initiatives, as well as costs related to the ongoing investigation of KONGSBERG.

KONGSBERG MARITIME

KEY FIGURES

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013
Revenues	**2 546**	2 201	**9 703**	8 264
EBITDA	**275**	292	**1 441**	1 179
EBITDA (%)	**10.8**	13.3	**14.9**	14.3
New orders	**2 041**	1 579	**10 038**	8 455

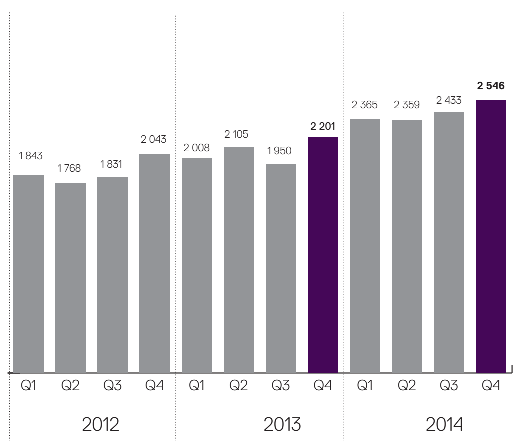
	31.12.	30.9.	31.12.
MNOK	**2014**	2014	2013
Order backlog	**7 480**	7 834	6 529
No. of employees	**4 652**	4 585	4 260

PERFORMANCE

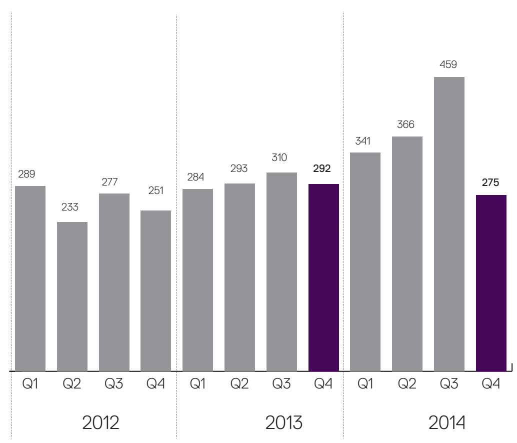
The level of activity at KM was high in all divisions also in Q4 2014. Operating revenues added up to MNOK 2 546 (MNOK 2 201). The EBITDA was MNOK 275 (MNOK 292), resulting in an EBITDA margin of 10.8 per cent (13.3 per cent). Accruals and somewhat higher operating costs in the quarter effects the KM results negatively.

In 2014, KM had operating revenues of MNOK 9 703 (MNOK 8 264) and EBITDA of MNOK 1 441 (MNOK 1 179), comparable to an EBITDA margin of 14.9 per cent (14.3 per cent). Business increased for the offshore, merchant and subsea divisions alike in 2014, compared with 2013. The Offshore Division is the segment of KM with the highest growth in 2014, as operating revenues climbed by about MNOK 900. Merchant Marine increased its operating revenues by nearly 50 per cent and Subsea saw growth of nearly 20 per cent. Global customer support and the after-market continues to contribute to the business area's growth.

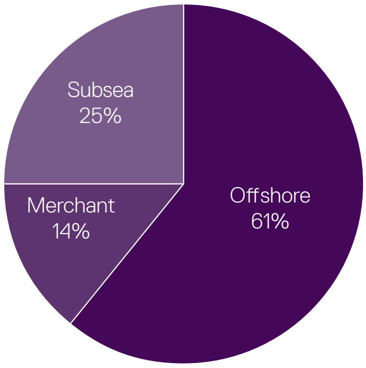
OPERATING REVENUES



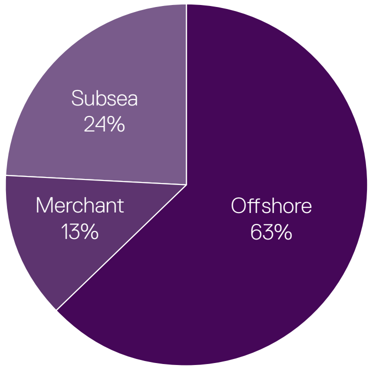
EBITDA



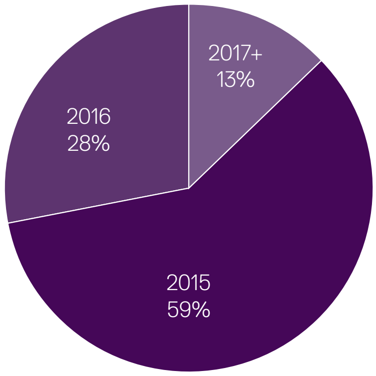
OPERATING REVENUES 2014



OPERATING REVENUES 2013

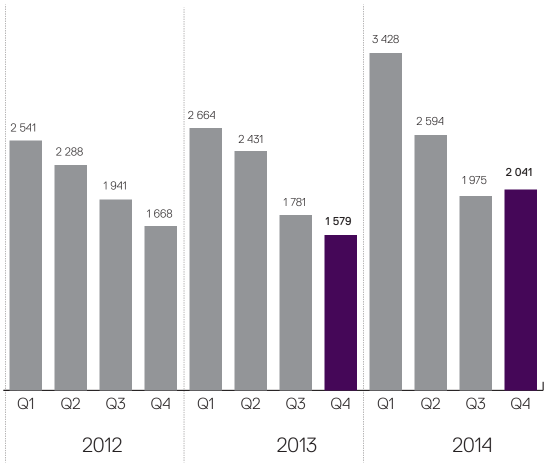


ORDER BACKLOG
Breakdown by delivery dates



Order backlog at the end of Q4 2014, MNOK 7.480

NEW ORDERS



MARKETS AND NEW ORDERS

New orders signed in Q4 2014 were valued at MNOK 2 041 (MNOK 1 579), bringing the backlog of orders to MNOK 7 480 at the end of the quarter. This ensures good predictability despite the fact that some of KM's markets, especially parts of the offshore market, are experiencing substantially lower orders for new vessels. Despite this, the business area's Offshore Division has managed to achieve the same level of new orders in Q4 2014 as in Q4 2013. Several major upgrade contracts were signed during the quarter. There is also growing interest in KM's solutions for the subsea construction market.

Total new orders in 2014 added up to MNOK 10 038 (MNOK 8 455), equivalent to a book/bill of 1.03. All divisions booked a higher volume of new orders in 2014 than in 2013. The Offshore Division booked new orders worth about NOK 4.5 billion, an increase from 2013. The Merchant Marine Division increased new orders by 60 per cent from 2013 to 2014, while Subsea grew by 25 per cent.

During the year, KM maintained its strong positions in its segments. New orders from advanced merchant vessels have been very good and KM has maintained its positions in dynamic positioning and automation systems for the offshore segment. Kongsberg Maritime Engineering continued to improve its position as a player in the EIT (Electrical, Instrumentation and Telecom) market, winning, among other things, a contract for more than MNOK 200 for the Petrofac pipelaying vessel currently under construction in China. There is also significant growth and demand for KM's services and products in the Subsea segment. Examples of this include underwater mapping, as well as autonomous underwater vehicles (AUVs) for military and civilian applications.

KONGSBERG DEFENCE SYSTEMS

KEY FIGURES

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013
Revenues	**1 181**	1 619	**4 276**	4 554
EBITDA	**162**	218	**530**	520
EBITDA (%)	**13.7**	13.5	**12.4**	11.4
New orders	**1 750**	1 292	**9 018**	3 232

	31.12	30.9.	31.12
MNOK	**2014**	2014	2013
Order backlog	**9 471**	8 856	5 489
No. of employees	**1 672**	1 675	1 761

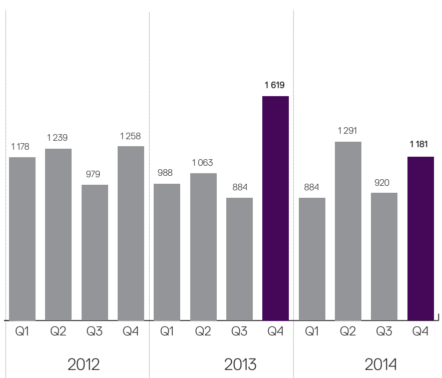
PERFORMANCE

Q4 operating revenues ended at MNOK 1 181 (MNOK 1 619). The EBITDA was MNOK 162 (MNOK 218), resulting in an EBITDA margin of 13.7 per cent (13.5 per cent). The delivery programmes are on schedule.

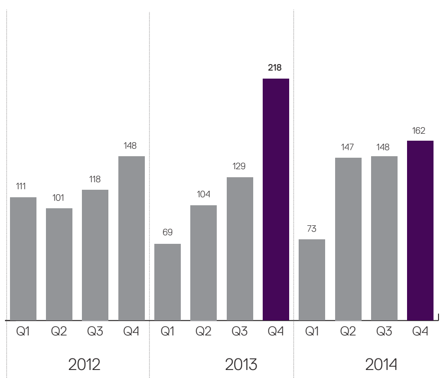
In 2014, KDS earned total operating revenues of MNOK 4 276 (MNOK 4 554). EBITDA was MNOK 530 (MNOK 520), resulting in an EBITDA margin of 12.4 per cent (11.4 per cent).

Since the 1st of January 2014, Kongsberg Satellite Services AS, 50 per cent of which is owned by KONGSBERG, has been recognised using the equity method. Previously subject to gross consolidation, the company's profit/loss now appears on the line "Share of the profit/loss in jointly-controlled companies and associates". The comparative figures have not been adjusted to reflect this change, see also Note 8.

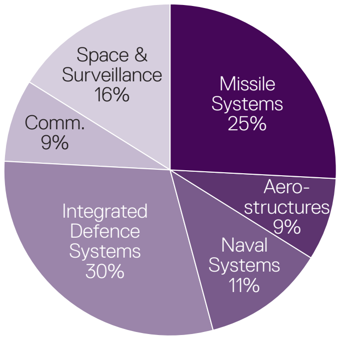
OPERATING REVENUES



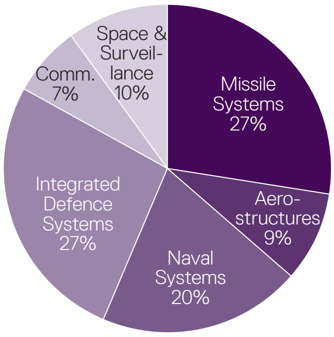
EBITDA



OPERATING REVENUES 2014

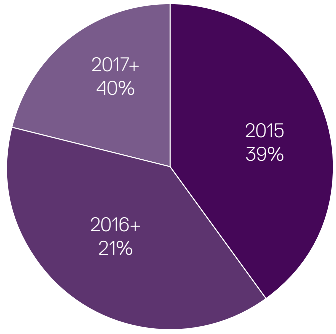


OPERATING REVENUES 2013



ORDER BACKLOG

Breakdown by delivery dates



Order backlog at the end of Q4 2014, MNOK 9.471

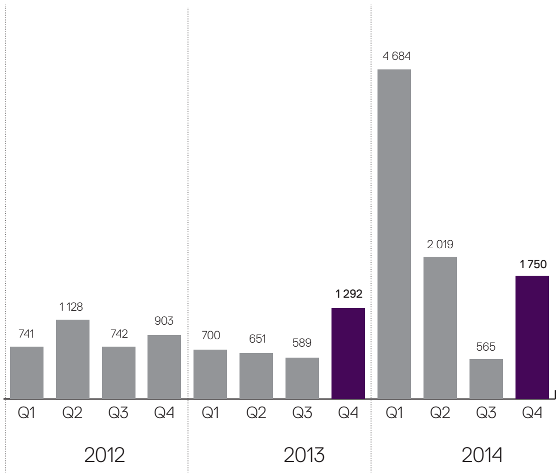
MARKETS AND NEW ORDERS

New orders in Q4 totalled MNOK 1 750 (MNOK 1 292). The largest agreement signed, was the contract with the Polish Ministry of Defence for supplying the NSM Coastal Defence System, valued at MNOK 1 300, for another new squadron.

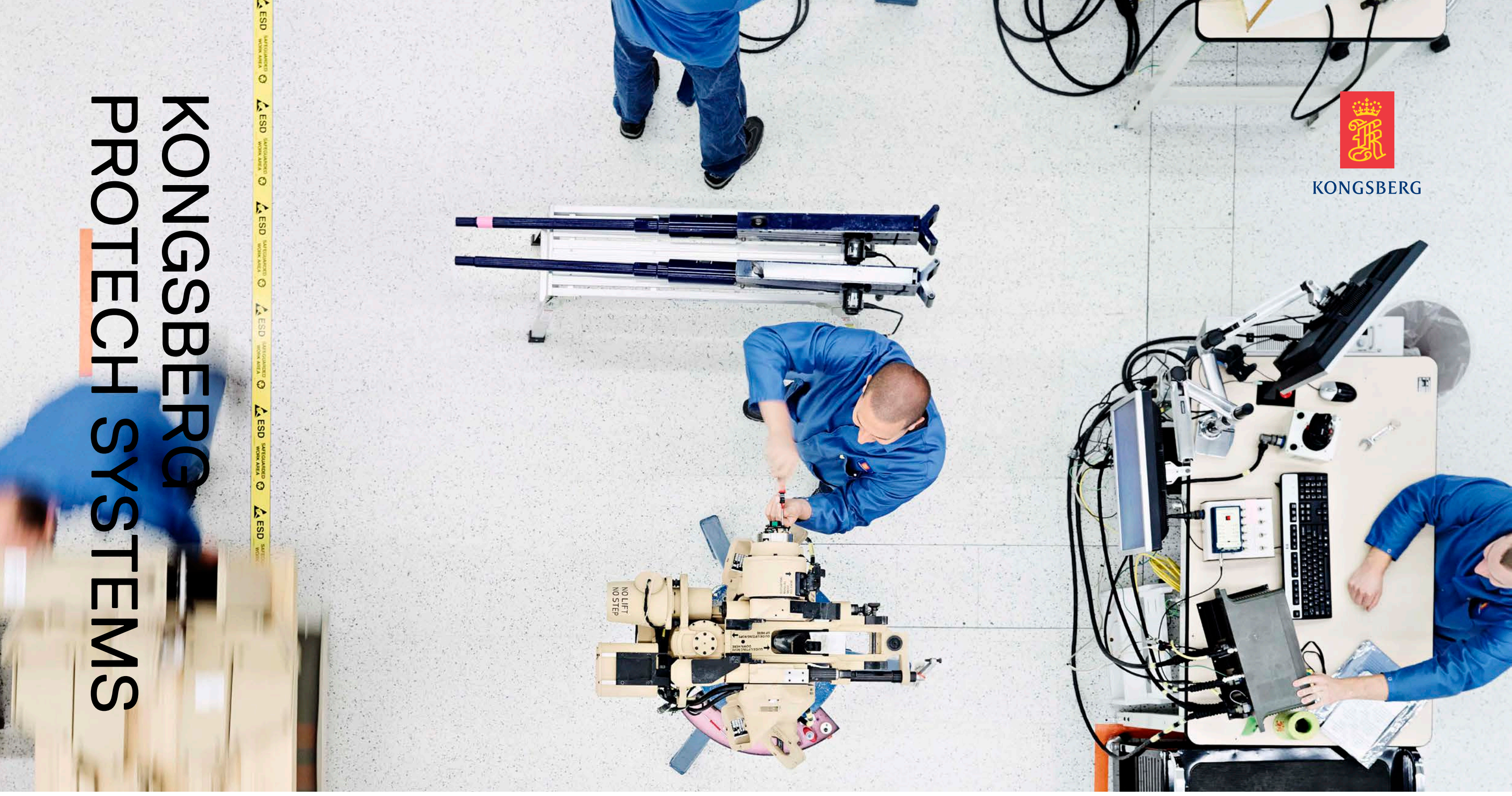
Total new orders in 2014 added up to MNOK 9 018 (MNOK 3 232), resulting in a backlog of orders of about NOK 9.5 billion at year end. The three largest contracts are the air defence contract worth NOK 3.7 billion signed in January 2014, the Joint Strike Missile (JSM) Phase III development contract signed with the Norwegian Defence Logistics Organization (FLO) in the summer, and the contract with the Polish Ministry of Defence signed in late December 2014. In the summer of 2014, an agreement was signed between KONGSBERG and Raytheon regarding cooperation on the JSM. This cooperation is believed to boost the missile's market potential substantially, especially in the USA. The Naval Strike Missile demonstrated its strengths on several occasions in 2014. The Norwegian Navy demonstrated the missile during the international exercise RIMPAC in summer 2014 and, in late September, the US Navy tested the missile from the vessel class Littoral Combat Ship (LCS). Both demonstrations were highly successful, demonstrating yet again the missile's extreme characteristics. The Aerostructures Division, where the production of components for F-35 programme is a key activity, made great progress in 2014. New orders doubled from 2013 and the division also improved its profitability.

KDS improved both its markets and its position in 2014. There are clear signs that defence spending has been given higher priority in many national budgets than what has been the case in recent years. KDS considers its product portfolio to be well positioned for future needs and current priorities in the defence plans of several countries. There is a great deal of international interest in missiles and air defence systems. The business area's communications solutions and submarine systems are well established at the international level. KONGSBERG has firm delivery contracts and framework agreements for the delivery of components for the F-35 fighter craft. Moreover, long-term, robust customer relations have been established for the area's satellite activities. Fluctuations in new orders are normal in the defence market, which is marked by relatively few but large-scale contracts.

NEW ORDERS



KONGSBERG PROTECH SYSTEMS



KEY FIGURES

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013
Revenues	**407**	636	**1 566**	2 420
EBITDA	**142**	90	**254**	419
EBITDA (%)	**34.9**	14.2	**16.2**	17.3
New orders	**579**	703	**2 240**	2 005

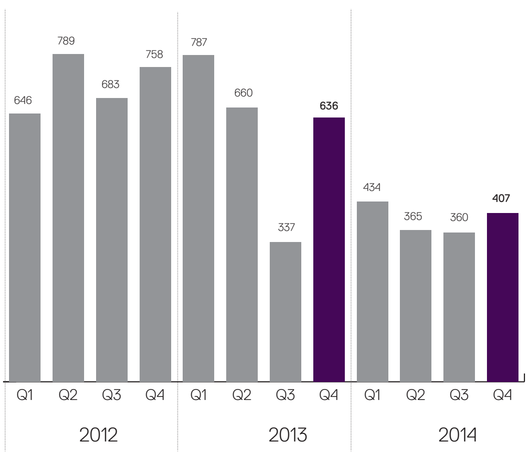
	31.12	30.9.	31.12
MNOK	**2014**	2014	2013
Order backlog	**3 523**	3 315	2 805
No. of employees	**650**	653	644

PERFORMANCE

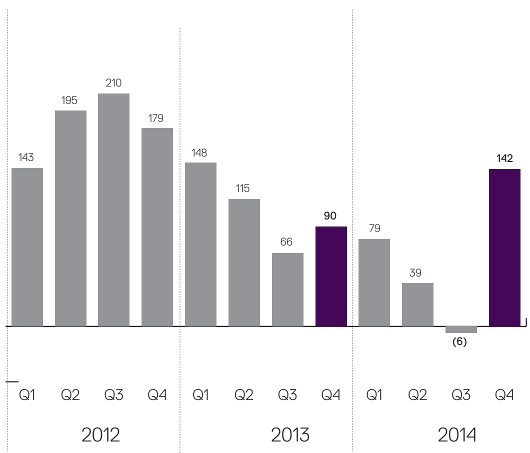
Operating revenues came to MNOK 407 (MNOK 636) in Q4, and EBITDA was MNOK 142 (MNOK 90 million), resulting in an EBITDA margin of 34.9 per cent (14.2 per cent). Q4 EBITDA was impacted by MNOK 143 related to, among others, reduction in provisions for guarantees. The reduction in provisions for guarantees is primarily attributable to changes in estimates as a result of experience of the product.

Operating revenues in 2014 came to MNOK 1 566 (MNOK 2 420) and EBITDA was MNOK 254 (MNOK 419). The last stations under the CROWS II contract were delivered in H1 2014. Contracts for delivery in H2 have substantially lower margins than previous deliveries. EBITDA was positively influenced by roughly MNOK 200 related to the dissolution of provisions and clarifications with customers regarding earlier deliveries. The profit in 2014 was adversely affected by strong marketing activities relating to the new Medium Caliber Remote Weapon Station (MCRWS), as well as cost overruns on two development projects.

OPERATING REVENUES



EBITDA



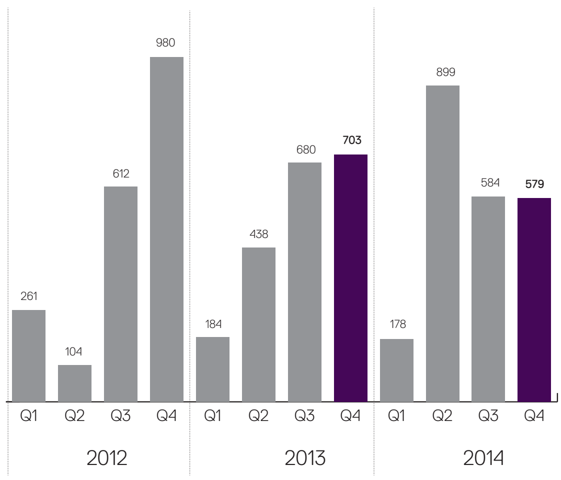
MARKETS AND NEW ORDERS

New orders in Q4 totalled MNOK 579 (MNOK 703) and consisted of several new contracts with current customers. Also, a contract worth MNOK 185 was signed under the Protector Nordic agreement in late November.

After several years of declining orders, KPS saw new orders rising again in 2014. During the year, new orders were booked for a total value of MNOK 2 240 (MNOK 2 005). This resulted in a book/bill of 1.43, providing a better platform for the future than was the case a year ago. Compared with previous years, there has been a shift from deliveries of new systems dominating operating revenues to a larger percentage of operating revenues being generated by spare parts and upgrades. In 2014, 468 new weapon stations were delivered to customers in eight countries. This marked a decrease from 2013 when the comparable number of weapons stations was 1 023. In 2014, resetting weapons stations to virtually “mint” condition was an important activity. The US Army has had about 1 050 stations reset at the business area’s facilities in Johnstown, Pennsylvania.

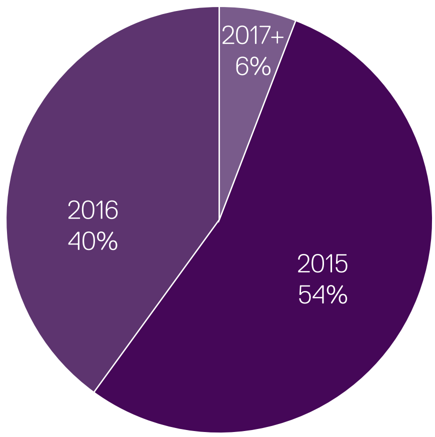
There is still formidable interest in the business area’s existing and new products. There is a good potential for several contracts under existing framework contracts and under new delivery contracts. There are several larger programmes in the pipeline in the USA, Europe and the Middle East, which could potentially be customers for conventional weapons control systems and MCRWS. There is considerable interest in the MCRWS, and in H2 2014, a bid was tendered for systems for a large-scale vehicle programme.

NEW ORDERS



ORDER BACKLOG

Breakdown by delivery dates



Order backlog at the end of Q4 2014, MNOK 3.523

KONGSBERG OIL & GAS TECHNOLOGIES

KEY FIGURES

	1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	2014	2013
Revenues	**228**	305	1 017	1 077
EBITDA	**(54)**	25	(99)	49
EBITDA (%)	**(23.7)**	8.2	(9.7)	4.5
New orders	**168**	186	802	1 385

	31.12	30.9.	31.12
MNOK	**2014**	2014	2013
Order backlog	**396**	405	734
No. of employees	**630**	656	709

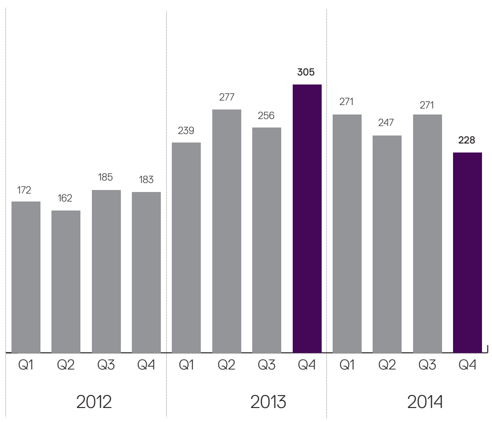
PERFORMANCE

Operating revenues totalled MNOK 228 (MNOK 305) at end-quarter. The pace of activity is slower than planned as a result of fewer software licensing sales and the postponement of several subsea projects, something that has presented challenges in terms of costs also in Q4. The Q4 EBITDA was MNOK -54 (MNOK 25). EBITDA was negatively impacted in Q4 by about MNOK 25 in restructuring costs.

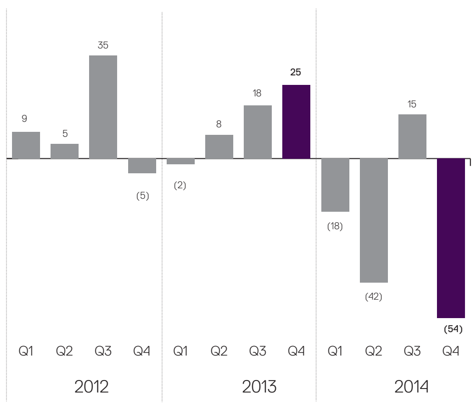
The Board has decided to do an impairment of goodwill in KOGT by MNOK 300. The impairment was due to the business area's weaker prospects and changed market conditions.

Operating revenues in 2014 came to MNOK 1 017 (MNOK 1 077) and EBITDA to MNOK -99 (MNOK 49). During the year, several measures were initiated to adapt the organisation to a lower level of activity. Restructuring costs aggregated MNOK 45 in 2014. The measures are

OPERATING REVENUES



EBITDA



related to organisational and capacity adjustments, meaning that KOGT enters 2015 better suited to the changed market conditions.

MARKETS AND NEW ORDERS

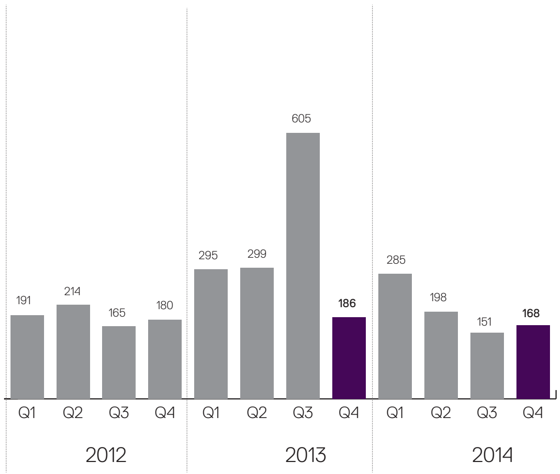
New orders in Q4 totalled MNOK 168 (MNOK 186). Due to reductions in oil companies' exploration and development budgets in general and to steeply dropping oil prices, several projects have been postponed or stopped. This has an impact on the business area's subsea activities, where projects are being postponed, and the software business that has experienced significantly fewer new orders than expected. Tendering activities in both areas are still at an acceptable level, but more uncertainty in the industry as a whole means that many investment decisions are being postponed or cancelled.

Despite the slow market, several important contracts were signed in 2014, including extended concept evaluation and pre-FEED (Front End Engineering and Design) for Statoil's Johan Castberg project in the Barents Sea and multiple studies aimed at the use of new technology. The Software Division sold LedaFlow licences to Chevron, among others. The development contract 'BP WellAdvisor' continued and was described by the customer as a very important project. KOGT's order backlog was reduced by some 45 per cent in 2014. This also includes some MNOK 200 in cancellations. The bulk of this is related to the Polarled contract with Statoil. New orders aggregated MNOK 802 (MNOK 1 385) in 2014, and the breakdown between software and subsea-related orders was roughly 60/40. The backlog came to MNOK 396 at the end of 2014.

KOGT has been influenced by a generally weaker oil and gas market. In H1 2014, greater cost-consciousness on the part of the oil companies led to delays and the cancellation of projects. Oil prices fell sharply in H2. This has further reinforced the negative trend in the market and led to more delays as well as reduced software sales for KOGT. This also necessitated several rounds of restructuring in 2014.

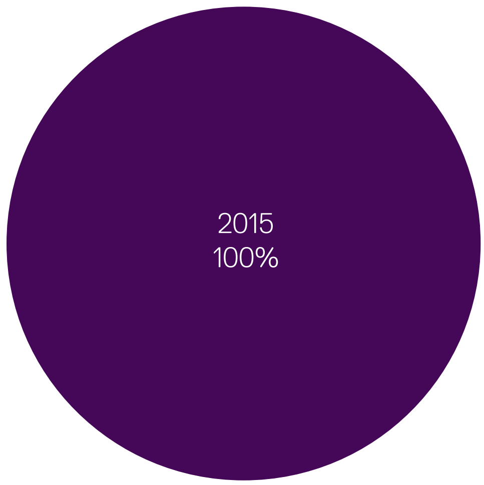
The focus now is to promote the profitability of the business area ahead. Its earnings will fluctuate as a result of the progress made on certain large-scale projects and the share of licenced software projects and systems.

NEW ORDERS



ORDER BACKLOG

Breakdown by delivery dates



Order backlog at the end of Q4 2014, MNOK 396

PROSPECTS FOR THE FUTURE

Kongsberg Maritime reported good profits and a strong influx of new orders in a gradually more challenging market in 2014. The offshore market is currently facing slower ordering of new vessels, which will lead to fewer new orders from this segment. Business for gas tankers and other advanced merchant vessels is expected to continue with high activity. The prospects are good for KM's subsea market, especially for subsea monitoring and subsea construction. A strong market position in all segments, a record-high backlog, and equipment installed on nearly 17 000 vessels, furnish a sound platform for the business area's level of activity in 2015.

Kongsberg Defence Systems landed several important contracts in 2014, resulting in a solid boost in the backlog of orders. The defence market has generally strengthened over the past year and KDS is positioned as a leading player in its niches. This opens many opportunities in a market with several important short-term and long-term contract opportunities for e.g. missiles, air defence, submarine systems and defence communications. This situation ensures a good platform for the business area's activities in 2015 and beyond.

Kongsberg Protech Systems has been through a period with declining demand in the market for remotely operated weapon control systems. New orders increased again in 2014. The business area has a leading global position in remotely operated weapon systems and also has a broader product portfolio than before, including the Medium Caliber Remote Weapon Station. KPS is thereby well positioned for meeting anticipated future demand. Activities are expected to increase through 2015, compared with 2014.

Kongsberg Oil & Gas Technologies did not see a satisfactory development in 2014. The oil and gas market is experiencing a reduction in investment budgets, presenting challenges for the business area. Many initiatives were implemented in 2014 to address the difficult market, and it is expected that the measures will filter through in 2015. A modern product portfolio is expected to open solid opportunities over time. In the shorter time horizon the business area is affected by the weakened marked and the level of activity is expected to decline in 2015.

KONGSBERG, 5 February 2015

KEY FIGURES BY QUARTER

KM	2014					2013					2012				
MNOK	**2014**	**Q4**	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1	**2012**	Q4	Q3	Q2	Q1
Revenues	**9 703**	**2 546**	2 433	2 359	2 365	**8 264**	2 201	1 950	2 105	2 008	**7 485**	2 043	1 831	1 768	1 843
EBITDA	**1 441**	**275**	459	366	341	**1 179**	292	310	293	284	**1 050**	251	277	233	289
EBITDA %	**14.9**	**10.8**	18.9	15.5	14.4	**14.3**	13.3	15.9	13.9	14.1	**14.0**	12.3	15.1	13.2	15.7
New orders	**10 038**	**2 041**	1 975	2 594	3 428	**8 455**	1 579	1 781	2 431	2 664	**8 438**	1 668	1 941	2 288	2 541
Order backlog	**7 480**	**7 480**	7 834	8 121	7 615	**6 529**	6 529	7 125	7 219	6 893	**6 042**	6 042	6 477	6 443	5 769
EBITA	**1 266**	**225**	415	324	302	**1 018**	252	268	253	245	**908**	207	241	200	260
EBITA %	**13.0**	**8.8**	17.1	13.7	12.8	**12.3**	11.4	13.7	12.0	12.2	**12.1**	10.1	13.2	11.3	14.1

KDS	2014					2013					2012				
MNOK	**2014**	**Q4**	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1	**2012**	Q4	Q3	Q2	Q1
Revenues	**4 276**	**1 181**	920	1 291	884	**4 554**	1 619	884	1 063	988	**4 654**	1 258	979	1 239	1 178
EBITDA	**530**	**162**	148	147	73	**520**	218	129	104	69	**478**	148	118	101	111
EBITDA %	**12.4**	**13.7**	16.1	11.4	8.3	**11.4**	13.5	14.6	9.8	7.0	**10.3**	11.8	12.1	8.2	9.4
New orders	**9 018**	**1 750**	565	2 019	4 684	**3 232**	1 292	589	651	700	**3 514**	903	742	1 128	741
Order backlog	**9 471**	**9 471**	8 856	9 203	8 460	**5 489**	5 489	5 816	6 112	6 534	**6 817**	6 817	7 170	7 418	7 504
EBITA	**435**	**138**	124	123	50	**407**	186	101	77	43	**372**	120	92	75	85
EBITA %	**10.2**	**11.7**	13.5	9.5	5.7	**8.9**	11.5	11.4	7.2	4.4	**8.0**	9.5	9.4	6.1	7.2

KPS	2014					2013					2012				
MNOK	**2014**	**Q4**	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1	**2012**	Q4	Q3	Q2	Q1
Revenues	**1 566**	**407**	360	365	434	**2 420**	636	337	660	787	**2 876**	758	683	789	646
EBITDA	**254**	**142**	(6)	39	79	**419**	90	66	115	148	**727**	179	210	195	143
EBITDA %	**16.2**	**34.9**	(1.7)	10.7	18.2	**17.3**	14.2	19.6	17.4	18.8	**25.3**	23.6	30.7	24.7	22.1
New orders	**2 240**	**579**	584	899	178	**2 005**	703	680	438	184	**1 957**	980	612	104	261
Order backlog	**3 523**	**3 523**	3 315	3 088	2 555	**2 805**	2 805	2 739	2 396	2 617	**3 218**	3 218	2 997	3 069	3 753
EBITA	**201**	**128**	(19)	27	65	**362**	76	52	102	132	**654**	155	193	179	127
EBITA %	**12.8**	**31.4**	(5.3)	7.4	15.0	**15.0**	11.9	15.4	15.5	16.8	**22.7**	20.4	28.3	22.7	19.7

KOGT	2014					2013					2012				
MNOK	**2014**	**Q4**	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1	**2012**	Q4	Q3	Q2	Q1
Revenues	**1 017**	**228**	271	247	271	**1 077**	305	256	277	239	**702**	183	185	162	172
EBITDA	**(99)**	**(54)**	15	(42)	(18)	**49**	25	18	8	(2)	**44**	(5)	35	5	9
EBITDA %	**(9.7)**	**(23.7)**	5.5	(17.0)	(6.6)	**4.5**	8.2	7.0	2.9	(0.8)	**6,3**	(2.7)	18.9	3.1	5.2
New orders	**802**	**168**	151	198	285	**1 385**	186	605	299	295	**750**	180	165	214	191
Order backlog	**396**	**396**	405	514	537	**734**	734	855	505	484	**293**	293	303	560	498
EBITA	**(122)**	**(61)**	9	(47)	(23)	**34**	15	17	6	(4)	**39**	(6)	33	5	7
EBITA %	**(12.0)**	**(26.8)**	3.3	(19.0)	(8.5)	**3.2**	4.9	6.6	2.2	(1.7)	**5.6**	(3.3)	17.8	3.1	4.1

KONGSBERG	2014					2013					2012				
MNOK	**2014**	**Q4**	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1	**2012**	Q4	Q3	Q2	Q1
Revenues	**16 613**	**4 418**	3 991	4 263	3 941	**16 323**	4 745	3 448	4 097	4 033	**15 652**	4 209	3 675	3 932	3 836
EBITDA	**2 060**	**545**	614	455	446	**2 142**	611	518	513	500	**2 294**	573	646	525	550
EBITDA %	**12.4**	**12.3**	15.4	10.7	11.3	**13.1**	12.9	15.0	12.5	12.4	**14.7**	13.6	17.6	13.4	14.3
New orders	**22 097**	**4 541**	3 277	5 714	8 565	**15 043**	3 697	3 688	3 773	3 885	**14 605**	3 717	3 495	3 669	3 724
Order backlog	**21 020**	**21 020**	20 580	21 096	19 344	**15 687**	15 687	16 711	16 398	16 733	**16 523**	16 523	17 084	17 587	17 667
EBITA	**1 718**	**453**	526	373	366	**1 797**	515	434	430	418	**1 971**	477	566	450	478
EBITA %	**10.3**	**10.3**	13.2	8.7	9.3	**11.0**	10.9	12.6	10.5	10.4	**12.6**	11.3	15.4	11.4	12.5

CONDENSED INCOME STATEMENT FOR THE PERIOD

		1.10. - 31.12.		1.1. - 31.12.	
MNOK	Note	**2014**	2013	**2014**	2013
Revenues	1,9	**4 418**	4 745	**16 613**	16 323
Operating expenses		**(3 893)**	(4 134)	**(14 615)**	(14 181)
Share of net income from Joint arrangements and associated companies	8	**20**	-	**62**	-
EBITDA		**545**	**611**	**2 060**	**2 142**
Depreciation		**(92)**	(96)	**(342)**	(345)
EBITA	1	**453**	515	**1 718**	1 797
Amortisation		**(36)**	(43)	**(140)**	(138)
Impairment	10	**(304)**	-	**(320)**	-
EBIT		**113**	472	**1 258**	1 659
Net financial items		**26**	(7)	**27**	(15)
Earnings before tax (EBT)		**139**	**465**	**1 285**	**1 644**
Income tax		**(107)**	(90)	**(405)**	(419)
Earnings after tax		**32**	**375**	**880**	**1 225**
Attributable to:					
Non-controlling interests		**1**	(2)	**7**	(3)
Equity holders of the parent		**31**	377	**873**	1 228
Earnings per share (EPS). NOK		**0,26**	3,14	**7,28**	10,24
Earnings per share. diluted NOK		**0,26**	3,14	**7,28**	10,24

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD

		1.10. - 31.12.		1.1. - 31.12.	
MNOK	Note	**2014**	2013	**2014**	2013
Earnings after tax		**32**	375	**880**	1 225
MNOK					
Earnings after tax					
Change. fair value of financial instr. and hedge instr. for cash flow hedges:	5				
- Change. cash flow hedges and int. rate swap agreements		**(5)**	(4)	**(6)**	(7)
- Change. available-for-sale investments		**(1 046)**	(43)	**(1 111)**	(461)
Tax effect. cash flow hedges and int. rate swap agreements		**282**	12	**298**	129
Translation differences, foreign currency		**237**	22	**309**	123
Net items that may be reclassified subsequently to profit or loss:		**(532)**	(13)	**(510)**	(216)
Items that will not be reclassified to profit or loss:					
Actuarial gains/losses pensions		**(168)**	28	**(168)**	(239)
Tax on items recognised against statement of comprehensive income		**45**	(8)	**45**	67
Estimatavvik tilknyttede selskaper etter skatt		**(6)**	-	**(6)**	-
Net items that will not be reclassified to profit or loss:		**(129)**	**20**	**(129)**	**(172)**
Comprehensive income		**(629)**	**382**	**241**	**837**

CONDENSED STATEMENT OF FINANCIAL STATUS

MNOK	Note	31.12. 2014	30.9. 2014	31.12. 2013
Property, plant and equipment		**2 477**	2 487	2 655
Intangible assets	4,10	**2 881**	3 111	3 137
Other non-current assets	5	**545**	301	295
Total non-current assets		**5 903**	**5 899**	**6 087**
Inventories		**3 264**	3 053	2 943
Trade receivables		**2 570**	1 998	2 238
Construction contracts under constructions, assetl		**3 183**	2 795	1 963
Other current assets		**929**	1 312	932
Cash and short-term deposits		**4 424**	3 900	3 272
Total current assets		**14 370**	**13 058**	**11 348**
Total assets		**20 273**	**18 957**	**17 435**
Paid-in equity		**982**	982	982
Retained earnings		**6 222**	6 084	5 799
Fair value of financial instruments		**(951)**	(183)	(132)
Non-controlling interests		**29**	23	8
Total equity		**6 282**	**6 906**	**6 657**
Long-term interest-bearing debt	5	**873**	855	811
Other non-current liabilities and provisions	3	**2 022**	2 118	1 938
Total non-current liabilities and provisions		**2 895**	**2 973**	**2 749**
Construction contracts under construction, liabilities		**3 590**	3 722	2 548
Short term interest bearing debt	5		-	526
Other current liabilities and provisions	3	**7 506**	5 356	4 955
Total current liabilities and provisions		**11 096**	**9 078**	**8 029**
Total equity, liabilities and provisions		**20 273**	**18 957**	**17 435**
Equity ratio(%)		**31.0**	36.4	38.2
Net interest-bearing liabilities		**(3 551)**	(3 045)	(1 935)
Net interest-bearing debt/EBITDA(%)		**n/a**	n/a	n/a

CONDENSED STATEMENT OF CHANGES IN EQUITY

MNOK	**31.12. 2014**	30.9. 2014	31.12. 2013
Equity opening balance	**6 657**	6 657	6 274
Comprehensive income	**241**	870	837
Dividends	**(630)**	(630)	(450)
Treasury shares	**10**	10	(3)
Dividends non-controlling interests	**(1)**	(1)	(2)
Change in non-controlling interests	**5**	-	1
Equity, closing balance	**6 282**	**6 906**	**6 657**

CONDENSED CASH FLOW STATEMENT

		1.10. - 31.12.		1.1. - 31.12.	
MNOK	Note	**2014**	2013	2014	2013
Earnings before interest, tax, depreciation and amortisationr		**545**	611	2 060	2 142
Change in net current assets and other operating related items		**(267)**	455	255	(159)
Net cash flow from operating activities		**278**	**1 066**	**2 315**	**1 983**
Acquisition of property, plant and equipment		**(92)**	(121)	(325)	(346)
Acquisition of subsidiaries and non-controlling interests		**-**	(17)	(46)	(346)
Net payment of loans and acquisition/sale of shares	9	**264**	-	264	-
Other investing activities		**(33)**	(42)	(104)	(83)
Net cash flow from investing activities		**139**	**(180)**	**(211)**	**(775)**
New loans raised and repayment		**7**	2	(457)	-
Net interest received (paid)		**19**	4	43	(11)
Net payments for the purchase/sale of treasury shares		**-**	1	(7)	(17)
Transactions with non-controlling interests		**(1)**	(2)	(1)	(2)
Dividends paid to equity holders of the parent		**-**	-	(630)	(450)
Of which, dividends from treasury shares		**-**	-	2	-
Net cash flow used in financing activities		**25**	**5**	**(1 050)**	**(480)**
Effect of changes in exchange rates on cash and short-term deposits		**82**	5	98	35
Net change in cash and short-term deposits		**524**	**896**	**1 152**	**763**
Cash and short-term deposits opening balance		**3 900**	**2 376**	**3 272**	**2 509**
Cash and short-term deposits, closing balance		**4 424**	**3 272**	**4 424**	**3 272**

NOTE 1 - INFORMATION BY SEGMENT

	Revenues				EBITDA				EBITA			
	1.10. - 31.12.		1.1. - 31.12.		1.10. - 31.12.		1.1. - 31.12.		1.10. - 31.12.		1.1. - 31.12.	
MNOK	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
KM	**2 546**	2 201	**9 703**	8 264	**275**	292	**1 441**	1 179	**225**	252	**1 266**	1 018
KDS	**1 181**	1 619	**4 276**	4 554	**162**	218	**530**	520	**138**	186	**435**	407
KPS	**407**	636	**1 566**	2 420	**142**	90	**254**	419	**128**	76	**201**	362
KOGT	**228**	305	**1 017**	1 077	**(54)**	25	**(99)**	49	**(61)**	15	**(122)**	34
OTHERS	**56**	(16)	**51**	8	**20**	(14)	**(66)**	(25)	**23**	(14)	**(62)**	(24)
THE GROUP	**4 418**	4 745	**16 613**	16 323	**545**	611	**2 060**	2 142	**453**	515	**1 718**	1 797

NOTE 2 – GENERAL INFORMATION AND PRINCIPLES

The consolidated Q4 accounts encompass Kongsberg Gruppen ASA, its subsidiaries and the Group's stakes in associates included on the basis of the equity method of accounting.

The interim accounts have been drawn up in accordance with IAS 34 for interim reporting, the Stock Exchange regulations and the supplementary requirements in Norway's Securities Trading Act. The interim accounts do not include all the information required for a full financial statement and should therefore be read in the light of the consolidated accounts for 2013. The consolidated accounts for 2013 comply with the rules in the Norwegian Accounting Act and with international financial reporting standards, as laid down by the EU. KONGSBERG has applied the same accounting policies as are described in the consolidated accounts for 2013, with the exception of factors mentioned in Note 8 - Policy changes pursuant to IFRS 11.

The consolidated accounts for 2013 are available upon request from the Group's headquarters in Kongsberg or at www.kongsberg.com.
The interim accounts have not been audited.

NOTE 3 - ESTIMATES

The preparation of the interim accounts entails the use of valuations, estimates and assumptions that affect the application of the accounting policies and the amounts recognised as assets and liabilities, income and expenses. The actual results may deviate from these estimates. The material assessments underlying the application of the Group's accounting policies and the main sources of uncertainty are the same as for the consolidated accounts for 2013

NOTE 4 – INTERNALLY FINANCED DEVELOPMENT

In Q4 2014, development costs of MNOK 220 (MNOK 187) were charged against income. In addition, internally financed development was capitalised with MNOK 32 (MNOK 19) in Q4. Similarly, during the period from 1 January to 31 December 2014, MNOK 793 (MNOK 728) was charged against income, while MNOK 102 (MNOK 80) was capitalised.

NOTE 5 – FINANCIAL INSTRUMENTS

Credit facilities

KONGSBERG has undrawn overdraft facilities of MNOK 1 500.

Other non-current assets

Available-for-sale shares had an excess value at 31 December of MNOK 3. This marked a decline of MNOK 6 from 1 January 2014. During the quarter, there was a decrease of MNOK 5.

Currency futures, options and interest swap agreements

Holdings classified as cash flow hedges (prognosis hedges) decreased by MNOK 1 111[2)] before tax during the period 1 January to 31 December 2014. Of this, the change in the capitalised value of currency futures linked to cash flow hedges amounted to a decrease of MNOK 995 during the same period. The currency exchange rates on the spot market at end quarter were NOK 7.42/USD 1 and NOK 9.02 /EUR 1.

	Falling due in 2015		Falling due in 2016 or later		Total		
MNOK (before tax)	Value based on agreed exchange rates	Net excess value at 31 Dec. 14	Value based on agreed exchange rates	Net excess value at 31 Dec. 14	Value based on agreed exchange rates	Change in excess value from 31 Dec.14	Net excess value at 31 Dec. 14
EUR	809	(60)	407	(15)	1 216	(26)	(75)
USD	5 362	(671)	2 075	(254)	7 437	(938)	(925)
Other Currency	587	(31)	-	-	587	(31)	(31)
Sum	**6 758**	**(762)**	**2 482**	**(269)**	**9 240**	**(995)**	**(1 031)**
Deferred gain [1)]	-	(133)	-	(131)	-	(103)	(264)
Total	**6 758**	**(895)**	**2 482**	**(400)**	**9 240**	**(1098)[2)]**	**(1 295)**

1) The gain arises when the prognosis hedges mature and new hedges are secured for the projects. Any gains/losses that arise are deferred and realised proportional to the progress of the project.

2) The difference between these two figures is due to a change in holdings of interest swap agreements that is not reflected in the currency list.

NOTE 6 – CLOSE ASSOCIATES

The Board is not aware of any changes or transactions in Q4 in respect of closely related parties that would have a material impact on the Group's financial position or profit during the period.

NOTE 7 – KEY RISK AND UNCERTAINTY FACTORS

No significant new risk or uncertainty factors were discovered during the quarter beyond the events discussed in the Annual Report for 2013, Note 35 "Events subsequent to the date of balance sheet recognition". The Group's assessment of possible financial effects remains the same as upon publication of the financial statements for 2013.

For a description of how the Group deals with different risks, please see the Annual Report for 2013

NOTE 8 – POLICY CHANGE AS A RESULT OF THE IMPLEMENTATION OF IFRS 11 'JOINT ARRANGEMENTS'

IFRS 11 Joint Arrangements was implemented as from 1 January 2014. For KONGSBERG, this means that Kongsberg Satellite Services AS, 50 per cent of which is owned by KONGSBERG and was previously booked using gross consolidation, is now booked using the equity method. The profit/loss element after tax is included with comparable items from other investments on the line "Share of the profit in jointly controlled schemes and associates". As the change is not considered to have a material impact on the assessment of the Group's income statement and balance sheet, the comparative figures have not been adjusted. Reference is made to Note 32 in the Annual Report for 2013 for information about the key figures for Kongsberg Satellite Services AS for 2013. The table below presents the figures for the Group as they would have been disclosed, had IFRS 11 been applied as from 1 January 2013:

KONGSBERG	2013 reported					2013 adjusted				
NOK millioner	**2013**	Q4	Q3	Q2	Q1	**2013**	Q4	Q3	Q2	Q1
Revenues	**16 323**	4 745	3 448	4 097	4 033	**16 082**	4 683	3 384	4 040	3 975
EBITDA	**2 142**	611	518	513	500	**2 100**	598	508	502	492
EBITDA %	**13,1**	12,9	15,0	12,5	12,4	**13,1**	12,9	15,0	12,5	12,4
Earnings after tax	**1 225**	375	294	285	271	**1 225**	375	294	285	271
Non-current assets	**6 087**	6 087	6 027	6 061	6 032	**5 877**	5 877	5 809	5 840	6 246

NOTE 9 – SALE OF PROPERTY

On 17 December, KONGSBERG sold three properties, two of which are under construction. Agreements have been signed for leasebacks for 15 years for all three properties. Agreements have been signed for further subleasing to intra-Group and external tenants. KONGSBERG guarantees for the costs associated with buildings under construction.

The properties were sold for a property value of MNOK 463. The properties have been sold as part of three Limited Companies for a total purchase price of MNOK 137. The sale resulted in a net gain of MNOK 61. The transaction is tax-exempt based on the exemption method.

The transaction entailed a net cash settlement of MNOK 264, of which MNOK 131 was for the shares after transaction costs and MNOK 133 was the settlement of debt to the Group.

NOTE 10 - IMPAIRMENT OF GOODWILL

The business area Kongsberg Oil & Gas Technologies has recorded a goodwill impairment by MNOK 300 in Q4. This was in response to KOGT's high exposure to the oil and gas market and the changed market conditions.

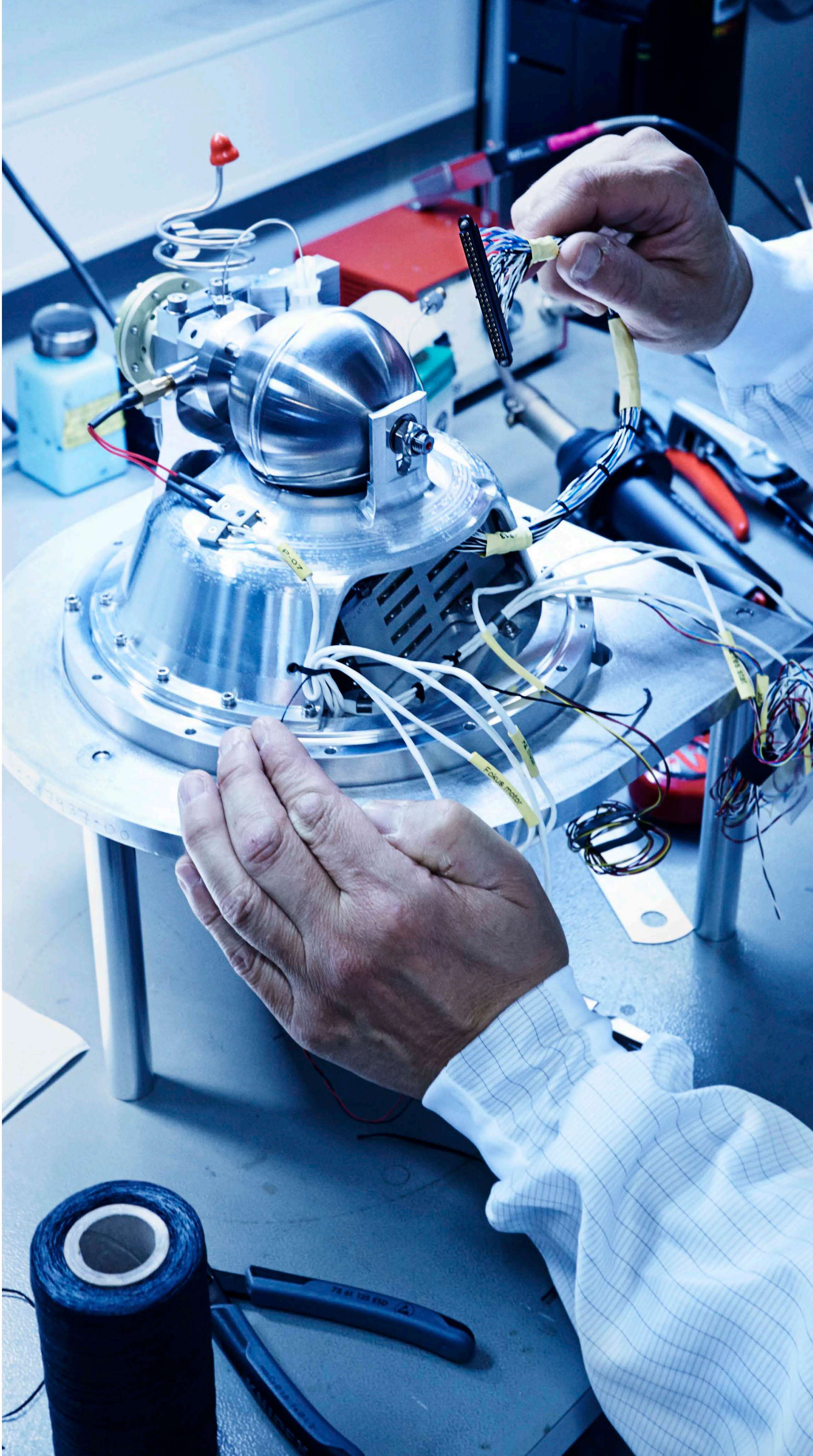
NOTES

NOTES

Disclaimer: in the event of any discrepancy between the Norwegian and English versions of Kongsbergs Quarterlyreports, the Norwegian version is the authoritative one.

KONGSBERG

WORLD CLASS- THROUGH PEOPLE, TECHNOLOGY AND DEDICATION



kongsberg.com