3RD QUARTER REPORT 2013

KONGSBERG

kongsberg.com

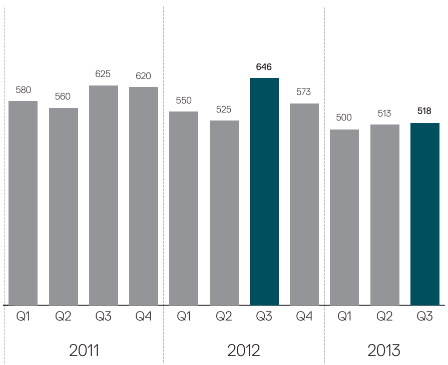
KONGSBERG reported operating revenues in Q3 2013 of MNOK 3 448 (MNOK 3 675) and EBITDA of MNOK 518 (MNOK 646), resulting in an EBITDA margin of 15.0 per cent (17.6 per cent). Kongsberg Maritime and Kongsberg Defence Systems have higher EBITDAs than in Q3 2012, while Kongsberg Protech Systems has significantly lower EBITDA. During the quarter, the Group booked new orders valued at MNOK 3 688 (MNOK 3 495).

HIGHLIGHTS

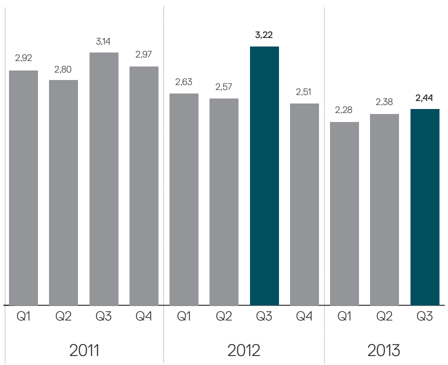
- Strong quarter for **KONGSBERG** with EBITDA of MNOK 518, and a good influx of new orders.
- **Kongsberg Maritime** has posted year-to-date (YTD) operating revenues in 2013 that are up 11.4 per cent compared with Q3 2012. In Q3, KM saw a good influx of new orders and EBITDA of MNOK 310, which translates into an EBITA margin of 15.9 per cent.
- **Kongsberg Defence Systems** has made good progress with JSM/NSM and signed contracts for the F-35 programme, among others. The results are influenced by JSM being between two development contracts.
- **Kongsberg Protech Systems** has been awarded several important orders but, as expected, Q3 performance dipped significantly.
- **Kongsberg Oil & Gas Technologies** won major contracts for drilling software, as well as the Polarled contract with Statoil.
- There was a negative cash flow during the quarter owing to the payment structure that applies to major defence projects, while the YTD cash flow from operating activities added up to a positive MNOK 917.

REVENUES

EBITDA



EPS

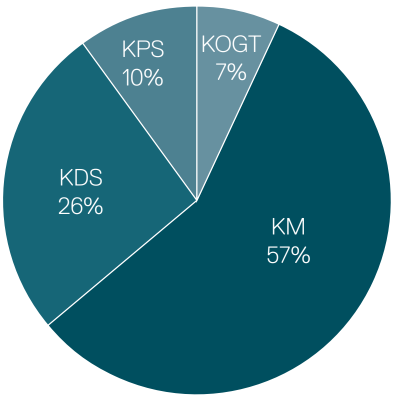


KEY FIGURES

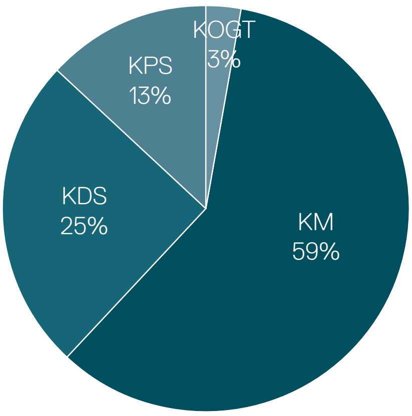
	1.7.- 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
Revenues	**3 448**	3 675	**11 578**	11 443	15 652
EBITDA	**518**	646	**1 531**	1 721	2 294
EBITDA (%)	**15.0**	17.6	**13.2**	15.0	14.7
EBIT	**405**	536	**1 187**	1 398	1 840
EBIT (%)	**11.7**	14.6	**10.3**	12.2	11.8
Earnings before tax	**408**	529	**1 179**	1 386	1 809
Earnings after tax	**294**	383	**850**	1 005	1 304
EPS (NOK)	**2.44**	3.22	**7.10**	8.42	10.91
New orders	**3 688**	3 495	**11 346**	10 888	14 605

	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Equity ratio (%)	**37.3**	36.4	38.6
Net interest-bearing debt	**(1 067)**	(1 319)	(1 198)
Working capital	**3 508**	3 140	3 528
Order backlog	**16 711**	16 398	16 523
No. of employees	**7 436**	7 370	7 259

REVENUES BY BUSINESS AREA
Q3



EBITDA BY BUSINESS AREA
Q3



“KONGSBERG has had yet another robust quarter, characterised by a strong influx of new orders and good progress in three of four business areas: KM and KOGT continue to grow and KDS is still seeing a positive trend, with good contract opportunities. As expected, KPS has experienced a slowdown

Walter Qvam, President and CEO

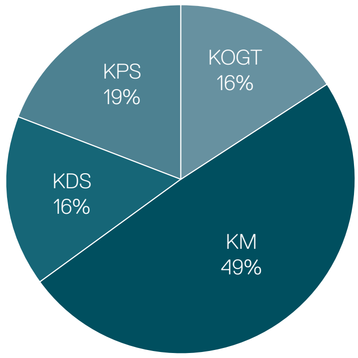
PERFORMANCE AND THE ORDER SITUATION

Revenues in Q3 2013 totalled MNOK 3 448, down 6.2 per cent compared with Q3 2012. EBITDA was MNOK 518 (MNOK 646), resulting in an EBITDA margin of 15.0 per cent (17.6 per cent). The reduction is primarily related to KPS where, as expected, EBITDA was substantially lower than in previous quarters. KM and KDS have both increased their EBITDAs compared with Q3 2012, while KOGT has seen a reduction. Earnings before tax came to MNOK 408 (MNOK 529) in Q3, while earnings after tax were MNOK 294 (MNOK 383). New orders in Q3 2013 totalled MNOK 3 688 (MNOK 3 495), translating into a book/bill of 1.07. KM has still good influx of new orders, which continues to confirm its strong position, especially in the offshore market, as well as KOGT, which reported a book/bill of no less than 2.36 during the quarter.

For the first nine months of 2013, operating revenues totalled MNOK 11 578 (MNOK 11 443), i.e. marking an increase of 1.2 per cent, while EBITDA was MNOK 1 531 (MNOK 1 721). This gives an EBITDA margin of 13.2 per cent, down from 15.0 per cent at end-September 2012. The accumulated EBT was MNOK 1 179 (MNOK 1 386), and the consolidated net profit after tax came to MNOK 850 (MNOK 1 005).

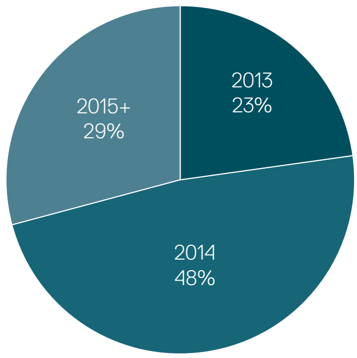
NEW ORDERS BY BUSINESS AREA

Q3



ORDER BACKLOG

Breakdown by delivery year



Order backlog at the end of Q3 2013, MNOK 16 711

CASH FLOW

KONGSBERG saw a net reduction in bank deposits and cash equivalents of MNOK - 254 in Q3. The net cash flow from operating activities in Q3 was MNOK -179 (MNOK 229). The negative cash flow during the quarter is largely ascribable to the payment structure in KDS' major defence projects. This as a result of customers' payment deadlines, payments to subcontractors and capital tied up in projects. The YTD net cash flow from operating activities improved compared with the first three quarters of 2012, totalling MNOK 917 (MNOK - 677).

	1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
EBITDA	**518**	646	**1 531**	1 721	2 294
Change in net current assets and other operating related items	**(697)**	(417)	**(614)**	(2 398)	(2 087)
Net cash flow from operating activities	**(179)**	**229**	**917**	**(677)**	**207**
Net cash flow from investing activities	**(73)**	(141)	**(595)**	(470)	(713)
Net cash flow used in financing activities	**(10)**	741	**(485)**	(47)	(49)
Effect of changes in exchange rates on cash and short-term deposits	**8**	(8)	**30**	(9)	(19)
Net change in cash and short-term deposits	**(254)**	**821**	**(133)**	**(1 203)**	**(574)**

BALANCE SHEET

At the end of Q3 2013, the Group had net interest-bearing liabilities of MNOK -1 067, compared with MNOK -1 319 at the end of Q2. Consolidated bank deposits and cash equivalents totalled MNOK 2 376 at end quarter, compared with MNOK 2 630 at the end of Q2. KONGSBERG's equity was MNOK 6 275 (37.3 per cent), compared with MNOK 6 211 (36.4 per cent) at the end of Q2. KONGSBERG has an undrawn credit facility of MNOK 1 000 that will expire in July 2015.

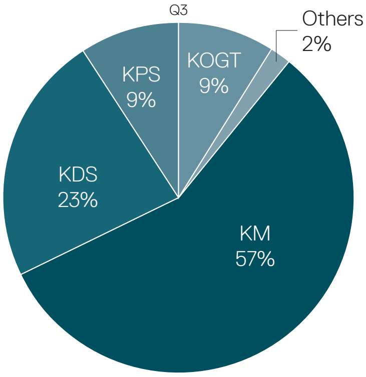
	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Equity	**6 275**	6 211	6 274
Equity ratio(%)	**37.3**	36.4	38.6
Total assets	**16 808**	17 072	16 274
Working capital	**3 508**	3 140	3 528
Gross interest-bearing liabilities	**1 309**	1 311	1 311
Gross bank deposits and cash equivalents	**2 376**	2 630	2 509
Net interest-bearing liabilities	**(1 067)**	(1 319)	(1 198)

HUMAN RESOURCES

KONGSBERG had 7 436 employees at the end of Q3, marking an increase of 66 employees during the quarter. So far in 2013 the number of employees has increased by 177, compared with an increase of 392 during the same months of 2012. The increase in the number of employees is primarily attributable to acquired companies.

BUSINESS AREA'S SHARE OF EMPLOYEES

Q3



OTHER ACTIVITIES

Other activities mainly consist of eliminations and external operating revenues for Property Operations. The figures provided for the sake of comparison in this report have been adjusted in the light of the fact that KOGT is now being reported as a separate business area.

KONGSBERG MARITIME

KEY FIGURES

	1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
Revenues	**1 950**	1 831	**6 063**	5 442	7 485
EBITDA	**310**	277	**887**	799	1 050
EBITDA (%)	**15.9**	15.1	**14.6**	14.7	14.0
New orders	**1 781**	1 941	**6 876**	6 770	8 438

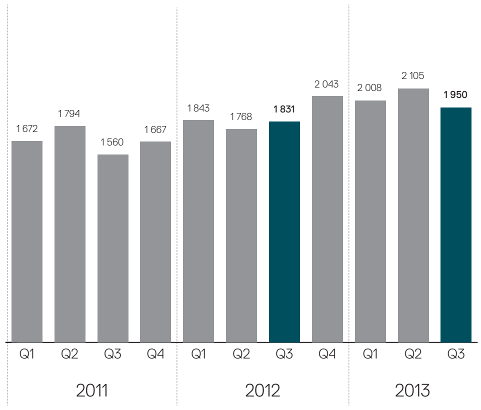
	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Order backlog	**7 125**	7 219	6 042
No. of employees	**4 227**	4 212	4 163

PERFORMANCE

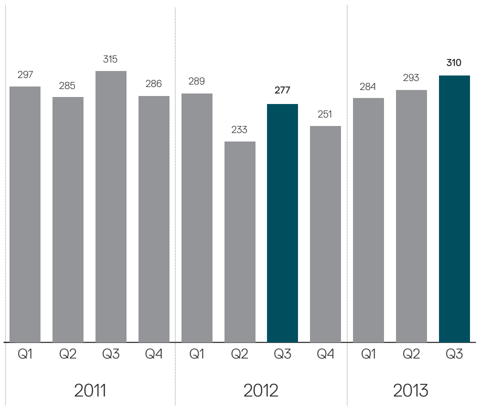
Activity levels were high at KM once again in Q3, with a year-on-year increase in operating revenues, EBITDA and EBITDA margin. Q3 operating revenues ended at MNOK 1 950 (MNOK 1 831). EBITDA was MNOK 310 (MNOK 277), resulting in an EBITDA margin of 15.9 per cent (15.1 per cent).

YTD operating revenues totalled MNOK 6 063 (NOK 5 442 million), up 11.4 per cent compared with 2012. EBITDA was MNOK 887 (MNOK 799), leading to an EBITDA margin of 14.6 per cent (14.7 per cent).

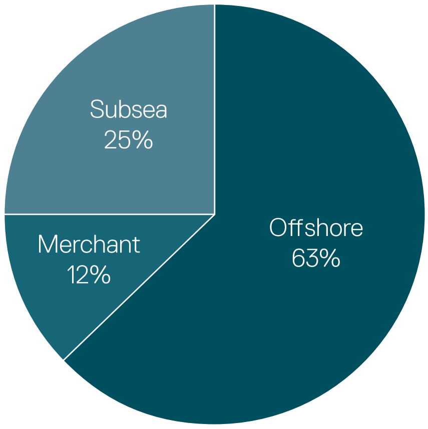
REVENUES



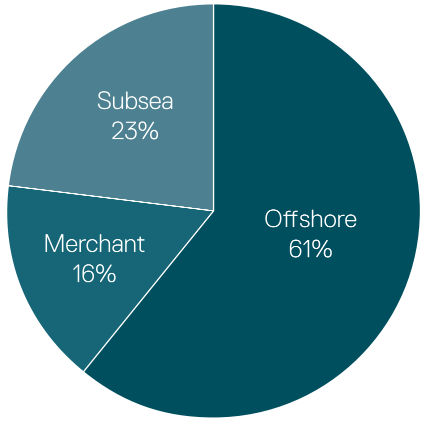
EBITDA



REVENUES YTD 2013



REVENUES YTD 2012



MARKETS AND NEW ORDERS

KM had a good influx of new orders again in Q3. The value of new orders aggregated MNOK 1 781 (MNOK 1 941). The backlog of orders came to MNOK 7 125 at end quarter. This provides good predictability for the future.

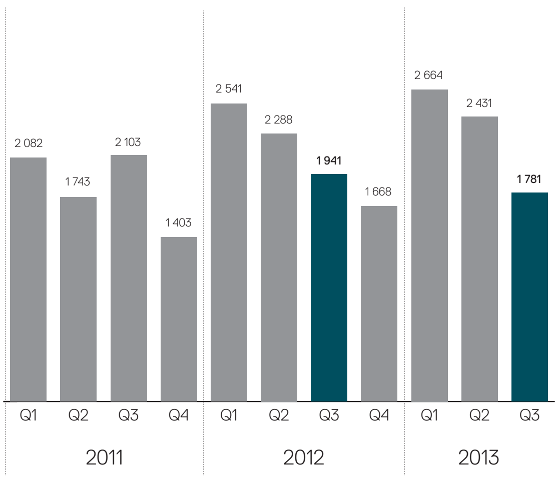
KM maintained the strong position it has carved out in the market for advanced offshore vessels once again in Q3. "Full picture" delivery contracts for drilling vessels accounted for a large part of the new orders. Among other things, KM won contracts with shipyards in China and South Korea for deliveries to several drilling vessels. The orders were for dynamic positioning (DP), hydroacoustics positioning, automation, new generation safety systems, and integrated navigation, as well as the latest generation of riser management solutions. The vessels will be operating under very demanding conditions at depths down to 3 000 metres. A substantial share of KM's operating revenues and order backlog is related to drilling vessels. There are still many drilling vessels scheduled for delivery this year, in addition to more than 50 units scheduled for delivery in 2014 and beyond.

Kongsberg Maritime's subsea operations can look back on a high level of activity and a good influx of new orders YTD. The new orders from the offshore segment are also reflected in the subsea segment, e.g. in respect of underwater navigation and acoustic blow-out preventer (BOP) systems. These systems are sold both as part of the 'Full Picture', and separately. The demand for KM's autonomous underwater vehicles (AUV) is also good. Several Remus AUVs were sold to the US Navy during the quarter.

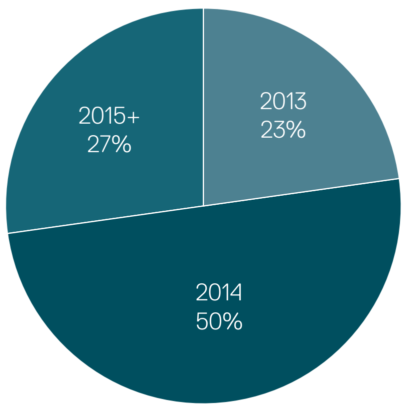
The past few years have brought a decline in orders for newbuildings in the market for conventional (merchant) vessels. This has also affected KM's influx of orders from this segment. We have seen several signs of market recovery in 2013, and we expect that new orders will continue to pick up somewhat as time passes. In Q3, KM increased its order backlog for equipment to this market, and the Merchant Marine Division reported a book/bill of 1.4 in Q3. The Merchant Division is well positioned in this segment.

Great advances have been made on the equipment front in response to oil and gas exploration and production activities moving into deeper waters and facing more demanding conditions. The bar has also been raised in respect of efficient and reliable service and customer support. KM has made formidable investments in the development of products, technology and customer support. This puts the business area in a good position not only with a state-of-the-art product portfolio, but also as a safe, efficient choice for customers.

NEW ORDERS



ORDER BACKLOG
Breakdown by delivery years



Order backlog at the end of Q3 2013, MNOK 7 125

KONGSBERG DEFENCE SYSTEMS

KEY FIGURES

	1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
Revenues	**884**	979	**2 935**	3 396	4 654
EBITDA	**129**	118	**302**	330	478
EBITDA (%)	**14.6**	12.1	**10.3**	9.7	10.3
New orders	**589**	742	**1 940**	2 611	3 514

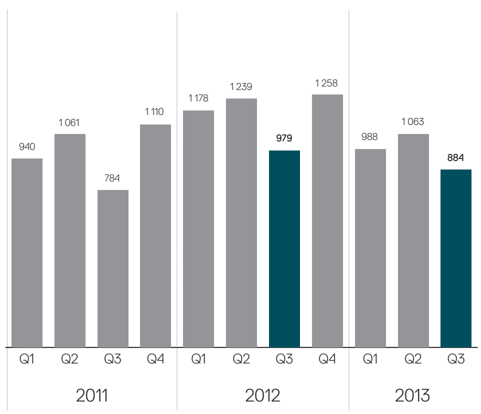
	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Order backlog	**5 816**	6 112	6 817
No. of employees	**1 755**	1 728	1 747

PERFORMANCE

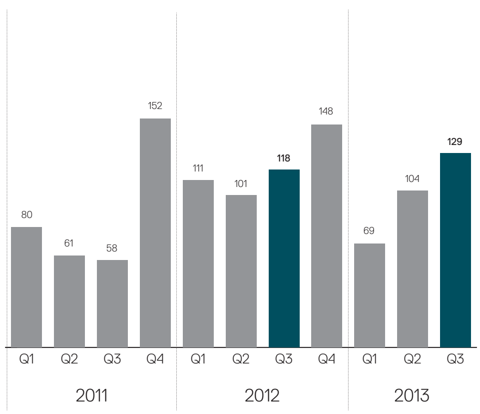
Q3 operating revenues aggregated MNOK 884 (MNOK 979). EBITDA was MNOK 129 (MNOK 118), resulting in an EBITDA margin of 14.6 per cent (12.1 per cent). There is a high level of activity in connection with the Joint Strike Missile (JSM) project, which is presently between two development contracts. This had a negative impact on both the profit and on operating revenues in Q3. Once the new development contract is in place, it will have a positive impact on the profit as well as the cash flow.

YTD operating revenues totalled MNOK 2 935 (MNOK 3 396), while EBITDA was MNOK 302 (MNOK 330).

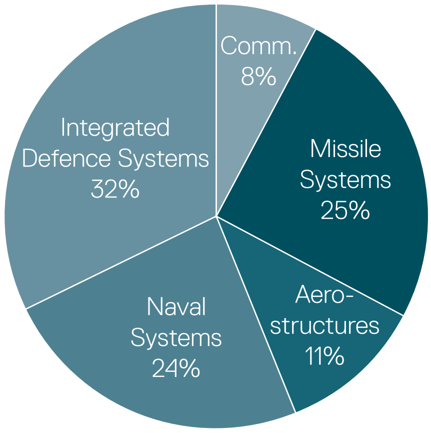
REVENUES



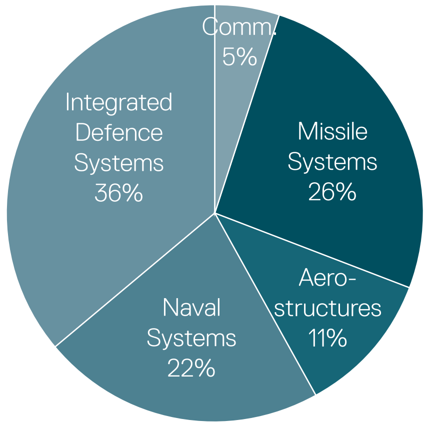
EBITDA



REVENUES YTD 2013



REVENUES YTD 2012



MARKETS AND NEW ORDERS

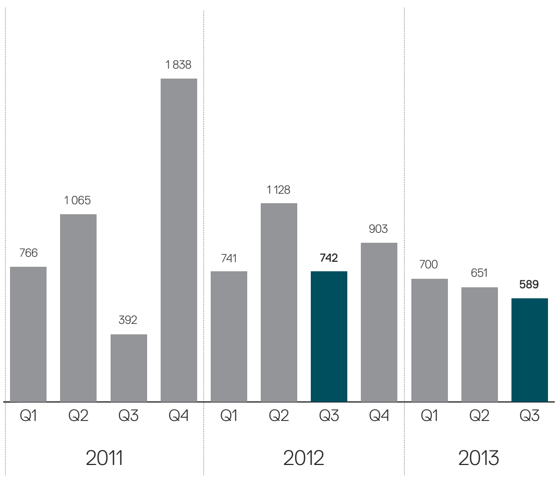
New orders in Q3 aggregated MNOK 589 (MNOK 742). The new contracts include two orders with a combined value of MNOK 190 for parts for the F-35. The contracts are part of previously signed framework agreements with Lockheed Martin and Northrop Grumman, respectively. A contract was also signed with the Armed Forces' Logistics organisation for the Minesniper Mk III. The contract was won in an open international competition. The system helps make mine clearing operations safer, faster and more efficient.

In September, KDS signed a collaboration agreement with AgustaWestland for the expansion of helicopter activities, on the condition that AgustaWestland wins the competitive tender for new rescue helicopters in Norway. This contract could eventually lead to annual sales of MNOK 150-200 for several decades.

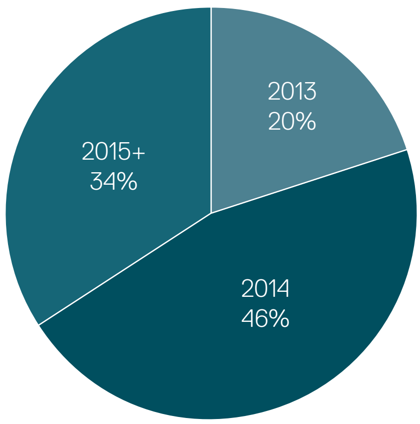
The high level of delivery and development activities continues. Deliveries of NSM missiles to Norway are on schedule and the Armed Forces has conducted several successful tests in 2013. The coastal artillery system featuring NSM missiles scheduled for delivery to Poland is also on schedule, and deliveries will continue in 2013 and 2014. Deliveries are also on schedule for the anti-aircraft contract with Finland that was signed in 2009. The JSM development project is maintaining a high level of activity. In spring 2013, Norway received an important message from the F-35 programme's Joint Executive Steering Board, confirming that the JSM will be deployed on the F-35. KONGSBERG has commenced preparations for the final phase of the development project and is expecting a formalised contract in the near future.

Several key nations are cutting their defence budgets. This budgetary uncertainty may also affect KONGSBERG. Notwithstanding, KDS has a portfolio of state-of-the-art, advanced and cost-effective niche products that are considered to be well positioned for the future needs of many countries. Fluctuations in new orders are normal in the defence market, which is marked by relatively few but large-scale contracts. KDS' backlog of orders at end-September was at a satisfactory level, but in future it will be essential to secure new orders. KDS is in dialogue on several projects and appears well-positioned for future contracts.

NEW ORDERS



ORDER BACKLOG
Breakdown by delivery years



Order backlog at the end of Q3 2013, MNOK 5 816

KONGSBERG PROTECH SYSTEMS

KEY FIGURES

	1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
Revenues	**337**	683	**1 784**	2 118	2 876
EBITDA	**66**	210	**329**	548	727
EBITDA (%)	**19.6**	30.7	**18.4**	25.9	25.3
New orders	**680**	612	**1 302**	977	1 957

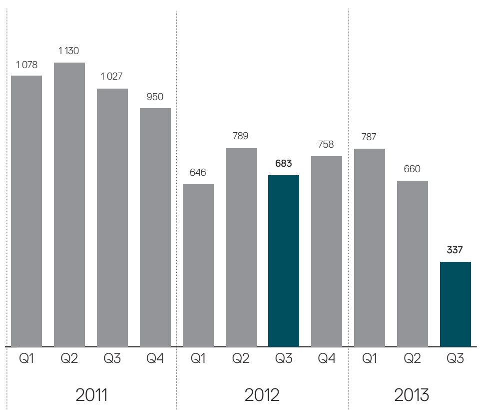
	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Order backlog	**2 739**	2 396	3 218
No. of employees	**643**	637	724

PERFORMANCE

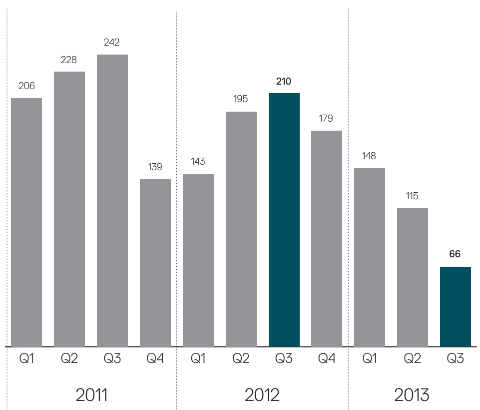
Q3 operating revenues amounted to MNOK 337 (MNOK 683). EBITDA was MNOK 66 (MNOK 210), resulting in an EBITDA margin of 19.6 per cent (30.7 per cent). Q3 deliveries were mainly to the CROWS and Stryker programmes in the US, as well as to France and the Nordic programme. The steep drop in operating revenues is ascribable to the expected slower pace of delivery to the CROWS programme, as well as the periodical variations. The EBITDA margin was favourably impacted by a reduction in provisions related to an earlier delivery, as well as by the expiry of warranties for systems delivered earlier.

Q3 operating revenues aggregated MNOK 1 784 (MNOK 2 118), while EBITDA was MNOK 329 (MNOK 548).

REVENUES



EBITDA



MARKETS AND NEW ORDERS

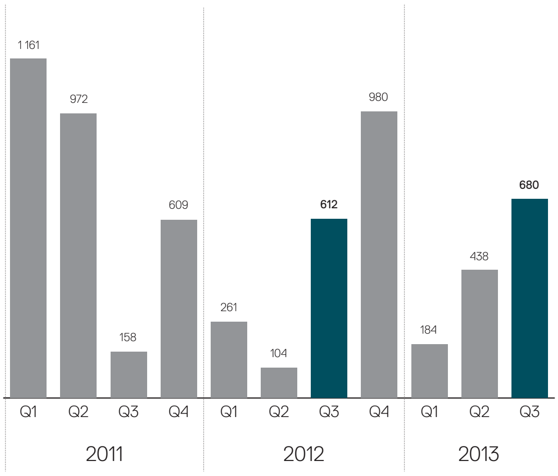
New orders in Q3 added up to MNOK 680 (MNOK 612). During the quarter, a framework contract valued at about MNOK 100 was signed with the French Ministry of Defence for repairs, maintenance and logistical support for the PROTECTOR RWS. Several agreements were signed under the CROWS contract in Q3, and they were generally related to repairs and maintenance. The contracts had a total value of MNOK 453.

This indicates that KPS is maintaining its strong position in the market for remotely controlled weapons control systems, despite the fact that its products are experiencing less demand. The Division's most important development programme in recent years has been the Medium Caliber Remote Weapon Station (MCRWS). There is still significant interest in the product and its market potential is believed to be substantial. The business area is running marketing campaigns in several countries, but decisions are taking longer than what was the case earlier.

DELIVERIES

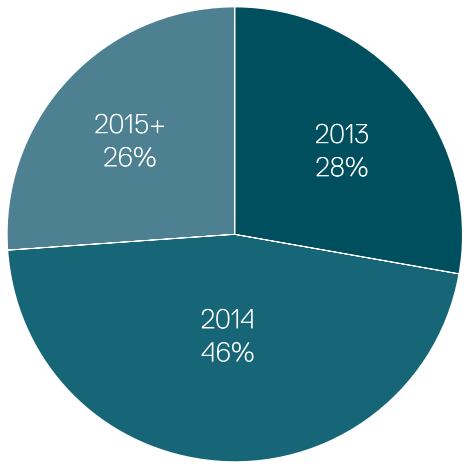
KPS is influenced by budgetary uncertainty in several key countries. Activities in respect of the US have been significantly slower in Q3 than in preceding quarters. This situation is also expected to impact the business area in the last quarter of 2013, but deliveries are expected to increase compared to Q3. The margin on the projects being delivered today is lower than under the CROWS II framework contract that was signed in 2007. The total effect of this is a relatively large reduction in the profit from ordinary operations, compared with what we have seen in H1 2013.

NEW ORDERS



ORDER BACKLOG

Breakdown by delivery year



Order backlog at the end of Q3 2013, MNOK 2 739

KONGSBERG OIL & GAS TECHNOLOGIES

KEY FIGURES

	1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012
Revenues	**256**	185	**772**	519	702
EBITDA	**18**	35	**24**	49	44
EBITDA (%)	**7.0**	18.9	**3.1**	9.4	6.3
New orders	**605**	165	**1 199**	570	750

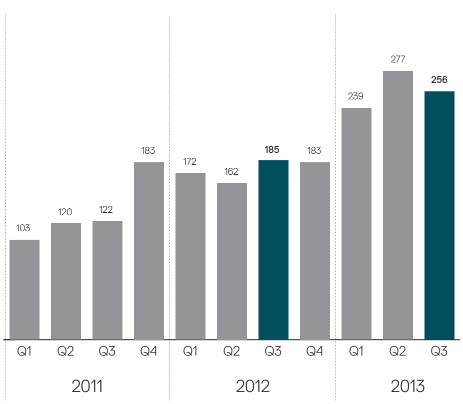
	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Order backlog	**855**	505	293
No. of employees	**692**	675	506

PERFORMANCE

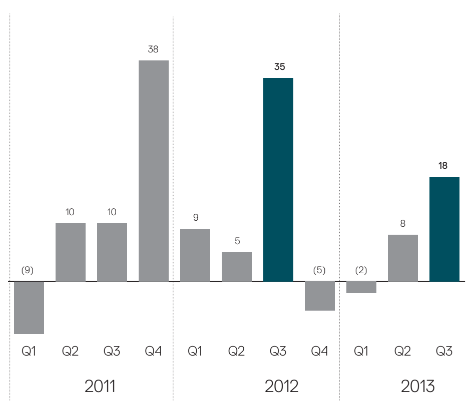
Q3 operating revenues amounted to MNOK 256 (MNOK 185). EBITDA was MNOK 18 (MNOK 35), resulting in an EBITDA margin of 7.0 per cent (18.9 per cent). Q3 operating revenues were relatively equally divided between Software & Services and the Subsea Division. The increase in operating revenues is largely attributable to the acquired companies Apply Nemo and Advali, but there has also been substantial growth in Software & Services thus far this year, with operating revenues up by 27 per cent. Software & Services reported improved earnings year-on-year, while the Subsea segment reported slightly weaker earnings. The business area's earnings can vary based on the progress of certain larger projects and large-scale individual sales of software products. The business area is in a development phase and being positioned for further growth. Earnings are expected to improve in the long run.

YTD operating revenues totalled MNOK 772 (MNOK 519 million) at end-September, while EBITDA was MNOK 24 (MNOK 49).

REVENUES



EBITDA

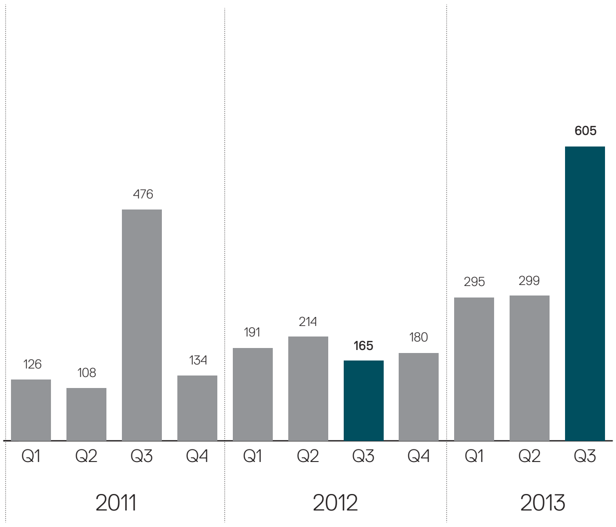


MARKETS AND NEW ORDERS
New orders in Q3 totalled MNOK 605 (MNOK 165), translating into a book/bill of 2.36. A major contract was signed with Statoil for MNOK 380 for subsea structures, tie-ins and spurs for the Polarled gas pipeline. This contract marks a breakthrough for the Subsea organisation since the integration of Apply Nemo.

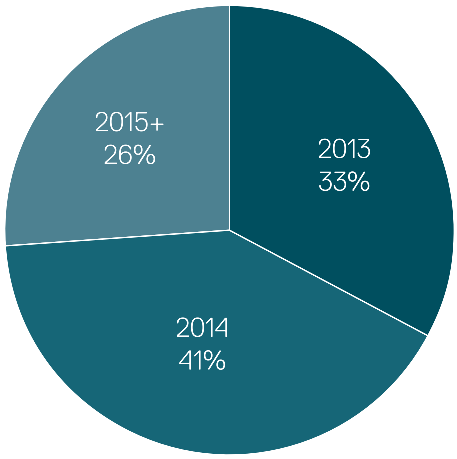
KOGT's products for real-time decision-support systems for drilling operations are important contributors to the order intake and it's confirming strong market position. Operations are also expanding for the business area's services and software solutions related to process simulation and integrated operations. Over the past year, the business area has had commercial success with several solutions based on core products like SiteCom, K-Spice and LedaFlow. New orders for software and related services were about 40 per cent higher at end-September this year compared with the same date last year.

As a result of the strong influx of new orders in Q3, the business area's backlog has grown by nearly 70 per cent since 30 June. The increase is largely related to the Polarled contract, but the backlog of orders for software also grew during the quarter. This provides a sound platform for further growth in the business area.

NEW ORDERS



ORDER BACKLOG
Breakdown by delivery year



Order backlog at the end of Q3 2013, MNOK 855

PROSPECTS FOR THE FUTURES

In recent years, Kongsberg Maritime has built up good market positions, which it is expected to maintain. The business area's markets are strongly impacted by trends in the offshore industry as in world trade in general. New orders for offshore-related vessels are expected to remain at a good level. Orders for new merchant vessels are still at a relatively low level. This is expected to continue to impact new orders for this segment. There have been positive indications from this market in recent quarters, and in the longer term, it is expected to stabilise at a more normal level. The strengthening of the global after-market and customer support will continue to yield good results. At the same time, they are important components of the product portfolio. The strong order income over the past year gives a good foundation or the business area's operating revenues for the rest of 2013.

Kongsberg Defence Systems has several major delivery programmes in the engineering and production phase. This provides a good foundation for earnings in 2013, and operating revenues are expected to increase somewhat in Q4. The business area is working on exciting new prospects for sales and for the further development of missiles, submarine systems, air defence, etc. The development of the JSM is on schedule and may represent significant potential for KONGSBERG in future.

Kongsberg Protech Systems has built up a very strong position on the world market for vehicle-based weapons control systems. The product portfolio has been expanded, not least with the MCRWS, and it is considered well positioned for meeting future demand. Customers in this market are taking more time than before to make procurement decisions, and the business area is susceptible to budget cuts. A lower level of activity is expected in the USA in particular. Meanwhile, Q4 revenues are expected to be higher than in Q3. The profit margins on the remaining contracts are lower than under the CROWS II framework contract signed in 2007. This means that in Q4 2013 Kongsberg Protech Systems' ordinary operations are expected to generate lower profit margins compared to H1 2013.

Kongsberg Oil & Gas Technologies is a business area under development, and a niche supplier to the oil and oil services industry in Norway and abroad. Recent years' developments in this market are expected to be positive for the products and services offered by the business area. Stricter safety and efficiency standards in the drilling and production phase open important opportunities for the business area's products. The acquisition of Apply Nemo has expanded the business area's range of products and industrial expertise in the subsea segment. Thus the business area has a good position in several important segments in the oil and gas industry.

KONGSBERG has a strong positions in the shipping, offshore and defence markets and has a solid order backlog. Furthermore, the Group has an interesting position in the oil and gas market through Kongsberg Oil & Gas Technologies. This provides a strong platform for activity level in Q4 2013 as well.

Kongsberg, 30 October 2013

The Board of Directors of Kongsberg Gruppen ASA

KEY FIGURES PER QUARTER

KM	2013				2012					2011		
MNOK	YTD	Q3	Q2	Q1	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3
Revenues	6 063	1 950	2 105	2 008	7 485	2 043	1 831	1 768	1 843	6 693	1 667	1 560
EBITDA	887	310	293	284	1 050	251	277	233	289	1 183	286	315
EBITDA %	14.6	15.9	13.9	14.1	14.0	12.3	15.1	13.2	15.7	17.7	17.2	20.2
New orders	6 876	1 781	2 431	2 664	8 438	1 668	1 941	2 288	2 541	7 331	1 403	2 103
Order backlog	7 125	7 125	7 219	6 893	6 042	6 042	6 477	6 443	5 769	5 134	5 134	5 061
EBITA	766	268	253	245	908	207	241	200	260	1 076	251	292
EBITA %	12.6	13.7	12.0	12.2	12.1	10.1	13.2	11.3	14.1	16.1	15.1	18.7

KDS	2013				2012					2011		
MNOK	YTD	Q3	Q2	Q1	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3
Revenues	2 935	884	1 063	988	4 654	1 258	979	1 239	1 178	3 895	1 110	784
EBITDA	302	129	104	69	478	148	118	101	111	351	152	58
EBITDA %	10.3	14.6	9.8	7.0	10.3	11.8	12.1	8.2	9.4	9.0	13.7	7.4
New orders	1 940	589	651	700	3 514	903	742	1 128	741	4 061	1 838	392
Order backlog	5 816	5 816	6 112	6 534	6 817	6 817	7 170	7 418	7 504	7 953	7 953	7 026
EBITA	221	101	77	43	372	120	92	75	85	257	126	34
EBITA %	7.5	11.4	7.2	4.4	8.0	9.5	9.4	6.1	7.2	6.6	11.4	4.3

KPS	2013				2012					2011		
MNOK	YTD	Q3	Q2	Q1	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3
Revenues	1 784	337	660	787	2 876	758	683	789	646	4 185	950	1 027
EBITDA	329	66	115	148	727	179	210	195	143	815	139	242
EBITDA %	18.4	19.6	17.4	18.8	25.3	23.6	30.7	24.7	22.1	19.5	14.6	23.6
New orders	1 302	680	438	184	1 957	980	612	104	261	2 900	609	158
Order backlog	2 739	2 739	2 396	2 617	3 218	3 218	2 997	3 069	3 753	4 136	4 136	4 478
EBITA	286	52	102	132	654	155	193	179	127	755	123	226
EBITA %	16.0	15.4	15.5	16.8	22.7	20.4	28.3	22.7	19.7	18.0	12.9	22.0

KOGT	2013				2012					2011		
MNOK	YTD	Q3	Q2	Q1	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3
Revenues	772	256	277	239	702	183	185	162	172	528	183	122
EBITDA	24	18	8	(2)	44	(5)	35	5	9	49	38	10
EBITDA %	3.1	7.0	2.9	(0.8)	6.3	(2.7)	18.9	3.1	5.2	9.3	20.8	8.2
New orders	1 199	605	299	295	750	180	165	214	191	844	134	476
Order backlog	855	855	505	484	293	293	303	560	498	480	480	501
EBITA	19	17	6	(4)	39	(6)	33	5	7	45	37	9
EBITA %	2.5	6.6	2.2	(1.7)	5.6	(3.3)	17.8	3.1	4.1	8.5	20.2	7.4

KONGSBERG	2013				2012					2011		
MNOK	YTD	Q3	Q2	Q1	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3
Revenues	11 578	3 448	4 097	4 033	15 652	4 209	3 675	3 932	3 836	15 128	3 883	3 460
EBITDA	1 531	518	513	500	2 294	573	646	525	550	2 385	620	625
EBITDA %	13.2	15.0	12.5	12.4	14.7	13.6	17.6	13.4	14.3	15.8	16.0	18.1
New orders	11 346	3 688	3 773	3 885	14 605	3 717	3 495	3 669	3 724	15 016	3 970	3 117
Order backlog	16 711	16 711	16 398	16 733	16 523	16 523	17 084	17 587	17 667	17 839	17 839	17 183
EBITA	1 282	434	430	418	1 971	477	566	450	478	2 123	542	562
EBITA %	11.1	12.6	10.5	10.4	12.6	11.3	15.4	11.4	12.5	14.0	14.0	16.2

CONDENSED INCOME STATEMENT FOR THE PERIOD

		1.7. - 30.9.		1.1. - 30.9.		1.1 - 31.12.
MNOK	Note	**2013**	2012	**2013**	2012	2012
Revenues	1	**3 448**	3 675	**11 578**	11 443	15 652
Operating expenses		**(2 930)**	(3 029)	**(10 047)**	(9 722)	(13 358)
EBITDA		**518**	**646**	**1 531**	**1 721**	**2 294**
Depreciation		**(84)**	(80)	**(249)**	(227)	(323)
EBITA	1	**434**	**566**	**1 282**	**1 494**	**1 971**
Amortisation		**(29)**	(30)	**(95)**	(86)	(119)
Impairment		**-**	-	**-**	(10)	(12)
EBIT		**405**	**536**	**1 187**	**1 398**	**1 840**
Net financial items	8	**3**	(7)	**(8)**	(12)	(31)
Earnings before tax (EBT)		**408**	**529**	**1 179**	**1 386**	**1 809**
Income tax		**(114)**	(146)	**(329)**	(381)	(505)
Earnings after tax		**294**	**383**	**850**	**1 005**	**1 304**
Attributable to:						
Non-controlling interests		**1**	(2)	**(1)**	(3)	(5)
Equity holders of the parent		**293**	385	**851**	1 008	1 309
Earnings per share (EPS). NOK		**2.44**	3.22	**7.10**	8.42	10.91
Earnings per share. diluted NOK		**2.44**	3.22	**7.10**	8.42	10.91

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD

		1.7. - 30.9.		1.1. - 30.9.		1.1 - 31.12.
MNOK	Note	**2013**	2012	**2013**	2012	2012
Earnings after tax		**294**	383	**850**	1 005	1 304
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Change. fair value of financial instr. and hedge instr. for cash flow hedges:	5					
- Change. cash flow hedges and int. rate swap agreements		**1**	(1)	**(3)**	13	16
- Change. available-for-sale inv.		**(87)**	163	**(418)**	138	110
Tax effect. cash flow hedges and int. rate swap agreements		**24**	(46)	**117**	(39)	(30)
Translation differences, foreign currency		**24**	(40)	**101**	(36)	(63)
Net items that may be reclassified subsequently to profit or loss		**(38)**	**76**	**(203)**	**76**	**33**
Items that will not be reclassified to profit or loss:						
Actuarial gains/losses pensions	9	**(267)**	5	**(267)**	16	(117)
Tax on items recognised against statement of comprehensive income		**75**	(1)	**75**	(4)	32
Net items that will not be reclassified to profit or loss:		**(192)**	**4**	**(192)**	**12**	**(85)**
Comprehensive income		**64**	**463**	**455**	**1 093**	**1 252**

CONDENSED STATEMENT OF FINANCIAL STATUS

		30.9.	30.6.	31.12.
MNOK	Note	**2013**	2013	2012
Property, plant and equipment		**2 622**	2 640	2 602
Intangible assets	4	**3 117**	3 133	2 750
Other non-current assets	5	**288**	288	280
Total non-current assets		**6 027**	**6 061**	**5 632**
Inventories		**3 004**	2 948	3 465
Trade receivables		**2 131**	2 316	1 815
Other current assets		**3 270**	3 117	2 853
Cash and short-term deposits		**2 376**	2 630	2 509
Total current assets		**10 781**	**11 011**	**10 642**
Total assets		**16 808**	**17 072**	**16 274**
Paid-in equity		**982**	982	982
Retained earnings		**5 379**	5 253	5 074
Fair value of financial instruments		**(97)**	(35)	207
Non-controlling interests		**11**	11	11
Total equity		**6 275**	**6 211**	**6 274**
Long-term interest-bearing debt	5	**1 309**	1 311	1 311
Other non-current liabilities and provisions	9	**1 951**	1 679	1 575
Total non-current liabilities and provisions		**3 260**	**2 990**	**2 886**
Construction contracts under construction, liabilities		**2 691**	2 679	2 284
Other current liabilities and provisions	3	**4 582**	5 192	4 830
Total current liabilities and provisions		**7 273**	**7 871**	**7 114**
Total equity, liabilities and provisions		**16 808**	**17 072**	**16 274**
Equity ratio(%)		**37.3**	36.4	38.6
Net interest-bearing liabilities		**(1 067)**	(1 319)	(1 198)
Net interest-bearing debt/EBITDA(%)		**n/a**	n/a	n/a

CONDENSED STATEMENT OF CHANGES IN EQUITY

	30.9.	30.6.	31.12.
MNOK	**2013**	2013	2012
Equity opening balance	**6 274**	6 274	5 484
Comprehensive income	**455**	391	1 252
Dividends	**(450)**	(450)	(450)
Treasury shares	**(5)**	(5)	(6)
Acquisition / disposals non-controlling interests	**-**	-	(2)
Dividends non-controlling interests	**-**	-	(1)
Change in non-controlling interests	**1**	1	(3)
Equity, closing balance	**6 275**	**6 211**	**6 274**

CONDENSED CASH FLOW STATEMENT

	1.7. - 30.9.		1.1. - 30.9.		1.1 - 31.12.
MNOK	**2013**	2012	**2013**	2012	2012
Earnings before interest, tax, depreciation and amortisation	**518**	646	**1 531**	1 721	2 294
Change in net current assets and other operating related items	**(697)**	(417)	**(614)**	(2 398)	(2 087)
Net cash flow from operating activities	**(179)**	**229**	**917**	**(677)**	**207**
Acquisition of property, plant and equipment	**(60)**	(124)	**(225)**	(358)	(523)
Acquisition of subsidiaries and non-controlling interests	**-**	-	**(329)**	(13)	(69)
Net payment of loans and acquisition/sale of shares	**-**	-	**-**	-	-
Other investing activities	**(13)**	(17)	**(41)**	(99)	(121)
Net cash flow from investing activities	**(73)**	**(141)**	**(595)**	**(470)**	**(713)**
New loans raised and repayment	**(2)**	745	**(2)**	421	419
Net interest received (paid)	**(8)**	1	**(15)**	6	6
Net payments for the purchase/sale of treasury shares	**-**	-	**(18)**	(19)	(19)
Transactions with non-controlling interests	**-**	(5)	**-**	(5)	(5)
Dividends paid to equity holders of the parent	**-**	-	**(450)**	(450)	(450)
Net cash flow used in financing activities	**(10)**	**741**	**(485)**	**(47)**	**(49)**
Effect of changes in exchange rates on cash and short-term deposits	**8**	(8)	**30**	(9)	(19)
Net change in cash and short-term deposits	**(254)**	**821**	**(133)**	**(1 203)**	**(574)**
Cash and short-term deposits opening balance	**2 630**	**1 059**	**2 509**	**3 083**	**3 083**
Cash and short-term deposits, closing balance	**2 376**	**1 880**	**2 376**	**1 880**	**2 509**

NOTES TO THE QUARTERLY ACCOUNTS

NOTE 1 – INFORMATION BY SEGMENT

	REVENUES					EBITDA					EBITA				
	1.7. - 30.9.		1.1. - 30.9.			1.7. - 30.9.		1.1. - 30.9.			1.7. - 30.9.		1.1. - 30.9.		
MNOK	**2013**	2012	**2013**	2012	2012	**2013**	2012	**2013**	2012	2012	**2013**	2012	**2013**	2012	2012
KM	**1 950**	1 831	**6 063**	5 442	7 485	**310**	277	**887**	799	1 050	**268**	241	**766**	701	908
KDS	**884**	979	**2 935**	3 396	4 654	**129**	118	**302**	330	478	**101**	92	**221**	252	372
KPS	**337**	683	**1 784**	2 118	2 876	**66**	210	**329**	548	727	**52**	193	**286**	499	654
KOGT	**256**	185	**772**	519	702	**18**	35	**24**	49	44	**17**	33	**19**	45	39
Other/ elimination	**21**	(3)	**24**	(32)	(65)	**(5)**	6	**(11)**	(5)	(5)	**(4)**	7	**(10)**	(3)	(2)
THE GROUP	**3 448**	**3 675**	**11 578**	**11 443**	**15 652**	**518**	**646**	**1 531**	**1 721**	**2 294**	**434**	**566**	**1 282**	**1 494**	**1 971**

NOTE 2 - GENERAL INFORMATION AND PRINCIPLES

The consolidated (interim) Q3 accounts encompass Kongsberg Gruppen ASA, its subsidiaries and the Group's stakes in associates.

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 2012. The consolidated accounts for 2012 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 2012, with the exception of factors mentioned in Note 8 - Policy changes pursuant to IAS 19.
The consolidated accounts for 2012 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 2012.

NOTE 4 – EQUITY-FINANCED DEVELOPMENT

Development costs of MNOK 152 (MNOK 147) were charged against income in Q3 2013. In addition, MNOK 11 (MNOK 20) in equity-financed development was capitalised in Q3. Similarly, during the period from 1 Jan. -30 Sept. 2013, MNOK 541 (MNOK 486) was charged against income and MNOK 38 (MNOK 98) was capitalised.

NOTE 5 – FINANCIAL INSTRUMENTS

Credit facilities
KONGSBERG has undrawn overdraft facilities of MNOK 1 000.

Other non-current assets
The value of available-for-sale shares has been reduced by MNOK 3 since year end. There was an increase of MNOK 1 in Q3.

Currency futures, options and interest swap agreements
The fair value of currency futures, currency options and interest swap agreements that are classified as prognosis hedges (cash flow hedges), has decreased by MNOK 418 before tax since year end. The change in fair value associated with currency futures accounted for a reduction of MNOK 183 during the same period. The currency exchange rates on the spot market at end quarter were NOK 6.01/USD 1 and NOK 8.12/EUR 1.

	Falling due in 2013		Falling due in 2014 or later		Total		
MNOK (before tax)	Value based on agreed exchange rates	Net excess value at 30. Sept. 13	Value based on agreed exchange rates	Net excess value at 30. Sept. 13	Value based on agreed exchange rates	Change in excess value from 31 Dec. 12	Net excess value at 30. Sept. 13
EUR	327	(10)	800	(27)	1 127	(63)	(37)
USD	4 272	39	3 222	(12)	7 494	(120)	27
Deferred gain [1)]	-	(33)	-	(108)	-	(230)	(141)
Total	**4 599**	**(4)**	**4 022**	**(147)**	**8 621**	**(413)**	**(151)**

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.

NOTES TO THE QUARTERLY ACCOUNTS

NOTE 6 – RELATED PARTIES

Note 27 to the Annual Report for 2012 refers to an agreement regarding a State guarantee furnished by the Ministry of Trade and Industry for the construction of the composite plant. The condition for the guarantee now longer applied since the Norwegian parliamentary decision to authorise the government to order the first aircraft of the F-35 programme.

Beyond this, in connection with related parties, the Board is not aware of any changes or transactions that would have a material impact on the Group's financial position or profit for the period.

NOTE 7 – KEY RISK AND UNCERTAINTY FACTORS

No significant new risk or uncertainty factors were discovered during the quarter. For a description of how the Group deals with different risks, please see the Annual Report for 2012.

NOTE 8 – POLICY CHANGE AS A RESULT OF CHANGES IN ACCORDANCE WITH IAS 19

As from 1 Jan. 2013, under "Employee benefits", IAS 19 allows the funding element of net pension expenses to be presented as a funding element instead of being included in net pension expenses in EBITDA. KONGSBERG has chosen to implement this in its reports as from Q1 2013. The principle has been included retrospectively, and the comprehensive income statement for 2012 has been adjusted. The comparative figures in the Q3 report have been adjusted as follows:

	Reported for 1 Jan. - 31 Dec. 12	Restated comparative figures for 1 Jan. - 31 Dec. 12	Reported for 1 Jan. - 30 Sept. 12	Restated comparative figures for 1 Jan. - 30 June 12	Reported for 1 July - 30 Sept. 12	Restated comparative figures for 1 July - 30 Sept. 12
EBITDA	2 308	2 294	1 732	1 721	650	646
Net financial items	(23)	(31)	(6)	(12)	(5)	(7)
Tax	(511)	(505)	(385)	(381)	(147)	(146)
EBT	1 320	1 304	1 403	1 386	535	529
Net interest effect to OCI	-	16	-	12	-	4
EPS	11.05	10.91	8.53	8.42	3.26	3.22

NOTE 9 – PENSION LIABILITIES

The new K-2013 mortality table was implemented as of Q3. The one-off effect of MNOK 267 before tax has been recognised in the overall results.

NOTE 10 – CHANGED TAX RATE

A significant share of KONGSBERG's operating revenues is related to construction contracts. Owing to KONGSBERG's volume of ongoing large, long-term contracts, there are therefore considerable temporary tax-increasing differences. If the tax rate were reduced by 1 per cent as a result of the Storting's treatment of the government budget, this would reduce the Group's future tax burden

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WORLD CLASS

- THROUGH PEOPLE, TECHNOLOGY AND DEDICATION

KONGSBERG