



KONGSBERG

INVESTOR PRESENTATION

3rd quarter 2018

26/10/2018

Geir Håøy, President & CEO
Gyrid Skalleberg Ingerø, CFO



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Highlights Q3

Unanimous support on rights issue from Norwegian Parliament

Solid order intake in KM, book/bill 1.68

Continued solid operations in KDA, CROWS-deliveries secured for another five years



3 154

REVENUES

4 477

NEW ORDERS

Q3
2018

347

EBITDA

11.0%

EBITDA-MARGIN



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Financial Status





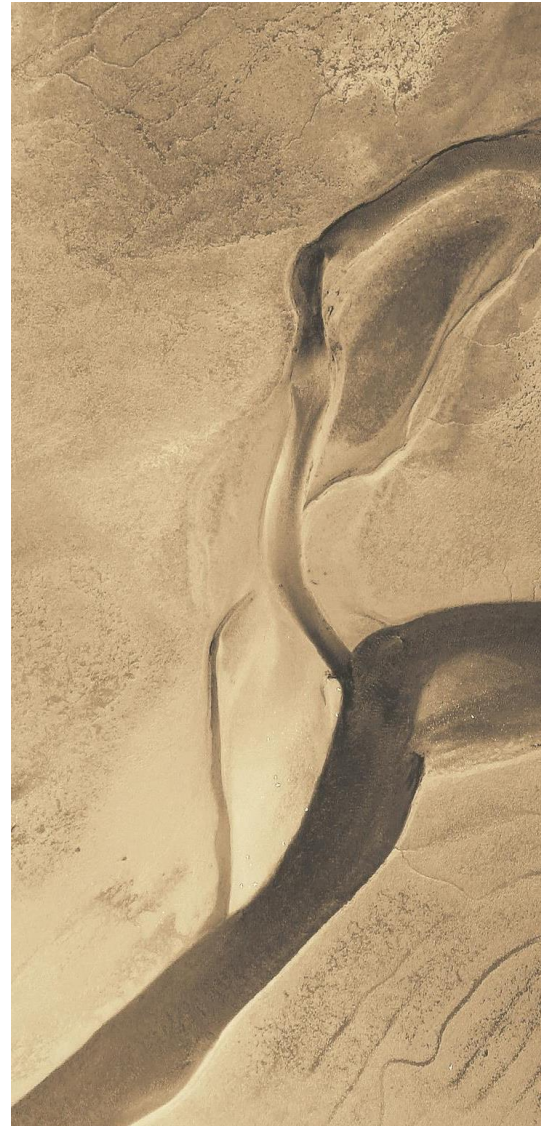
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YTD 2018

Solid order intake, both in KM and KDA

Increased profitability

Somewhat lower revenues



REVENUES

10 233

MNOK

KM MNOK 5 504 (5 552)
KDA MNOK 4 206 (4 650)

EBITDA

874

MNOK

KM MNOK 454 (361)
KDA MNOK 492 (391)

YTD
2018

EBITDA-margin

8.5 %

KM 8.2 % (6.5 %)
KDA 11.7 % (8.4 %)

NEW ORDERS

12 715

KM MNOK 7 031 (5 643)
KDA MNOK 5 115 (2 208)



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REVENUES Q3

Q3 revenues down 3.8 %

- KM revenues down 0.9 % YoY
- KDA revenues down 7.9 % YoY





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EBITDA Q3

- Improved underlying margin
 - MNOK 25 integration costs in Q3 2018
 - MNOK 90 restructuring costs in Q3 2017
- High utilization in KM's lifecycle business
- Continued solid margin in KDA

Q3 2018 MARGIN
11,0%



KDA
120
10.2 % MARGIN

KM
205
11.4 % MARGIN

Other
22

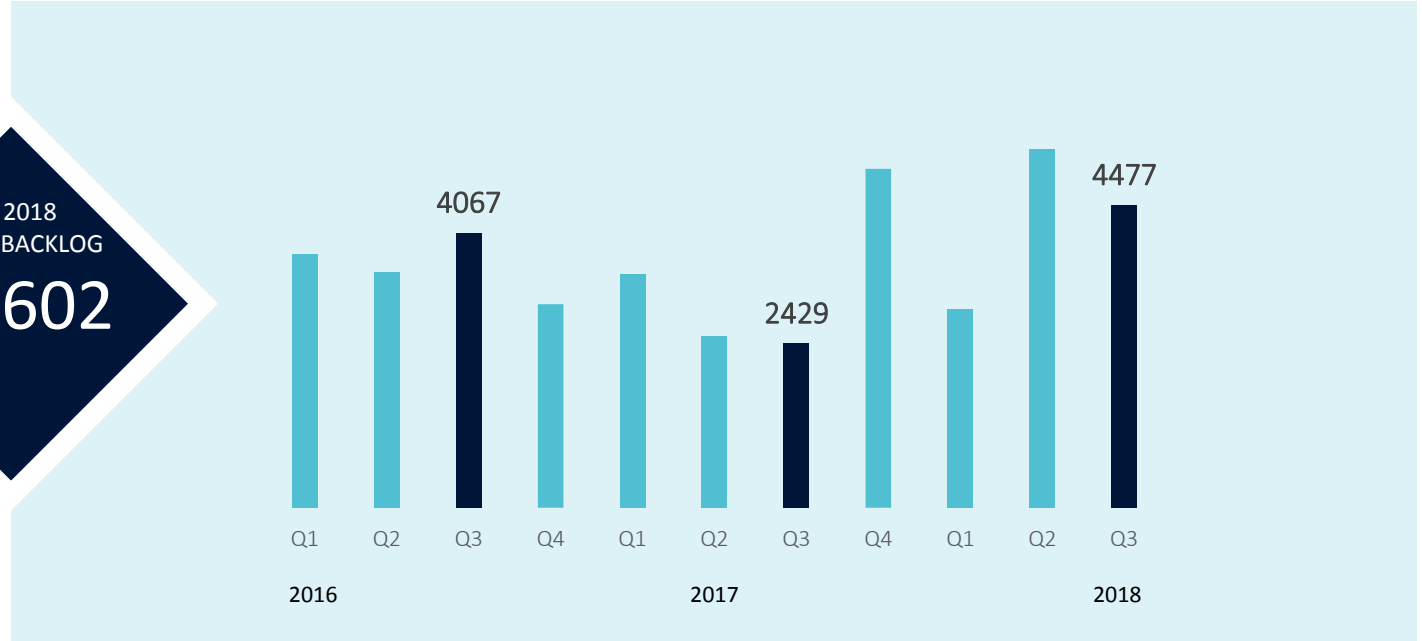


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NEW ORDERS Q3

- KM book/bill 1.68
 - Three major orders, totaling approx. MNOK 650 in addition to continued good ordering from the traditional merchant segments, and within marine robotics and fishery
- KDA book/bill 1.08
 - First order, valued at MUSD 74, signed under new CROWS framework agreement

Q3 2018
ORDER BACKLOG
17 602



KDA
1 272

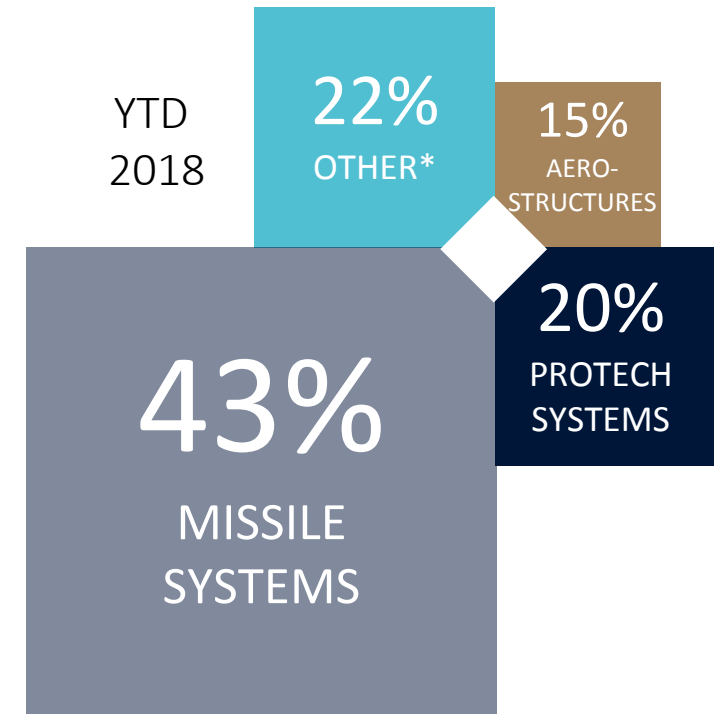
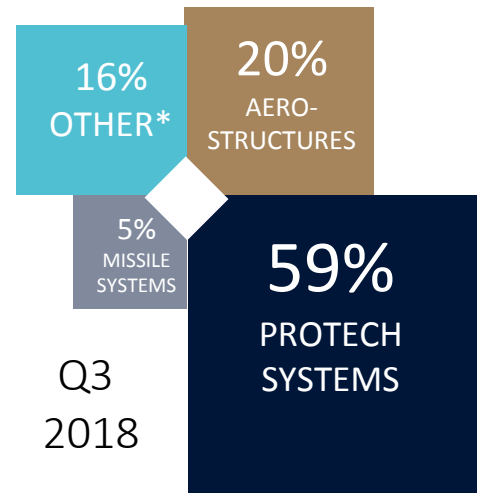
KM
3 024



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New orders by division

YTD 2018 – Kongsberg Defence & Aerospace



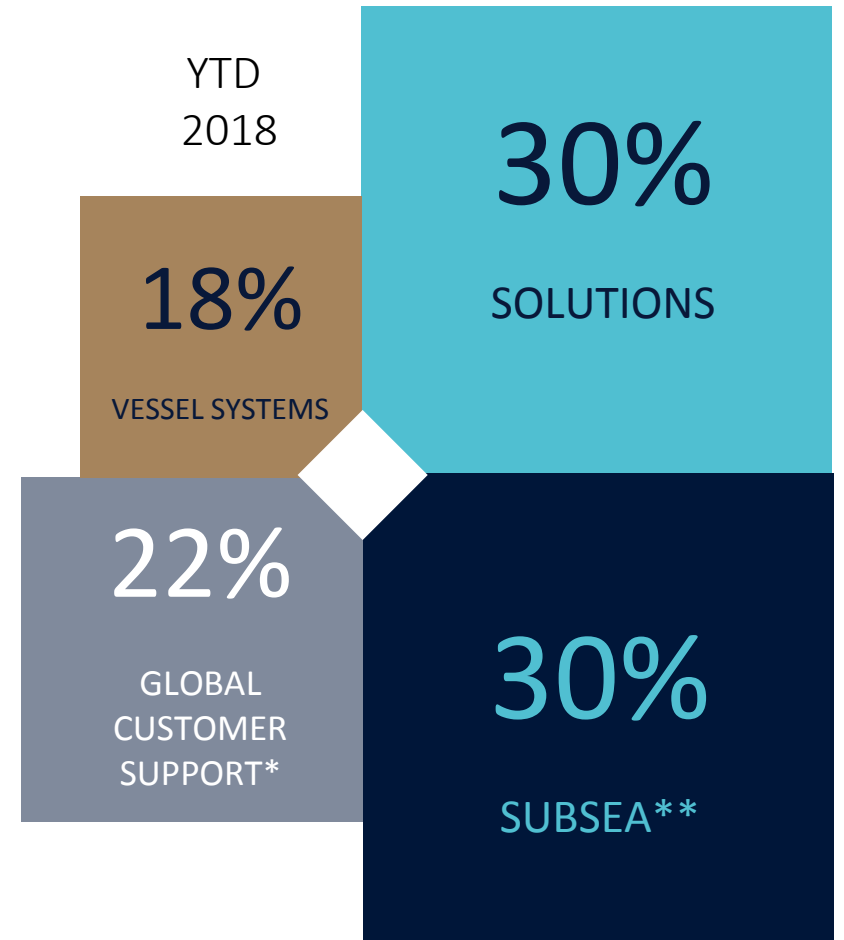
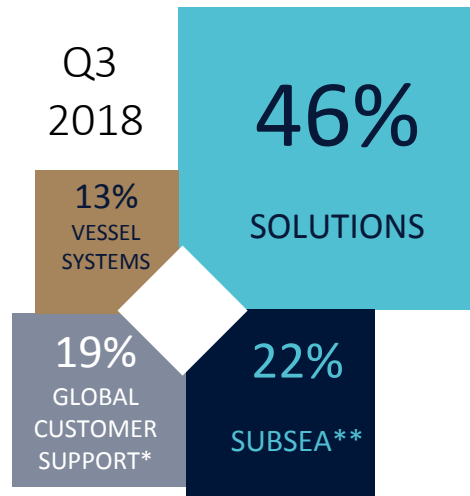
*Other includes Defence Communications, Integrated Defence Systems and Space & Surveillance



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New orders by Division

2018 – Kongsberg Maritime



*Global Customer Support does not include Subsea aftermarket

** Subsea also includes Subsea aftermarket



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Strong balance sheet

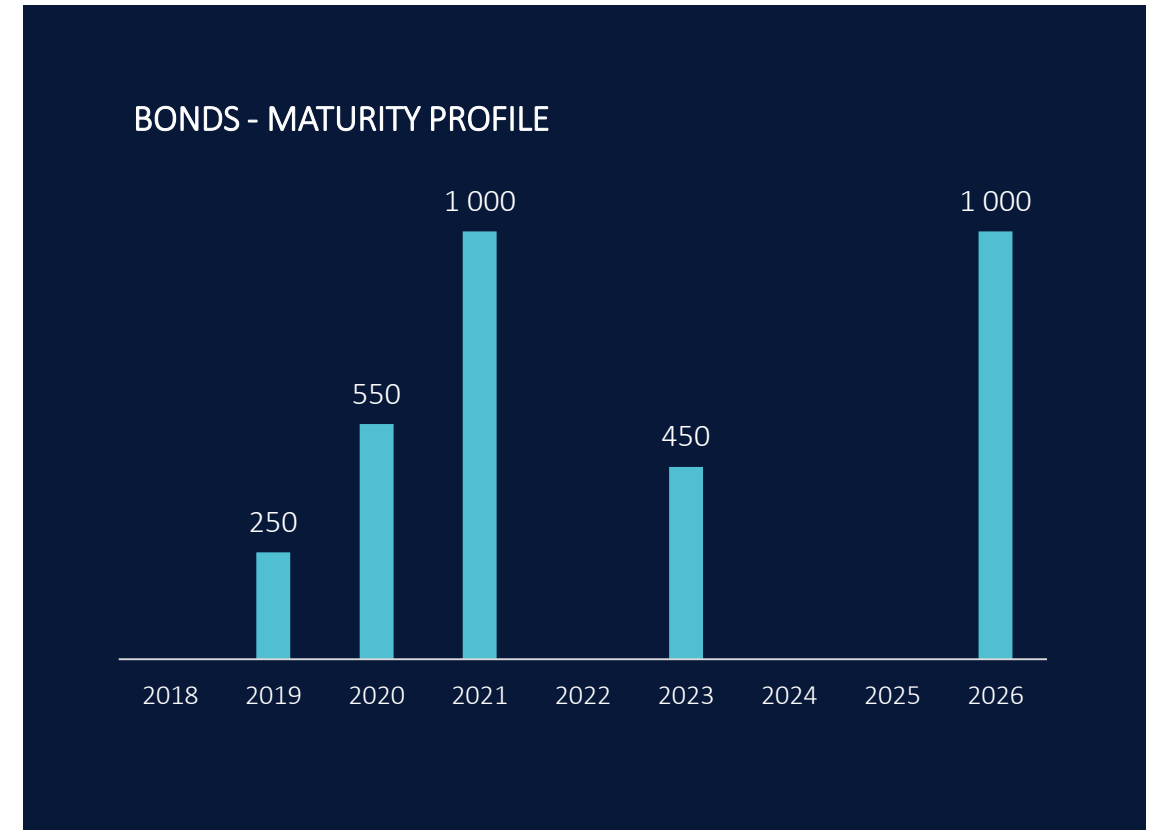
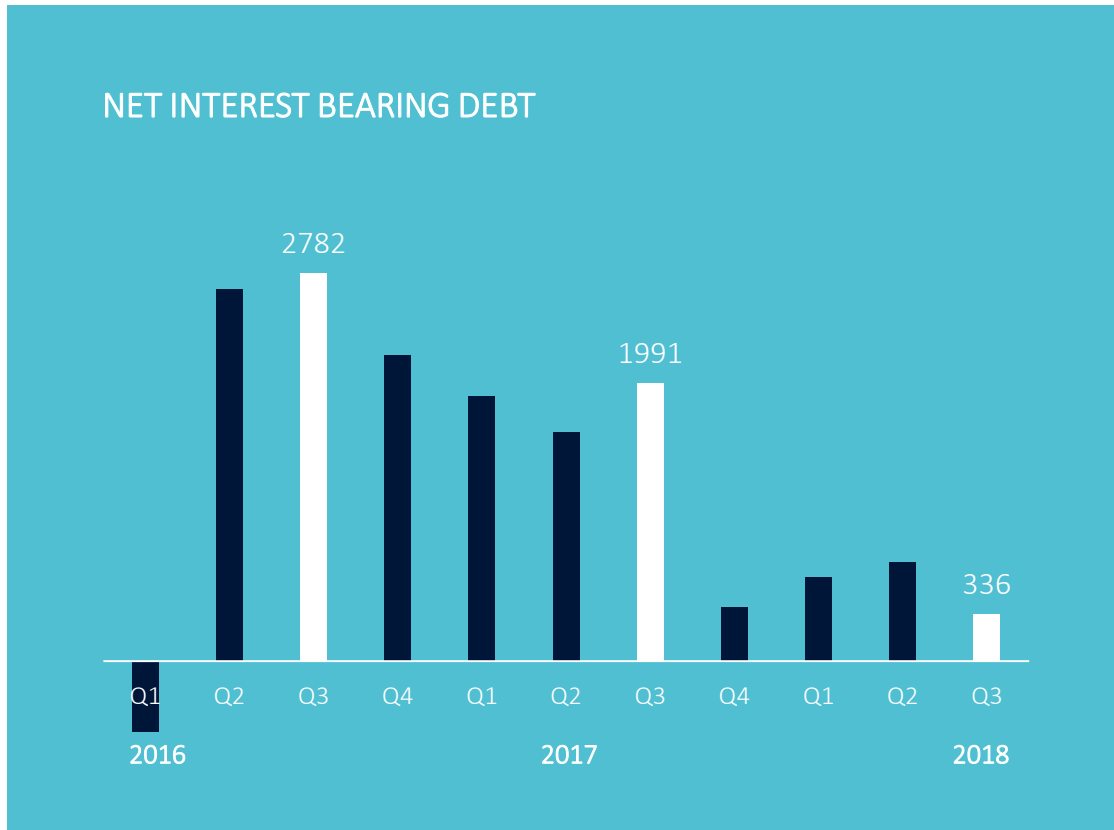
	Q3 2018	Q2 2018	2017
Gross interest bearing debt	3 326	3 337	3 340
Cash and short-term deposits	2 990	2 630	2 956
Net interest bearing debt	336	707	384
Equity ratio	35.5 %	35.1 %	35.6 %
ROACE	10.8 %	9.4 %	9.1 %



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Debt position

Healthy maturity profile





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Business Update





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Business Update

Kongsberg Maritime

KM

Good order intake, stable revenues and improved margins



- Several orders on larger integrated solutions
 - Awilco
 - Grimaldi
 - Offshore Heavy Transport
- Continued good order intake from traditional merchant such as bulk, container and LNG-vessels
- Subsea segments such as fishery and marine robotics continue to deliver
- Continued high utilization within global customer support



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Business Update

Kongsberg Defence & Aerospace

KDA

Solid margins
and next five
years of CROWS
deliveries
secured



- Next five years of deliveries to the CROWS-program secured
 - MUSD 498 Framework agreement
 - First contracted signed, valued at MUSD 74
 - Delivered 12.500 RWS under CROWS so far
 - More than 15.000 RWS when including Stryker
- Negotiations on Qatar programs progressing as expected



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Business Update

Kongsberg Digital & Patria



KDI

- High development activity in initiatives such as Kognifai and digital twin
- Improved order intake in Q3
 - MSGD 21 contract within Maritime Simulation to deliver Tactical Boat Handling and Firing Simulator to Singapore Police Coast Guard

Patria

- MEUR 93 revenues
 - 6.9 % increase from Q3 2017
 - Continued low activity and declining backlog for Land business (vehicles)
 - Good development within systems and maintenance areas
- MEUR 10 EBITDA, down from MEUR 11 in Q3 2017
 - Relates to volume decline in Land business



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Questions?

www.kongsberg.com

