



KONGSBERG

KONGSBERG MARITIME

SUBSEA DIVISION

Bjørn Jalving, Executive Vice President



CMD²⁰₁₆
CAPITAL MARKETS DAY

DISCLAIMER



KONGSBERG

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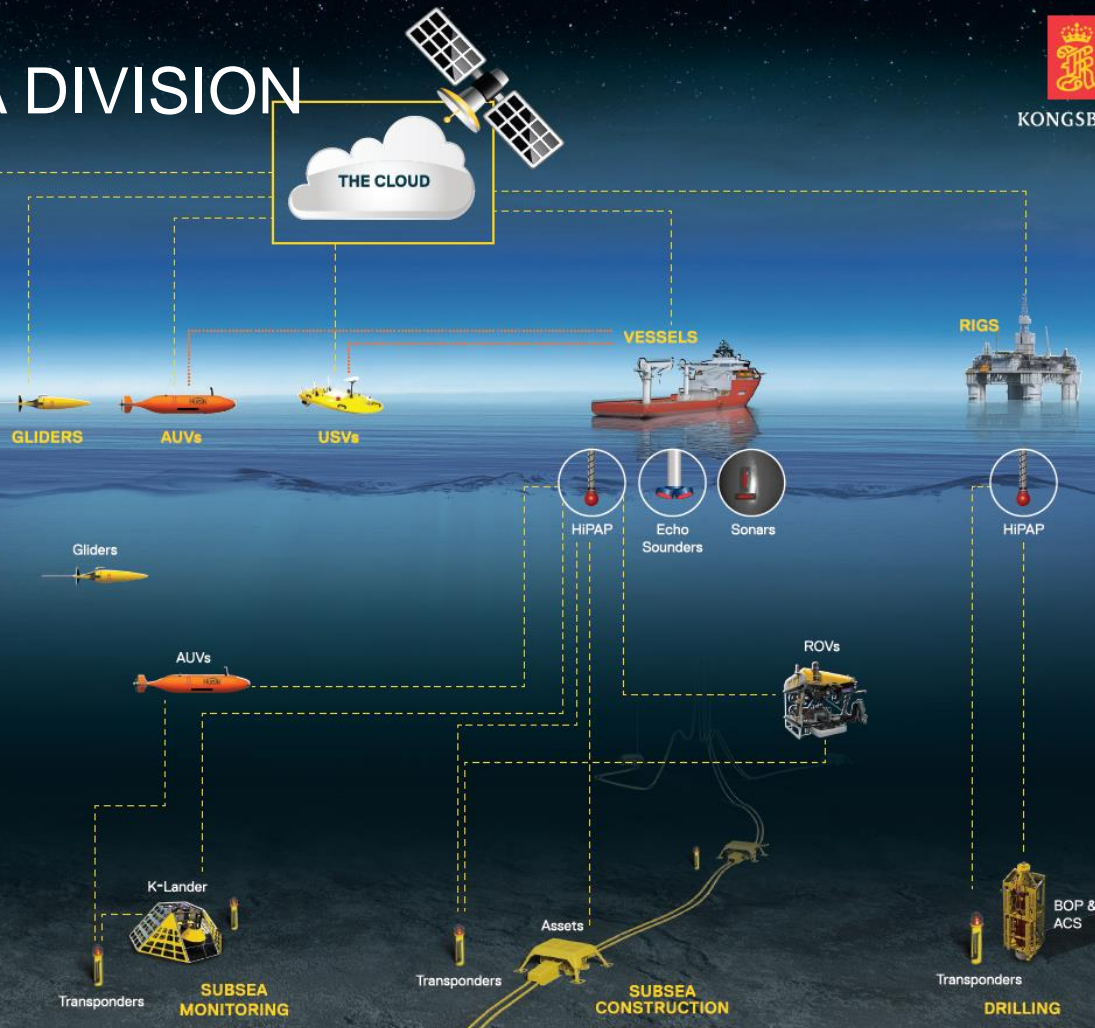
SUBSEA DIVISION



KONGSBERG

K-IMS
KONGSBERG Information Management System

- Remote support
- Remote operation
- Services



1. Underwater Sensor Systems
2. Marine Robotics

Core technology – multiple markets

SYNERGIES IN
-Technology
-Operations
-Markets

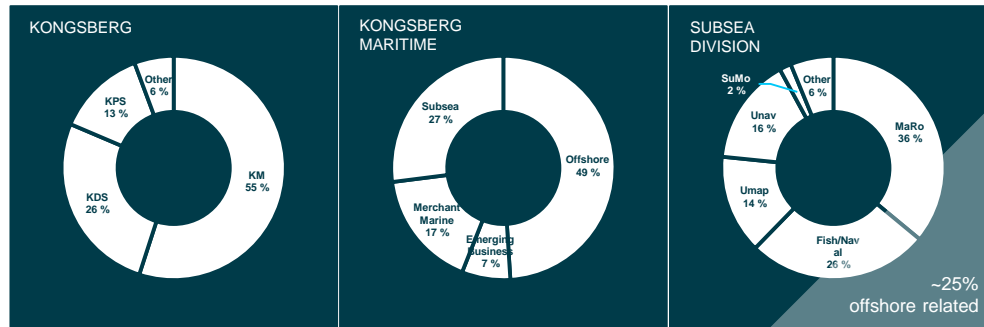
SUBSEA DIVISION



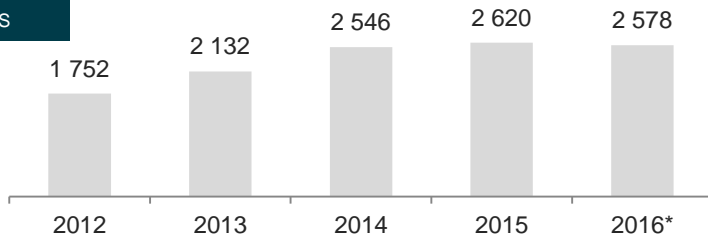
KONGSBERG

- High activity level in non-O&G related segments
 - ~50% growth last 24 months
- Reduced activity in O&G related segments
 - ~50% reduction last 24 months
 - ~25% O&G related business in 2016
- Significant capacity adjustments executed in 2016

REVENUE SPLIT YTD 2016:



REVENUES

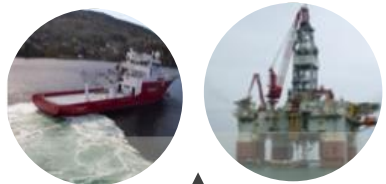


ORDERS

Book/bill
YTD 2016
1.08

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CAPITAL MARKETS DAY

KONGSBERG MARITIME VESSEL AND RIG SOLUTIONS

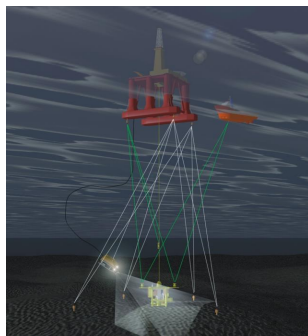
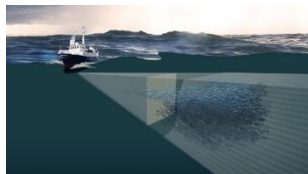


SUBSEA: MARINE ROBOTICS



Hydroid
Marine Robotics Horten

SUBSEA: UNDERWATER SENSORS SYSTEMS



Underwater
Mapping

Fishery
Naval

Underwater
Navigation

Subsea
Monitoring

Underwater position reference

Green: Growth
Red: Oil and gas downturn
Blue: Blue ocean



KM SUBSEA DIVISION COMPANIES & LOCATIONS



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Subsea Horten, Norway

- Underwater Mapping
- UNAV
- Fishery Naval
- Marine Robotics
- Subsea Monitoring



Hydroid Pocasset, MA, USA

- Marine Robotics



KUTI Lynnwood, WA, USA

- Hydrography
- Seaglider
- Fishery



Mesotech Port Coquitlam, Canada

Hydroacoustics for
ROVs, fishery, security,
inspection, mapping and
monitoring



Camera Aberdeen, UK

- Underwater cameras
- Vessel camera systems



Underwater Mapping Great Yarmouth, UK

Swath bathymetry, SSS,
SBP



Simrad Spain Alicante, Spain

Fishery, Subsea and
Merchant



Subsea Monitoring Halstenbek, Germany

Subsea Monitoring



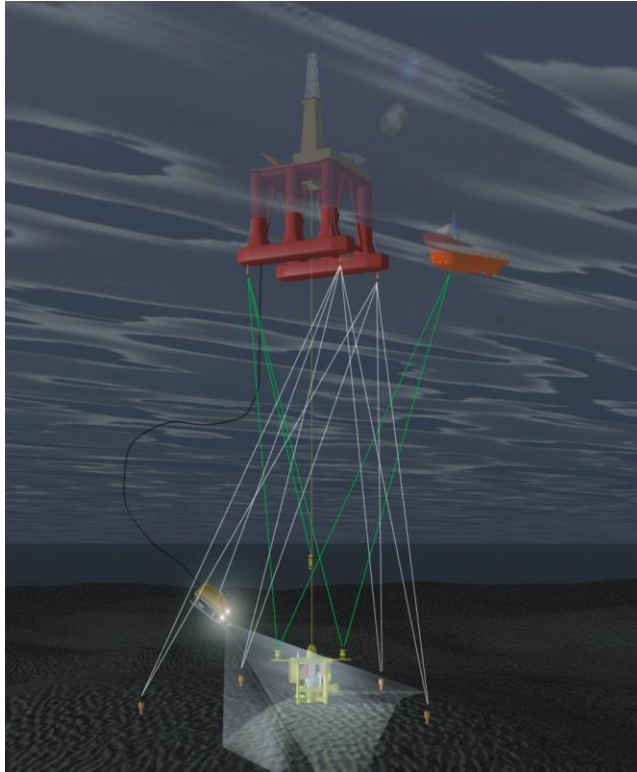
Subsea Monitoring Kiel, Germany

Control underwater gas
sensors and TA systems

UNDERWATER NAVIGATION

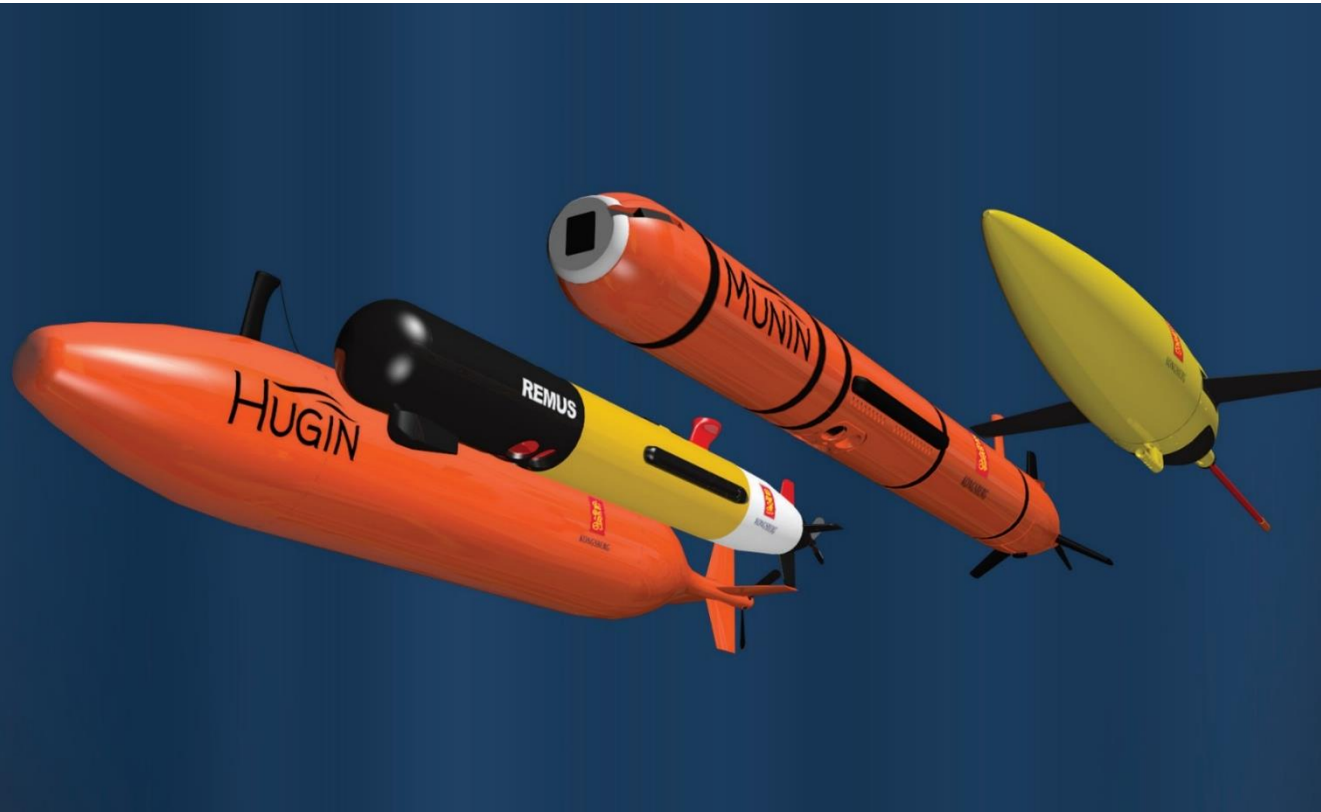


KONGSBERG



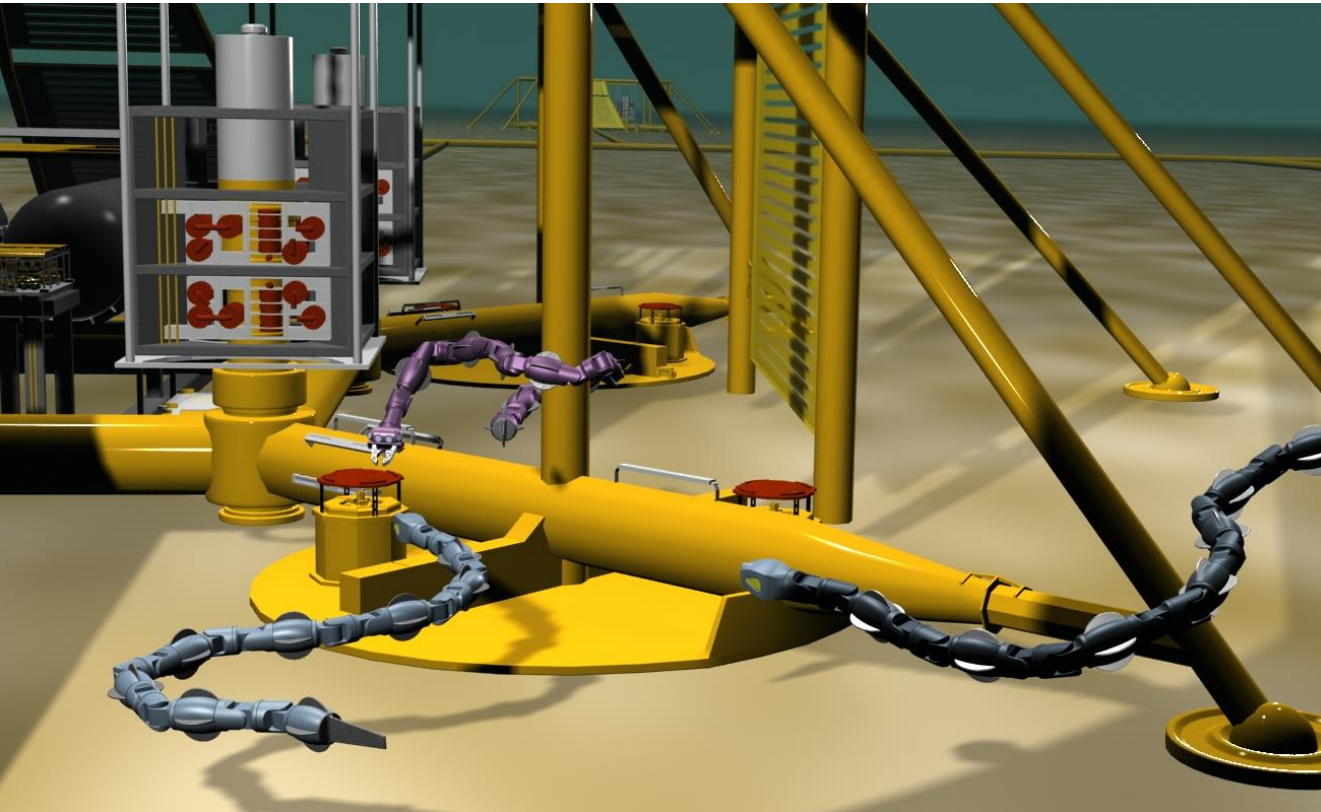
- Position reference for Kongsberg Maritime marine operation solutions
- ROV navigation
- Subsea construction
- Seismic (position reference for streamers and bottom nodes)

MARINE ROBOTICS MAIN APPLICATIONS



- Mine counter measures (MCM)
- Search and salvage
- Hydrography
- Seabed mapping and inspection
- Marine research

MARINE ROBOTICS INITIATIVES



- New generation vehicles
- New applications
- KONGSBERG hydroacoustics for AUVs
- Resident Inspection Maintenance Repair; Eelume

UNDERWATER MAPPING



KONGSBERG



From the shallowest waters to full ocean depth, we've got it covered.

M3	50 m
GeoSwath Plus	200 m
EM® 2040C	500 m
EM® 2040P	550 m
EM® 2040	600 m
EM® 712	3600 m
EM® 302	7000 m
EM® 122	11000 m

Applications:

- Waterways
- Ports and harbours
- Coastal
- Ocean

Main customers:

- Survey companies
- Hydrographic offices

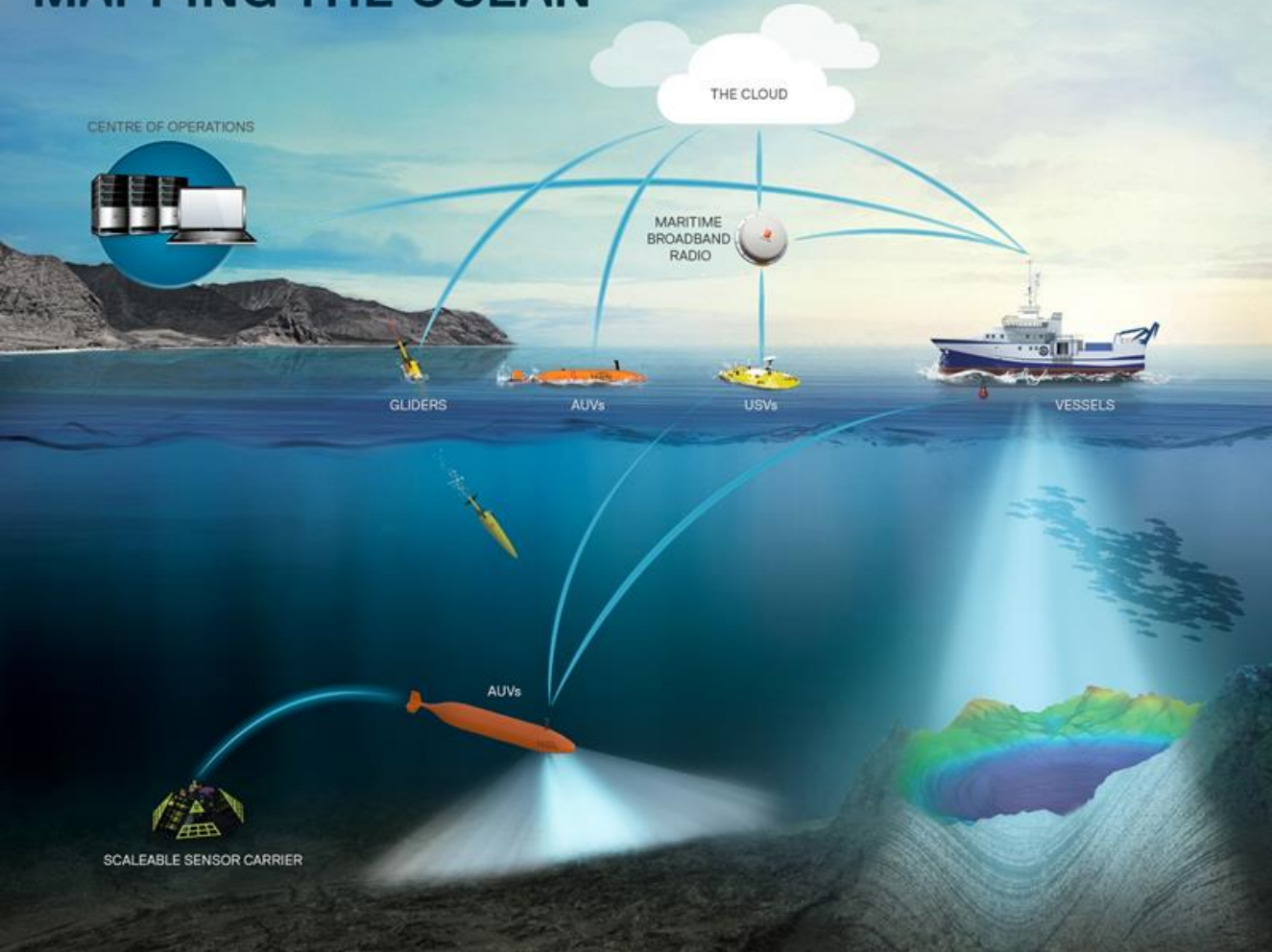
Market trends:

- Most nations now involved in mapping of underwater resources and hydrography
- Overall growth despite oil and gas downturn

MAPPING THE OCEAN



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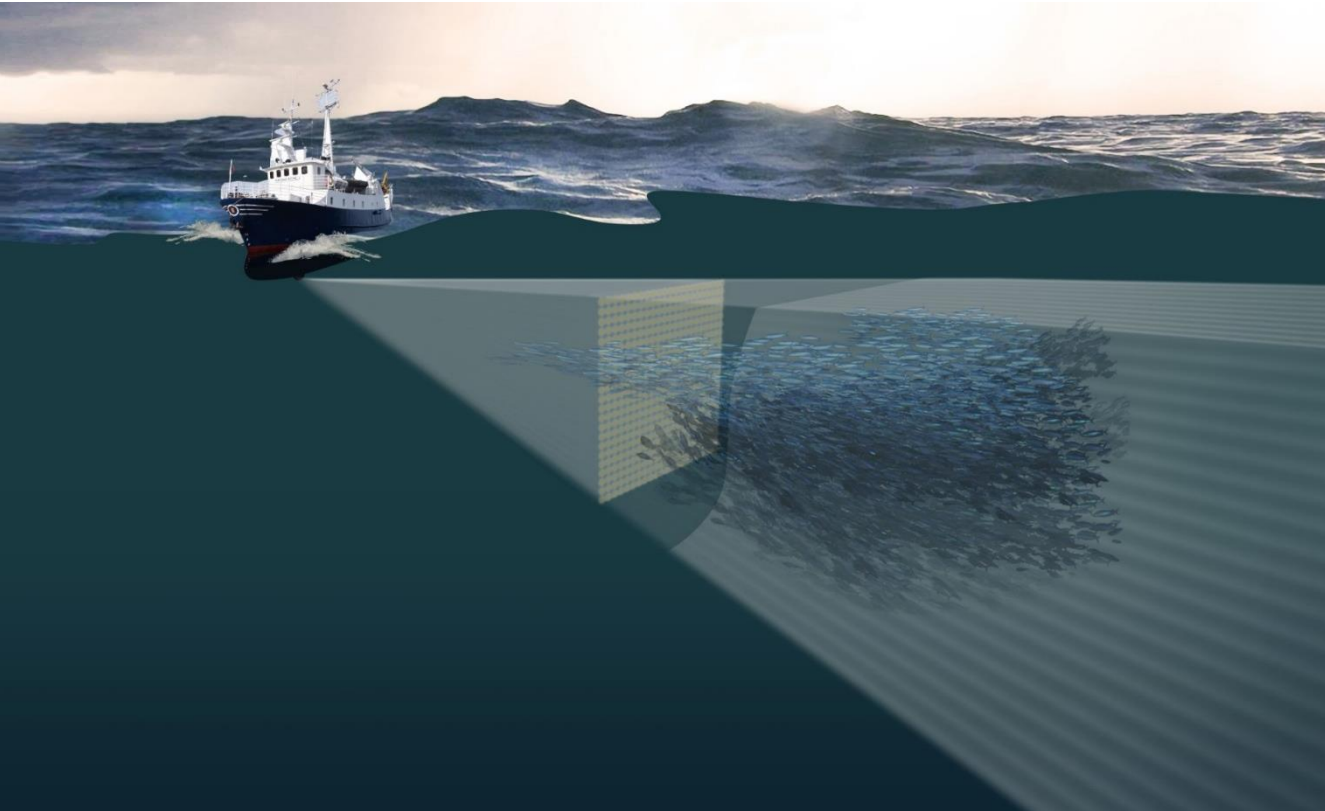
TRENDS:

- Improved instruments
- Continued robotization
- Connected and automated operations
- Extending from mapping to monitoring

FISHERY



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PRODUCTS:

- Sonars
- Single and multibeam echosounders
- Catch monitoring systems (trawl)

MARKETS:

- Fishery
- Research

TECHNOLOGY FOR SUSTAINABLE AQUA CULTURE



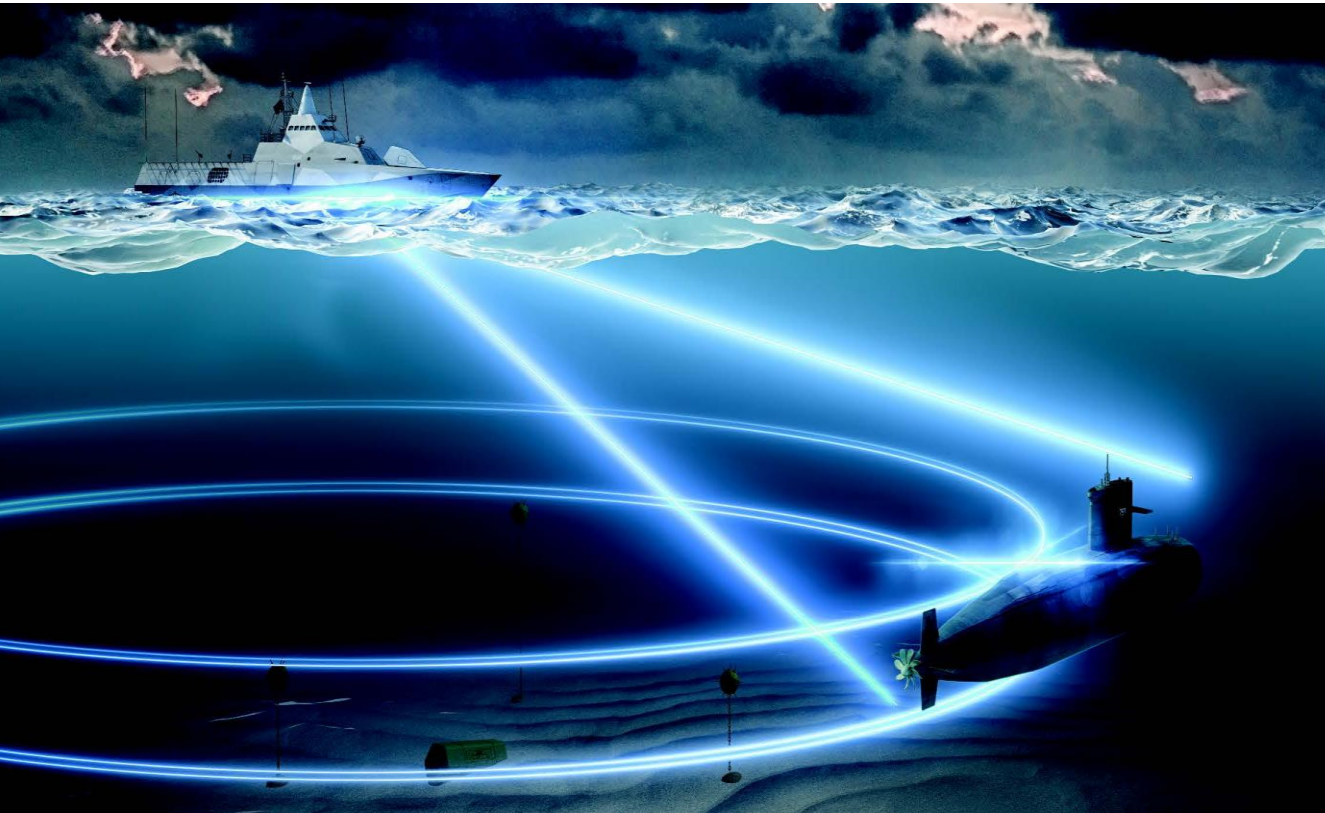
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NAVAL SONARS



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Main applications:

- Navigation and obstacle avoidance
- Shallow water anti-submarine warfare

Main platforms:

- Submarines
- Patrol boats
- Expect increased use of robotic platforms in the future

Strategy:

- Dual use sonar technology in littoral applications with significant growth potential

SUBSEA MONITORING

Delivering data from the seabed to your office



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Infrastructure Monitoring

Port Monitoring

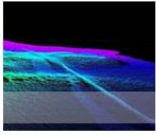
Aquaculture

Offshore Energy

Environmental Monitoring and Ocean Science

- Situation Awareness
- ✓ Increased Profit
 - ✓ Reduced OPEX
 - ✓ Dynamic Risk Assessment
 - ✓ Enhanced Operation Planning
 - ✓ Predictive Modeling

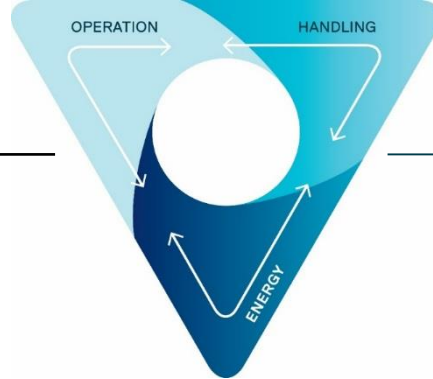
KONGSBERG MARITIME VESSELS



SUBSEA: MARINE ROBOTICS



Hydroid
Marine Robotics Horten

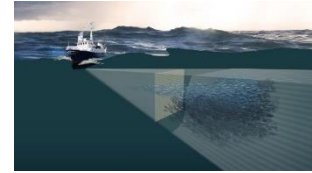


It's all about integration

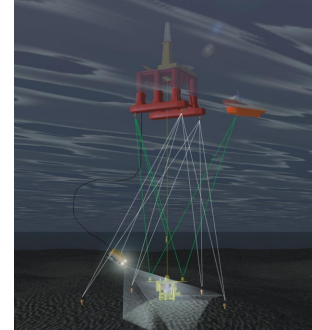
SUBSEA: UNDERWATER SENSORS SYSTEMS



Underwater
Mapping



Fishery
Naval



Underwater
Navigation



Subsea
Monitoring



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KONGSBERG MARITIME

MERCHANT MARINE DIVISION

Morten Hasås, Executive Vice President

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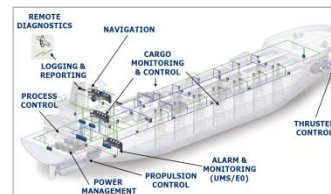


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MERCHANT MARINE

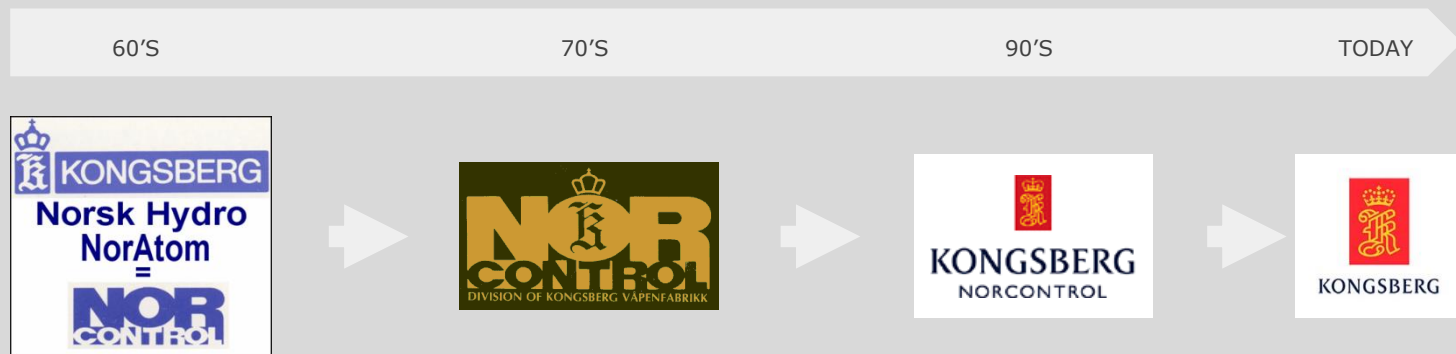
Integrated Automation,
Propulsion & Thruster control,
Power Management, Level
Gauging, Cargo Monitoring &
Control, Vessel and Engine
Performance, Sensors &
Instrumentation, Alarm &
Monitoring & Condition
Monitoring

1,000 employees in
three countries
Revenues LTM 1.7 BNOK



*Marine electronics, applications and solutions
to the global merchant marine fleet*

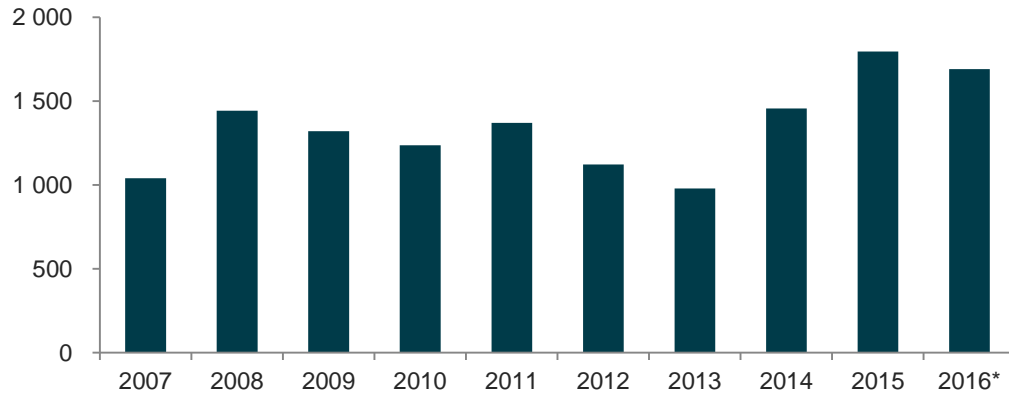
HISTORY MERCHANT MARINE



A part of Kongsberg since 1st April-1965



A SUCCESSFULL PLAYER IN A VERY CYCLICAL MARKET



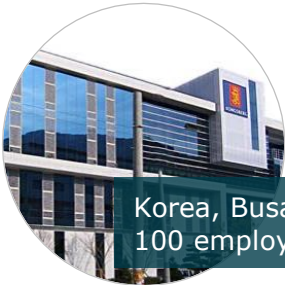
1,000 EMPLOYEES – 65% OUTSIDE NORWAY



Norway, Horten (Bekkajordet)
200 employees*



Norway, Trondheim (Grilstad)
120 employees*



Korea, Busan
100 employees*



China, Shanghai
150 employees*



China, Zhenjiang
300 employees*



* Exclusive sales resources and employees related to other divisions.



PRODUCTION FACILITY IN ZHENJIANG, CHINA





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MERCHANT MARINE

PRODUCTS & APPLICATIONS

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MERCHANT MARINE DIVISION

- 50 years of continuous innovation



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1965 – AutoChief 1



1979 – AutoChief 3



1991 – AutoChief 4/7



2004 – AutoChief C20

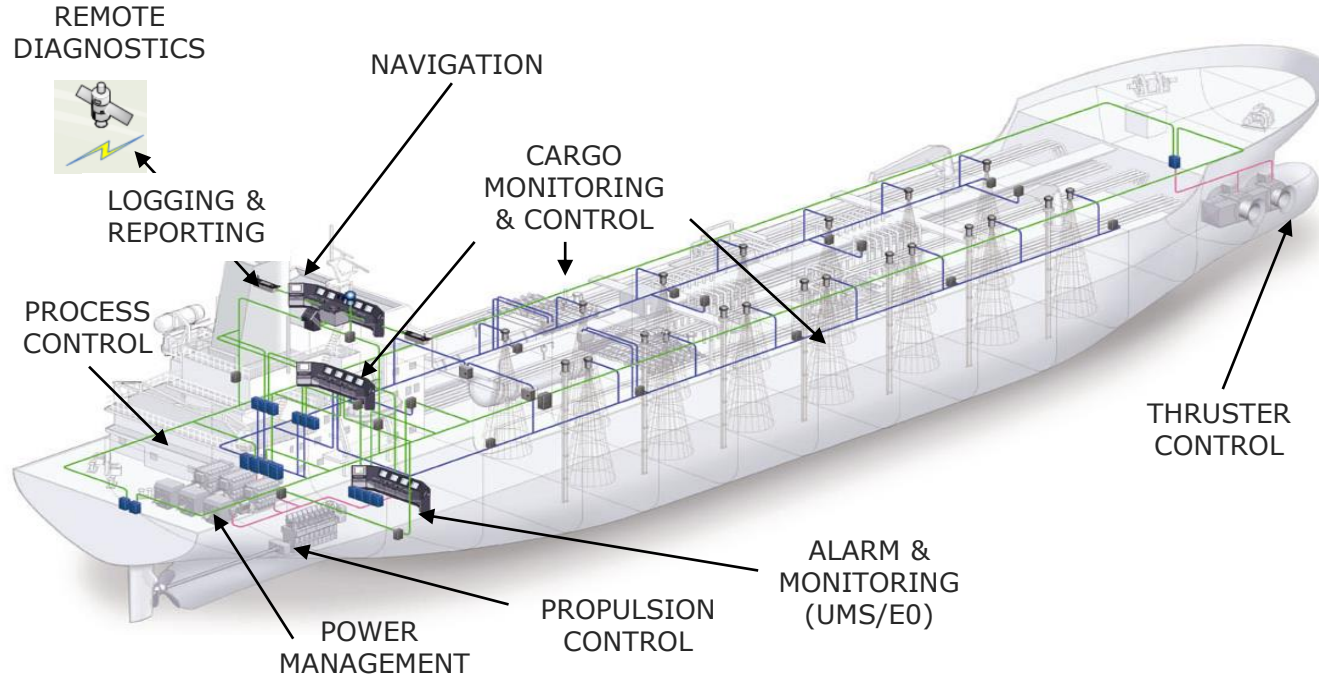


2013 – AutoChief 600



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We maximize marine performance by providing **THE FULL PICTURE**

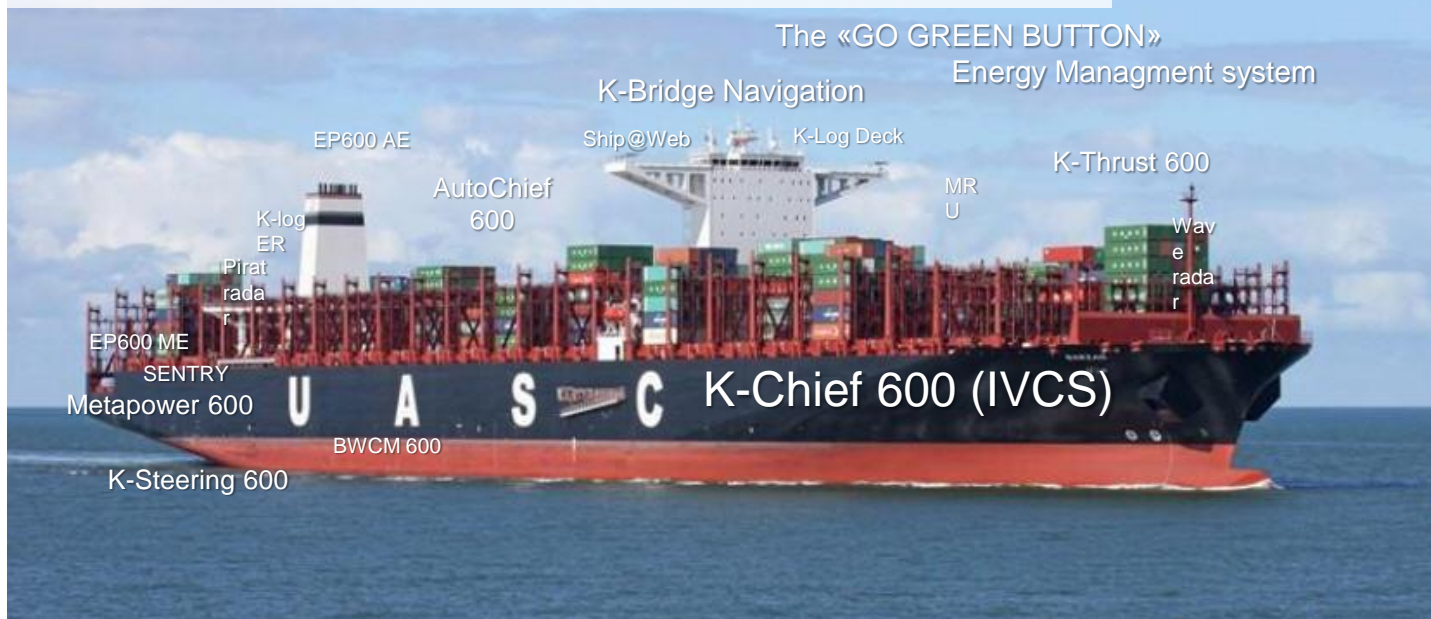




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THE FULL PICTURE IN PRACTICE

United Arab Shipping Company (17 ships)
Contract value MNOK 200



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THE «K-600» PRODUCT RANGE



KONGSBERG



FULL PICTURE ENGINE



KONGSBERG



K-CHIEF 600
ALARM AND
MONITORING
SYSTEM

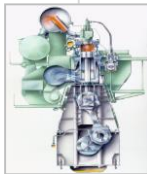


AUTOCHIEF 600
PROPULSION
CONTROL
SYSTEM

Redundant CAN



BEARING
TEMP
MONITORING



BEARING
WEAR / W/O
MONITORING



CYLINDER LINER
TEMP
MONITORING



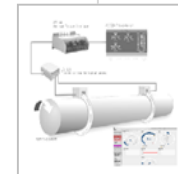
DISTRIBUTED
I/O
MODULES



SENSORS FOR
ENGINE



ENGINE PERFORMANCE



SHAFT
POWER
MONITORING

POWER SOLUTIONS



KONGSBERG

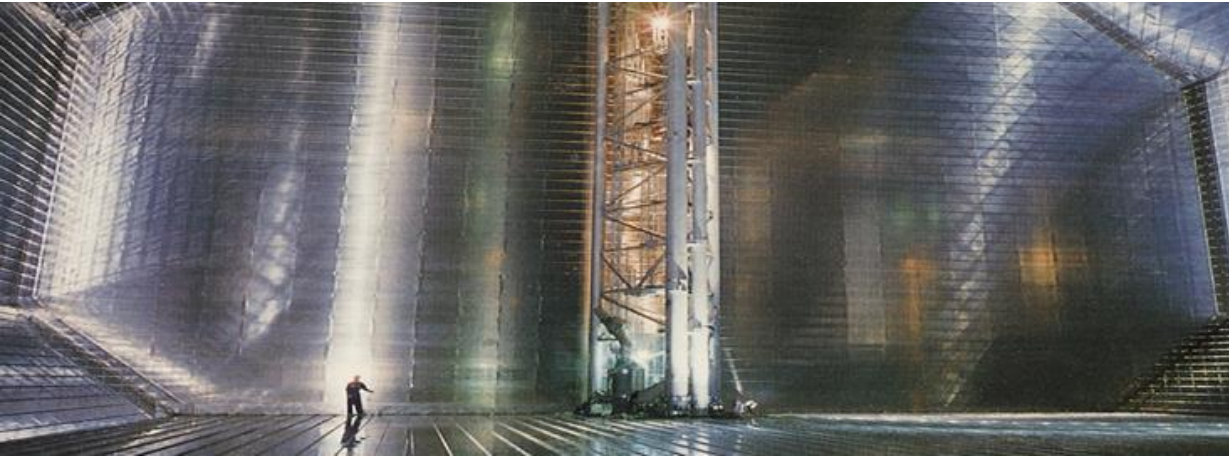
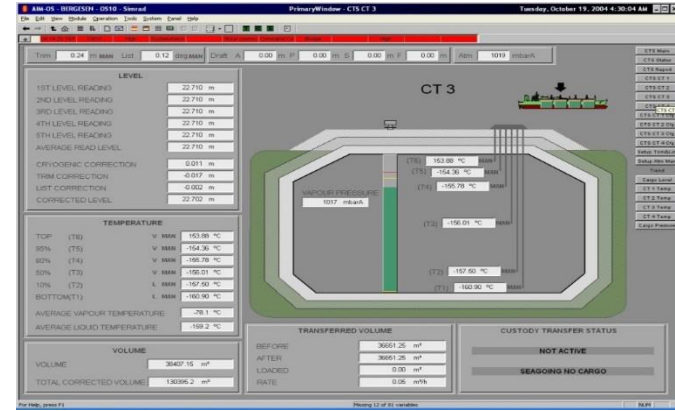


New modern «state of the art» switchboard from Zhenjiang. Presented at ONS & SMM exhibitions, autumn 2016.

CUSTODY TRANSFER SYSTEM – LNG CARRIERS



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THE FULL PICTURE IN A GREEN PERSPECTIVE



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NAUTICAL
PERFORMANCE

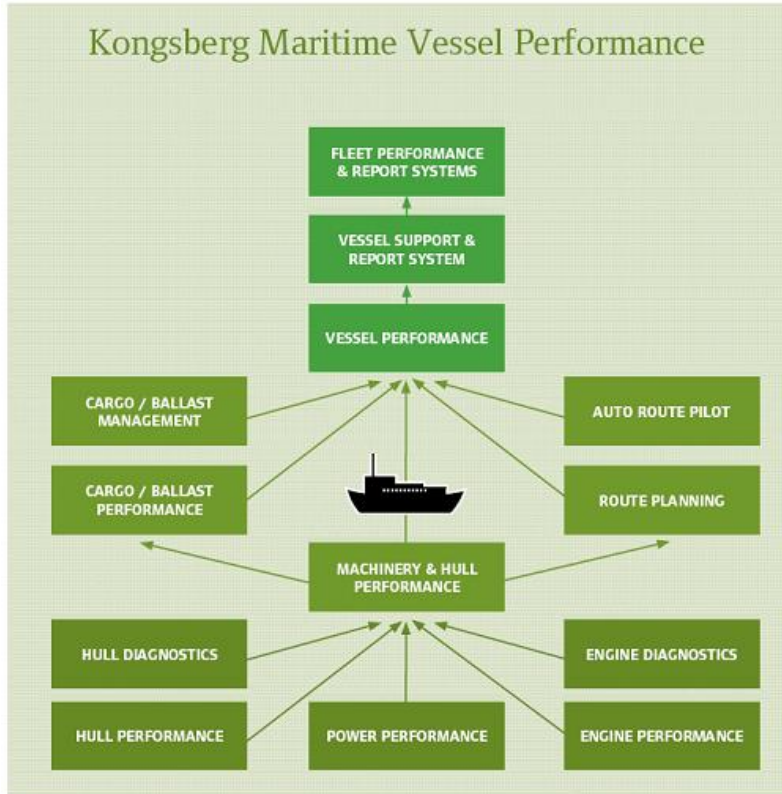
ENERGY
PERFORMANCE

HULL
PERFORMANCE

ENGINE
PERFORMANCE



THE FULL PICTURE IN A GREEN PERSPECTIVE

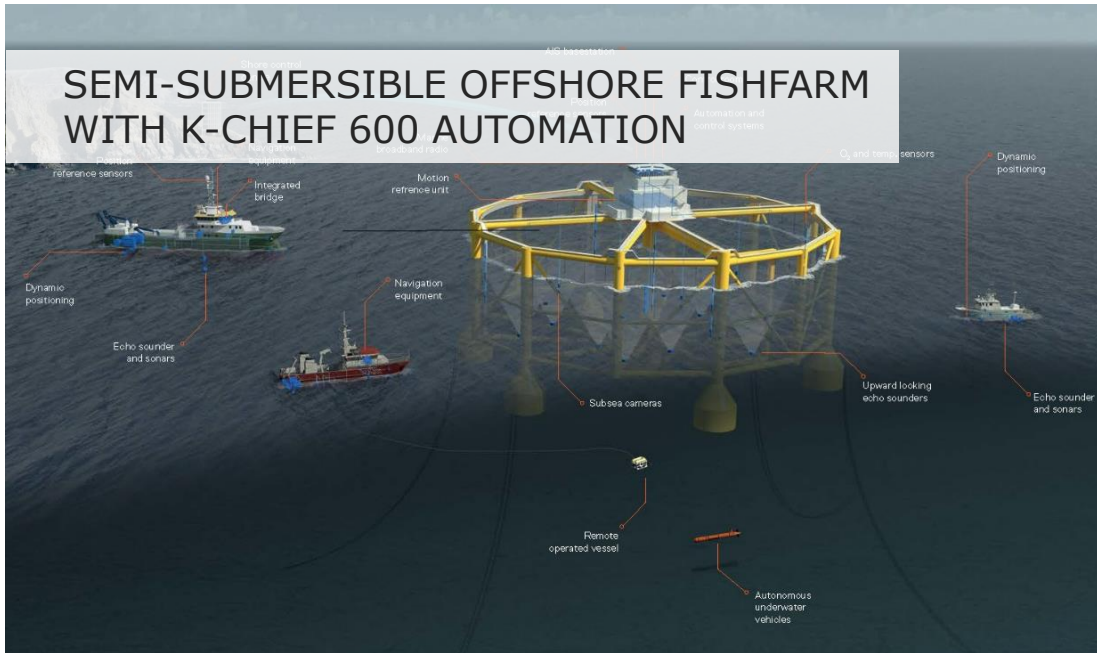


- Engine Performance and Optimisation
- Power Performance
- Hull Performance
- Nautical Operational Performance
- Shore management for Vessel Performance

THE FULL PICTURE IN PRACTICE



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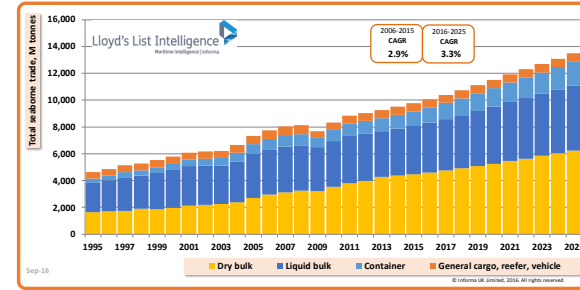
CONTROL APPLICATIONS:

- Power management system
- Ballast control system
- Position control of movable bulkhead
- Level monitoring of general service tanks
- Water ingress detection system
- Control of net-washing machines mounted on the movable bulkhead
- Control of chain driven brushes for dead fish collection
- Control of discharge area lifting frame
- Control of cameras and underwater illumination
- General operation of fans, pumps and valves.
- Handheld portable remote control of removable and moveable bulkheads.
- Fish food loading and distribution
- Dead fish handling system
- Sewage control system
- Workstation in deck office and in the main control centre.

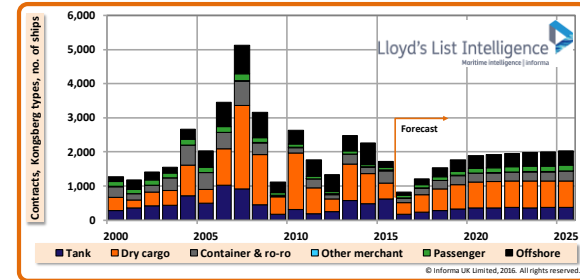
KEY TAKEAWAYS

- Contracting of ships are cyclic, but seaborne trade is stable and expected to grow (CAGR 3.3% 2016-2025).
- Recent contracting is exceptionally low, but is expected to grow and stabilize in the years to come.
- Environmental requirements and a need for «OPEX friendly» ships will trigger owners to build.
- KONGSBERG is a long term player with a lifecycle perspective. We live with our customers.
- Continuous innovation, reliable products, determined people and collaborative approach is key elements for our continuous success.

Seaborne Trade Prognosis



Contracting Prognosis



“Our ambition is to make our customers the world’s most efficient ship owners by the use of our systems and applications!”





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KONGSBERG DEFENCE SYSTEMS

SPACE & SURVEILLANCE DIVISION

*Christian Hauglie-Hanssen,
Executive Vice President*

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SPACE & SURVEILLANCE

KONGSBERG is the largest supplier to the space industry in the Nordics

420 employees in five subsidiaries

Revenues LTM 848 MNOK*

Order backlog 2.6 BNOK*

Book/bill LTM 1.64*

*incl. KSAT 50%



EXCELLENCE IN SPACE

- Applying core technologies to develop advanced products and services for the complete Space & Surveillance value chain
- Launch – satellite technology – ground services - surveillance



KONGSBERG

KONGSBERG SPACE & SURVEILLANCE FAMILY



KONGSBERG
Space Systems

Launcher and satellite
mechanisms,
electro optics



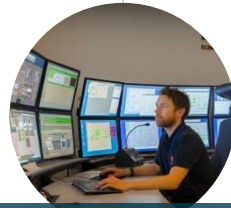
KONGSBERG
Norspace

Satellite electronics



KONGSBERG
Spacetec

Ground station
equipment



KONGSBERG
Satellite Services*

Ground station
services



KONGSBERG
Norcontrol

Maritime
surveillance

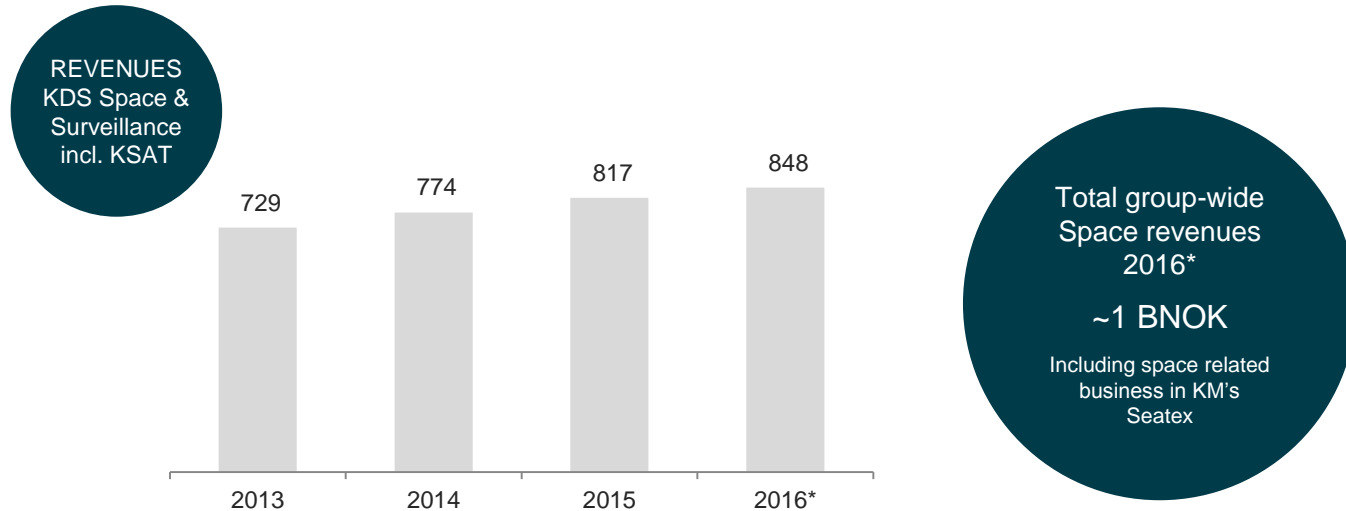
KONGSBERG MARITIME



KONGSBERG
Seatex

AIS payloads
GPS systems

A STEADY GROWING AND PROFITABLE BUSINESS



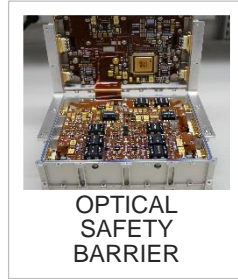
PRODUCTS – LAUNCHER & SATELLITE SEGMENT



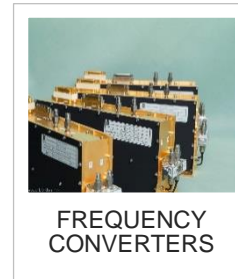
SPACE MECHANISMS



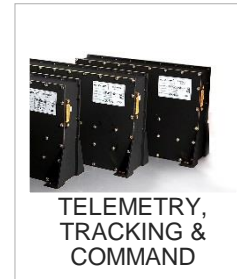
BOOSTER ATTACHMENTS



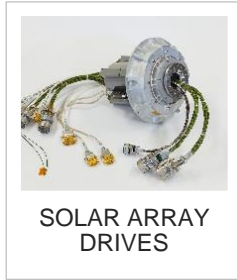
OPTICAL SAFETY BARRIER



FREQUENCY CONVERTERS



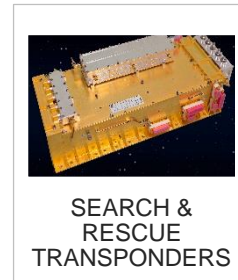
TELEMETRY, TRACKING & COMMAND



SOLAR ARRAY DRIVES



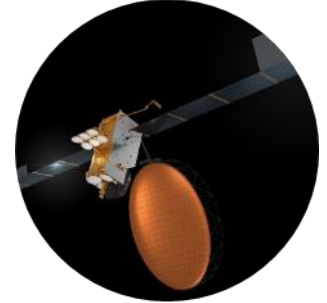
ANTENNA POINTING MECHANISMS



SEARCH & RESCUE TRANSPONDERS



SAW-FILTERS



SATELLITE EQUIPMENT

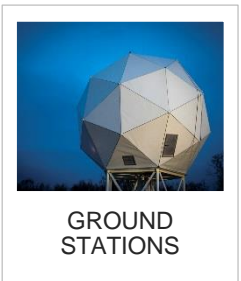
PRODUCTS – GROUND SEGMENT



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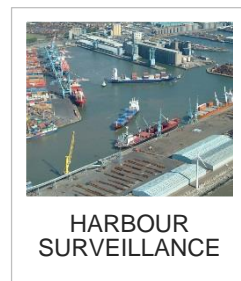
GROUND STATIONS AND SERVICES



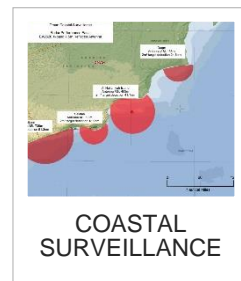
GROUND STATIONS



SATELLITE OPERATIONS



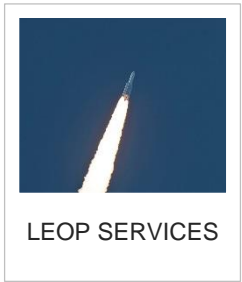
HARBOUR SURVEILLANCE



COASTAL SURVEILLANCE



SAR DATA PROCESSING



LEOP SERVICES



OFFSHORE VTS



E-NAVIGATION



MARITIME SURVEILLANCE



CMD 2016
CAPITAL MARKETS DAY

CUSTOMER BASE

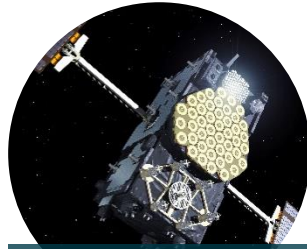


KONGSBERG



LAUNCHERS

ARIANESPACE
AIRBUS SAFRAN LAUNCHERS
SPACE X
(Falcon 9 LEOP services)



SATELLITES

ESA
EUMETSAT
AIRBUS
THALES
SURREY SATELLITES
OHB
SPACE SYSTEMS LORAL
LOCKHEED MARTIN



GROUND STATIONS AND SERVICES

ESA
EUMETSAT
NASA
NOAA
RAYTHEON
DIGITAL GLOBE
PLANET INC
EXACT EARTH
NATIONAL METEOROLOGY



SURVEILLANCE

NORWEGIAN COASTAL
AUTHORITIES
NORWEGIAN DEFENCE
PORT AUTHORITIES
OIL COMPANIES (STATOIL,
PEMEX)
NATIONAL NAVIES

MARKET TRENDS



KONGSBERG

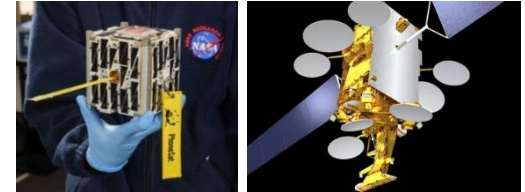
LAUNCHERS: Ariane 6 (development 2015-2020, operation 2020-2045)

- Europe's next launch vehicle for medium- to large satellites
- Competition: Falcon9/SpaceX, US



MICROSATELLITES vs HIGH THROUGHPUT GEO SATELLITES

- Volume production of small and "simple" satellites, use of "COTS"
- Technology innovation: electric propulsion, lower launch cost
- In-orbit flexibility, On Board Processing, Capacity: 1 Terrabit/sec



MARITIME SURVEILLANCE (VTS/VTM)

- Integration of satellite data (radar, AIS, oil-spill detection)
- eNavigation - digitization of maritime communication
- BEAN (Behavioural Analysis)



DEVELOPMENT LAST 12 MONTHS



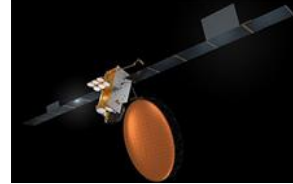
KONGSBERG



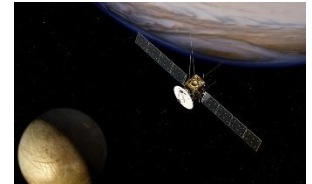
DIGITAL GLOBE RENEWAL
Kongsberg Satellite Services wins
Frame Contract Renewal.



HULL, FORTH PORTS VTS
Important milestone contracts for
VTS in UK market



INMARSAT 6
Largest ever contract for
Kongsberg Norspace – securing
continued growth in Satcom
Converter market and TT&C



JUICE FLIGHT PROGRAM
Contract for delivery of Solar Array
Drives for ESA scientific mission to
Jupiter's Icy Moons



METOP
Contracts for delivery of Solar Array
Drives, Antenna Pointing Mechanisms,
and Electronics for all 6 MetOp satellites



SENTINEL/COPERNICUS
Recurring contracts for supply of
Solar Array Drives to Copernicus-
program. Strengthened position
towards AIRBUS/Commercial



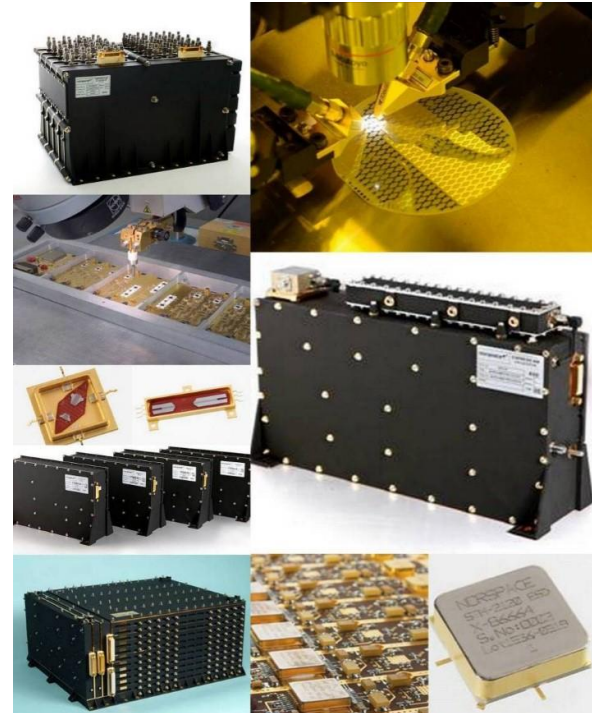
**KAMARAJAR OIL SPILL
DETECTION**
Significant system technology
demonstration for detection of oil
spill on water

KONGSBERG NORSPACE



KONGSBERG

- 30 years experience as World Class global supplier of analogue and microwave electronic equipment for satellites and launchers
- On-board 180 satellites in orbit
 - Analogue Signal Processing
 - Frequency Generation & Converters
 - Search & Rescue Transponders
 - Telemetry, Tracking and Command
- Building blocks: SAW filters and modules, signal amplifiers, filter banks, switch matrices, frequency synthesizers, VCOs



KONGSBERG NORCONTROL



KONGSBERG

Maritime domain awareness since 1960's

- Port - Vessel Traffic Services & Management
- Coastal and Extended Economical Zone (EEZ)
- Offshore VTS
- Rivers and Inland waterways

- Our solutions in service with the world's leading maritime coastal organisations, port authorities, and safest offshore operators.
- Experience from over 240 deliveries



Singapore Harbour



KNC Radar Display
(ARPA) 1969

WHY WE SUCCEED - HORTEN VTS 2016



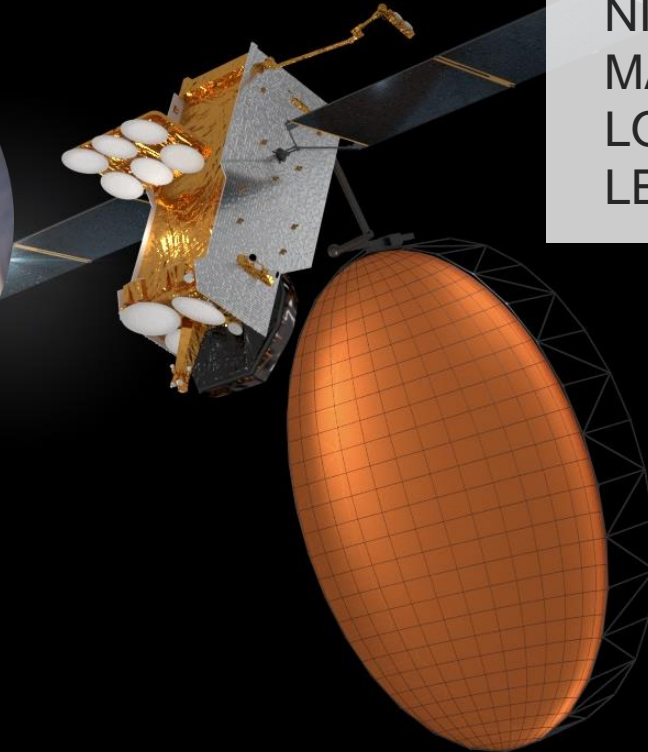
C-SCOPE CORE SYSTEM
DOMAIN KNOWLEDGE
SUPERIOR SYSTEM KNOW-HOW
COASTAL AUTHORITIES AS HOME MARKET

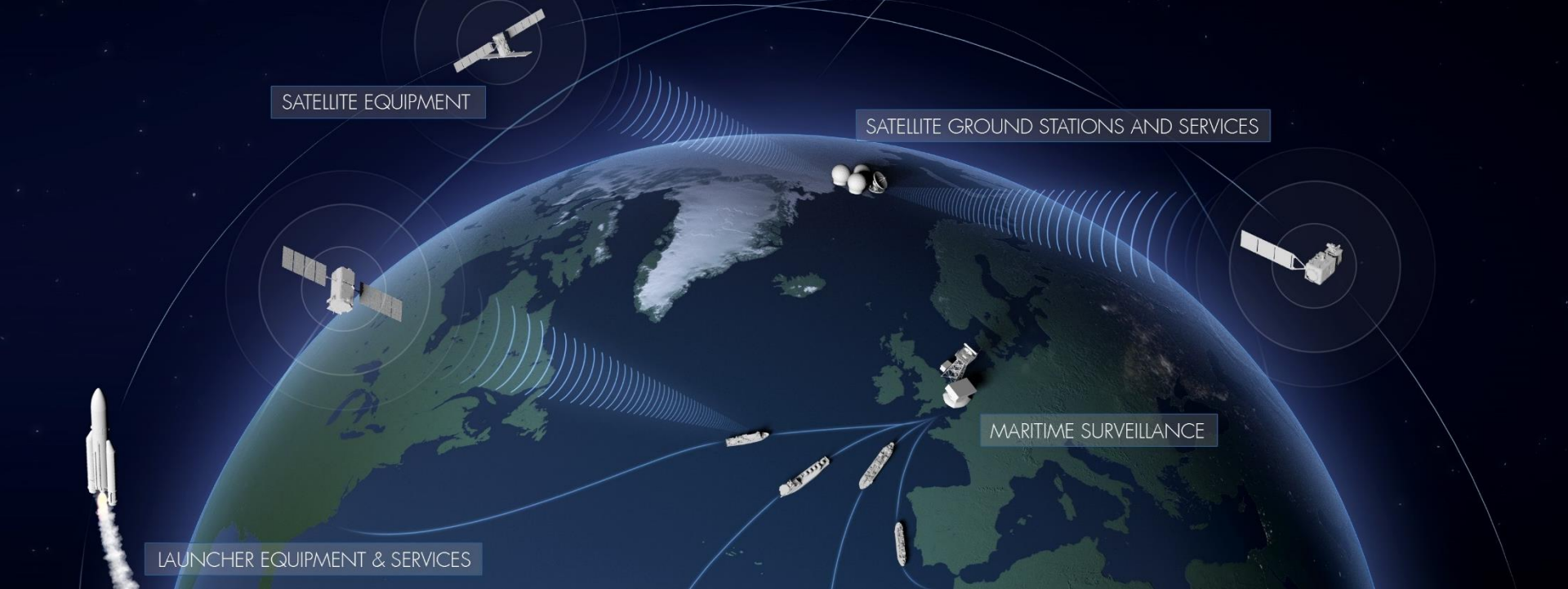
WHY WE SUCCEEDED - INMARSAT 6 CONTRACT



KONGSBERG

NICHE PRODUCTS
MARKET KNOWLEDGE
LONG TERM RELATIONS
LEVERAGE ON ESA-PROGRAMS





KEY TAKEAWAYS – SPACE & SURVEILLANCE
COMPETITIVE NICHE PRODUCTS & SERVICES
SERVING THE COMPLETE VALUE CHAIN
ADOPTING TO FAST-CHANGING SPACE MARKET
STEADY GROWTH – GOOD VISIBILITY



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CAPITAL MARKETS DAY

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