



COMROD
Reaching further

Comrod Communication ASA

**Presentation Stavanger
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Comrod Communicaton ASA – Company profile

- **A previous business division of Hexagon**
 - Public listed company on Oslo Stock Exchange
- **Headquarter close to Stavanger**
 - Offices and production facilities in Tau, Oslo and St Amand Les Eaux in France.
 - 166 employees, whereof 85 in France
- **Comrod develops, manufactures and markets masts, antennas, industrial products and power supplies. Approximately 80% of sales to the defense communication market**
- **Comrod holds leading global market positions within antennas and masts for the defence markets**



In house production facilities in Norway and France

Locations

	Tau	St. Amand les Eaux
Location	Close to Stavanger, Norway	Close to Lille, France
Key product manufactured	Antennas	Masts
Employees	81	85
Capacity utilisation	60%	70%
Plant built	1968	1990
Recent upgrade	2002-ongoing	2004-05
Plant size	4.500 sqm	10,000 sqm
Book value	11.4 NOKm	2.1 EURm
Original cost		16.0 EURm

- Antennas, masts and commercial products are manufactured in-house. Power products are outsourced to manufacturers in China, Poland and Norway
- Potential to increase production significantly without any significant increase in manufacturing cost base

TAU facilities



St. Amand les Eaux



Integration of Lerc and Power Supply Unit

Lerc

- **Integration process initiated**
 - Evaluation of product range and manufacturing
 - Coordination of market activities, first joint exhibition have been held
 - Coordination of R&D activities
- **Next steps to complete integration (2007 >)**
 - Realise revenue synergies (cross sales and increased pricing power)
 - Realise cost synergies within R&D, administration, manufacturing and marketing & sales



Power Supply Unit

- **Integration of Power Supply in process**
 - Cross sale of Power Supplies' products to former Comrod customers initiated (similar potential client base)
 - Positive response from customers in France, Germany and USA
- **Next steps to complete integration (2007 >)**
 - Realise revenue synergies (cross sale of products to former Lerc and Comrod customers)
 - Realise cost synergies within administration and marketing & sales



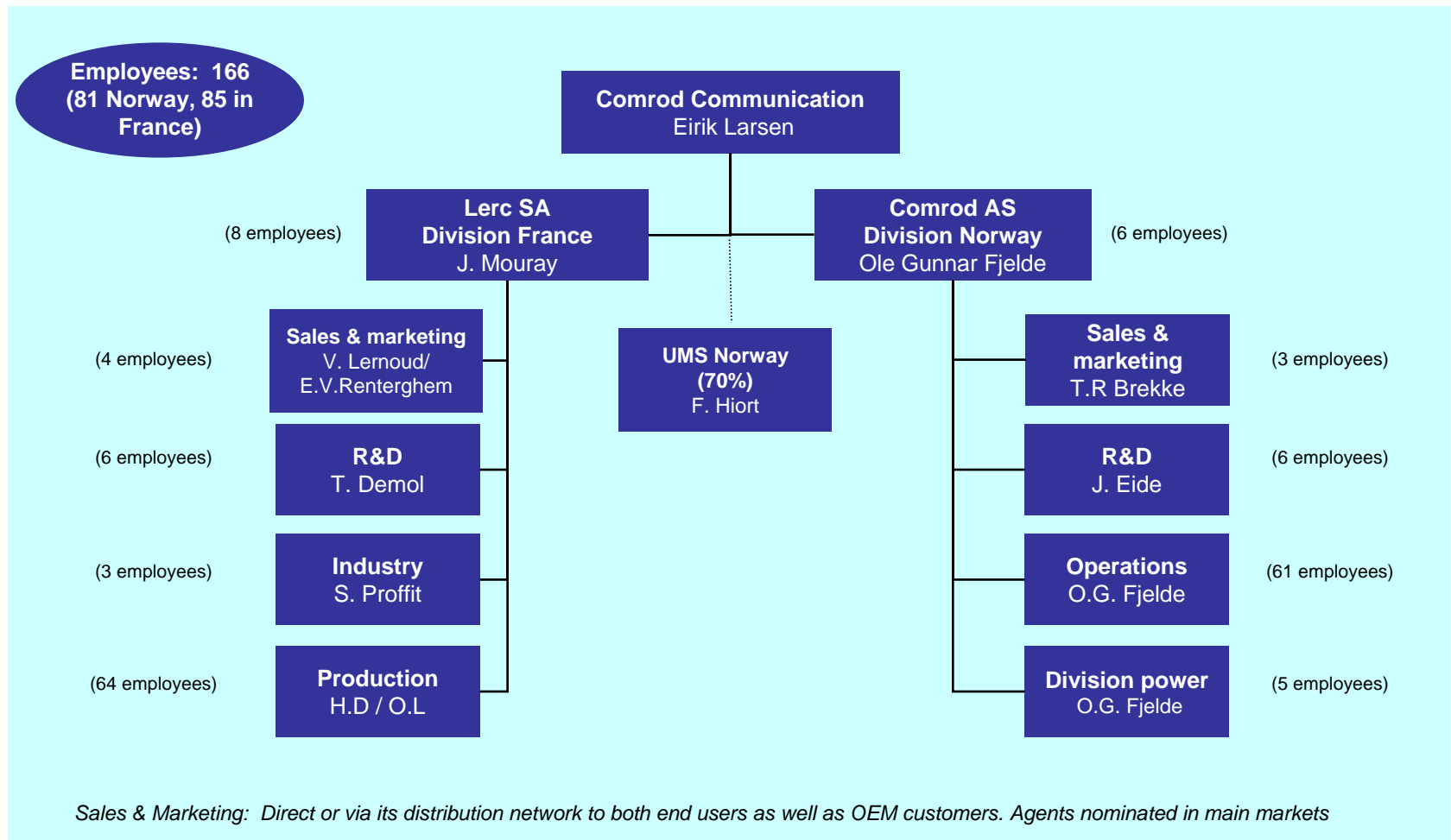
Overview of organization

Overview of Comrod Communication – organization chart

New CEO

Eirik Larsen

started in june -07
Background from
Kverneland ASA,
NorwegianPetroleum
Consultants and
Rogaland Research







History – background Comrod Communication

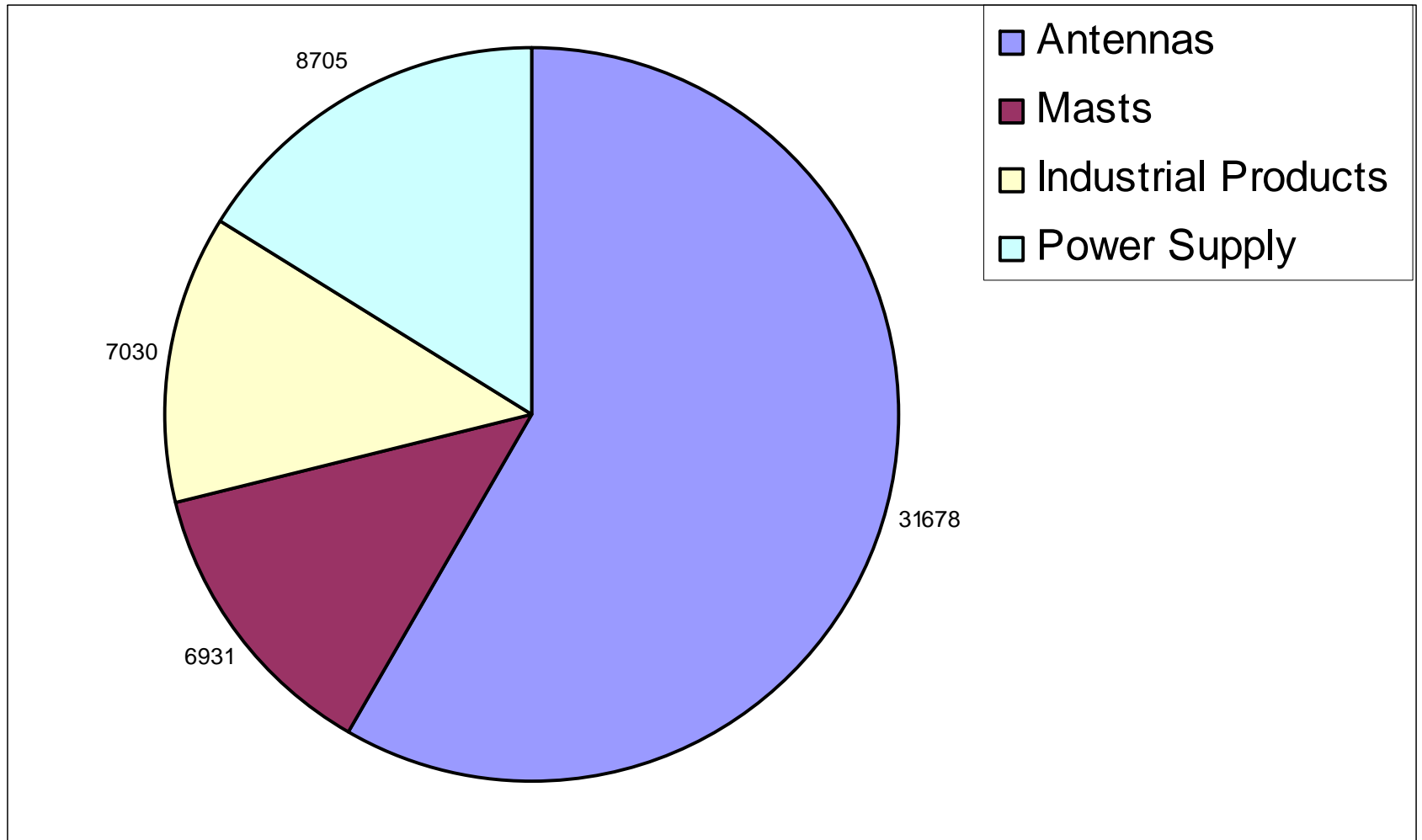
- **1948: Company established**
- **1950s: Introduced steel and fiber fishing rods**
- **1960s: Introduced marine antennas to the commercial market**
- **1970s: Transferring technology to defense antennas**
- **1980s: First defense contract with Sweden**
- **1990s: Entered into its first major international defense contract with Switzerland**
 - Sold from Christian Bjelland & Co to Norwegian Applied Technology ASA (NAT). Spilka Gruppen became the main owner of NAT during 1999 and 2000
- **2002: Signed a contract with Bowman for delivery of antennas to the British Military**
- **2005: Entered into 3 year OEM agreement with US radio manufacturer Harris Corporation for the delivery of tactical communication antennas**
- **2006: Acquisition of Eltek Defense Products (NOKm 25) and Lerc (EURm 11). Change of name from Comrod to Comrod Communication**



Key product areas

	Masts	Antennas	Industrial products	Power supplies
Product illustration				
Products	<ul style="list-style-type: none"> ▪ Telescopic, sleeve, man-pack, manual and motorized versions 	<ul style="list-style-type: none"> ▪ HF, VHF, UHF, dual band, GPS, multi-band antennas and antenna systems 	<ul style="list-style-type: none"> ▪ Insulating products such as insulators, insulating poles and structural composites which are custom designed products 	<ul style="list-style-type: none"> ▪ Battery systems, technology rights acquired from Eltek ASA with exclusive rights in the defense market
Key customers	<ul style="list-style-type: none"> ▪ In defense market, key clients include Thales, DGA and US Army 	<ul style="list-style-type: none"> ▪ Defense (80 % of sales) and maritime industry (20 % of sales). Key clients include ITT, Harris, Thales and Rhode & Schwarz 	<ul style="list-style-type: none"> ▪ Defense (10% of sales) and utility and energy industry (90 % of sales). Key clients include Siemens and SCNF 	<ul style="list-style-type: none"> ▪ In defense market, key client include Kongsberg Group and FMV Sweden
Type of clients	<ul style="list-style-type: none"> ▪ OEM, defense organizations 	<ul style="list-style-type: none"> ▪ OEM, defense organizations, commercial vessels 	<ul style="list-style-type: none"> ▪ Utilities, industrial companies 	<ul style="list-style-type: none"> ▪ Defense organizations
Manufacturing	<ul style="list-style-type: none"> ▪ France / Norway 	<ul style="list-style-type: none"> ▪ Norway / France 	<ul style="list-style-type: none"> ▪ France 	<ul style="list-style-type: none"> ▪ Outsourced to plants in Norway, Poland and China
Revenues and EBITDA 2006	<ul style="list-style-type: none"> ▪ NOKm 27,2 / NOKm -1,1 	<ul style="list-style-type: none"> ▪ NOKm 129,3 / NOKm25,5 	<ul style="list-style-type: none"> ▪ NOKm 26,2 / NOKm 2,1 	<ul style="list-style-type: none"> ▪ NOKm 14,9 / NOKm 2,8

Turnover per segment



Overview of products

Product area - Antennas

Man-pack VHF 30-88MHz

Handheld VHF 30-88MHz

(Very high frequency)



- Product range include HF, VHF, UHF, dual band, GPS, multi-band antennas and antenna systems
- Products are manufactured at in-house manufacturing facilities
- Key attractive features of products
 - Superior quality, proven record
 - Meets the toughest demands
 - Flexibility



Commercial vessels

Navy



Bowman vehicle collection incl.

- HF 1.6-30MHz (high frequency)
- VHF 30-88MHz (very high frequency)
- UHF 225-450MHz (ultra high frequency)

Overview of products

Product area – Masts

Surveillance



Omaha Beach LOS
(line of sight)

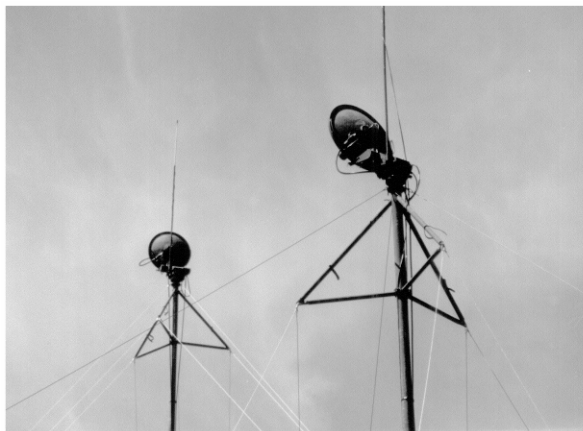


- Masts include telescopic, sleeve, manpack, manual and motorized versions
- Products are manufactured at in-house manufacturing facilities
- Key attractive features of products
 - Easy maintenance
 - Standard as well as tailor made versions
 - Advanced control for unmanned use

Unmanned use



Including antennas



Advanced control



Overview of products

Product area – Power supply

Double Man-pack charger



- Include battery chargers and power supplies
- Manufacturing outsourced to companies in Norway, Poland and China
- Key attractive features of products
 - Demanding applications
 - Tailor made solutions
 - Both Ni Cad and Li-Ion batteries

1 position vehicle charger



Standard power supply



Combined charger and power supply



Overview of products

Product area – Industrial products

Offshore applications



- Include insulating products such as insulators, insulating poles for railroad and utilities, offshore products and custom designed structural components.
- Products are manufactured at in-house manufacturing facilities
- Key attractive features of products
 - Tailormade solutions
 - Niche markets
 - Extensive testing

Foamed pipe



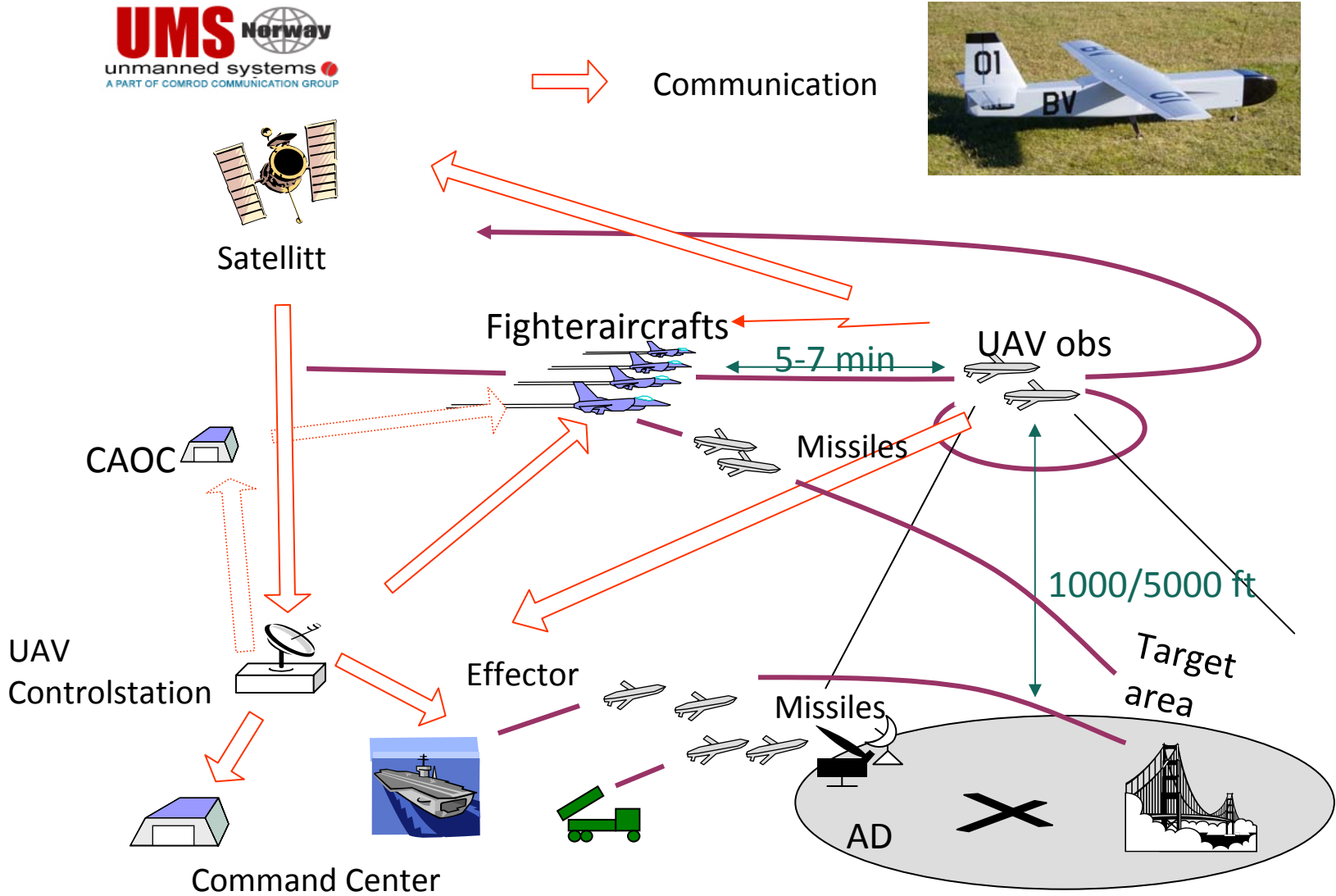
Railroad applications



Insulators



Acquisition of shares in UMS-Norway



Largest shareholders:

Investor	Number of shares	% of total	Type	Country
FLAKK HOLDING AS	4 545 734	26.84%	Comp.	NOR
HEXAGON COMPOSITES ASA	4 238 062	25.02%	Comp.	NOR
BØCKMANN HOLDING AS	1 154 753	6.82%	Comp.	NOR
MP PENSJON	1 005 309	5.94%	Comp.	NOR
VERDIPAPIRFOND ODIN NORDEN	566 700	3.35%	Comp.	NOR
GMC EIENDOM & FINANS AS	500 000	2.95%	Comp.	NOR
SAGA EQUITY FUND	460 800	2.72%	Comp.	NOR
RASMUSSENGRUPPEN AS	445 200	2.63%	Comp.	NOR
SKAGEN VEKST	400 000	2.36%	Comp.	NOR
FLAKK KNUT	193 124	1.14%	Priv.	NOR
LANDSBANKI ISLANDS HF	192 950	1.14%	Meg.	ISL
HOLBERG NORGE	185 200	1.09%	Comp.	NOR
SAND EIENDOM AS	168 000	0.99%	Comp.	NOR
STRAFO A/S NIL	130 000	0.77%	Comp.	NOR
FLYDAL LARS IVAR	127 332	0.75%	Priv.	NOR
MOLVÆR IVAR ARVID	100 000	0.59%	Priv.	NOR
STAFSET KÅRE	100 000	0.59%	Priv.	NOR
DANSKE BANK A/S	655 000	0.39%	Nom.	SWE
FJELL TORE JOHAN	64 104	0.38%	Priv.	NOR
JP MORGAN CHASE BANK	60 000	0.35%	Nom.	GBR
Total number owned by top 20	14 702 768	86.80%		
Total number of shares	16 938 649	100 %		

Outlook 2007

- **Good results delivered from Lerc**
- **Growth in order backlog**
- **Integration process in good progress – positive and dedicated effort from all organizational units**

