



Stavanger 08 May 2009

Niklas Hermansson, CEO

Kari Duestad, CFO

REACHING FURTHER THROUGH PEOPLE AND INNOVATION

Comrod Communication ASA

Q1 2009

Solid Start



AGENDA



- I. **Highlights and introduction**
- II. Financials
- III. Business Areas
- IV. Summary + Q&A

COMPANY PROFILE

COMROD COMMUNICATION GROUP – GLOBAL NO. 1



No.1 player globally on tactical antennas

Leading market positions within defense masts and power supplies

Preferred supplier to the major defense radio communication manufacturers.
Sales to more than 60 countries.

Leading edge technology based on radio communication, composite competence and skills.

Strong R&D focus

BUSINESS MODEL AND STRATEGIC TARGET



Core competencies	<ul style="list-style-type: none"> • Design • Manufacturing
Product development	<ul style="list-style-type: none"> • Strong focus • Future technology
Key customers	<ul style="list-style-type: none"> • Communication equipment manufacturers
Customers	<ul style="list-style-type: none"> • Demanding • Long term relationship
Contracts	<ul style="list-style-type: none"> • Large defense communication programs • National or multinational. Contracts 3-5 years+
Growth platform	<ul style="list-style-type: none"> • Established market foothold • Continuous launch of new products • Increased use of advanced IT solutions
Turnover target	<ul style="list-style-type: none"> • NOK 500 million by 2010-2011

HIGHLIGHTS SINCE LAST PRESENTATION



- **First HF loop Antenna order in place to US Army**
- **Record level within BA Antennas and improved performance within BA Power**
- **Comrod UK secures order to the UK Defense forces**
- **Antenna control systems order to SPAWAR, USA**
- **ComPact development on track**

AGENDA



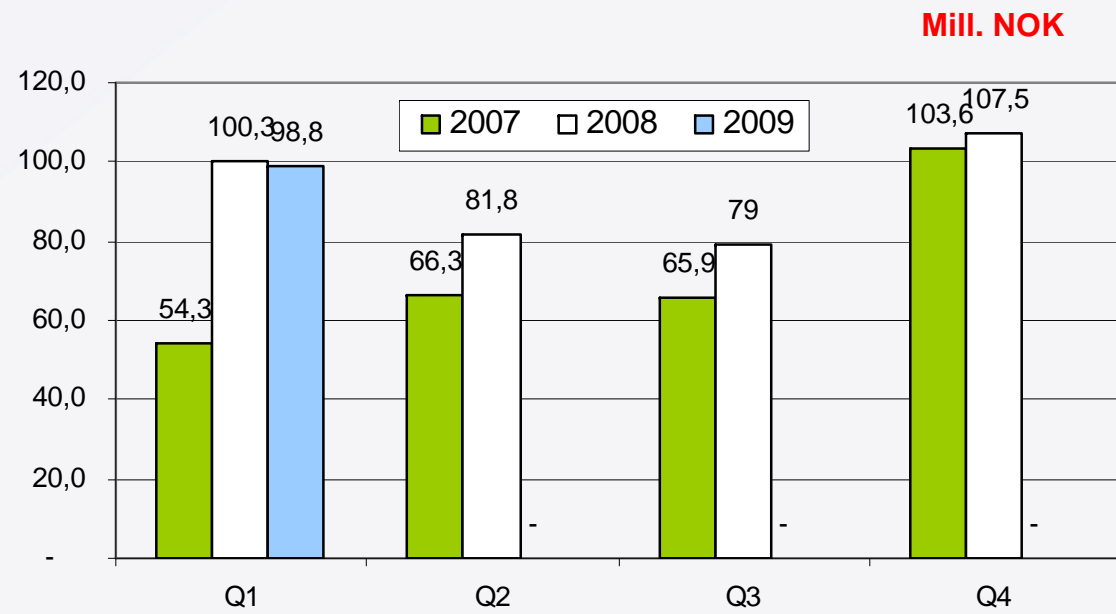
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Q1 - MAIN FINANCIAL RESULTS

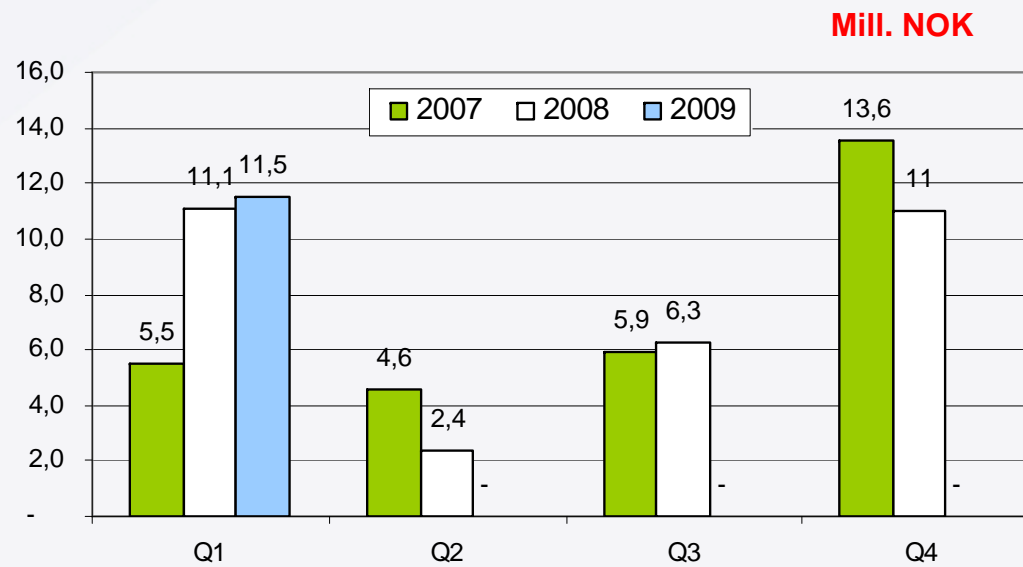
1000 NOK

	Q1 2009	Q1 2008	Change	2008
	Unaudited	Unaudited	2009 - 2008	Audited
OPERATING REVENUES	98 766	100 329	-2 %	368 631
EBITDA	15 707	14 449	9 %	44 353
EBIT	11 546	11 055	4 %	30 743
EBIT - %	12 %	11 %		8 %

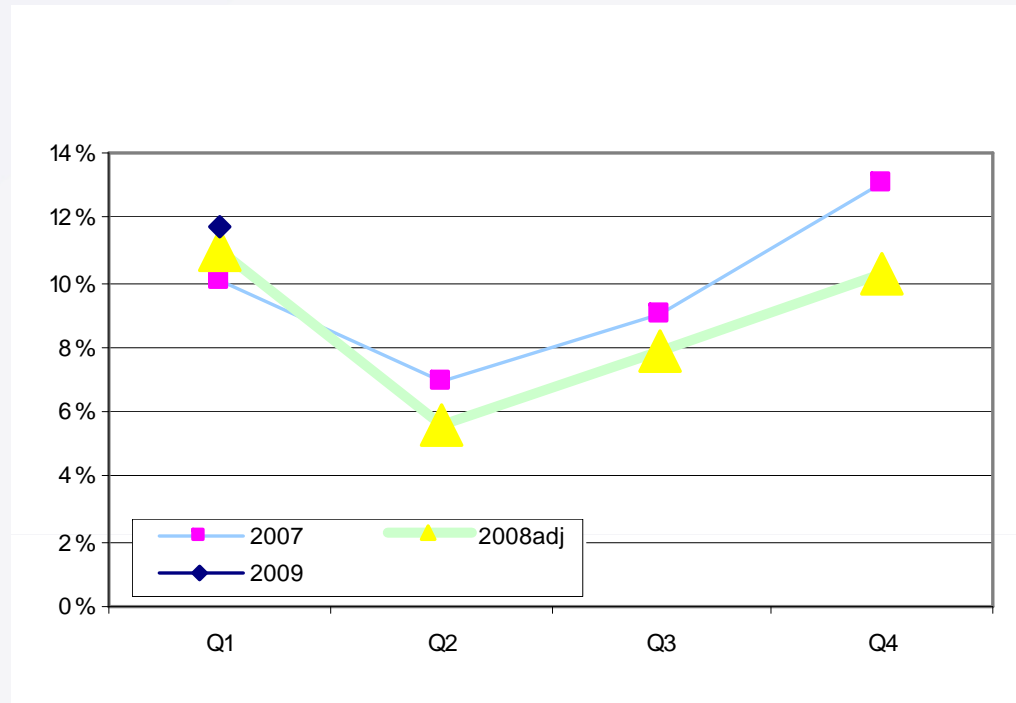
OPERATING REVENUES BY QUARTER



EBIT BY QUARTER



GROUP – EBIT-margin by quarter

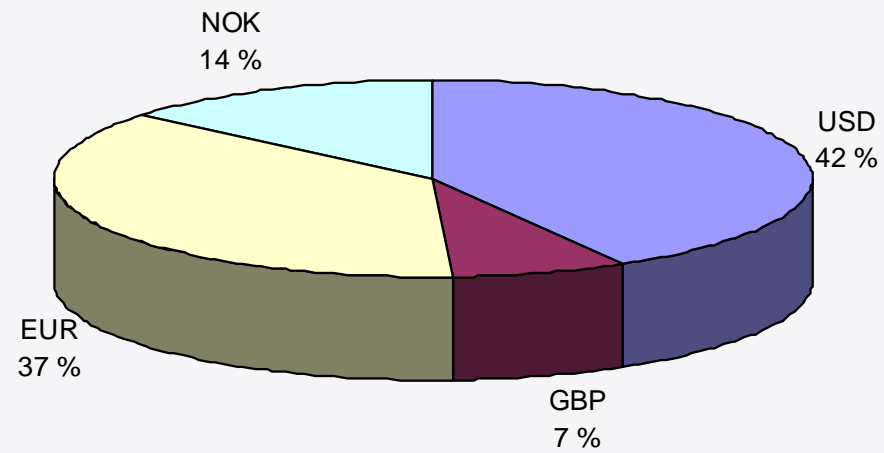


Note: Q2 2008 figures does not include non-recurring costs of MNOK 2.2 related to change of CEO.

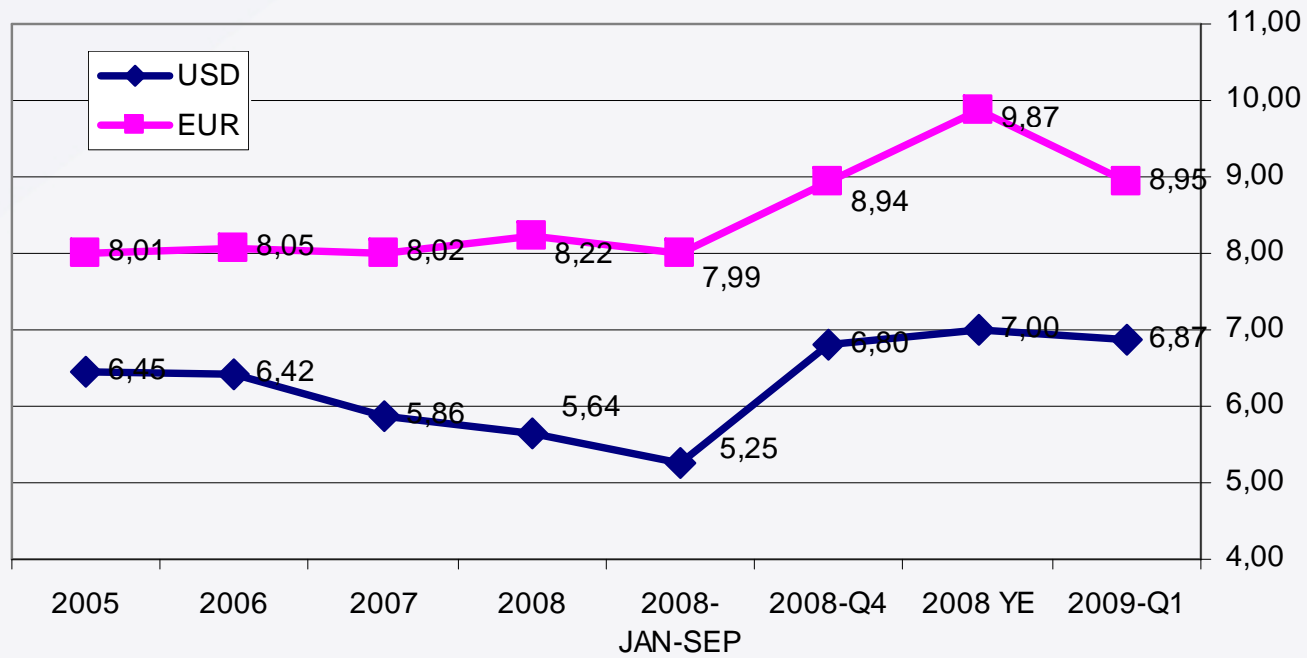
GROUP REVENUES – CURRENCY EXPOSURE



Revenues 2009 by currency



Average exchange rates



BALANCE SHEET

(All figures in 1000 NOK)	31.03.2009	31.03.2008	31.12.2008
Total Capital	339 813	319 935	358 492
Equity	113 550	103 779	109 725
Net interest-bearing liabilities	120 834	98 822	141 711
Property, Plant and Equipment	85 609	62 880	85 652
Intangible assets	85 632	72 859	90 362

CASH FLOW STATEMENT

(NOK 1000)	31.03.2009	31.03.2008	31.12.2008
Profit before tax	13 810	9 316	15 061
Depreciation and write-downs	4 161	3 394	13 610
Other non-cash elements	(2 694)	2 006	16 451
Change in working capital	3 093	263	3 346
Net cash flow from operations	18 370	14 979	48 468
Net cash flow from investment activities	(8 124)	(5 982)	(27 846)
Net cash flow from financing activities	(17 700)	(7 856)	(20 954)
Net change in cash and cash equivalents	(7 454)	1 141	(332)
Cash and cash equivalents at start of period	8 981	9 314	9 314
Cash and cash equivalents at end of period	1 528	10 455	8 982

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REVENUES AND EBIT PER OPERATING SEGMENT

1000 NOK

		Q1 2009	Q1 2008	2008
		Unaudited	Unaudited	Audited
Antennas				
	Revenues	74 613	72 528	259 601
	EBIT	13 816	11 887	35 389
	EBIT %	19 %	16 %	14 %
Masts				
	Revenues	8 448	14 439	64 650
	EBIT	(619)	515	9 531
	EBIT %	-7 %	4 %	15 %
Industrial Products				
	Revenues	8 787	8 183	29 277
	EBIT	165	266	(1 173)
	EBIT %	2 %	3 %	-4 %
Power Supply				
	Revenues	6 952	5 179	18 062
	EBIT	892	1 034	(693)
	EBIT %	13 %	20 %	-4 %

Notes:

1. Figures for the operating segments doesn't include elimination of internal sales
2. Administration costs incurred in the parent company and development costs not related to the operating segments are unallocated.

BUSINESS AREA

ANTENNAS – HIGHLIGHTS

Comrod antennas for the defense, civilian and commercial market



Continued strong development

EBIT up 16% vs LY

Good capacity utilization at all facilities

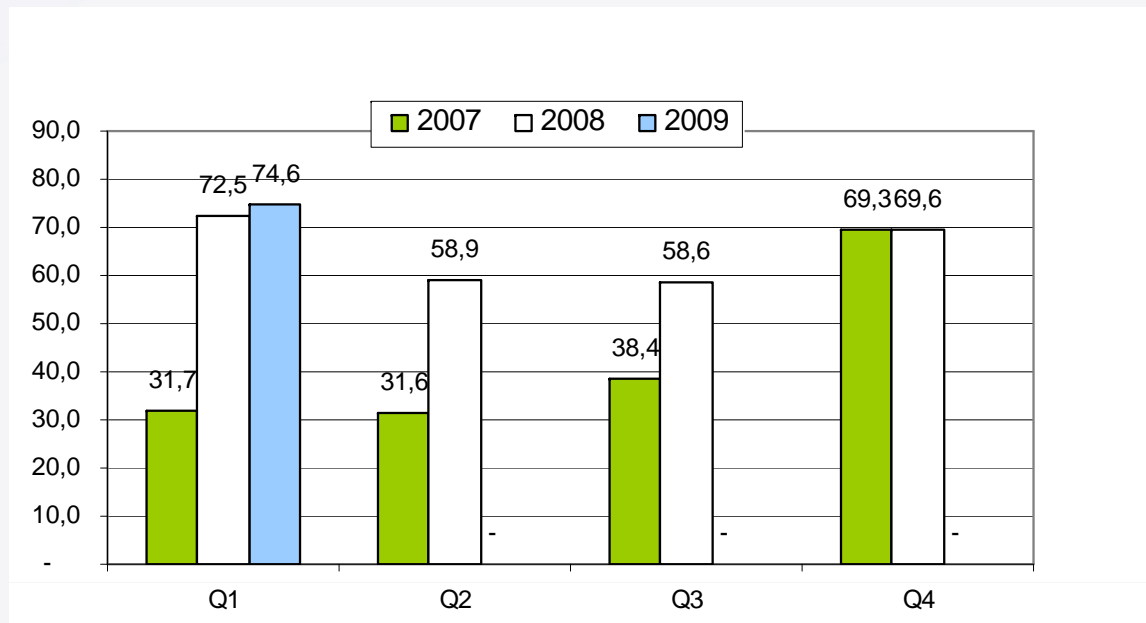
Growth possibilities in new market areas

HF Loop order in place

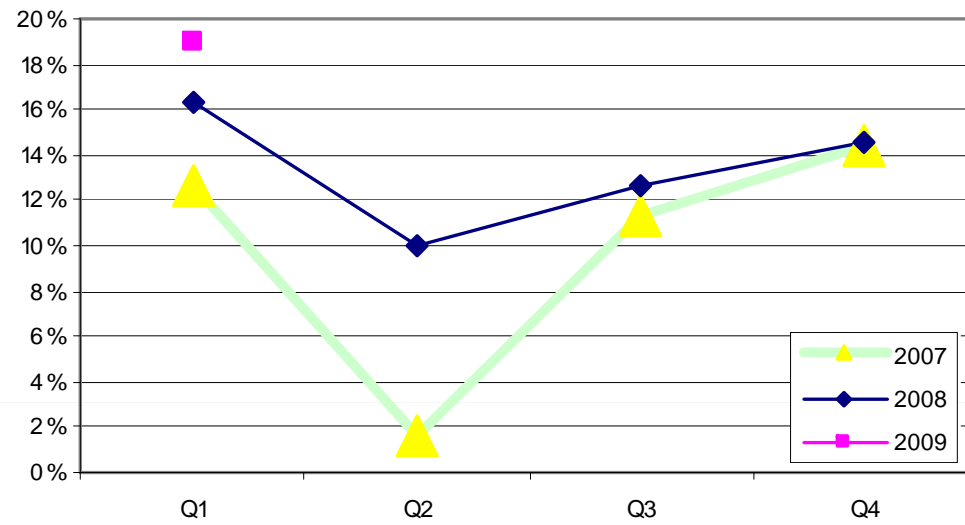
OPERATING REVENUES BY QUARTER – BA ANTENNAS



Mill. NOK



BA Antennas – EBIT-margin by quarter



BUSINESS AREA

MASTS – HIGHLIGHTS

Telescopic, sleeve, man-pack, manual and motorized masts.



Slow start with revenues due to periodical variations

MIDS / Terre contract with start up in Q2

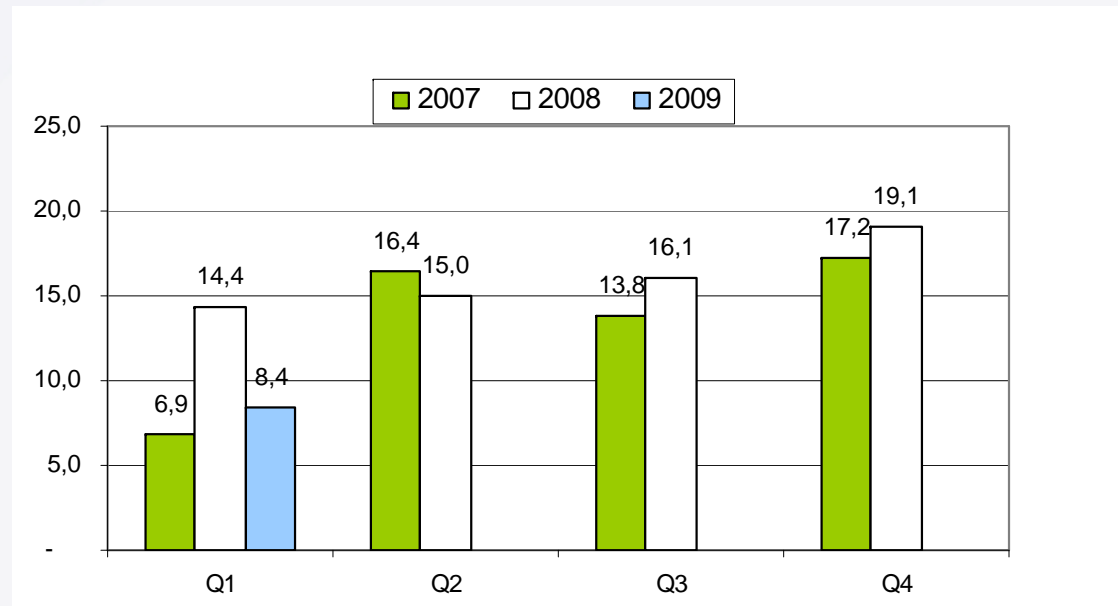
Order backlog indicates continued good 2009 revenues

Active Comrod UK contribution

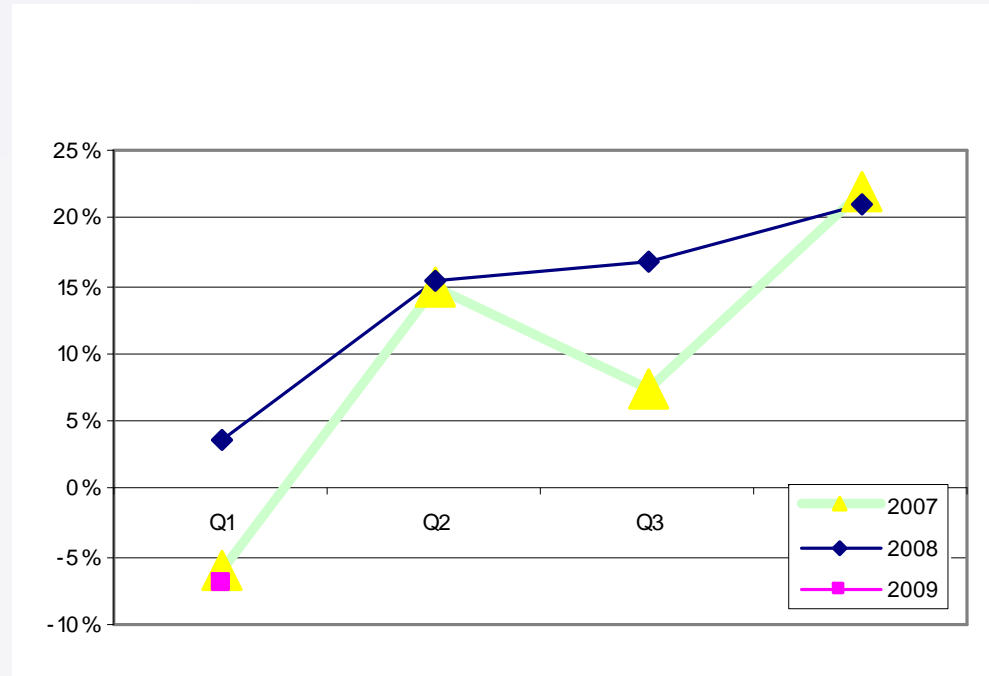
OPERATING REVENUES BY QUARTER – BA MASTS

Telescopic, sleeve, man-pack, manual and motorized masts.

Mill. NOK



BA Masts – EBIT-margin by quarter



BUSINESS AREA

INDUSTRIAL PRODUCTS – HIGHLIGHTS

Custom designed
products for
commercial and
defense applications



Revenue - at the same level as last year

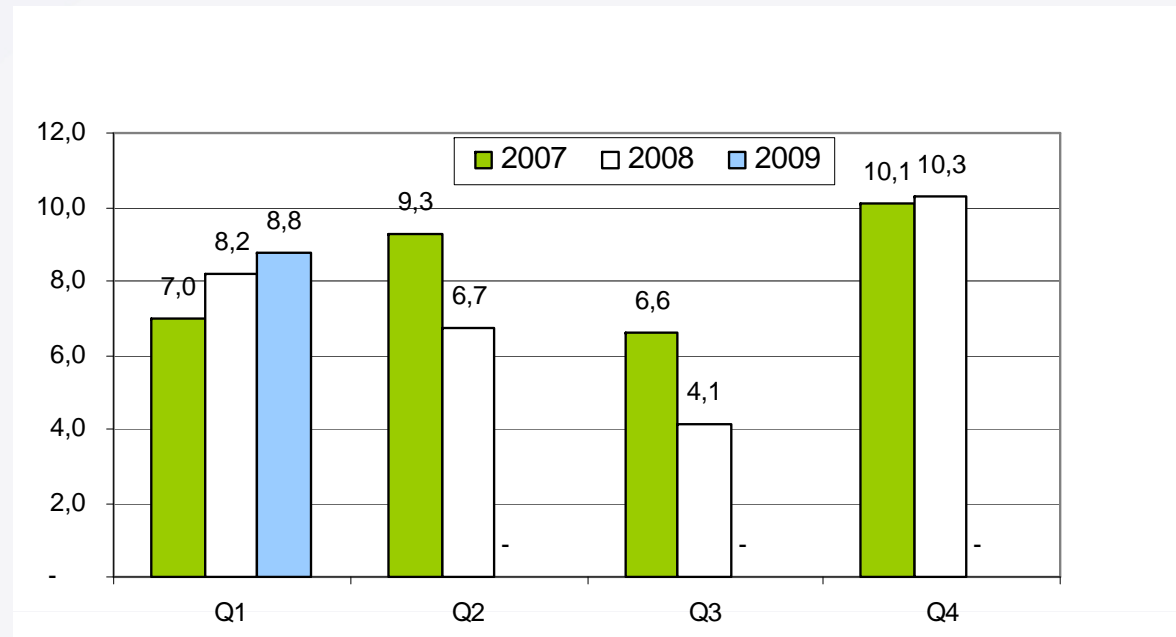
Insulator products – entered into the phased out stage

Oil related products – full attention

OPERATING REVENUES BY QUARTER – BA Industrial Products



Mill. NOK



BUSINESS AREA

POWER SUPPLY – HIGHLIGHTS

Experience from
more than 130
OEM projects
worldwide.



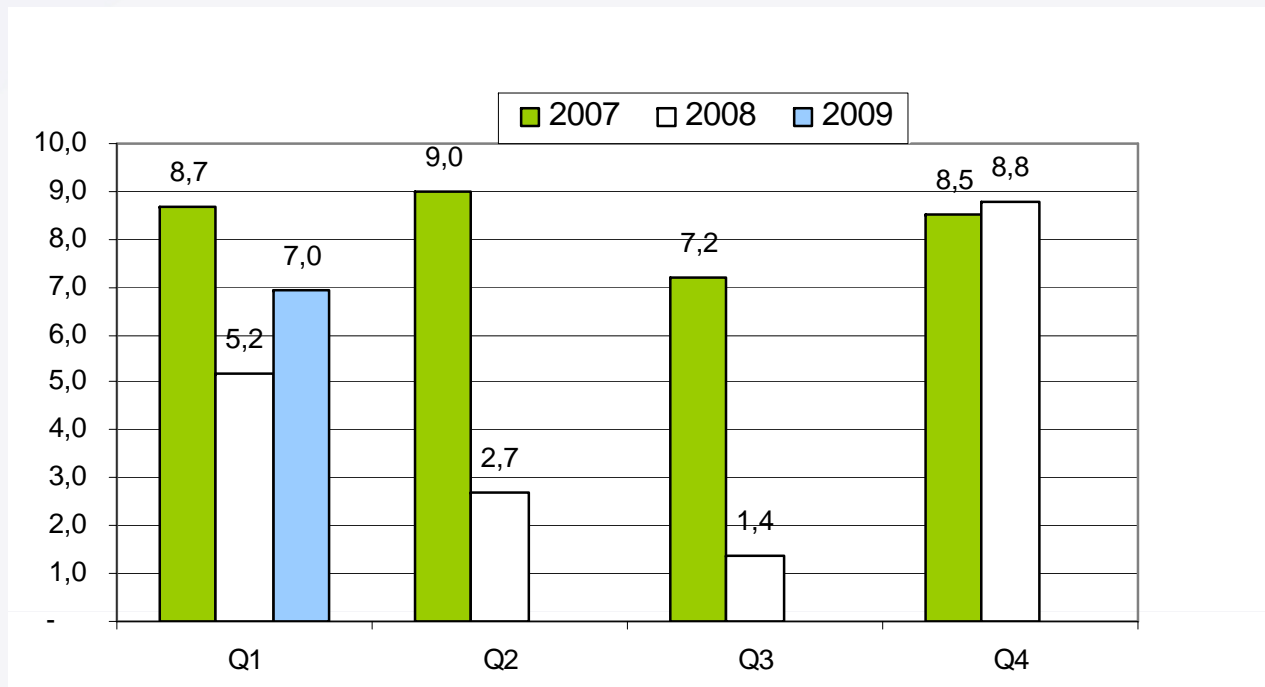
Q1 improved EBIT from Q4

ComPact development on track

OPERATING REVENUES BY QUARTER – BA Power Supply



Mill. NOK



NEW PRODUCTS TO BE LAUNCHED....



Global No. 1 position enhanced through continuous focus on product development

New products:

- **HF Loop antenna**
- **Telescopic mast series**
- **Multiband/wide band antennas**
- **ComPact** – next generation power supply
- **Various antenna control systems**

Unmanned Systems Norway/Unmanned Aerial Vehicle



UMS Bold Viking

Actively looking for **strategic or financial partners** for next phase

MOU signed with Lockheed Martin

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SUMMARY AND OUTLOOK



In line with plans

Strong performance for two Business areas

- Y-o-Y EBIT margin expected above last year
- Increasing market penetration and new contracts

Outlook:

- New products will contribute in 2009 and further on
- Revenues and margins will still vary between quarters
- Increase revenues to NOK 500 million by 2010-2011
- Currently no effect from the "financial crisis" for the main Business Areas

Questions & Answers
