

Stavanger 15 February 2010

Niklas Hermansson, CEO

Kari Duestad, CFO

## REACHING FURTHER THROUGH PEOPLE AND INNOVATION

Comrod Communication ASA

Fourth quarter 2009

Best ever



## AGENDA

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

COMPANY PROFILE

## COMROD COMMUNICATION GROUP – GLOBAL NO. 1

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**No.1 player globally** on tactical antennas

**Leading market position** within defense masts

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

## HIGHLIGHTS SINCE LAST PRESENTATION

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- **NOK 79.0 million revenues (107.0 in Q4/2008)**
- **Best EBIT margin ever**
- **Strong profit performance within main business areas**
- **Major IDIQ spare parts (approx 150 MNOK) contract for the French Army**
- **Private placement successfully completed**
- **New diversified shareholder structure**

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## Q4 - MAIN FINANCIAL RESULTS

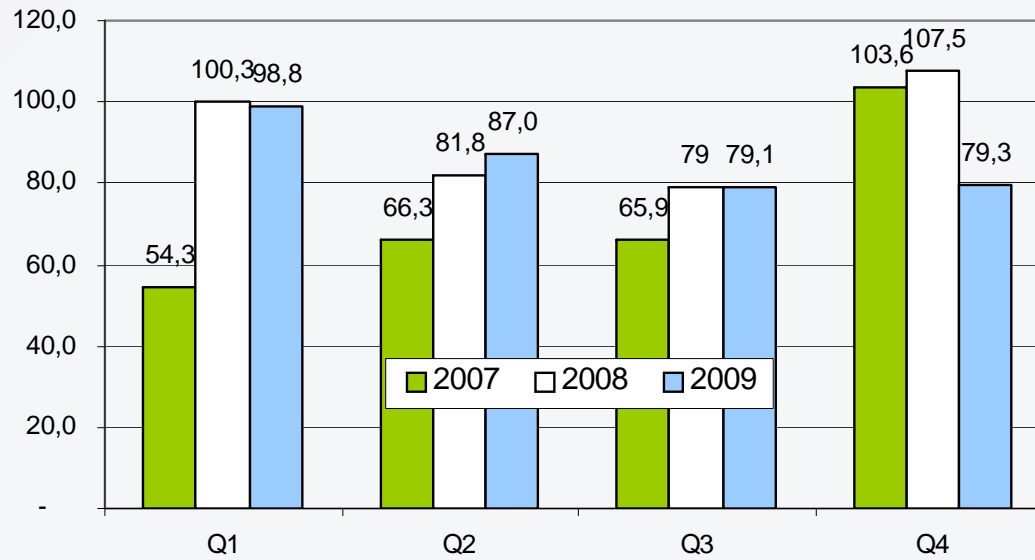
1000 NOK

<b>Q4 2009</b>	<b>Q4 2008</b>		<b>2009</b>	<b>2008</b>	<b>Change YTD 09 - YTD 08</b>
Unaudited	Unaudited		Unaudited	Audited	
79 319	107 493	OPERATING REVENUES	344 183	368 631	-7 %
15 861	14 796	EBITDA	56 044	44 353	26 %
11 876	11 019	EBIT	27 956	30 743	-9 %
15 %	10 %	EBIT - %	8 %	8 %	
		EBIT - adjusted*	39 956		
		EBIT - % adjusted*	12 %		

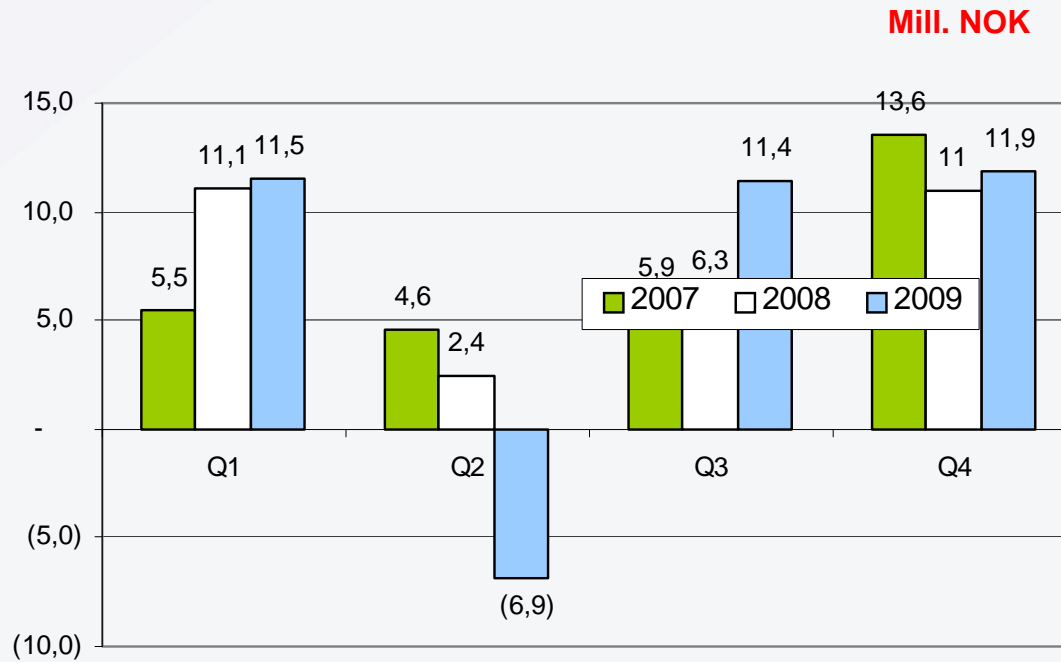
\*)Adjusted for one time costs related to amortization of UMS assets

## OPERATING REVENUES BY QUARTER

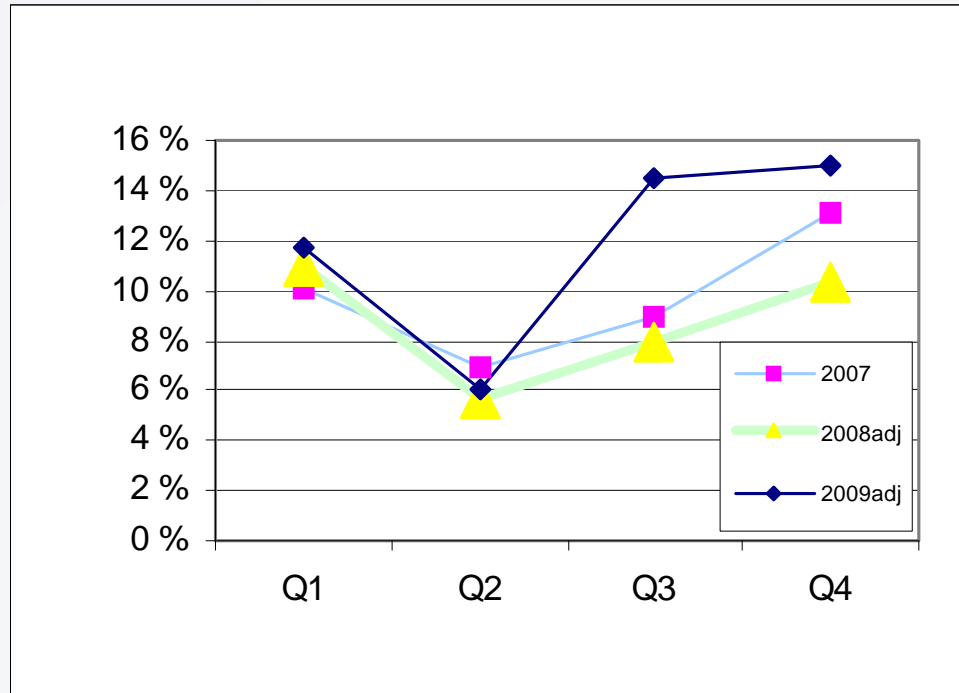
Mill. NOK



## EBIT BY QUARTER



## GROUP – EBIT-margin by quarter

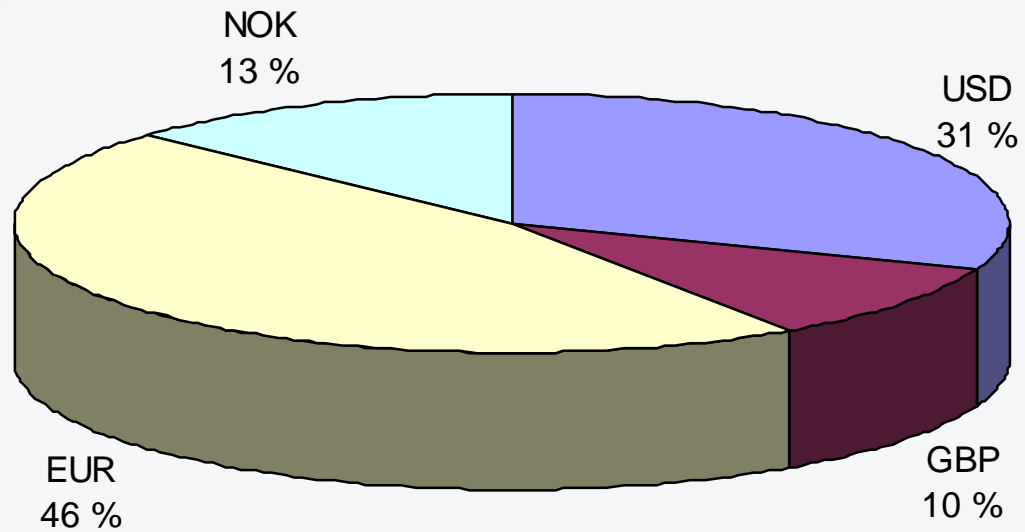


Note: Q2 2009 does not include amortization cost UMS. Q2 2008 figures does not include non-recurring costs related to change of CEO.

## GROUP REVENUES – CURRENCY EXPOSURE



Revenues 2009 by currency



## BALANCE SHEET

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(All figures in 1000 NOK)	31.12.2009	31.12.2008
<b>Total Capital</b>	323 887	358 492
<b>Equity</b>	146 406	109 725
<b>Net interest-bearing liabilities</b>	73 144	141 711
<b>Property, Plant and Equipment</b>	82 101	85 652
<b>Intangible assets</b>	75 392	90 362

## CASH FLOW STATEMENT

( NOK 1000)	31.12.2009	31.12.2008
Profit before tax	31 456	15 061
Depreciation and write-downs	28 088	13 610
Other non-cash elements	4 106	16 451
Change in working capital	(9 954)	3 346
<b>Net cash flow from operations</b>	<b>53 696</b>	<b>48 468</b>
Net cash flow from investment activities	(23 624)	(27 846)
Net cash flow from financing activities	(19 179)	(20 954)
<b>Net change in cash and cash equivalents</b>	<b>10 893</b>	<b>(333)</b>
Cash and cash equivalents at start of period	8 981	9 314
<b>Cash and cash equivalents at end of period</b>	<b>19 874</b>	<b>8 981</b>

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## REVENUES AND EBIT PER OPERATING SEGMENT

1000 NOK

Q4 2009	Q4 2008			2009	2008
Unaudited	Unaudited			Unaudited	Audited
		<b>Antennas</b>			
57 206	69 568		Revenues	249 432	259 601
13 159	10 180		EBIT	44 763	35 389
23 %	15 %		EBIT %	18 %	14 %
		<b>Masts</b>			
15 981	19 127		Revenues	53 227	64 650
1 898	4 018		EBIT	4 881	9 531
12 %	21 %		EBIT %	9 %	15 %
		<b>Industrial Products</b>			
5 107	10 290		Revenues	27 293	29 277
275	(276)		EBIT	152	(1 173)
5 %	-3 %		EBIT %	1 %	-4 %
		<b>Power Supply</b>			
1 284	8 763		Revenues	14 659	18 062
(1 042)	(442)		EBIT	(945)	(693)
-81 %	-5 %		EBIT %	-6 %	-4 %

Notes:

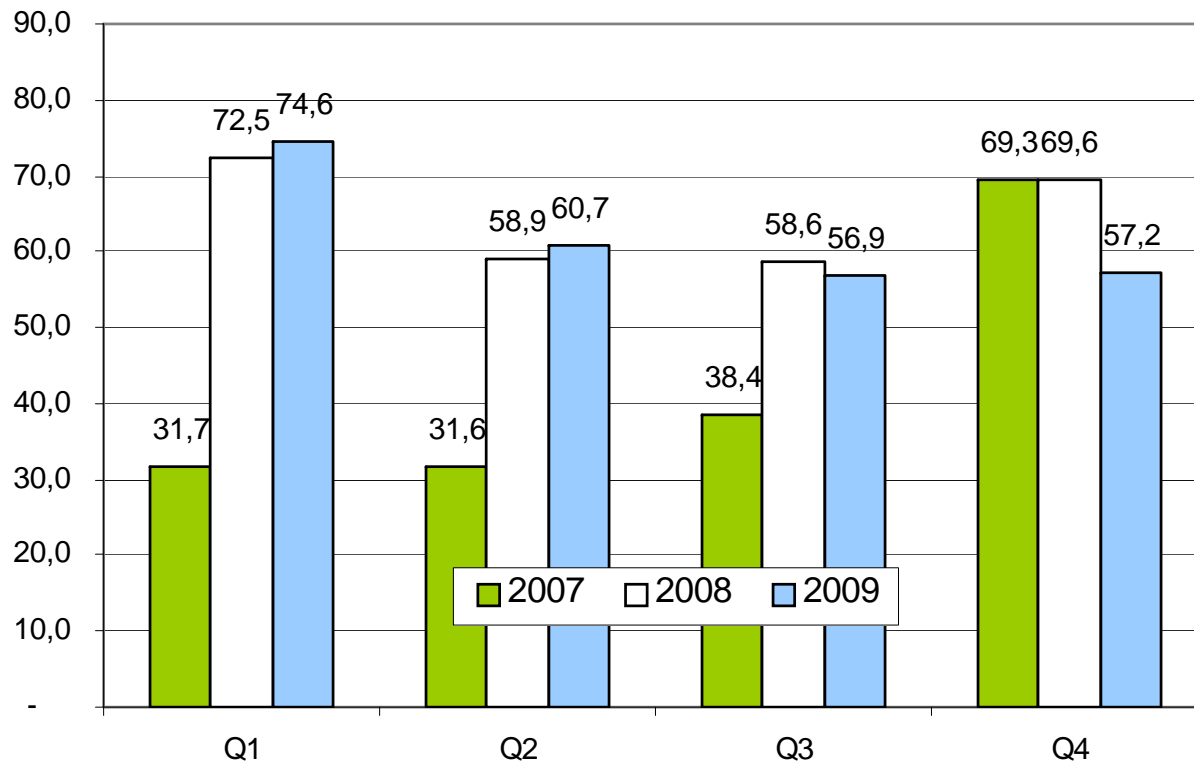
1. Figures for the operating segments doesn't include elimination of internal sales
2. Administration costs incurred in the parent company are unallocated.



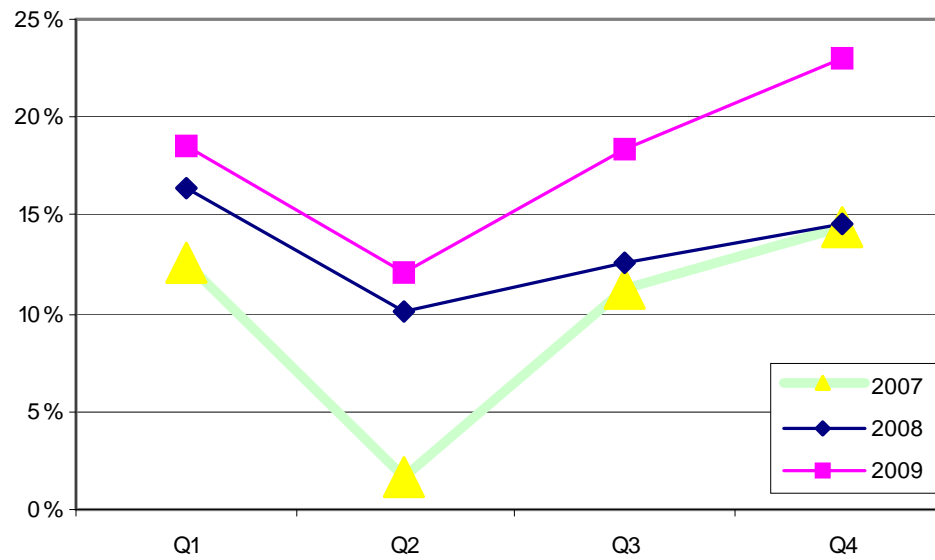
## OPERATING REVENUES BY QUARTER – BA ANTENNAS

Comrod antennas for the defense, civilian and commercial markets

Mill. NOK



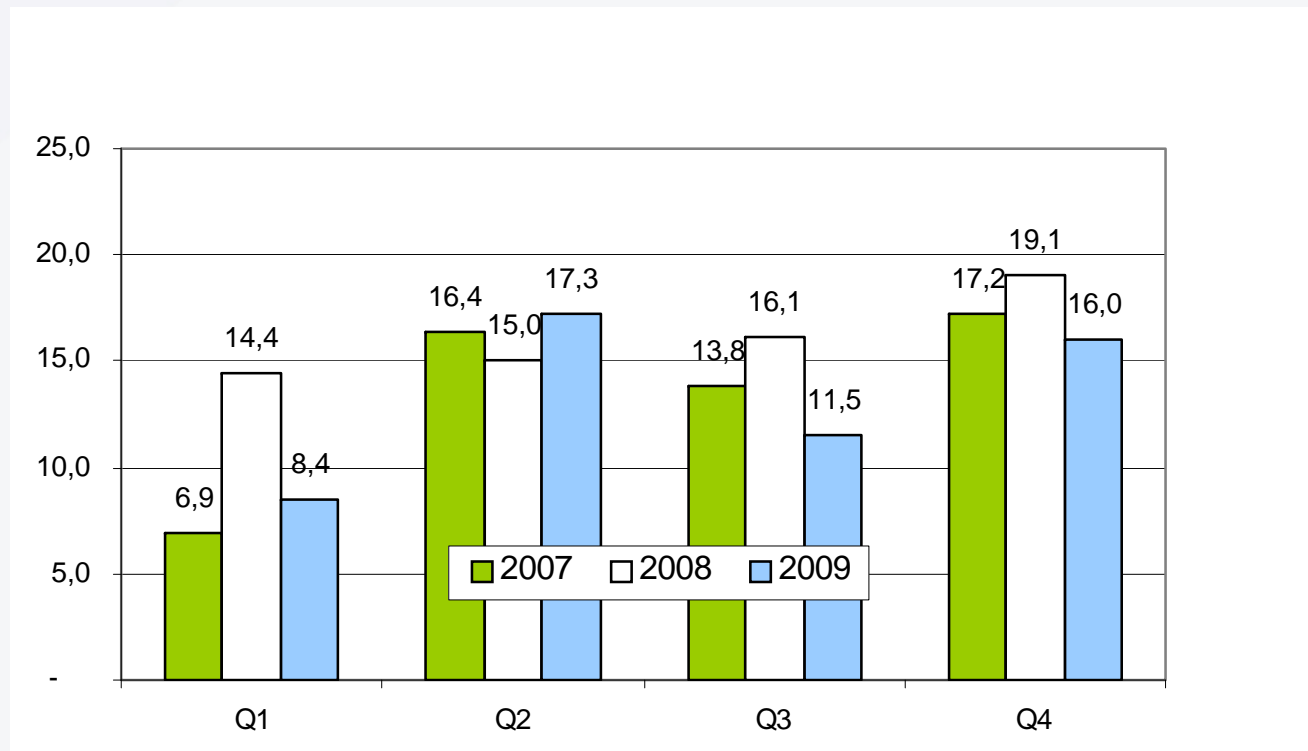
## BA Antennas – EBIT-margin by quarter



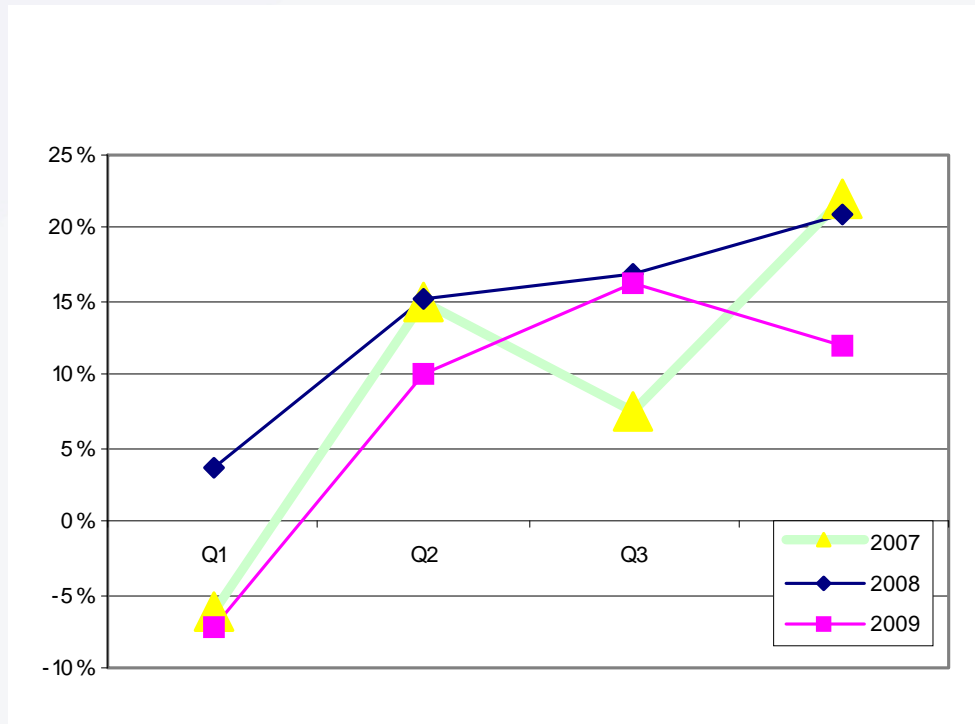
## OPERATING REVENUES BY QUARTER – BA MASTS

Telescopic, sleeve  
man-pack, manual  
and motorized  
masts

Mill. NOK



## BA Masts – EBIT-margin by quarter



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## NEW PRODUCTS LAUNCHED



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

### **Products launched in 2009:**

- "Communications on the move"
- Telescopic masts series – IDTM
- Band 4 parabolic antenna
- Multiband/wide band antennas
- Antenna control systems

## SUMMARY AND OUTLOOK

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### Summary:

- Solid financial profit development
- Best ever Group EBIT margin reflects this
- High level of market activity

### Outlook:

- Activities to increase throughout the year
- Fluctuations from quarter to quarter can be expected in 2010



