

# Blom ASA

## 4<sup>th</sup> Quarter 2014 Result Presentation

Presentation by CEO  
Dirk Blaauw

25 February 2015

WEBCAST



## Forward Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts are forward-looking. You should not place undue reliance on these forward-looking statements for many reasons.

These forward-looking statements reflect current views with respect to future events and are by their nature subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity or performance will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this presentation, either to conform them to actual results or to changes in our expectations.

- Highlights
- Key figures
- Markets & operations
- Future outlook



- Q4 shows improved profitability
  - Revenue in Q4 NOK 51 mill
  - EBITDA from operating segments NOK 6 mill, margin of 12%
  - Positive cash flow of NOK 25 mill
- Focused strategy pays off
  - Focus on new and more profitable markets / product / segments
  - Significant market potential identified for infrastructure asset management
- 2014 shows improved profitability
  - Revenue in 2014 NOK 234 mill, increase 17% from 2013
  - EBITDA from operating segments NOK 30 mill, margin of 13 %
  - Shareholders equity 50 per cent
  - Net interest-bearing cash position NOK 50 mill

# Key Figures – Profit & Loss



(NOK million)	Q4 2014	Q4 2013*	Per 31.12.14	Per 31.12.13**
Revenues	51.2	40.5	234.1	199.7
COGS	14.9	11.2	91.0	68.1
Personnel costs	25.6	25.4	101.5	107.5
Other operating costs	7.3	6.7	26.3	23.9
EBITDA	3.4	-2.8	15.3	0.2
EBITDA %	6.6 %	-6.9 %	6.5 %	0.1 %
EBIT	2.2	-10.1	7.3	-31.3

\* EBIT Q4 2013 adjusted for net positive one-off NOK 9 mill

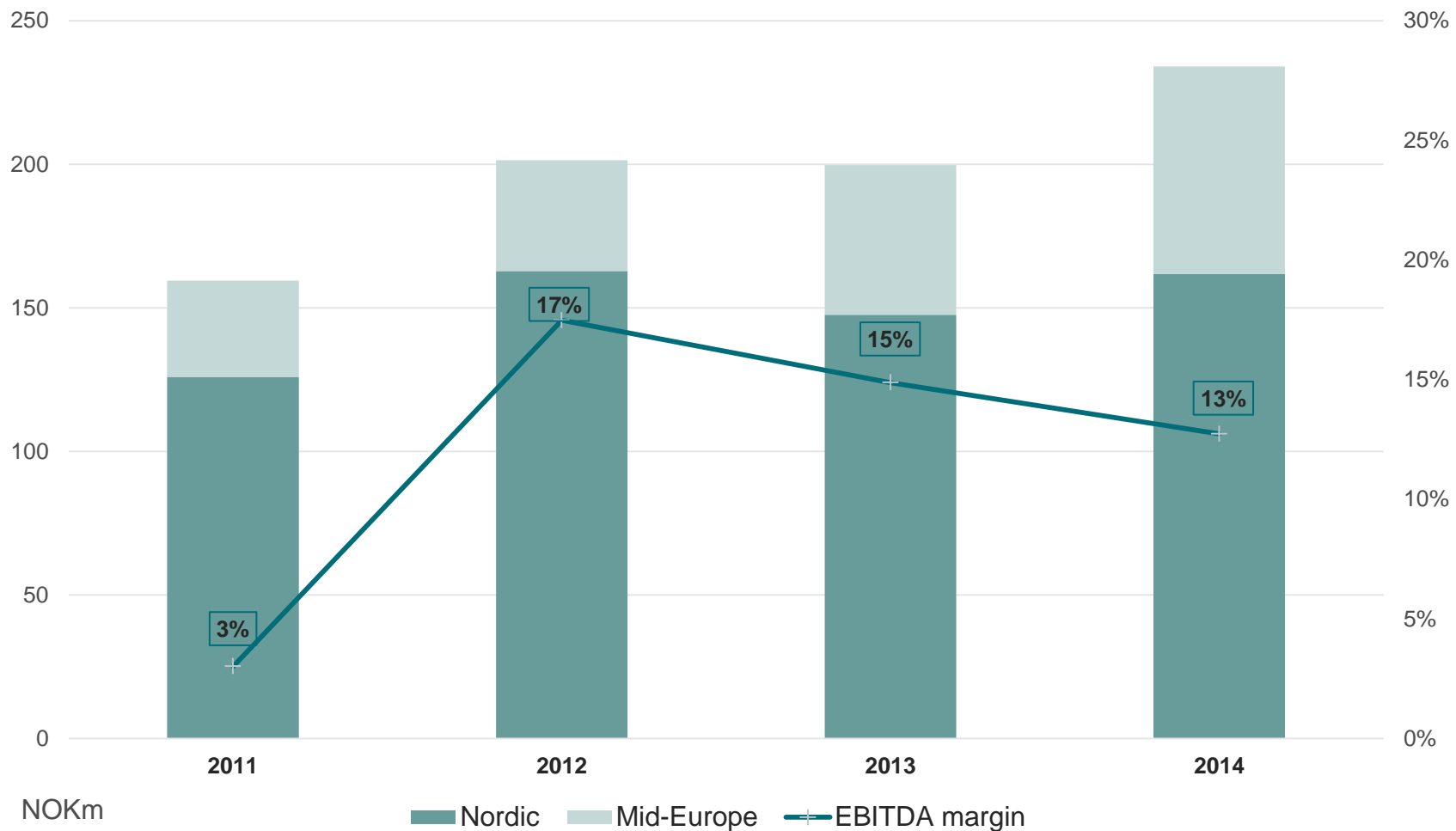
\*\* EBIT 2013 adjusted for net negative one-off NOK 11 mill

# Key Figures – Operating Segments

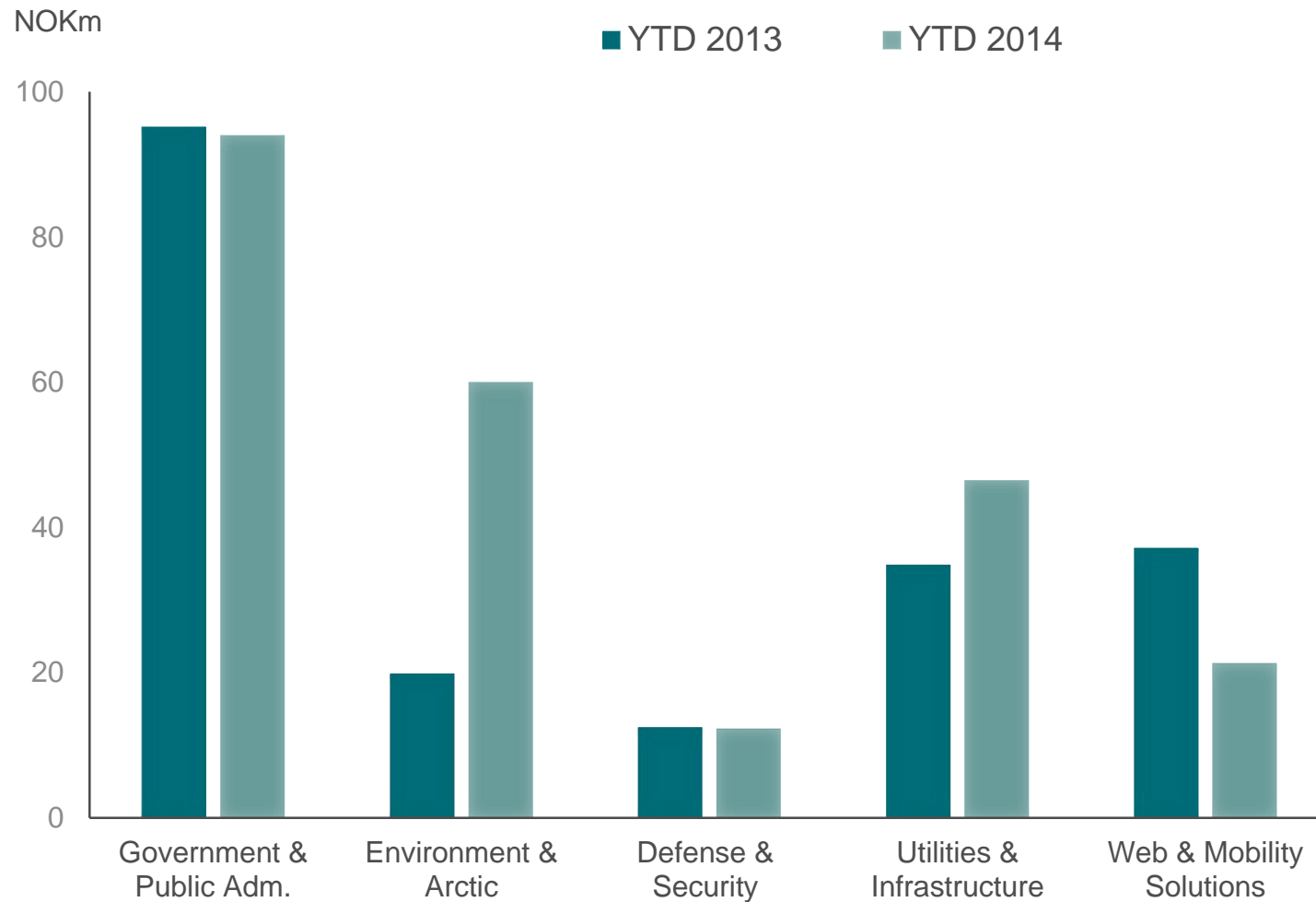
(NOK million)	Q4 2014	Q4 2014	YTD 2014	YTD 2014
	Revenue	EBITDA	Revenue	EBITDA
Nordic	35.6	2.5	161.8	15.8
Mid-Europe	15.6	3.5	72.3	14.0
Total operating segments	51.2	6.0	234.1	29.8

- Nordic
  - Norway: Good profitability
  - Sweden: Successful shift to new market segments / products
- Mid-Europe
  - Successful turnaround in UK

# Steady yearly revenue levels - healthy margins



# Key Figures – Revenues per segment



# Key Figures – Q4 Balance Sheet

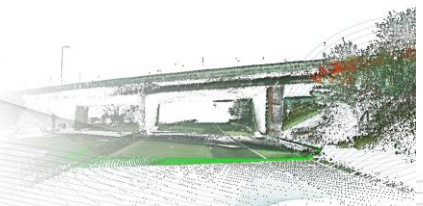
(NOK million)	Per 31.12.14	Per 30.09.14	Per 31.12.13
Fixed Asset	25.0	19.6	22.5
Other current Assets	67.3	103.3	82.1
Cash	51.4	29.6	42.7
Assets held for sale	4.2	0	48.1
<b>Total Assets</b>	<b>147.9</b>	<b>152.5</b>	<b>195.4</b>
Shareholder's Equity	74.6	67.7	56.3
Long term Liability	5.4	5.3	13.7
Current Liabilities	64.2	79.5	92.2
Liabilities held for sale	3.7	0	33.2
<b>Total Equity and Liabilities</b>	<b>147.9</b>	<b>152.5</b>	<b>195.4</b>
Net Interest-bearing Cash Position	- 49.8	- 28.6	- 38,4
Equity Ratio (%)	50%	44%	29%
Current Ratio	1.81	1.68	1.38

- Overall increased revenues and improved margin
- Blom ASA costs reduced 50 % compared to 2013
- Norwegian operations shows good profitability
- Overall contract portfolio improved
- Improved balance sheet
  - Shareholders equity 50 per cent
  - Current ratio 1.81
  - Net interest-bearing cash position NOK 50 million

- Reduced geographical exposure pays off
  - Norway – increase revenue 62 % from 2013
  - UK – increase revenue 48 % from 2013
- Increased interest for BlomSTREET, BlomOBLIQUE & 3D
  - Public sector
  - Online services
- Ice detection
  - Project as planned in 2014
  - Political sanctions resulted in termination of contract
  - New opportunities identified
- Awarded contract with leading global supplier
  - European orthophoto library – nationwide – 30 cm resolution

# New growth opportunities

- Aerial Ice Detection and Mapping Services
  - Surveillance and detection for oil exploration
  - Climate and environmental analysis
  - Pollution analysis
- Utilities and Infrastructure Services
  - Powerline documentation with Lidar and photo analysis
  - Road and railroad mapping - Lidar and photo analysis



- Contract awarded July 2014
- Nationwide coverage of most European countries
- Total value until 2017 up to NOK 100 mill
- Blom will retain certain rights to the library



- Blom will do second sales
- Blom will combine data sets



- Growth opportunities will be based on present core competences, resources and experience
- Maintain focus on cost-efficient structure to improve revenues and margins
- New opportunities identified for utilization of advanced sensor technology