

Blom ASA

1st Quarter 2014 Result Presentation

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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 relates 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.



Agenda Q1 Presentation



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



- Completed transaction of Romanian engineering and consultancy subsidiary
- Increased Nordic focus pays off
- Group restructuring
 - Iberia - Sales and liquidation of companies soon to be concluded
 - Iberia - Core activities and Urbex operation will remain
 - Blom Group - No further restructuring planned
- Group strategy
 - Focus on new markets / product segments
 - Ice detection contract awarded



Key Figures – Q1 Profit & Loss



(In NOK '000)	Q1 2014	Q1 2013
Revenues	49 008	42 342
COGS	15 589	12 674
Personnel costs	30 482	32 555
Other operating costs	8 548	6 826
EBITDA	- 5 611	- 9 713
EBITDA %	- 11.4 %	- 22.9 %
EBIT	- 7 344	- 16 750

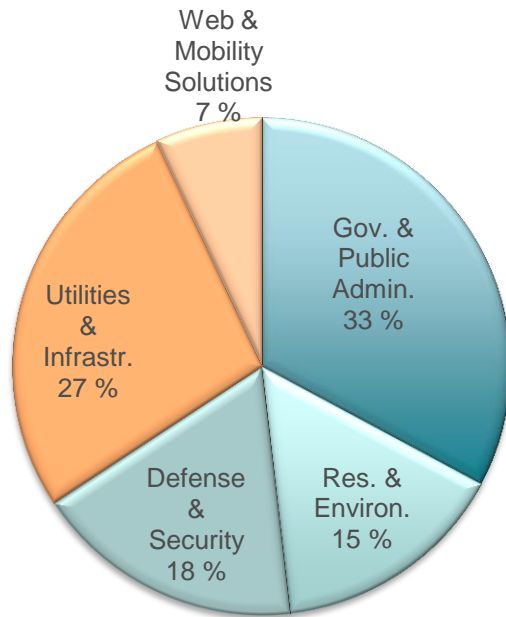
Key Figures – Per Region

(In NOK '000)	Q1 Revenue		Q1 EBITDA	
	2014	2013	2014	2013
Nordic	24 467	19 762	- 2 977	445
Mid-Europe	17 398	16 694	1 942	158
Iberia & Latin America	7 143	5 886	93	- 3 099

- Nordic
 - Improved revenue 24 % compared to 1st quarter 2013
 - Norway – Close to 50 % market share, reduced margins
 - Sweden - Successful shift to new market segments / products, improved margins
- Mid-Europe
 - Focus on important framework agreements

Key figures – Per Segment

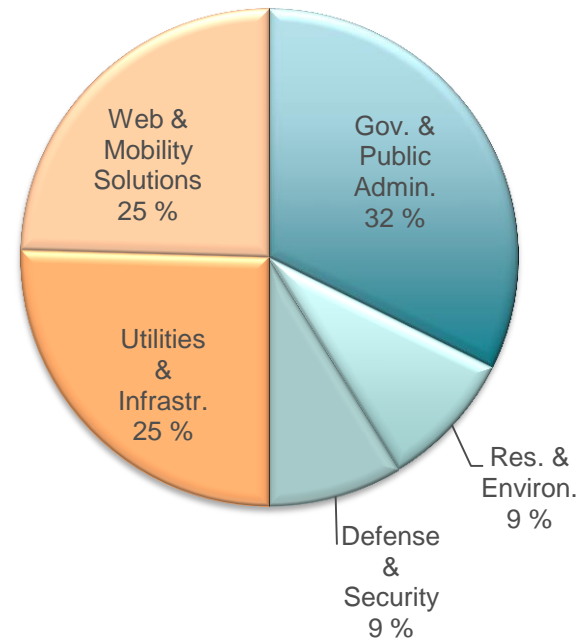
Revenues Q1 2014



Private sector

Public sector

Revenues Q1 2013



- Continued focus on new business models and revenue streams

Key Figures – Q1 Balance Sheet



(NOK million)	Per 31.03.14	Per 31.12.13*
Fixed Asset	20.5	22.5
Current Assets	122.8	173.0
- Cash	49.8	42.7
- Assets held for sale	0	48.1
Total Assets	143.3	195.4
Shareholder's Equity	50.3	56.3
Long term Liability	14.4	13.7
Current Liabilities	78.6	92.2
Liabilities held for sale	0	33.2
Total Equity and Debt	143.3	195.4
Net Interest Bearing Debt	- 46.1	- 52.3
Equity Ratio (%)	35.1%	28.8%
Current Ratio	1.56	1.38

*Blom Romania included as «assets held for sale», respectively «liabilities held for sale».

- Improved revenues for 1st quarter compared with 1st quarter 2013
- Blom ASA costs reduced 50 % compared to 1st quarter 2013
- Restructuring process to be finalized in Q2 – cost accounted for
- Improved balance sheet
 - Shareholders equity 35 per cent
 - Current ratio 1.56
 - Net interest bearing debt NOK – 46 million



- Increased Nordic focus pays off
- Q1 is seasonally weak market
- Growing demand for advanced laser scanning
 - Infrastructure (roads, rail)
 - Power lines (risk analysis / maintenance)
 - Environment & flooding
 - Height model for Norway in progress
- Increased interest for BlomSTREET, BlomOBLIQUE & 3D



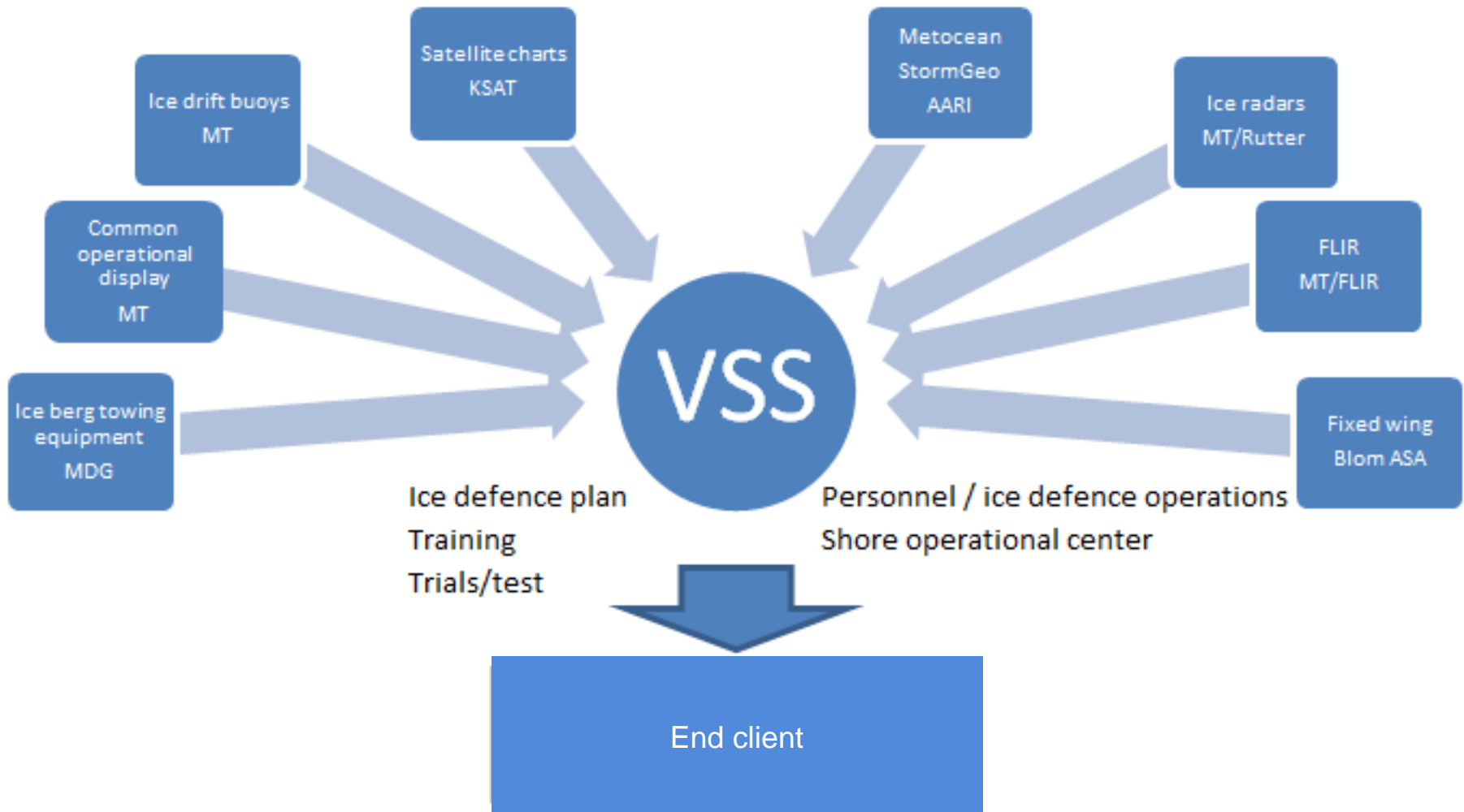
Ice Detection Contract



- Blom provides airplanes and SAR sensors for ice detection
- Project on track
- 2 + 2 year ice detection contract awarded
- Contractor is Viking Supply Ships
- Annual revenue of NOK 35 – 50 million
 - Satisfactory margin



Ice Detection Contract - Company Roles



- Provide solutions and services for a wider range of airborne sensors
- Expansion in sensor market may include:
 - Surveillance
 - Environment
 - Magnetic and radiometric sensors
 - Airborne seismic etc
- Evaluate potential outsourcing of flight operations



Established Sound Platform



- Company restructuring process soon completed
- Sound financial platform established
- Significantly reduced geographical exposure
- Established a more focused market approach



Future Outlook

- Maintain focus on cost-efficient structure to improve revenues and margins
- Evaluate growth opportunities based on present core competences and resources

