

Blom ASA

4th Quarter and Annual 2013 Result Presentation

Presentation by CEO
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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 Q4 Presentation



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



- Divestment of Romanian subsidiary, Blom Romania SRL
- Restructuring - completed
 - Shareholders equity 29 per cent (35 per cent post sale of Romania)
 - Current ratio 1.38
 - Net interest bearing debt NOK –38 million (NOK –63 million post sale of Romania)
 - Pro-active shareholders - Board and management
- Cost-efficient asset and resource base
- Revised strategy pays off
 - 2 + 2 year ice detection contract awarded



Key Figures – Q4 Profit & Loss



(In NOK '000)	Q4 2013	Q4 2012
Revenues	51 598	60 742
COGS	15 216	11 231
Personnel costs	33 265	33 084
Other operating costs	11 411	3 055
Other gains / losses	-24 207	0
EBITDA	15 913	13 372
EBITDA %	30.8 %	22.0 %
EBIT	-6 594	2 686

P & L for continuing operations - excluding Romanian subsidiary, Blom Romania SRL

Key Figures – 2013 Profit & Loss



(In NOK '000)	Per 31.12.13	Per 31.12.12
Revenues	264 575	265 146
COGS	79 213	75 497
Personnel costs	140 809	138 693
Other operating costs	36 318	25 355
Other gains / losses	-24 207	-23 884
EBITDA	32 442	49 484
EBITDA %	12.3 %	18.7 %
EBIT	-54 906	12 028

P & L for continuing operations - excluding Romanian subsidiary, Blom Romania SRL

Significant one-offs impact comparable numbers:

- Depreciation and write-downs of assets
- Sale of assets and databases
- Dispute settlement
- Conversion of debt to equity
- Significant restructuring costs over the last two years



Key Figures – Per Region

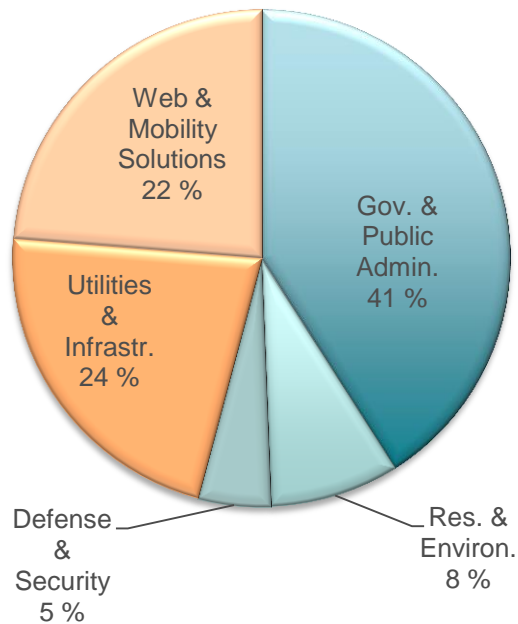


(In NOK '000)	Per 31.12 Revenue		Per 31.12 EBITDA	
	2013	2012	2013	2012
Nordic	167 556	164 804	46 490	44 368
Mid-Europe	52 891	46 838	-463	2 059
Eastern Europe	9 874	5 578	3 312	1 163
Iberia & Latin America	34 254	46 326	-11 538	-8 746

- Nordic
 - Includes Blom Data operation
 - Excludes Blom ASA costs
 - Revised strategy opens for new market opportunities
- Mid-Europe
 - Market decline seems to have levelled out
- Iberia & Lat. Am.
 - Reduced geographical presence and exposure

Key figures – Per Segment

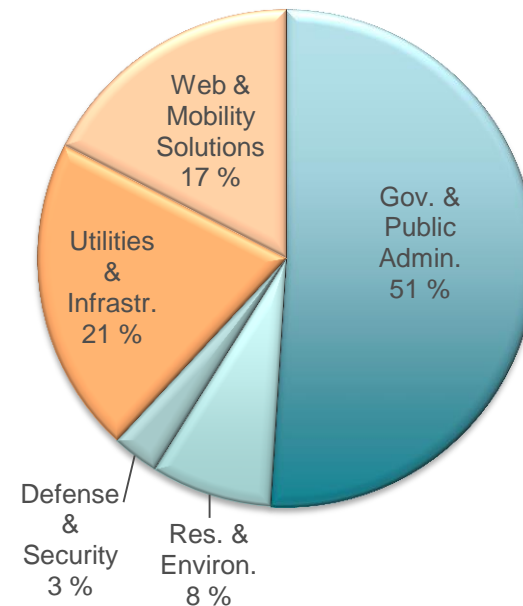
Revenues 2013



Private sector

Public sector

Revenues 2012



- Increase in private sector as according to plan
- Continued focus on new business models and revenue streams

Key Figures – Balance Sheet



(In NOK million)	Per 31.12.13	Per 30.09.13	Per 31.12.12
Fixed Asset	22.5	45.0	100.4
Other current Assets	82.1	135.7	116.7
Cash	42.7	31.3	64.6
Assets held for sale	48.1*	0	144.4
Total Assets	195.4	212.0	426.1
Shareholder's Equity	56.3	-11.7	40.9
Long Term Liability Int bearing	0.4	62.9	63.0
Other Long term Liability	13.3	15.8	18.2
Current Liab. Int. Bearing	3.8	36.7	57.2
Other Current Liabilities	88.3	108.3	114.7
Liabilities held for sale	33.2*	0	129.1
Total Equity and Debt	195.4	212.0	426.1
Net Interest Bearing Debt	-38.4	68.2	55.6
Equity Ratio (%)	28.8 %	-5.5 %	9.6 %
Current Ratio	1.38	1.15	0.85

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

- Divestment of Romanian subsidiary, Blom Romania SRL
- Restructuring completed
 - Shareholders equity 29 per cent (35 per cent post sale of Romania)
 - Current ratio 1.38
 - Net interest bearing debt NOK – 38 million (NOK – 63 million post sale of Romania)
 - Net proceed from Romania will improve cash balance NOK 25 million
 - Pro-active shareholders - Board and management
- Cost-efficient asset and resource base
- Investments in 2013 totalled NOK 14 million (NOK 35 million in 2012)
- EGM 29 November 2013 where equity was re-classified



- Still excess capacity in market
- Traditional mapping market – slight increase expected in 2014
- 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
- Large contract signed for ice detection



Ice Detection Contract



- 2 + 2 year ice detection contract awarded
- Contractor is Viking Supply Ships
- Annual revenue of NOK 35 – 50 million
 - Satisfactory margin
- Blom participates in ice defense plan with Kongsberg Sat. Services and StormGeo
 - Blom provides airplanes and SAR sensors for ice detection



- 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 Financial Platform



- All intangible assets, software and libraries are written down
- Conversion of interest bearing debt to equity
- Implemented cost - and efficiency measures
- Reduced geographical exposure
- Established a more focused market approach
- New supportive shareholders and Board of Directors



- Macro economic conditions show signs of improvement
- Maintain focus on cost-efficient structure to improve revenues and margins
- New company strategy
 - To support and create new growth opportunities

