

# Blom ASA

## 1<sup>st</sup> Quarter 2012 Results

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Thon Hotel Vika Atrium, Oslo



## 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
- Future Outlook
- Q & A



- Successfully finalized financial restructuring process
- Revenue shows signs of improvement
- New market oriented organizational structure implemented



- Agreement with Bondholders on FRN Bond Issue 2009/2012
  - NOK 312 million was converted to equity
  - NOK 35 million exchanged to a convertible bond with face value NOK 11
- NOK 50 million FRN Senior Bond Issue 2011/2012
  - Maturity prolonged to 30 April 2015
  - Interest rate reduced from NIBOR + 11 % to NIBOR + 5,5 %
- New credit facility with a short-term bond loan (9 months) up to NOK 30 million

**Balance sheet was significantly improved through  
the debt to equity conversion**



1. 100 shares with a nominal value of NOK 0.10 was combined to one new share with a nominal value of NOK 10.00. Consequently the number of shares is reduced from 254.647.200 to 2.546.472
2. Share capital was reduced by NOK 24,191,484 from NOK 25,464,720 to NOK 1,273,236 by a reduction of the nominal value of the Company's shares from NOK 10 to NOK 0.50.
3. NOK 311,512,537 of the bond debt was converted into 31,151,254 new shares. The Company's share capital shall be increased by NOK 15,575,627 of 31,151,254 new shares, each with a nominal value of NOK 0.50.
4. Following steps 1-3 Blom ASA has 33,697,726 outstanding shares corresponding to a share capital of NOK 16,848,863

# Key figures – Q1 Profit & Loss



(NOK million - IFRS)	Q1 2012	Q1 2011
Revenues	<b>94.8</b>	<b>80.8</b>
COGS	38.4	26.9
Personnel	51.7	56.1
Other Operating	15.3	14.5
EBITDA	- 10.5	- 16.7
EBITDA margin (%)	- 11.1 %	- 20.7 %
EBIT	- 24.4	- 30.6
EBT	- 38.9	- 42.5

# Key figures – Q1 P&L comments



- To create a more sales oriented structure, the following steps have been made;
  - Restructure of the company organization into 5 new regional markets :
    - Nordic
    - Mid-Europe
    - Southern Europe
    - Eastern Europe
    - Iberia & Latin America
  - Within each region focus is on five new main market segments
    - Defense & Security
    - Resources & Environment
    - Government & Public Administration
    - Utilities & Infrastructure
    - Web & Mobile Solutions

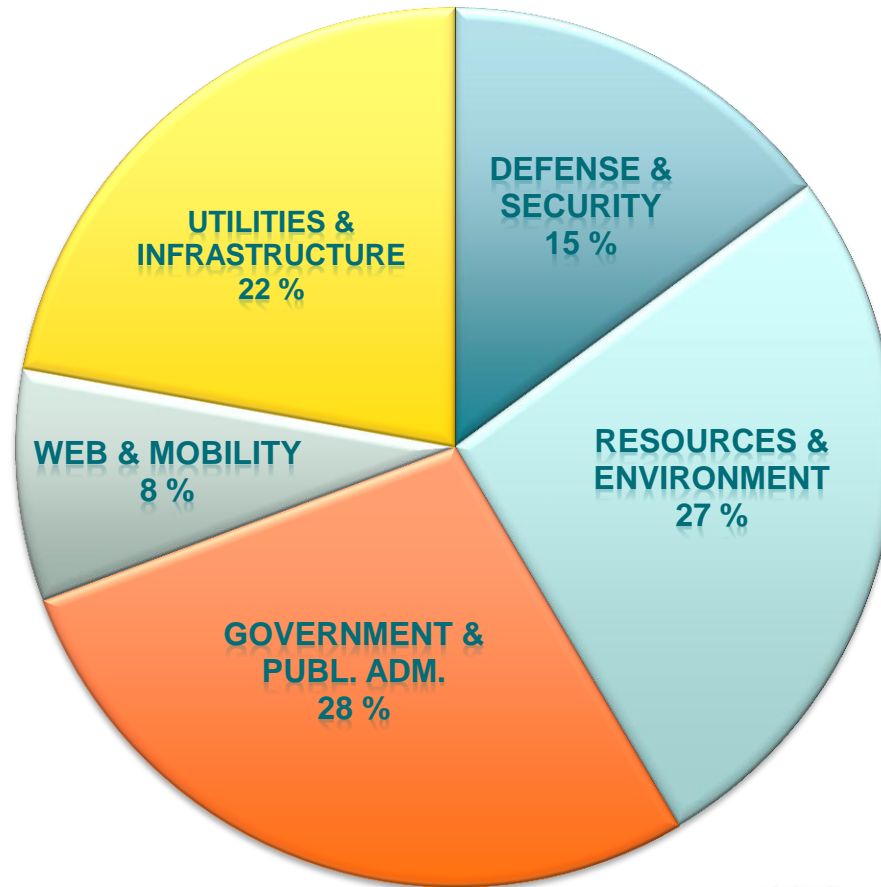


# Key figures – Q1 Regions



(NOK million)	Q1 2012	Q1 2011	Q1 2012	Q1 2011
	Revenue	Revenue	EBITDA	EBITDA
Nordic	19.7	16.4	- 6.6	- 4.8
Mid-Europe	11.5	16.7	- 1.1	0.0
Southern Europe	32.2	27.9	2.5	0.4
Eastern Europe	21.1	7.9	2.4	- 3.6
Iberia & Latin America	10.3	11.9	- 0.2	0.0
Not allocated	-	-	- 7.5	- 8.7
<b>Total</b>	<b>94.8</b>	<b>80.6</b>	<b>- 10.5</b>	<b>- 16.7</b>

## External Revenue



# Key Figures – Balance Sheet



(NOK million - IFRS)	Pro forma 31.03.12	Per 31.03.11	Per 31.12.11
Fixed Asset	164	164	167
Current Assets	339	339	420
- Cash	67	67	75
<b>Total Assets</b>	<b>503</b>	<b>503</b>	<b>587</b>
Shareholder's Equity	101	- 234	-194
Long Term Liability Int bearing	80	365	360
Other Long term Liability	36	36	41
Current Liab. Int. Bearing	97	147	154
Other Current Liabilities	189	189	226
<b>Total Equity and Debt</b>	<b>503</b>	<b>503</b>	<b>587</b>
Net Interest Bearing Debt	110	445	439
Equity Ratio (%)	20.1 %	- 46.6 %	-33.0 %
Current Ratio	0.95	0.81	1.11

# Key figures – Q1 BS comments



- Cash
  - 67 MNOK end of quarter
  - Q1 is traditionally a period with high production and cash outflows
  - Blom will continue to closely monitor cash flow
  - Reduced financial expense after debt conversion
- Equity
  - Positive equity after restructuring of 101 MNOK
- New Shareholder structure;
  - Folketrygdfondet 36.0 %
  - SEB 10.4 %
  - Meierienes PensjonsKasse 6.0 %
  - Akershus Fylkeskommunale Pensjonskasse 5.1 %

- A more sales orientated restructure of company has been implemented
  - Reports in five market regions
  - Each region focus on five main market segments
- Actions for cost-reductions made in 2011 is paying off
  - Reduced the seasonal losses in Q1 2012 vs. Q1 2011
- Sales of Danish subsidiary completed in February 2012
  - BlomInfo A/S sold to NIRAS A/S
  - Blom improved cash position by NOK 20 million and reduced exposure



- New market segments

  - Romania

    - Strong growth from 2011 to 2012
    - Majority of revenue in 2012 already signed

- New geographical markets

  - Latin America

    - First contracts delivered
    - Operational structure in place
    - Significant demand for our services
    - Satisfactory margins

- Uncertainty still persists in Western Europe as the macroeconomic challenges continues

- Nordic region shows signs of growth in 2012



- Restructured balance sheet allows for increased operational focus
- Interesting market opportunities identified in both existing and new market regions and segments
- Expect continued reduction of cost base going forward
- Macro economic conditions are volatile and remains weak
  - Particularly in some Southern European countries
  - Nordic markets remain strong



# Q&A

