

Blom ASA – Q4 2011 Results

Presentation by
CEO Dirk Blaauw

February 29th 2012
Thon Hotel Vika Atrium, Oslo



Forward Looking Statements

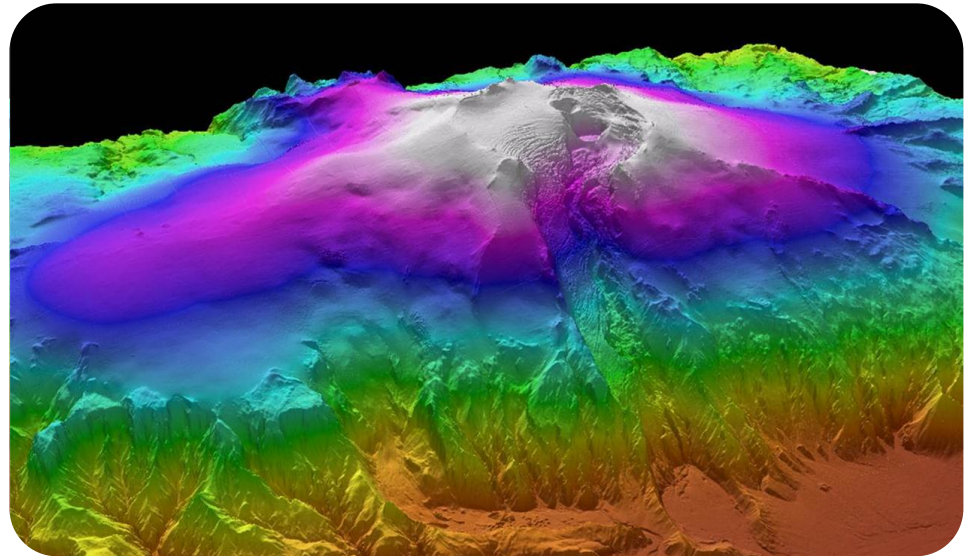
This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts are forward-looking. You should not place undue reliance on these forward-looking statements for many reasons.

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.

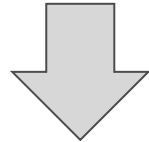
Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity or performance will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness 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.



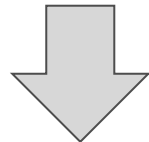
- Highlights
- Key Figures
- Markets
- Future Outlook
- Q & A



- Financial restructuring
 - Q4 EBITDA -38 MNOK → includes write downs of 32 MNOK
 - Q4 EBIT -176 MNOK → includes write downs of 158 MNOK
 - Additional write downs of 104 MNOK (financial assets / deferred taxes)



- Negative Equity after write downs of 194 MNOK



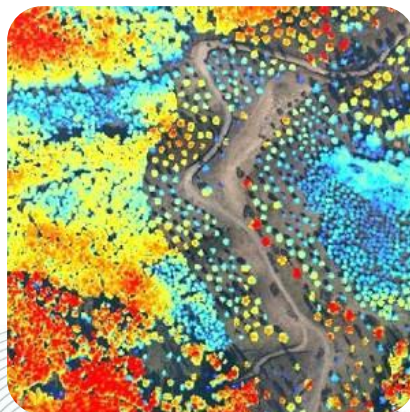
Initiated dialogue with bondholders and financial advisors on possible conversion of debt to equity

- Divestment of our Danish subsidiary – 20 MNOK



Key figures – Q4 Profit & Loss

NOK million (IFRS)	Q4 2011	Q4 2010	31.12.11	31.12.10
Revenues	106.2	141.5	437.1	569.9
COGS	52.7	68.4	168.5	213.1
Personnel	57.2	67.6	219.8	249.4
Other Operating	34.4	81.9	81.6	142.6
EBITDA	-38.1	-76.4	-32.8	-35.2
EBITDA margin (%)	-35.9%	-54.1%	-7.5%	-6.2%
EBIT	-175.8	-393.0	-214.6	-416.1
EBT	-242.9	-483.1	-315.8	-545.6



Key figures – Q4 P&L comments



NOK million (IFRS)	Q4 2011	One-offs	Adj Q4	31.12.11	One-offs	Adj 2011
Revenues	106.2	-16	122.2	437.1	-65	502.1
COGS	52.7		52.7	168.5		168.5
Personnel	57.2		57.2	219.8		219.8
Other Operating	34.4		34.4	81.6		81.6
EBITDA	-38.1	-32	-6.1	-32.8	-59	26.2
EBITDA margin (%)	-35.9%			-7.5%		
EBIT	-175.8	-158	-17.8	-214.6	-185	-29.6
EBT	-242.9	-213	-29.9	-315.8	-240	-75.8
Net Result	-299.4	-262	-37.4	-361.2	-275	-86.2

The numbers exclude Denmark which had a Q4 revenue of 14 MNOK (64 MNOK 2011) and Q4 EBITDA of 0 MNOK (0,5 MNOK 2011)

Key figures – Q4 P&L comments



- Competitive market conditions and the macroeconomic environment have resulted in weak results and extraordinary write offs.
- EBITDA -32 MNOK write off
 - Write down of WIP/AR (32 MNOK)
- EBIT – 158 MNOK write off
 - Goodwill (126 MNOK) split between BGES 61 MNOK and BIS 64 MNOK
- EBT – 213 MNOK write off
 - Financial Assets (42 MNOK)
 - Loss divestment Denmark (5 MNOK)
 - Tax related items (8 MNOK)
- Net result – 262 MNOK write off
 - Deferred Tax Assets (50 MNOK)

Key figures – Q4 P&L comments



What actions have we taken;

- Staff reductions and efficiency improvements
 - Salary cost down 30 MNOK per 31.12.2011
- Focused sales force to maintain and improve revenue
- Increased attention to operational efficiency and cost
 - Other operating cost reduced 20-30 MNOK YoY
- Strong cash discipline in all levels of the organization
 - Divestment of BlomInfo (DK) 20 MNOK



Key figures – Q4 Segments

(NOK million)	Q4 2011	Q4 2010
Revenues		
BIS	10.2	19.4
BGES	96.0	122.1
Total revenues	106.2	141.5
EBITDA		
BIS	0.0	-48.0
BGES	-31.1	-17.2
Other	-7.0	-11.2
Total EBITDA	-38.1	-76.5
EBIT		
BIS	-65.4	-331.5
BGES	-117.1	-50.2
Other	6.8	-11.3
Total EBIT	-175.8	-393.0



Key Figures – Balance Sheet



NOK million (IFRS)	Per 31.12.11	Per 30.09.11	Per 30.06.11
Fixed Asset	167	377	364
Current Assets	420	470	486
- Cash	75	89	115
Total Assets	587	847	850
Shareholder's Equity	-194	107	124
Long Term Liability Int bearing	360	356	34
Other Long term Liability	41	33	37
Current Liab. Int. Bearing	154	155	466
Other Current Liabilities	226	196	190
Total Equity and Debt	587	847	850
Net Interest Bearing Debt	439	422	384
Equity Ratio (%)	-33.0%	12.6%	14.6 %
Current Ratio	1.11	1.34	0.74

Key figures – Q4 BS comments



- Cash
 - 75 MNOK at year end
 - Blom has sufficient liquidity to conduct its normal business
- Divestment of BlomInfo Denmark – effect after 31.12.2011
 - Sale of BlomInfo increased cash by 20 MNOK
 - Released 5 MNOK in guarantees
 - Reduced exposure in international projects
- Equity
 - Negative equity of 194 MNOK
 - Constructive dialogue initiated with the bondholders with the aim to strengthen the balance sheet through a debt conversion

- New market segments

 - Romania

 - 40% growth from 2011 to 2012
 - 74% of revenue in 2012 already signed

- New geographical markets

 - Latin America

 - Contracts now signed
 - Area with low competition
 - Satisfactory margins



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

- Nordic region shows signs of growth in 2012



- Process initiated to restore equity
- Continued focus on improved margins and operational effectiveness
- Expect continued reduction of cost base going forward
- Strong operational platform to meet customer needs



Q&A

