



KONGSBERG
AUTOMOTIVE

4th Quarter Report 2012

Kongsberg Automotive Holding ASA



Enhancing the driving Experience

2012

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Highlights for the fourth quarter and full year 2012

- Revenues for the year amounted to EUR 1 billion, which was in line with the guidance. Revenues were EUR 232.6 million in the fourth quarter, including a favourable currency effect of EUR 8.9 million, down EUR 13.5 million (-5.5%) compared to the fourth quarter 2011.
- EBITDA in 2012 was EUR 77.0 million. Despite the drop in volumes, EBITDA in the fourth quarter improved by EUR 4.8 million to EUR 19.0 million compared to fourth quarter 2011.
- Strong operational cash flow in the fourth quarter of EUR 36.3 million.
- Repayment of debt in fourth quarter of EUR 18.0 million, for the full year MEUR 39.3 was repaid.
- Revenues for 2013 is expected to be slightly lower than 2012. Revenues for 1st quarter are expected to be at approx EUR 245 million.

Key figures

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	232.6	246.1	1001.1	999.7
EBITDA	19.0	14.2	77.0	82.0
EBITDA %	8.1 %	5.8 %	7.7 %	8.2 %
Net profit	(1.7)	(2.8)	5.3	7.8
NIBD/EBITDA	3.8	3.9	3.8	3.9
Equity ratio (%)	24.8 %	23.3 %	24.8 %	23.3 %

Financials & segments KA Group

Fourth quarter 2012

Condensed consolidated statement of profit and loss

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	232.6	246.1	1001.1	999.7
Opex	(213.6)	(231.9)	(924.1)	(917.7)
EBITDA	19.0	14.2	77.0	82.0
<i>EBITDA (%)</i>	<i>8.1 %</i>	<i>5.8 %</i>	<i>7.7 %</i>	<i>8.2 %</i>
Depreciation and amortization	(11.2)	(12.5)	(46.3)	(43.5)
EBIT	7.8	1.7	30.7	38.5
<i>EBIT (%)</i>	<i>3.3 %</i>	<i>0.7 %</i>	<i>3.1 %</i>	<i>3.9 %</i>
Net financial items	(5.3)	(7.4)	(18.7)	(30.4)
Profit before taxes	2.5	(5.7)	11.9	8.2
Income taxes	0.3	(4.3)	(6.1)	(8.6)
Change in deferred tax	(4.5)	7.2	(0.5)	8.2
Net profit	(1.7)	(2.8)	5.3	7.8

Revenues

Revenues for the Group amounted to EUR 232.6 million in the fourth quarter of 2012. The revenues was 13.5 million (-5.5%) below the comparable period last year, including a favorable currency effect of EUR 8.9 million.

A slow European market still impacts the revenues negatively this quarter compared to the fourth quarter last year. The weaker European market was offset by a modest growth in the North American market. Reduced GDP growth in China slows down the volumes in the Chinese market compared to same period last year, in addition to exit of non profitable business in the driveline business area.

EBITDA

The EBITDA for the Group was EUR 19.0 million in the fourth quarter of 2012. EBITDA was EUR 4.8 million higher than the fourth quarter 2011, adjusting for restructuring costs of EUR 4.0 million in 2011 the increase is EUR

0.8 million, on lower sales. The EBITDA margin was 8.1% compared to 5.8% (7.4% adjusting for restructuring cost) in the same period last year, an increase of 2.3% (0.7%) points. The improved margin was achieved despite the year over year drop in revenues. There was a higher level of customer shut downs to adjust inventory levels in December which resulted in lower efficiency in the month of December.

EBITDA for 2012 was EUR 5 million lower than 2011 on the same revenue level. The largest effects being Driveline with higher fixed cost levels, lower efficiency and higher cost in the closure of the plant in Germany. All these effects show a positive trend in the 2nd half of 2012.

Net financials

Net financials (see note 3) were EUR -5.3 million in the fourth quarter of 2012, compared to EUR -7.4 million in the same period 2011. The main element was a change in FX effects of EUR 4.2 million. The interest expenses were

reduced with EUR 2.4 million from 2011 to 2012.

Profit before tax

Profit before tax was EUR 2.5 million in the fourth quarter of 2012. This was an increase of EUR 8.2 million from the fourth quarter 2011.

Statement of cash flow and financial position

Condensed statement of cash flow

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Cash flow operating activities	36.3	16.0	78.9	41.2
Cash flow investing activities	(9.7)	(11.6)	(32.0)	(34.7)
Cash flow financing activities	(24.8)	(10.1)	(65.3)	(55.3)
Currency effects on cash	(0.4)	6.8	(0.3)	0.1
Net change in cash	1.3	1.1	(18.8)	(48.6)
Net cash at 01.01	32.2	51.2	52.3	101.0
Net cash at period end	33.5	52.3	33.5	52.3
Of this, restricted cash	2.6	3.1	2.6	3.1

Cash flow operating activities

Net cash flow from operating activities amounted to EUR 78.9 million in 2012, compared to EUR 41.2 million in the corresponding period in 2011.

Lower Net Working Capital gave a positive cash flow effect of EUR 18.4 million in 2012 compared to a negative effect of EUR -30.6 million in 2011. Both the receivables and inventories are reduced compared to December 2011 levels due to lower activity in the comparable periods.

Net working capital in percent of revenues was 11.2% by the end 2012, which is 1.9% points lower than comparable period last year.

Cash flow investing activities

As part of the KA strategy the company invested EUR 2.4 million to increase its ownership share in Shanghai Kongsberg Automotive Dong Feng Morse Co Ltd by 24%, from 51% to 75%. The capital expenditure was EUR 29.9 million in financial year 2012 which

was EUR 5.2 lower than the same period in 2011.

Cash flow financing activities

Net cash flow from financing activities was EUR -65.3 million in 2012, compared to EUR -55.3 million in 2011.

Repayment of external loans amounted to EUR 39.3 million in 2012, EUR 7.0 million more than comparable period last year.

Interest payments decreased by EUR 2.4 million to EUR 16.7 million in 2012. The reduction was offset by increased payments of financial fees and charges.

Net change in cash

The net change in cash amounted to EUR -18.8 million since year end 2011, including bank overdraft. This included a decline in the cash holding from EUR 82.5 million at the beginning of the year to EUR 75.3 million year end 2012, and an increase in bank overdraft from EUR 30.2 million to EUR 41.8 million during the same period.

Statement of financial position

Total assets were EUR 744.9 million as of 31 December 2012, a reduction of EUR 49.0 million since year end 2011, mainly due to reductions in inventory and accounts receivables.

Equity amounted to EUR 184.7 million as of 31 December 2012, a reduction of EUR 0.6 million from the end of 2011, reflecting a positive net profit offset by translation differences and transactions with minority interests. The equity ratio improved to 24.8%, from 23.3% as of 31 December 2011.

Gross interest bearing debt amounted to EUR 322.8 million at the end of the fourth quarter 2012, compared to EUR 368.1 million at the end of 2011.

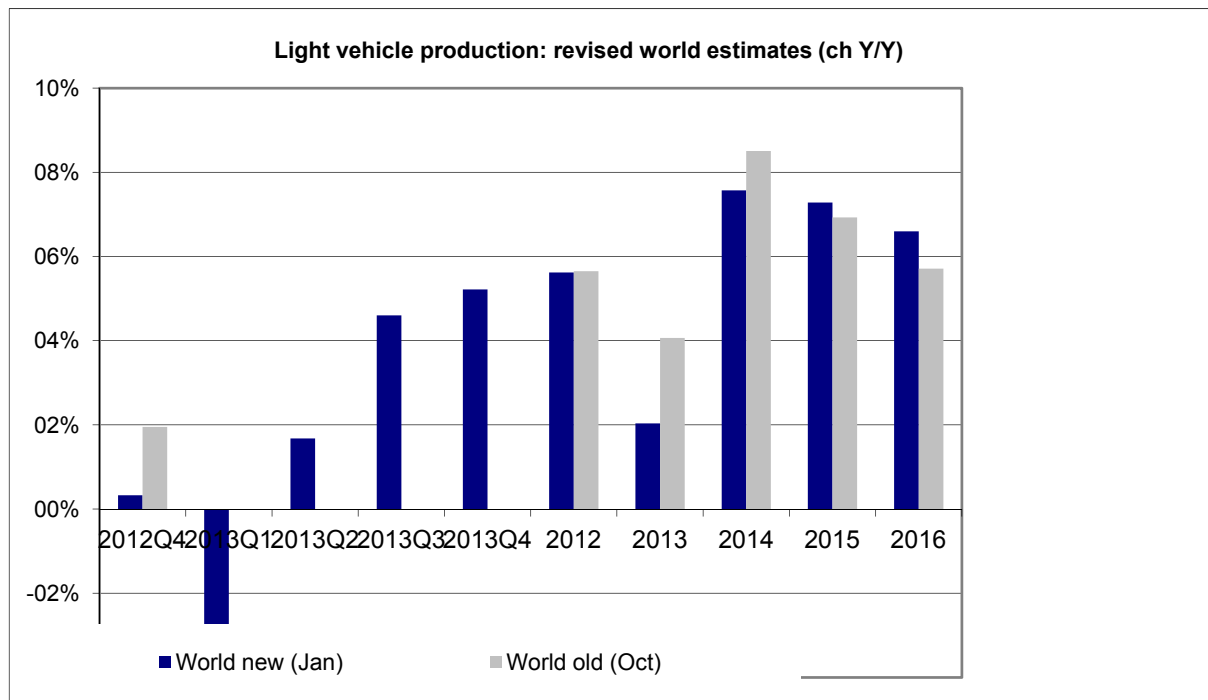
Net interest bearing debt was EUR 289.3 million, reduced by EUR -26.3 million from the end of 2011.

For more information see section Consolidated statement of financial position.

Market outlook

Light vehicle production estimates – January 2013

Year-on-year change in production growth rate (source: LMC Automotive):



Light vehicle production (LVP) saw an increase of 5,6% from 2011 to 81,3 million vehicles produced in 2012. All regions grew except Europe which declined by 6% from the 2011 levels to 19,2 mill units. Demand in Europe is falling due to

great economic uncertainty linked to the EU member states sovereign debt problem. Southern Europe market volumes fall sharply from November 2011. The PIIGS countries had an average decline of nearly -20%.

North America continued a strong recovery in 2012 with 15,3 mill vehicles produced. This is a growth of 17% from 2011. Stable US demand performance drives North American output. The largest growth in 2012 came from Asia. Especially Japan recovered after the drastic halt in production after the tsunami in 2011.

The light vehicle production is believed to grow by 2% in 2013 to just below 83 mill vehicles.

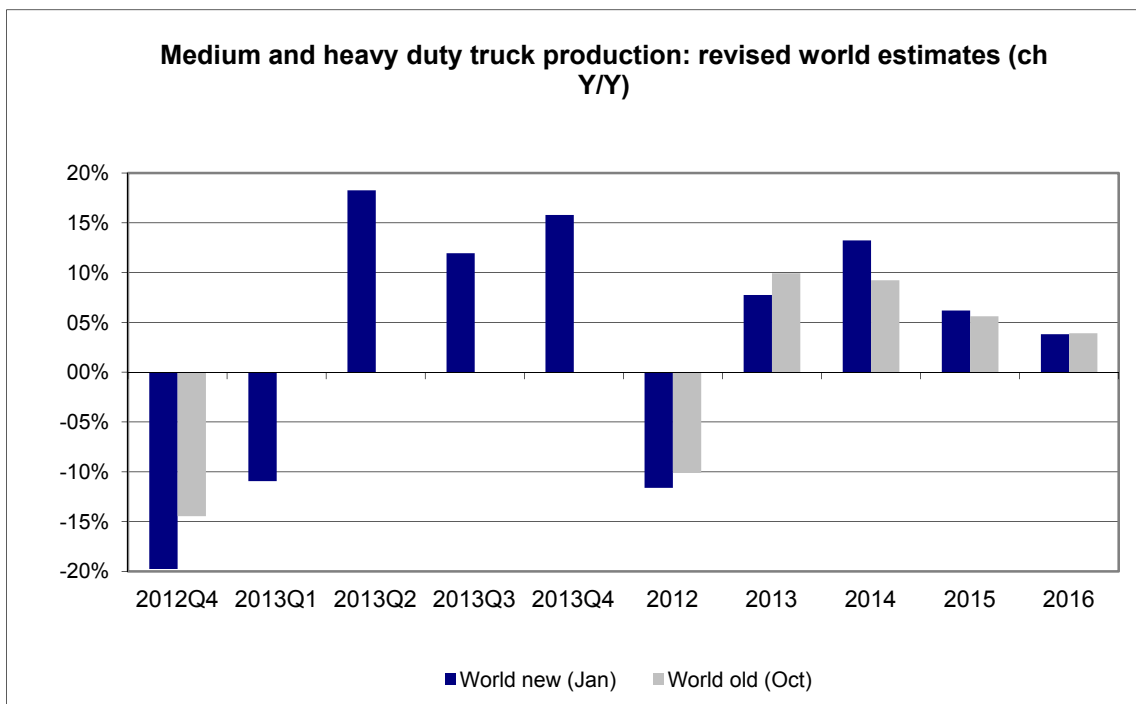
For Europe, we will probably see a further reduction in 2013 from

2012. Fundamental problems in EU are still unaddressed. The Debt and confidence crises are expected to continue in 2013.

For USA, slowing sales at the end of October due to Hurricane Sandy led to uptick in inventory levels. US inventory grew from 2,74 millions at the end of September to 3,04 at the end of October 2012. Output is poised to climb further still in 2013, but at a much slower pace providing a net volume gain of about 0,5 mill units. Chinese production is assumed to grow by nearly 10% in 2013.

Commercial vehicle production estimates January 2013

Year-on-year change in production growth rate (source: LMC Automotive):



Commercial vehicle production (CVP) saw an total reduction of production in 2012 down 11,6% to 2,6 mill vehicles from 2011. The main reductions came from China and South America. China reduction in demand follows the slowdown in GDP growth from above 9 to around 7%. Brasil introduced

EURO5 emission standard in 2012, and this caused large pre-buy in 2011 with consequential setback in 2012. Europe decreased markedly from October, but only resulting in a total reduction of 5,5% from 2011. Underlying demand is falling due to great economic uncertainty linked to EU member states sovereign debt problems.

North America on the positive side was the only area with increase (+9.8%). Mainly compensating for low demand the previous years.

For 2013 we expect the medium and heavy duty vehicle world production to grow back nearly +8% to 2,8 mill vehicles. With the main growth coming back in China and South

Revenue outlook for 2013

Revenues for 2013 is expected to be slightly lower than 2012. Revenues for 1st quarter are expected to be at approx EUR 245 million.

America. However Europe will probably still see a downturn with a further -2 to -3% in 2013.

Interior

Interior is a global leader in the development, design and manufacture of seat comfort systems and mechanical and electro-mechanical light-duty motion controls to Tier 1 and OEM customers. The product range includes; seat adjuster cables and other cabling systems, lumbar support and side bolsters, seat heating, ventilation and massage systems, arm rests and head restraints.

The Interior products address the passenger car market, with particularly strong positions in the European and North American markets. Market penetration for products such as seat heating, seat ventilation and massage systems is especially high in medium to higher end cars, whereas headrests and light duty cables can be found in all ranges of cars. Customers include all major European and North American car and seat manufacturers such as Johnson Controls, Faurecia, Audi, Volvo and BMW.

Key figures – Interior

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	61.8	62.6	258.4	247.9
EBITDA	6.9	5.3	26.5	18.6
<i>EBITDA (%)</i>	<i>11.2 %</i>	<i>8.5 %</i>	<i>10.3 %</i>	<i>7.5 %</i>
Depreciation	(2.5)	(1.8)	(8.0)	(6.3)
Amortization	(0.5)	(0.6)	(1.9)	(2.3)
EBIT	4.0	3.0	16.6	10.0
<i>EBIT (%)</i>	<i>6.5 %</i>	<i>4.8 %</i>	<i>6.4 %</i>	<i>4.0 %</i>
Capex	1.3	2.3	7.9	9.5
Capital employed *	144.0	149.7	144.0	149.7

* include PP&E, intangible assets, inventories, trade receivables and trade payables

Financial update

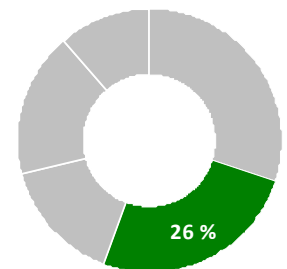
Interior revenues decreased by EUR -0.8 million (-1.3%) to EUR 61.8 million in the fourth quarter 2012, including a favourable currency effect of EUR 3.2 million. This reduction was driven by a weak December sales month. YTD 2012 revenue amounted to EUR 258.4 million, an increase of 4.2% from 2011. Higher revenues were mainly a result of a stronger USD and higher volumes due to a strengthened market in North America.

EBITDA was EUR 6.9 million in the fourth quarter of 2012, an increase of EUR 1.6 million (30.2%) from the same period last year. For YTD 2012, EBITDA increased by EUR 7.9 million (42.3%) to EUR 26.5 million. The EBITDA improvement mainly reflects a conversion of the higher revenue in addition to successful restructuring and continued improvement actions.

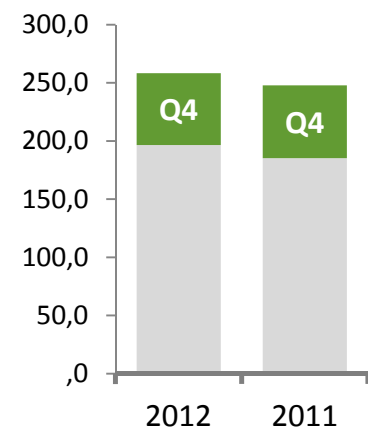
Operational update

During Q4 the Interior division won a contract to deliver seat heat technology to a European OEM between 2013 and 2021. The contract is estimated to be worth EUR 16 million over its duration. The seat heat systems will be installed in car models targeted primarily for the Russian market. This is a very important contract since the Russian car market is showing strong growth and soon will pass Germany and become the single largest car market in Europe.

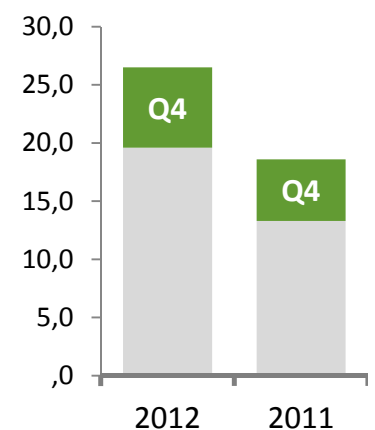
Share of Q4 2012 revenues



Revenues (MEUR)



EBITDA (MEUR)





Interior has further won multiple contracts to deliver seat comfort products to a European premium brand along with strong contract inflow in the U.S. market, adding up to a strong new business win rate in the quarter.

Driveline

Driveline is a global Tier 1 supplier of driver controls in the automotive market. The portfolio includes custom-engineered cable controls and complete shift systems, including shifter modules, shift cables and shift towers.

The *Driveline* products address the passenger car market, with particularly strong positions in Europe. With a global footprint, Driveline is able to support customers worldwide. Key customers include Ford, General Motors, Volvo and Renault-Nissan.

Key figures – Driveline

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	72.6	82.0	318.4	327.3
EBITDA	2.8	(4.8)	2.7	6.5
<i>EBITDA (%)</i>	3.9 %	-5.9 %	0.8 %	2.0 %
Depreciation	(1.7)	(3.8)	(9.8)	(9.9)
Amortization	(0.7)	(0.9)	(2.8)	(3.3)
EBIT	0.4	(9.6)	(10.0)	(6.7)
<i>EBIT (%)</i>	0.5 %	-11.7 %	-3.1 %	-2.1 %
Capex	1.5	2.8	8.4	8.9
Capital employed *	89.5	104.5	89.5	104.5

* include PP&E, intangible assets, inventories, trade receivables and trade payables

Financial update

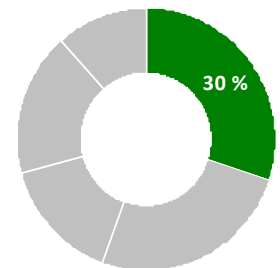
Driveline revenues decreased by EUR 9.4 million (-11.5%) to EUR 72.6 million in the fourth quarter 2012, compared to the same quarter 2011, including a favorable currency effect of EUR 2.0 million. The decline in revenues was mainly due to a general decline in sales in the European market, with main impact to the French OEMs. The North American market shows continued strong growth with a 23.6 % increase compared to the fourth quarter last year. The full year revenue decreased by EUR 9.0 million (-2.7%) compared to last year mainly reflecting the drop in Q4. Total favorable currency is EUR 12.0 million.

EBITDA was EUR 2.8 million in the fourth quarter, up EUR 7.6 million compared to fourth quarter 2011. EBITDA margin was 3.9 %, up 9.7% points from the comparable quarter last year. Disregarding the restructuring costs recognized in fourth quarter 2011, the improvement is related to strengthened margins compared to same quarter last year due to improved focus on operational performance, price increases with customers, and fixed cost reduction. The trend continues to be positive. For the full year EBITDA was down EUR 3.8 million versus last year.

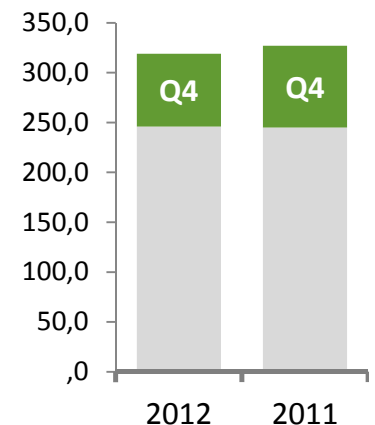
Operational update

The focus is still on further improving margins, and several actions related to continuous capacity adjustment and cost reductions are implemented to achieve this.

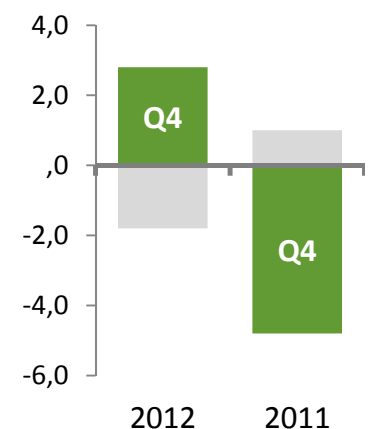
Share of Q4 2012 revenues



Revenues (MEUR)



EBITDA (MEUR)



Fluid Transfer

Fluid Transfer designs and manufactures fluid handling systems for both the automotive and commercial vehicle markets, as well as coupling systems for compressed-air circuits in heavy trucks. The business area is also specialized in manufacturing tube and hose assemblies for difficult environments.

Fluid Transfer products primarily address the commercial vehicle market, with particularly strong positions in the United States and Western Europe.

Key customers in commercial vehicles include Volvo Trucks and Navistar. OEM automotive customers are Volvo, Ford and Jaguar Land Rover. Key Tier 1 automotive customers include TI Automotive, Cooper Standard Automotive and Martinrea in addition to an industrial customer base primarily in North America and Europe. The business area provides completely engineered flexible fluid assemblies for all market segments in which it operates.

Key figures – Fluid Transfer

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	42.8	40.1	176.0	170.9
EBITDA	6.6	6.1	27.9	27.4
<i>EBITDA (%)</i>	<i>15.4 %</i>	<i>15.2 %</i>	<i>15.8 %</i>	<i>16.0 %</i>
Depreciation	(2.0)	(1.6)	(7.0)	(6.3)
Amortization	(0.9)	(0.9)	(3.5)	(3.3)
EBIT	3.8	3.6	17.3	17.7
<i>EBIT (%)</i>	<i>8.8 %</i>	<i>9.1 %</i>	<i>9.8 %</i>	<i>10.4 %</i>
Capex	2.0	2.5	5.3	5.3
Capital employed *	113.2	117.8	113.2	117.8

* include PP&E, intangible assets, inventories, trade receivables and trade payables

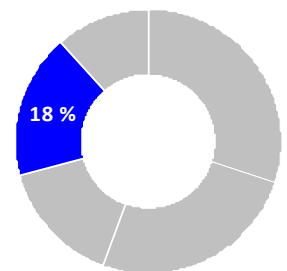
Financial update

Fluid Transfer revenues increased by EUR 2.7 million (6.8%) to EUR 42.8 million in the fourth quarter, including a favorable currency effect of EUR 1.5 million. The revenue increase reflects continued automotive strength in North America and the positive impact of currency. This was partially offset by commercial vehicle weakness in North America and a soft European markets.

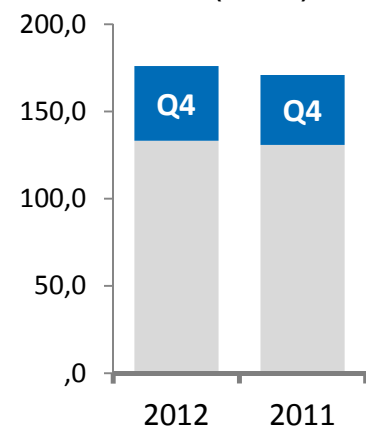
Revenues for the full year 2012 were up EUR 5.1 million (3.0%) to EUR 176.0 million including a positive currency effect of EUR 8.1 million. Pricing actions to address significant raw material price inflation and foreign exchange contributed to increasing revenues, however the strength in North American automotive markets was offset by commercial vehicle weakness in Europe.

EBITDA was EUR 6.6 million, an increase of EUR 0.5 million compared with the fourth quarter 2011. The EBITDA margin increased 0.2% points to 15.4%, including a positive one off effect of EUR 0.3 million. Adjusted EBITDA margin

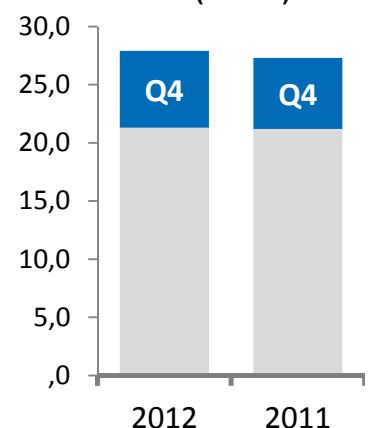
Share of Q4 2012 revenues



Revenues (MEUR)



EBITDA (MEUR)



was down 0.5% points to 14.7% driven by weaker performance in Europe, partially offset by higher automotive sales volumes in North America.

The 2012 EBITDA increased by EUR 0.5 million to EUR 27.9 million compared with 2011. The EBITDA margin decreased 0.2% points to 15.8%. Pricing actions and strength in North American automotive markets were more than offset by negative product mix and weakness in commercial vehicles in Europe.

Operational update

In 2012, Fluid Transfer was awarded new contracts totaling EUR 108 million, the business area's most successful year for new business awards. The ability to design unique engineered solutions across a wide product range was critical to securing these contracts.

Actuation & Chassis

Actuation & Chassis is a global developer and manufacturer of operator control systems for commercial and industrial vehicle markets, offering a robust product portfolio of clutch actuation systems, gearshift systems, vehicle dynamics and steering columns.

Actuation & Chassis' products address the commercial vehicle market, with particularly strong positions in Europe, Brazil, and Korea. Key customers include Volvo Trucks, Scania, MAN, Daimler, Hyundai and DAF/PACCAR.

Key figures – Actuation & Chassis

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	37.1	41.9	151.9	166.0
EBITDA	4.5	5.4	20.7	25.7
<i>EBITDA (%)</i>	<i>12.2 %</i>	<i>13.0 %</i>	<i>13.6 %</i>	<i>15.5 %</i>
Depreciation	(1.2)	(1.2)	(4.7)	(4.7)
Amortization	(0.5)	(0.5)	(1.8)	(1.9)
EBIT	2.9	3.8	14.1	19.1
<i>EBIT (%)</i>	<i>7.8 %</i>	<i>9.1 %</i>	<i>9.3 %</i>	<i>11.5 %</i>
Capex	1.9	1.3	4.8	4.8
Capital employed *	82.7	80.0	82.7	80.0

* include PP&E, intangible assets, inventories, trade receivables and trade payables

Financial update

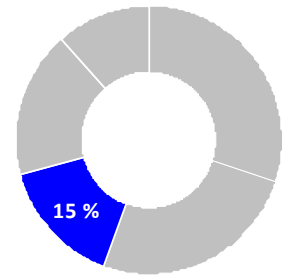
Actuation & Chassis revenues were down EUR 4.9 million (-11.6 %) to EUR 37.1 million in the fourth quarter 2012 compared to the fourth quarter 2011, including a favorable currency effect of EUR 1.0 million. The revenue decline reflects a weak European commercial vehicle market due to the general economic situation. Furthermore, the Brazilian truck market is significantly down due to the introduction of the EURO 5 emission standards in 2012, and the Chinese truck production slowed down reflecting reduced GDP growth. These effects give a revenue downturn for the year of EUR 14.1 million.

EBITDA was EUR 4.5 million, which was EUR 0.9 million below the fourth quarter 2011. Lower sales were partly offset by higher margins due to improved operating performance, strong aftermarket sales, and additional income from prototypes and invoiced R&D hours. Fixed costs were higher on account of more R&D activities. For the full year the EBITDA was down EUR 5.1 million, primarily because of lower sales.

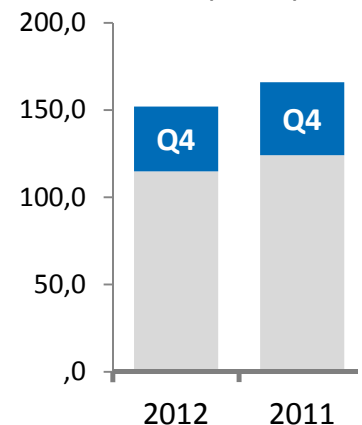
Operations update

KA was in Q4 formally awarded a contract for serial production of cable gear shift by a leading Indian truck manufacturer with start of production in Q1 2013. This is a major breakthrough in the Indian market. Several other contracts have recently been awarded in Brazil, China and Korea which is a part of the strategy to use European technology to enter emerging markets. We see further growth opportunities in these markets. In Europe there is a strong focus on new product launches related to new truck platforms that are being

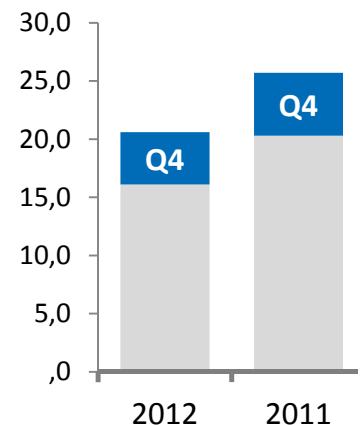
Share of Q4 2012 revenues



Revenues (MEUR)



EBITDA (MEUR)





launched in 2013 due to the introduction of EURO VI emission standard. In general there is a high R&D activity level due to strong customer interest in the A&C product offering.

As of 01.01.2013 A&C business area will merge with Power Product Systems to become Driver Control Systems. The merger is triggered by a customer focus aiming to achieve commercial synergies by combined providing a broader product range to the same market.

Power Products

Power Product Systems is one of the global leaders in the design, manufacture and supply of vehicle operator control systems, providing quality engineered pedal systems, electronic displays and a full range of mechanical and electronic controls to the world's foremost manufacturers of industrial, agricultural and construction vehicles.

PPS' products and services support the off-highway vehicle markets of Lawn & Garden, Agriculture, Construction and Power Sports, with particularly strong positions in Europe and North America. Key customers include John Deere, Husqvarna, MTD and BRP.

Key figures – Power Products Systems

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	27.5	30.2	135.8	133.3
EBITDA	2.4	6.1	16.2	18.5
<i>EBITDA (%)</i>	8.7 %	20.1 %	11.9 %	13.9 %
Depreciation	(0.5)	(0.4)	(1.9)	(1.7)
Amortization	(0.7)	(0.8)	(3.1)	(3.0)
EBIT	1.2	4.9	11.2	13.8
<i>EBIT (%)</i>	4.2 %	16.4 %	8.3 %	10.4 %
Capex	0.5	0.8	2.2	2.4
Capital employed *	46.7	53.8	46.7	53.8

* include PP&E, intangible assets, inventories, trade receivables and trade payables

Financial update

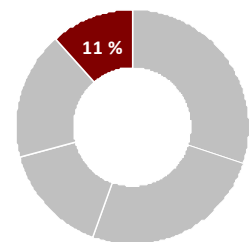
Power Product Systems revenues were down EUR 2.7 million (-9.0 %) to EUR 27.5 million compared to fourth quarter last year, including a favorable currency effect of EUR 1.5 million. A weak European market compared to last year is influencing this quarter's revenue, but North America and China are also down compared to last year. The North American revenues are down despite an introduction of a new power steering product for a major North American Power Sports customer. Residual effects from the summer drought has impacted Lawn and Garden as well as Agricultural product sales, in North America and the Europe economic turbulence has caused construction vehicle production to slow.

EBITDA was EUR 2.4 million in the fourth quarter, which was EUR 3.6 million below fourth quarter last year. Disregarding a positive one off of EUR 2.1 million in 2011 the decrease is primarily due to reduced volumes in 2012.

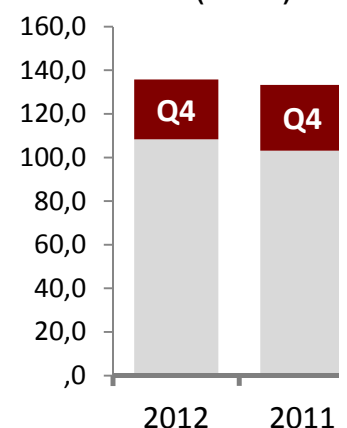
Operational update

Kongsberg Automotive Electronics Center of Excellence has been launched in the Grand Mere (Canada) facility. This center will grow the R&D and production capabilities for driver control and comfort systems related electronics.

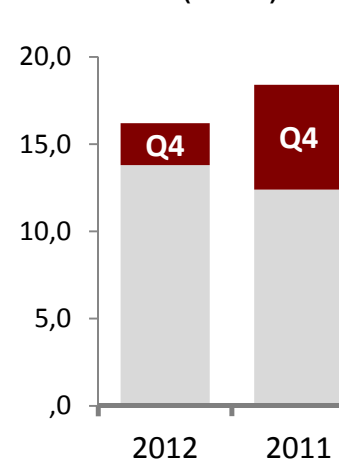
Share of Q4 2012 revenues



Revenues (MEUR)



EBITDA (MEUR)





New business wins in 2012 totalled EUR 9.3 million as new product launches continue to provide a platform for revenue growth. A new vibratory resilient shifter control has been launched in the fourth quarter for a global construction vehicle manufacturer and progress continues on pedal and steering product launches within China to support key customer globalization and localization projects there. An additional launch of a KAntrak display variant occurred late in the fourth quarter for a new application within a military vehicle and is expected to yield over EUR 0.7 million in 2013 sales.

Condensed consolidated statement of comprehensive income

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Revenues	232.6	246.1	1001.1	999.7
Opex	(213.6)	(231.9)	(924.1)	(917.7)
EBITDA	19.0	14.2	77.0	82.0
<i>EBITDA (%)</i>	<i>8.1 %</i>	<i>5.8 %</i>	<i>7.7 %</i>	<i>8.2 %</i>
Depreciation and amortization	(11.2)	(12.5)	(46.3)	(43.5)
EBIT	7.8	1.7	30.7	38.5
<i>EBIT (%)</i>	<i>3.3 %</i>	<i>0.7 %</i>	<i>3.1 %</i>	<i>3.9 %</i>
Net financial items	(5.3)	(7.4)	(18.7)	(30.4)
Profit before taxes	2.5	(5.7)	11.9	8.2
Income taxes	0.3	(4.3)	(6.1)	(8.6)
Change in deferred tax	(4.5)	7.2	(0.5)	8.2
Net profit	(1.7)	(2.7)	5.3	7.8
Translation differences	(6.2)	8.4	(8.6)	6.5
Tax on translation differences	1.5	(2.1)	5.8	(3.7)
Total compr income	(6.4)	3.5	2.4	10.5
<i>Net profit attributable to:</i>				
Equity holders (parent comp)	(1.7)	(2.6)	5.2	7.5
Non-controlling interests	(0.0)	(0.1)	0.1	0.3
Total	(1.7)	(2.7)	5.3	7.8
<i>Total comprehensive income attributable to:</i>				
Equity holders (parent comp)	(6.4)	3.6	2.3	10.2
Non-controlling interests	0.0	(0.1)	0.1	0.3
Total	(6.4)	3.5	2.4	10.5
Earnings per share:				
Basic earnings per share, Eur	(0.00)	(0.01)	0.01	0.02
Diluted earnings per share, Eur	(0.00)	(0.01)	0.01	0.02

Condensed consolidated statement of financial position

MEUR	2012	2011
Deferred tax asset	54.2	53.1
Intangible assets	232.9	242.9
Property, plant and equipment	131.1	132.6
Other non-current assets	1.2	0.7
Non-current assets	419.4	429.3
Inventories	78.8	94.4
Account receivables	129.4	145.6
Other short term receivables	42.0	42.0
Cash and cash equivalents	75.3	82.5
Current assets	325.5	364.6
Total assets	744.9	793.9
Share capital	27.7	26.2
Share premium reserve	229.7	217.5
Other equity	(75.6)	(65.0)
Non-controlling interests	2.9	6.6
Total equity	184.7	185.2
Interest bearing loans and borrowings	321.2	326.9
Deferred tax liabilities	15.9	19.7
Other long term liabilities	14.8	14.5
Non-current liabilities	351.8	361.1
Bank overdraft	41.8	30.2
Other short term liabilities, interest bearing	1.6	41.2
Accounts payable	95.9	109.4
Other short term liabilities	69.0	66.7
Current liabilities	208.4	247.5
Total liabilities	560.2	608.6
Total equity and liabilities	744.9	793.9

Condensed consolidated statement of changes in equity

MEUR	31.12.12	31.12.11
Equity as of start of period	185.2	174.6
Net profit for the period	5.3	7.8
Translation differences	(8.6)	6.5
Tax on translation differences	5.8	(3.7)
<i>Total comprehensive income</i>	<i>2.4</i>	<i>10.5</i>
Options contracts (employees)	0.6	0.8
Treasury shares	0.0	0.1
Other changes in non-controlling interest	(3.4)	(0.5)
Other changes in equity	(0.2)	(0.3)
Equity as of end of period	184.7	185.2

Condensed consolidated statement of cash flow

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
<i>Operating activities</i>				
(Loss)/profit before taxes	2.5	(5.6)	11.9	8.2
Depreciation	7.8	8.8	31.5	29.0
Amortization	3.4	3.7	14.8	14.4
Interest income	(0.1)	(0.1)	(0.3)	(0.5)
Interest expenses	5.3	4.0	19.1	20.0
Taxes paid	(6.6)	0.0	(8.4)	(2.0)
(Gain)/loss sale non-curr asset	0.0	(0.2)	0.0	(0.2)
Change in receivables	20.7	7.2	16.3	(18.1)
Change in inventory	7.3	(0.5)	15.6	(10.1)
Change in payables	0.1	0.4	(13.4)	(2.4)
Currency (gain)/loss	(1.8)	2.5	(10.3)	8.9
Change value of derivatives	0.4	0.3	3.8	(1.5)
Change other items	(2.8)	(4.6)	(1.7)	(4.5)
CF operating activities	36.3	16.0	78.9	41.2
<i>Investing activities</i>				
Capital expenditures	(7.4)	(11.7)	(29.9)	(35.1)
Investments in subsidiaries	(2.4)	0.0	(2.4)	(0.1)
Interest received	0.1	0.1	0.3	0.5
CF investing activities	(9.7)	(11.6)	(32.0)	(34.7)
<i>Financing activities</i>				
Proceeds sale of treasury shares	0.0	(0.1)	0.0	0.1
Repayment of external loans*	(18.0)	(5.0)	(39.3)	(32.3)
Interest paid	(5.3)	(4.3)	(16.7)	(19.1)
Dividends paid**	(0.7)	(0.0)	(1.2)	(0.5)
Other financial charges	(0.8)	(0.7)	(8.2)	(3.5)
CF financing activities	(24.8)	(10.1)	(65.3)	(55.3)
Currency effects on cash	(0.4)	6.8	(0.3)	0.1
Net change in cash	1.3	1.1	(18.8)	(48.6)
Net cash at 01.01	32.2	51.2	52.3	101.0
Net cash at period end	33.5	52.3	33.5	52.3
Of this, restricted cash	2.6	3.1	2.6	3.1

* See note 3 for comments.

** Dividend to JV partner in Shanghai Kongsberg Automotive Dong Feng Morse Co. Ltd (China).

Notes to the condensed consolidated financial statement

Note 1 – Disclosures

General information

Kongsberg Automotive Holding ASA and its subsidiaries develop, manufacture and sell products to the automotive industry all over the world. Kongsberg Automotive Holding ASA is a limited liability company which is listed on the Oslo Stock Exchange. The consolidated interim financial statements are not audited.

Basis of preparation

This condensed consolidated interim financial information, ended 31 December 2012, has been prepared in accordance with IAS 34 “Interim financial reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011, which have been prepared in accordance with IFRS.

Accounting policies

The accounting policies are consistent with those of the annual financial statements for the year ended 31 December 2011, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the estimated effective tax rate.

Risks

The Group’s activities are exposed to different types of risks. Some of the most important factors are foreign exchange rates, interest rates, raw material prices and credit risks, as well as liquidity risk. As the Company operates in many countries, it is vulnerable to currency risk. The greatest currency exposure is associated with EUR and USD, while raw material exposure is greatest in copper, zinc, aluminum and steel. The gearing level in the company is high, which influences the liquidity situation in the Group. Uncertainty in the market’s development is still a risk factor. The Board of Directors and management continue to proactively address the risk factors described above.

Seasonality

The Group is to some extent influenced by seasonality. The seasonality is mainly driven by the vacation period in the 3rd quarter each year having lower sales

Note 2 - Segment reporting

2.1 Operating reportable segments

YTD 2012

MEUR	Driveline	Interior	Actuation & Chassis	Fluid Transfer	Power Products	Elim & other	Group
Operating Revenues	318.4	258.4	151.9	176.0	135.8	(39.3)	1,001.1
EBITDA	2.7	26.5	20.7	27.9	16.2	(17.0)	77.0
Depreciation	(9.8)	(8.0)	(4.7)	(7.0)	(1.9)	(0.0)	(31.5)
Amortization	(2.8)	(1.9)	(1.8)	(3.5)	(3.1)	(1.7)	(14.8)
EBIT	(10.0)	16.6	14.1	17.3	11.2	(18.7)	30.7
<i>Assets and liabilities</i>							
Goodwill	6.2	72.1	28.4	47.9	6.8	0.0	161.3
Other intangible assets	16.2	10.2	12.1	17.3	15.3	0.5	71.6
Property, plant and equipr	35.8	30.9	24.8	29.3	9.8	0.5	131.1
Inventories	23.0	13.1	14.0	13.6	15.8	(0.6)	78.8
Trade receivables	34.9	39.3	18.7	24.2	12.1	0.1	129.4
Segment assets	116.1	165.5	97.9	132.3	59.8	0.5	572.2
Unallocated assets						172.7	172.7
Total assets	116.1	165.5	97.9	132.3	59.8	173.2	744.9
Trade payables	26.5	21.5	15.2	19.2	13.2	0.3	95.9
Unallocated liabilities						464.3	464.3
Total liabilities	26.5	21.5	15.2	19.2	13.2	464.6	560.2
Capital expenditure	8.4	7.9	4.8	5.3	2.2	0.0	28.6

YTD 2011

MEUR	Driveline	Interior	Actuation & Chassis	Fluid Transfer	Power Products	Elim & other	Group
Operating Revenues	327.3	247.9	166.0	170.9	133.3	(45.7)	999.7
EBITDA	6.4	18.6	25.7	27.3	18.5	(14.6)	82.0
Depreciation	(9.9)	(6.3)	(4.7)	(6.3)	(1.7)	(0.2)	(29.0)
Amortization	(3.3)	(2.3)	(1.9)	(3.3)	(3.0)	(0.5)	(14.4)
EBIT	(6.7)	10.0	19.1	17.7	13.8	(15.4)	38.5
<i>Assets and liabilities</i>							
Goodwill	6.2	71.2	26.7	48.5	8.0	0.0	160.6
Other intangible assets	17.4	12.3	12.7	20.6	18.6	0.7	82.3
Property, plant and equipr	38.6	28.8	24.8	29.8	10.0	0.5	132.6
Inventories	34.9	14.1	13.3	14.9	17.8	(0.6)	94.4
Trade receivables	42.4	45.0	21.5	22.7	13.9	0.1	145.6
Segment assets	139.6	171.4	99.1	136.6	68.2	0.7	615.6
Unallocated assets						178.3	178.3
Total assets	139.6	171.4	99.1	136.6	68.2	179.0	793.9
Trade payables	35.2	21.7	19.1	18.8	14.3	0.4	109.4
Unallocated liabilities						499.3	499.3
Total liabilities	35.2	21.7	19.1	18.8	14.3	499.6	608.6
Capital expenditure	8.9	9.5	5.1	5.3	2.5	0.0	31.3

2.2 Segments by geographical location

2.2.1 Sales to customers by geographical location

MEUR	2012	%	2011	%
Sweden	85.9	8.6 %	100.2	10.0 %
Germany	118.0	11.8 %	124.3	12.4 %
France	71.5	7.1 %	85.2	8.5 %
Other EU	241.9	24.2 %	216.0	21.6 %
Total EUR	517.3	51.7 %	525.8	52.6 %
USA	249.3	24.9 %	230.8	23.1 %
NA other	108.2	10.8 %	93.1	9.3 %
Total NA	357.5	35.7 %	323.9	32.4 %
China	65.1	6.5 %	66.8	6.7 %
Asia Other	28.6	2.9 %	41.4	4.1 %
Total Asia	93.7	9.4 %	108.2	10.8 %
Other countries	32.5	3.3 %	41.8	4.2 %
Operating revenues	1,001.1	100.0 %	999.7	100.0 %

All countries with identified revenue of more than 5 % of total revenue are split out.

2.2.2 Non-current assets by geographical location

MEUR	2012	%	2011	%
USA	131.7	36.2 %	143.0	38.1 %
UK	13.4	3.7 %	15.9	4.2 %
Norway	32.0	8.8 %	32.3	8.6 %
Germany	20.8	5.7 %	28.0	7.5 %
Sweden	32.9	9.0 %	31.8	8.5 %
Poland	37.1	10.2 %	31.7	8.4 %
Other	96.1	26.4 %	92.8	24.7 %
Total Non-Current Assets*	364.0	100.0 %	375.5	100.0 %

* Non-current assets by geographical location includes Intangible assets (incl. goodwill) and property, plant and equipment.

2.3. Proforma segment reporting

The Group will reorganize its business areas from 1. January 2013 in line with what was communicated on the Capital Markets Day in November. Part of former PPS related to Light duty cables will be moved to Interior, and the rest of PPS will be merged with Actuation & Chassis and form a new business area named Driver Controls- Below are the proforma historic figures. The Group will report on this structure from Q1 2013.

Revenues

MEUR	Q1 2012		Q2 2012		Q3 2012		Q4 2012		2012	
Interior	83.1		79.9		69.6		71.8		304.3	
Driveline	82.3		78.3		77.8		70.6		309.1	
Fluid Transfer	45.4		45.8		42.1		42.8		176.0	
Driver Controls	66.4		67.5		58.6		56.0		248.6	
Elim & other	(9.4)		(9.9)		(9.1)		(8.6)		(37.0)	
Group	267.8		261.6		239.0		232.6		1001.1	

EBITDA

MEUR	Q1 2012		Q2 2012		Q3 2012		Q4 2012		2012	
Interior	10.4	12.6 %	8.1	10.2 %	5.7	8.1 %	8.4	11.7 %	32.6	10.7 %
Driveline	0.9	1.1 %	0.3	0.4 %	(2.1)	-2.7 %	2.5	3.6 %	1.6	0.5 %
Fluid Transfer	7.8	17.1 %	7.4	16.2 %	6.1	14.4 %	6.6	15.4 %	27.9	15.8 %
Driver Controls	8.2	12.4 %	9.0	13.4 %	8.7	14.8 %	5.7	10.2 %	31.7	12.7 %
Elim & other	(4.2)		(4.9)		(3.5)		(4.3)		(16.8)	
Group	23.2	8.7 %	20.0	7.6 %	14.8	6.2 %	19.0	8.1 %	77.0	7.7 %

EBIT

MEUR	Q1 2012		Q2 2012		Q3 2012		Q4 2012		2012	
Interior	8.1	9.7 %	5.7	7.1 %	3.1	4.5 %	5.2	7.3 %	22.1	7.3 %
Driveline	(1.8)	-2.2 %	(3.8)	-4.8 %	(5.3)	-6.8 %	0.1	0.2 %	(10.8)	-3.5 %
Fluid Transfer	5.3	11.6 %	4.9	10.7 %	3.4	8.2 %	3.8	8.8 %	17.3	9.8 %
Driver Controls	5.6	8.4 %	6.4	9.5 %	5.8	9.9 %	3.0	5.4 %	20.8	8.3 %
Elim & other	(4.3)		(6.4)		(3.7)		(4.3)		(18.7)	
Group	12.8	4.8 %	6.7	2.6 %	3.4	1.4 %	7.8	3.3 %	30.7	3 %

Note 3 – Interest bearing loans and borrowings

MEUR	2012	2011
<i>Non-current liabilities</i>		
Bank loans	321.2	326.9
<i>Current liabilities</i>		
Bank overdrafts	41.8	30.2
Other current interest-bearing liabilities	1.6	41.2
Total interest-bearing liabilities	364.6	398.3

3.1 Non-current liabilities

The group has outstanding financing facilities as follows (in local currencies, million):

Facilities	Currency	Total Amounts	Drawn Amounts	Maturity Date	Interest Rate (incl margin)
DNB / Nordea Reducing Revolving Facility					
Tranche in EUR	EUR	236.0	176.0	30.03.17	5.00 %
Tranche in USD	USD	195.0	175.0	30.03.17	5.10 %
Innovasjon Norge	NOK	130.5	130.5	10.12.21	4.90%- 6.09%

3.2 Other current interest-bearing liabilities

These comprise accrued interest and capital repayments on long-term loans payable within twelve months of the balance sheet date, as well certain other short-term interest-bearing liabilities.

3.3 Borrowings by currency

MEUR	2012	2011
EUR	215.5	218.3
USD	130.7	146.9
NOK	17.8	27.4
Other currencies	0.6	5.6
Total interest-bearing liabilities	364.6	398.3

3.4 Maturity schedule

The maturity schedule for liabilities is as follows (in local currencies, million):

Year	EUR	USD	NOK
Facility reduction 2013	40.0		7.7
Facility reduction 2014	40.0		15.4
Facility reduction 2015	40.0		15.4
Facility reduction 2016	40.0		15.4
Facility reduction 2017 (and later)	76.0	195.0	76.6
Total	236.0	195.0	130.5

3.5 Liquidity reserve

The liquidity reserve of KA group consists of:

MEUR	2012	2011
Free cash	72.7	79.4
Undrawn RRCF EUR/USD	75.2	76.7
Total (before use)	147.9	156.1
Used (Bank overdraft)	(41.8)	(30.2)
Unused liquidity reserve	106.0	125.8

3.6 Net financials

MEUR	Q4 2012	Q4 2011	YTD 2012	YTD 2011
Interest income	0.1	0.1	0.3	0.5
Interest expenses	(5.3)	(4.0)	(19.1)	(20.0)
Foreign currency gains/losses	1.8	(2.5)	10.3	(8.9)
Chng in valuation curr contracts	(0.4)	(0.3)	(3.8)	1.5
Other financial items	(1.4)	(0.7)	(6.4)	(3.5)
Net financial items	(5.3)	(7.4)	(18.7)	(30.4)

Other company information

Kongsberg Automotive Holding ASA
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 3601 Kongsberg, Norway
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 www.kongsbergautomotive.com

The Board of Directors:

Ulla-Britt Fräjdin-Hellqvist	(Chairman)
Thomas Falck	(Shareholder elected)
Maria Borch Helsingreen	(Shareholder elected)
Magnus Jonsson	(Shareholder elected)
Halvor Stenstadvold	(Shareholder elected)
Eivind Holvik	(Employee elected)
Tonje Sivesindtjet	(Employee elected)
Kjell Kristiansen	(Employee elected)

Executive Committee:

Hans Peter Havdal	President & CEO
Trond Stabekk	Executive Vice President & CFO
Jarle Nymoen	Executive Vice President, Human Resources
Anders Nyström	Executive Vice President, Purchase
Joachim Magnusson	Executive Vice President, Driveline
Scott Paquette	Executive Vice President, Interior
Jonathan Day	Executive Vice President, Fluid Transfer
James G. Ryan	Executive Vice President, Driver Control Systems

Investor Relations

Hans Peter Havdal	+47 920 65 690
Trond Stabekk	+47 982 14 054
Philippe Toth	+47 982 14 021

Financial Calendar

Publication of the quarterly financial statements:

	Interim reports	Presentation
1 st Quarter 2013	16 April 2013	17 April 2013
2 nd Quarter 2013	11 July 2013	12 July 2013
3 rd Quarter 2013	17 October 2013	18 October 2013
4 th Quarter 2013	TBA	TBA