

1st Quarter Report 2015

Kongsberg Automotive



Enhancing the driving experience

2015

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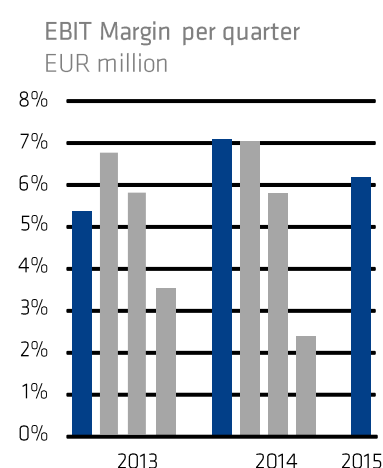
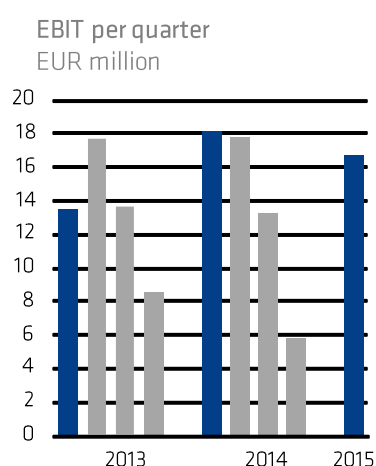
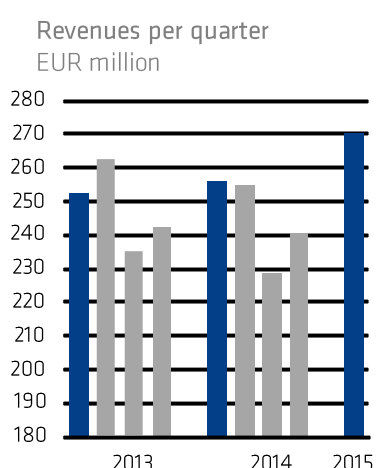
HIGHLIGHTS 1ST QUARTER 2015

HIGHLIGHTS

- ▶ Revenues were EUR 270.0 million in the first quarter, EUR 14.2 (5.6 %) million above the first quarter last year, including favorable currency effects of EUR 18.8 million.
- ▶ The EBIT was EUR 16.7 million in the first quarter, EUR 1.4 (-7.8 %) million below the first quarter last year, impacted by increased R&D activity to address the future growth opportunities (EUR 4.2 million) and loss on sale of a subsidiary (EUR 1.5 million).
- ▶ The financial gearing ratio at 2.4 times NIBD/EBITDA.
- ▶ Annualized business wins in the quarter amounted to EUR 53 million.
- ▶ Revenues for the second quarter 2015 are expected to be approximately EUR 265 million.

KEY FIGURES

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	270.0	255.8	270.0	255.8	979.1
EBITDA	29.0	28.5	29.0	28.5	97.0
EBITDA %	10.8 %	11.1 %	10.8 %	11.1 %	9.9 %
EBIT	16.7	18.1	16.7	18.1	54.8
EBIT (%)	6.2 %	7.1 %	6.2 %	7.1 %	5.6 %
Net profit	5.9	11.4	5.9	11.4	5.4
NIBD/EBITDA (LTM)	2.4	2.4	2.4	2.4	2.2
Equity ratio (%)	30.7 %	28.7 %	30.7 %	28.7 %	30.5 %



GROUP FINANCIALS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	270.0	255.8	270.0	255.8	979.1
Opex	(241.0)	(227.3)	(241.0)	(227.3)	(882.1)
EBITDA	29.0	28.5	29.0	28.5	97.0
<i>EBITDA (%)</i>	<i>10.8 %</i>	<i>11.1 %</i>	<i>10.8 %</i>	<i>11.1 %</i>	<i>9.9 %</i>
Depreciation and amortization	(12.4)	(10.4)	(12.4)	(10.4)	(42.1)
EBIT	16.7	18.1	16.7	18.1	54.8
<i>EBIT (%)</i>	<i>6.2 %</i>	<i>7.1 %</i>	<i>6.2 %</i>	<i>7.1 %</i>	<i>5.6 %</i>
Net financial items	(7.7)	(2.7)	(7.7)	(2.7)	(35.9)
Profit before taxes	9.0	15.4	9.0	15.4	18.9
Income taxes	(3.1)	(4.0)	(3.1)	(4.0)	(13.5)
Net profit	5.9	11.4	5.9	11.4	5.4

REVENUES

Revenues for the Group amounted to EUR 270.0 million in the first quarter of 2015. The revenues were EUR 14.2 million (5.6%) above the comparable period last year, including a favorable currency effect of EUR 18.8 million.

In the passenger car segments the revenues increased by EUR 5.0 million (3.4 %) compared to the same quarter in 2014. Revenues in Driveline decreased by EUR 0.4 million (0.6 %) compared to the same quarter last year, including favorable currency effects of EUR 4.2 million. The decline in revenues was mainly due to some programs reaching end of production and an overall decrease of sales in the European business. This was partially offset by higher sales in both the North American and Chinese business. Interior Systems delivered revenues of EUR 5.4 million (6.9 %) above the same period last year, due to favorable currency effects of EUR 8.0 million. Excluding the currency effects the revenue change mainly reflects lower sales in the North American business, partially offset by increased revenues in the European premium business.

Revenues related to the commercial vehicle market increased by EUR 9.4 million (8.0%) compared to the first quarter of 2014. Revenues in Driver Control increased by EUR 3.8 million (5.7%), including favorable currency effects of EUR 3.4. The strength in both the North American off-highway and the Aftermarket business was partially offset by lower sales in both the South American and the Chinese business. Revenues in Fluid Transfer increased by EUR 5.6 million (11.1%), including favorable currency effects of EUR 3.7 million. The revenue increase was primarily related to the automotive business in Europe, and new automotive program launches in China.

EBIT

The EBIT for the Group was EUR 16.7 million in the first quarter of 2015, a decrease of EUR -1.4 (-7.8%) million compared to first quarter of 2014. The increased R&D activities to support future growth opportunities (EUR 4.2 million) and the loss on sale of subsidiary (EUR 1.5 million), were partially offset by the effects of higher revenues, operational improvements and fixed costs reductions. The loss on the sale of a small cable plant in Italy was classified as amortizations.

NET FINANCIALS

Net financial items (see note 4.1) was EUR -7.7 million in the first quarter of 2015, compared to EUR -2.7 million in the same period in 2014. The increase in the net financial items was driven by higher unrealized currency losses (EUR 4.1 million) and the derecognition of capitalized arrangement fees (EUR 0.8 million) due to refinancing, partially offset by lower interest expenses. The lower interest expenses are driven by lower interest rate margin as a consequence of the new loan agreement. The new terms were only applicable for the month of March.

PROFIT BEFORE TAX / NET PROFIT

Profit before tax decreased from EUR 15.4 million in first quarter 2014 to EUR 9.0 in the first quarter 2015, impacted by higher negative net financial items. Net profit was EUR 5.9 million in the first quarter, compared to EUR 11.4 million in the comparable quarter last year.

GROUP FINANCIALS

CONDENSED STATEMENT OF CASH FLOW

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Cash flow from operating activities	4.9	13.5	4.9	13.5	86.1
Cash flow from investing activities	(4.5)	(5.3)	(4.5)	(5.3)	(36.2)
Cash flow from financing activities	(5.0)	(15.8)	(5.0)	(15.8)	(49.9)
Currency effects on cash	1.9	0.0	1.9	0.0	2.0
Net change in cash	(2.7)	(7.6)	(2.7)	(7.6)	1.9
Net cash at beginning period *	34.6	32.7	34.6	32.7	32.7
Net cash at period end *	31.9	25.1	31.9	25.1	34.6
Of this, restricted cash	0.2	1.0	0.2	1.0	1.0

* Includes bank overdraft

CASH FLOW FROM OPERATING ACTIVITIES

The cash flow from operating activities decreased by EUR 8.6 million from EUR 13.5 million in the first quarter of 2015 compared to the same quarter last year. The decrease was driven by the increased net working capital and an increase in taxes paid of EUR 9.2 million.

A strong EBITDA of 29.0 million, partially offset by increased net working capital of EUR 20.5 million (excluding translation effects) and taxes paid resulted in a cash flow from operating activities of EUR 4.9 million in the first quarter.

CASH FLOW FROM INVESTING ACTIVITIES

Net cash flow from investing activities amounted to EUR -4.5 million in the first quarter of 2015, a decrease of EUR 0.8 million compared to the first quarter in 2014. The decrease was driven by lower investments in all segments except Interior, and proceeds received from the sale of a subsidiary.

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities was EUR -5.0 million in the first quarter, EUR 10.8 million above the comparable period last year, primarily due to lower debt repayments.

Repayment of loans amounted to EUR 1.1 million in the first quarter of 2015 compared to repayments of EUR 11.1 million in the same period last year.

First quarter interest payments, of EUR 2.6 million, decreased by EUR 0.6 million compared to the same quarter last year. The decrease in interest payments is driven by the lower debt level and lower interest rate margin as a consequence of the new loan agreement.

NET CHANGE IN CASH

Change in net cash, including bank overdraft, was EUR -2.7 million in the first quarter of 2015. The cash holding increased by EUR 0.8 million from EUR 53.5 million to EUR 54.3 million during the first quarter. Bank overdraft increased by EUR 3.5 million from EUR 18.8 to EUR 22.4 during the first quarter.

LIQUIDITY RESERVE

The liquidity reserve was EUR 104.8 million at the end of the first quarter, compared to EUR 134.8 million at year end 2014, primarily due the reduced facilities as a consequence of the new loan agreement, partially offset by positive currency effects. See note 3.4 for more information.

GROUP FINANCIALS

CONDENSED STATEMENT OF FINANCIAL POSITION

MEUR	31.03.15	31.03.14	31.12.14
Non-current assets	403.3	376.7	386.6
Cash and cash equivalents	54.3	47.0	53.5
Other current assets	299.3	268.9	249.2
Total assets	756.8	692.7	689.2
Equity	232.6	198.6	210.3
Interest bearing debt	268.0	263.7	252.8
Other liabilities	256.2	230.3	226.1
Total equity and liabilities	756.8	692.7	689.2
NIBD	236.1	238.6	218.2
Equity ratio	30.7%	28.7%	30.5%

ASSETS

Total assets were EUR 756.8 million as of 31st of March 2015, an increase of EUR 67.6 million from year end 2014. The increase in assets was primarily related to increased translation currency effects and working capital effects.

EQUITY

From year end 2014 equity increased by EUR 22.3 million to EUR 232.6 million. The increase was mainly driven by positive currency translation effects and a positive net profit for the period of EUR 5.9 million. The equity ratio improved by 0.2 percentage points to 30.7%.

INTEREST BEARING DEBT

Gross long term interest bearing debt amounted to EUR 268.0 million at the end of the first quarter, an increase of EUR 15.2 million since year end 2014. The net change reflects negative currency effects of EUR 15.4 million, derecognition of the capitalized arrangement fees and debt repayments.

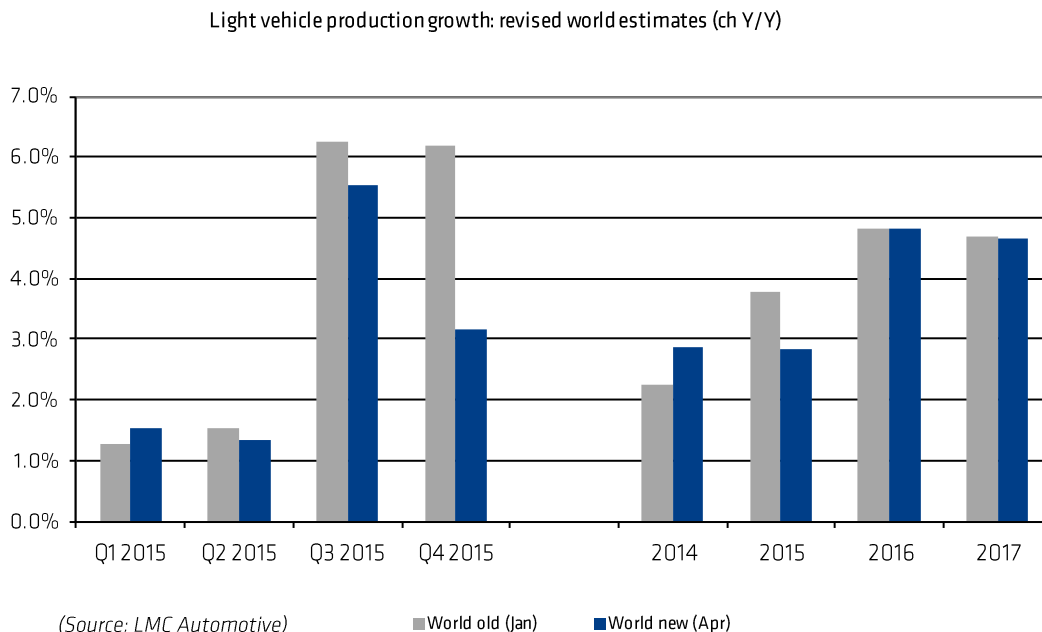
The net interest bearing debt increased by EUR 17.9 million to EUR 236.1 million since year end 2014. The increase was mainly driven by negative currency effects and a negative free cash flow.

Kongsberg Automotive has secured a new loan facility with DNB, Danske Bank and BNP Paribas to refinance the existing revolving credit facility provided by DNB & Nordea. The signing of the loan agreement took place in March 2015. This new facility is a 3 year financing with two one-year extension options at the first and second anniversary of the facility. The new facility will establish a new margin structure depending on the net gearing ratio and provides greater flexibility for the company. See the press release for more details.

MARKET OUTLOOK

LIGHT VEHICLE PRODUCTION (LVP) ESTIMATES

Year-on-year change in production growth rate:



GLOBAL LIGHT VEHICLE PRODUCTION

Light Vehicle Production (LVP) in the first quarter of 2015 ended 1.5% higher than compared to the first quarter of 2014. This was mainly driven by higher growth in China.

The estimated growth in China is 6.8% compared to the first quarter 2014, this was slightly lower than the total growth in 2014 of 8.2%. For the full year 2015 the estimated production growth in China is 5.3% which gives a production of a total of 23.8 million vehicles. Asia (excluding China) had close to no growth compared to the comparable quarter last year.

The European production (including Russia) is reduced by 1.0% in the first quarter of 2015 compared to the comparable quarter last year. The European production growth in 2014 as a whole was 2.9%, due to high growth in both the first and second quarter last year. The European growth was nearly flat in the third and fourth quarter last year. The forecast for 2015 is a growth of 0.3 %.

North American production has in the first quarter 2015 slowed to a 2.0% growth. Due to inventory build-up, several factories closed for a week in March, indicating a slow down compared to the previous high growth. 2014 production ended at 17 million vehicles and the forecast for 2015 is close to 17.5 million units (2.9% growth).

The South American production continues to decline, with -13.9 % in the first quarter compared to the same quarter last year. South America is forecasted to start recovering towards the end of the year.

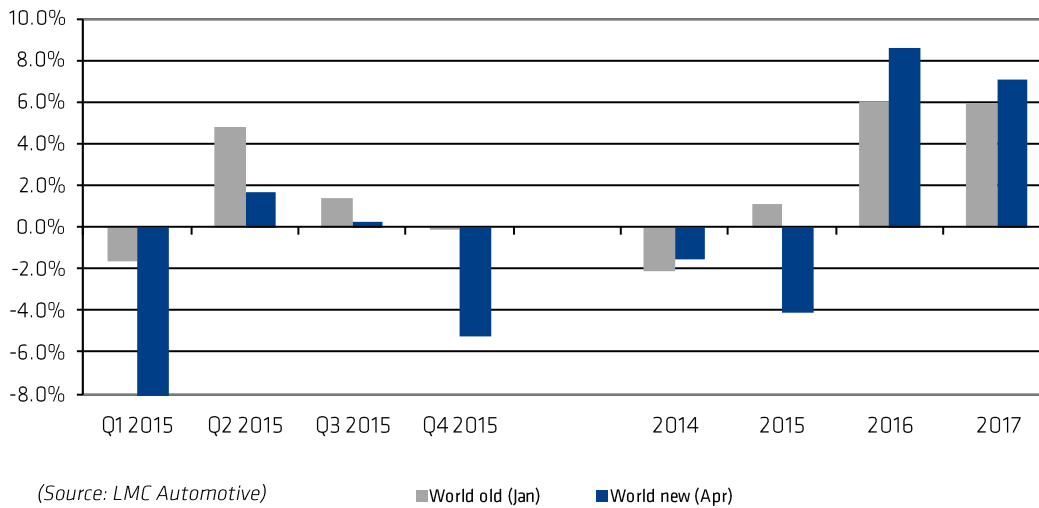
The global production forecast for the year 2015 is 89.8 million vehicles, which is up 2.8% from 2014.

MARKET OUTLOOK

COMMERCIAL VEHICLE PRODUCTION (CVP) ESTIMATES

Year-on-year change in production growth rate:

Medium and heavy duty truck production growth: revised world estimates (ch Y/Y)



GLOBAL COMMERCIAL VEHICLE PRODUCTION

The Commercial Vehicle Production (CVP) in the first quarter of 2015 was reduced by -12.7% compared to first quarter 2014. This was mainly driven by a production drop in China.

The production in China experienced a drop of -45% in first quarter 2015 compared to the same quarter last year. Excluding the reduced GDP growth in China to a level of 6-7%, the manufacturing and heavy industry is struggling with over-investments and over-capacity resulting in large freight reductions. This will continue for the year and the year 2015 is forecasted to be 17.4% lower than 2014.

The European production shows signs of recovery, by growing 1.7% in first quarter 2015 compared to first quarter 2014. However, the forecast is uncertain and for the full year 2015 the forecast is 1.8% above 2014.

North America continues to grow and grew by 15.4% in first quarter 2015 compared to the same quarter last year. The cheaper diesel and easier credit access will ensure that the aging vehicle fleet will be replaced faster than forecasted earlier. The forecast is for 7.6% growth in 2015 to 565 thousands vehicles.

South America on the other hand continues to decline. First quarter 2015 was 7.9% below the comparable quarter in 2014, and the forecast for 2015 is a reduction of 6.8% from the already weak production in 2014.

The global forecast for the commercial vehicle production is a reduction of -4.1% in 2015 to 2.65 million trucks.

INTERIOR

Segment Reporting

INTERIOR SYSTEMS

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. In addition the division is a market leader in the supply of light-duty cables to the Outdoor Power Equipment market globally and several other niche industrial market sectors

KEY FIGURES

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	83.4	78.0	83.4	78.0	304.5
EBITDA	9.4	10.6	9.4	10.6	35.3
EBITDA (%)	11.2 %	13.5 %	11.2 %	13.5 %	11.6 %
Depreciation	(2.1)	(1.8)	(2.1)	(1.8)	(7.3)
Amortization	(0.6)	(0.5)	(0.6)	(0.5)	(2.1)
EBIT	6.6	8.3	6.6	8.3	25.9
EBIT (%)	8.0 %	10.6 %	8.0 %	10.6 %	8.5 %
Investments	(1.4)	(1.1)	(1.4)	(1.1)	(9.6)
Capital Employed *	174.5	151.6	174.5	151.6	156.0

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

FINANCIAL UPDATE

Revenues in Interior increased by EUR 5.4 million (6.9%) to EUR 83.4 million in the first quarter 2015 compared to the same quarter 2014, including a favorable currency effect of EUR 8.0 million. The revenue change, excluding the currency effects, reflects lower sales in the North American head-restraint business and lower sales of seasonal outdoor small engine products, partially offset by higher sales in the European premium business.

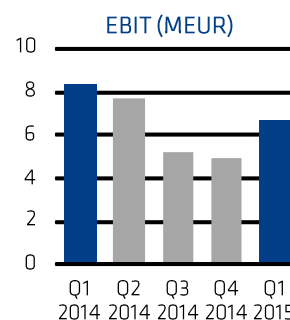
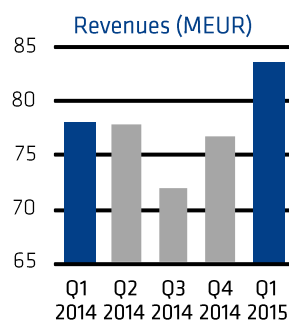
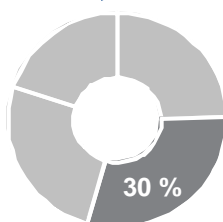
EBIT was EUR 6.6 million in the first quarter, a decrease of EUR -1.6 million compared to the first quarter 2014. The first quarter EBIT margin decreased by -2.6 percentage points to 8.0%. The change in EBIT margin mainly relates to higher activity to support future growth opportunities of EUR 1.3 million, and material cost development.

COMMERCIAL & OPERATIONAL UPDATE

In the first quarter Interior Systems, business wins were EUR 5.0 million in annual value, with wins in all regions. Overall customer projects in the pipeline, to be launched in 2016 and 2017, and new business opportunities remain strong.

Interior launched in the first quarter 2015 a highly integrated seat support and climate systems for a premium European OEM's new platform. This launch is a direct link to a significant contract won in 2012.

Share of Group Q1 2015 revenues



DRIVELINE

Segment Reporting

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

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	68.6	69.0	68.6	69.0	265.0
EBITDA	3.6	3.3	3.6	3.3	15.6
EBITDA (%)	5.3 %	4.8 %	5.3 %	4.8 %	5.9 %
Depreciation	(1.9)	(1.9)	(1.9)	(1.9)	(8.1)
Amortization	(0.7)	(0.8)	(0.7)	(0.8)	(3.0)
EBIT	1.0	0.6	1.0	0.6	4.5
EBIT (%)	1.4 %	0.9 %	1.4 %	0.9 %	1.7 %
Investments	(1.1)	(1.4)	(1.1)	(1.4)	(10.2)
Capital Employed *	80.0	76.8	80.0	76.8	76.6

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

FINANCIAL UPDATE

Revenues in Driveline decreased by EUR -0.4 million (-0.6%) to EUR 68.6 million in the first quarter 2015 compared to the same quarter 2014, including a favorable currency effect of EUR 4.2 million. The decline in revenues, excluding the currency effect, was due to some major programs reaching end of production in Europe, in combination with low activity in the European market. This was partially offset by strength in both the North American and Chinese businesses.

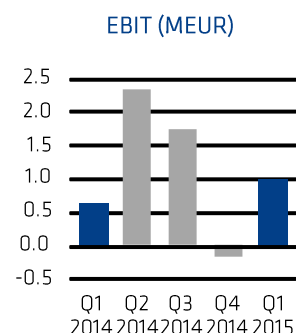
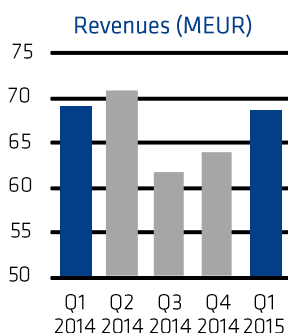
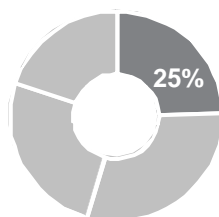
EBIT was EUR 1.0 million in the first quarter, an increase of EUR 0.4 million compared to the first quarter 2014. The change in EBIT was driven by margin improvements on existing business and fixed costs reductions, despite an increase in development activities of EUR 0.5 million. The first quarter EBIT margin increased by 0.5 percentage points to 1.4%.

COMMERCIAL & OPERATIONAL UPDATE

Marketing activities as well as strengthened research and development activities are put in place to address growth opportunities. At the same time, operational activities are further streamlined in order to afford the increased focus on growth. The business area continues to work further on improving margins as well as reducing the fixed overhead base. Driveline launched automatic shifter system to a premium European OEM's new platform. This launch is a direct link to a significant contract won in 2012.

First quarter business awards amounted to EUR 22.5 million annually. Driveline was awarded contracts for supply of manual gear shifter systems to major OEMs. The business was won on a global basis taking advantage of Drivelines global manufacturing footprint.

Share of Group Q1 2015 revenues



FLUID TRANSFER

Segment Reporting

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 provides completely engineered flexible fluid assemblies for all market segments in which it operates. 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 in Western Europe.

Key customers in commercial vehicles include Volvo Trucks and Navistar. OEM automotive customers are Volvo Cars, 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.

KEY FIGURES

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	55.8	50.2	55.8	50.2	193.5
EBITDA	11.1	9.3	11.1	9.3	34.1
EBITDA (%)	19.9 %	18.5 %	19.9 %	18.5 %	17.6 %
Depreciation	(1.6)	(1.9)	(1.6)	(1.9)	(7.1)
Amortization	(0.9)	(0.8)	(0.9)	(0.8)	(3.4)
EBIT	8.6	6.6	8.6	6.6	23.6
EBIT (%)	15.3 %	13.2 %	15.3 %	13.2 %	12.2 %
Investments	(0.5)	(0.7)	(0.5)	(0.7)	(7.4)
Capital Employed *	128.6	112.7	128.6	112.7	111.5

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

FINANCIAL UPDATE

Revenues in Fluid Transfer increased by EUR 5.6 million (11.1%) to EUR 55.8 million in the first quarter 2015 compared to the same quarter 2014, including a favorable currency effect of EUR 3.7 million.

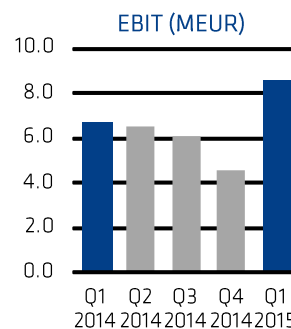
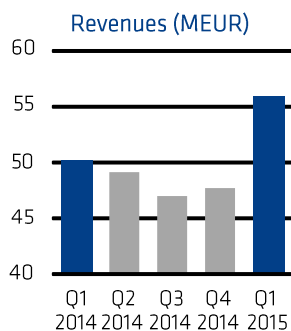
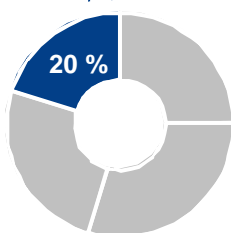
The increase in revenues in the first quarter was driven by strength in the premium automotive segment in Europe, new automotive program launches in China and favorable currency translation effects in the North American and U.K. businesses.

EBIT was EUR 8.6 million in the first quarter, an increase of EUR 1.9 million compared to the first quarter 2014. The first quarter EBIT margin increased by 2.2 percentage points to 15.3% primarily due to favorable product mix and volume effects. This was partially offset by new plant start-up costs to increase manufacturing capacity in Europe.

COMMERCIAL & OPERATIONAL UPDATE

During the first quarter our manufacturing facility in Epila, Spain received the prestigious Ford Q1 Award, Ford Motor Company's highest recognition for supplier quality. This certification is awarded to suppliers who have demonstrated a high degree of customer satisfaction by meeting Ford's stringent requirements in an exemplary manner.

Share of Group Q1 2015 revenues



DRIVER CONTROL

Segment Reporting

DRIVER CONTROL

Driver Control is a global leader in the development, design and manufacturing of operator control systems for both on- and off-highway commercial vehicles. Driver Control is offering a robust product portfolio of clutch actuation systems, gearshift systems, vehicle dynamics, steering columns, pedal systems and electronic displays.

Driver Controls' products and services have particularly strong positions in European, North American, Brazilian, and South Korean markets. Key customers include Volvo Group, Scania, MAN, Daimler, Hyundai, DAF/PACCAR, John Deere, CAT and BRP.

KEY FIGURES

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	71.1	67.3	71.1	67.3	252.7
EBITDA	9.1	9.3	9.1	9.3	29.3
EBITDA (%)	12.8 %	13.8 %	12.8 %	13.8 %	11.6 %
Depreciation	(1.8)	(1.5)	(1.8)	(1.5)	(6.1)
Amortization	(2.6)	(1.1)	(2.6)	(1.1)	(4.8)
EBIT	4.7	6.6	4.7	6.6	18.4
EBIT (%)	6.6 %	9.8 %	6.6 %	9.8 %	7.3 %
Investments	(1.6)	(2.0)	(1.6)	(2.0)	(7.9)
Capital Employed *	124.5	119.6	124.5	119.6	116.5

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

FINANCIAL UPDATE

Revenues in Driver Control Systems increased by EUR 3.8 million (5.7%) to EUR 71.1 million in the first quarter 2015 compared to the same quarter 2014, including a favorable currency effect of EUR 3.4 million.

The first quarter revenues were primarily driven by stronger sales in the North American business and Aftermarket. This was partially offset by lower sales in both the South American and Chinese business.

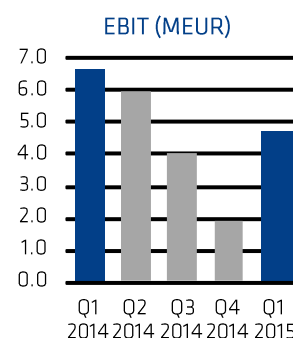
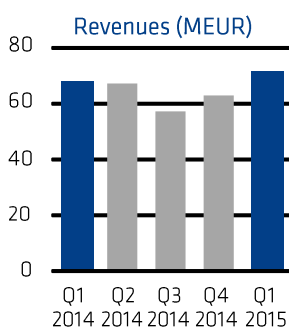
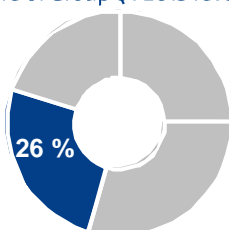
EBIT was EUR 4.7 million in the first quarter, a decrease of EUR -1.9 million compared to the first quarter 2014. The decrease was primarily driven by the loss on the sale of the Italian Cable Business (EUR 1.5 million), and increased costs primarily related to higher development and sales activities to support future growth opportunities (EUR 0.8 million), this was partially offset by favorable product mix and operational improvements. The first quarter EBIT margin decreased by -3.2 percentage points to 6.6%

COMMERCIAL & OPERATIONAL UPDATE

The weaker market in South America is expected to continue throughout 2015. Saving plans have been effectuated to compensate some of the overall effect. Overall project activity however has increased and new business opportunities remain strong.

Higher research and development spend continued in the first quarter as planned. This is in support of the strategic growth initiatives. First quarter new business wins exceeded EUR 15 million annually. The mix of wins had a strong geographic distribution of business, consisting of 22 % in BRIC countries and significant gains in the EU.

Share of Group Q1 2015 revenues



CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF COMPREHENSIVE INCOME

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Revenues	270.0	255.8	270.0	255.8	979.1
Opex	(241.0)	(227.3)	(241.0)	(227.3)	(882.1)
EBITDA	29.0	28.5	29.0	28.5	97.0
<i>EBITDA (%)</i>	<i>10.8 %</i>	<i>11.1 %</i>	<i>10.8 %</i>	<i>11.1 %</i>	<i>9.9 %</i>
Depreciation and amortization	(12.4)	(10.4)	(12.4)	(10.4)	(42.1)
EBIT	16.7	18.1	16.7	18.1	54.8
<i>EBIT (%)</i>	<i>6.2 %</i>	<i>7.1 %</i>	<i>6.2 %</i>	<i>7.1 %</i>	<i>5.6 %</i>
Net financial items	(7.7)	(2.7)	(7.7)	(2.7)	(35.9)
Profit before taxes	9.0	15.4	9.0	15.4	18.9
Income taxes	(3.1)	(4.0)	(3.1)	(4.0)	(13.5)
Net profit	5.9	11.4	5.9	11.4	5.4
Other comprehensive income (Items that may be reclassified to profit or loss in subsequent periods):					
Translation differences	22.1	(3.4)	22.1	(3.4)	27.9
Tax on translation differences	(5.8)	0.9	(5.8)	0.9	(12.6)
Other comprehensive income (Items that will not be reclassified to profit or loss in subsequent periods):					
Remeasurement of the net PBO	0.0	0.0	0.0	0.0	(2.7)
Tax on remeasurement of the net PBO	0.0	0.0	0.0	0.0	0.8
Other comprehensive income	16.3	(2.5)	16.3	(2.5)	13.4
Total compr income	22.2	8.9	22.2	8.9	18.8
Net profit attributable to:					
Equity holders (parent comp)	5.9	11.4	5.9	11.4	5.1
Non-controlling interests	0.0	0.0	0.0	0.0	0.3
Total	5.9	11.4	5.9	11.4	5.4
Total comprehensive income attributable to:					
Equity holders (parent comp)	22.2	8.9	22.2	8.9	18.5
Non-controlling interests	0.0	0.0	0.0	0.0	0.3
Total	22.2	8.9	22.2	8.9	18.8
Earnings per share:					
Basic earnings per share, EUR	0.01	0.03	0.01	0.03	0.01
Diluted earnings per share, EUR	0.01	0.03	0.01	0.03	0.01

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF FINANCIAL POSITION

MEUR	31.03.15	31.03.14	31.12.14
Deferred tax assets	41.4	44.9	41.8
Intangible assets	227.5	211.0	214.7
Property, plant and equipment	132.4	119.8	128.3
Other non-current assets	1.9	1.0	1.8
Non-current assets	403.3	376.7	386.6
Inventories	86.7	80.4	76.8
Accounts receivable	175.9	155.1	140.1
Other short term receivables	36.7	33.4	32.3
Cash and cash equivalents	54.3	47.0	53.5
Current assets	353.6	315.9	302.7
Total assets	756.8	692.7	689.2
Share capital	23.2	24.2	22.3
Share premium reserve	193.7	204.2	186.5
Other equity	11.1	(32.5)	(2.5)
Non-controlling interests	4.5	2.7	4.0
Total equity	232.6	198.6	210.3
Interest bearing loans and borrowings	268.0	262.7	252.8
Deferred tax liabilities	20.6	12.5	17.5
Other long term liabilities	18.5	17.1	18.8
Non-current liabilities	307.1	292.2	289.0
Bank overdraft	22.4	21.9	18.8
Other short term liabilities, interest bearing	0.0	1.1	0.0
Accounts payable	114.5	105.1	99.1
Other short term liabilities	80.3	73.8	72.0
Current liabilities	217.1	201.8	189.9
Total liabilities	524.2	494.1	478.9
Total equity and liabilities	756.8	692.7	689.2

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF CHANGE IN EQUITY

MEUR	31.03.15	31.03.14	31.12.14
Equity as of start of period	210.3	189.6	189.6
Net profit for the period	5.9	11.4	5.4
Translation differences	22.1	(3.4)	27.9
Tax on translation differences	(5.8)	0.9	(12.6)
Remeasurement of the net PBO	0.0	0.0	(2.7)
Tax on remeasurement of the net PBO	0.0	0.0	0.8
Total comprehensive income	22.2	8.9	18.8
Options contracts (employees)	0.1	0.1	0.4
Treasury shares	0.0	0.0	1.9
Other changes in non-controlling interests	0.0	0.0	(0.4)
Other changes in equity	(0.1)	0.0	0.0
Equity as of end of period	232.6	198.6	210.3

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF CASH FLOW

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
<i>Operating activities</i>					
(Loss) / profit before taxes	9.0	15.4	9.0	15.4	18.9
Depreciation	7.4	7.1	7.4	7.1	28.6
Amortization	4.9	3.3	4.9	3.3	13.5
Interest income	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
Interest expenses	2.5	2.8	2.5	2.8	11.9
Taxes paid	(2.3)	(1.9)	(2.3)	(1.9)	(9.1)
(Gain) / loss on sale of non-current assets	0.0	0.0	0.0	0.0	0.0
Changes in receivables	(35.8)	(18.7)	(35.8)	(18.7)	(3.7)
Changes in inventory	(9.9)	(3.1)	(9.9)	(3.1)	0.5
Changes in payables	15.4	4.7	15.4	4.7	(1.3)
Currency (gain)/ loss	3.8	(1.1)	3.8	(1.1)	20.6
Changes in value fin. derivatives	(1.0)	(0.3)	(1.0)	(0.3)	0.2
Changes in other items	10.8	5.5	10.8	5.5	6.0
Cash flow from operating activities	4.9	13.5	4.9	13.5	86.1
<i>Investing activities</i>					
Investments	(4.8)	(5.3)	(4.8)	(5.3)	(36.1)
Sale of fixed assets	0.0	0.0	0.0	0.0	0.1
Investments in subsidiaries	0.0	0.0	0.0	0.0	(0.4)
Interest received	0.0	0.0	0.0	0.0	0.2
Proceeds from sale of subsidiaries***	0.3	0.0	0.3	0.0	0.0
Cash flow from investing activities	(4.5)	(5.3)	(4.5)	(5.3)	(36.2)
<i>Financing activities</i>					
Proceeds from sale of treasury shares	0.0	0.0	0.0	0.0	1.9
Repayment of external loans	(1.1)	(11.1)	(1.1)	(11.1)	(36.7)
Interest paid	(2.6)	(3.2)	(2.6)	(3.2)	(12.8)
Dividends paid*	0.0	0.0	0.0	0.0	0.0
Other financial charges	(1.3)	(1.4)	(1.3)	(1.4)	(2.4)
Cash flow from financing activities	(5.0)	(15.8)	(5.0)	(15.8)	(49.9)
Currency effects on cash	1.9	0.0	1.9	0.0	2.0
Net change in cash	(2.7)	(7.6)	(2.7)	(7.6)	1.9
Net cash at beginning period **	34.6	32.7	34.6	32.7	32.7
Net cash at period end **	31.9	25.1	31.9	25.1	34.6
Of this, restricted cash	0.2	1.0	0.2	1.0	1.0

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

** Includes bank overdraft *** Proceeds from sale of the plant in Italy

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1 – Disclosures

GENERAL INFORMATION

Kongsberg Automotive ASA and its subsidiaries develop, manufacture and sell products to the automotive industry all over the world. Kongsberg Automotive 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 31st March 2015, and 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 31st December 2014, 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 31st December 2014, as described in those annual financial statements.

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

RISK

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 risk, as well as liquidity risk. As the Company operates in many countries, it is influenced by currency risk. The greatest currency exposure is associated with EUR and USD, while raw material exposure is greatest in copper, zinc, aluminum and steel. Uncertainty in the market development is still a risk factor. The Board of Directors and management continue to proactively address risk factors.

SEASONALITY

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

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Note 2 – Segment Reporting

2.1 OPERATING REPORTABLE SEGMENTS

YTD 2015

MEUR	Interior	Driveline	Fluid Transfer	Driver Controls	Elim & other	Group
Operating Revenues	83.4	68.6	55.8	71.1	(8.9)	270.0
EBITDA	9.4	3.6	11.1	9.1	(4.1)	29.0
Depreciation	(2.1)	(1.9)	(1.6)	(1.8)	(0.0)	(7.4)
Amortization	(0.6)	(0.7)	(0.9)	(2.6)	(0.1)	(4.9)
EBIT	6.6	1.0	8.6	4.7	(4.2)	16.7
<i>Assets and liabilities</i>					0	
Goodwill	82.3	6.8	56.1	33.4	0.1	178.6
Other intangible assets	7.7	11.0	11.7	17.4	1.1	48.9
Property, plant and equipment	34.9	33.9	28.9	33.8	0.7	132.4
Inventories	19.3	19.1	18.9	30.0	(0.6)	86.7
Trade receivables	61.4	37.7	37.4	39.4	(0.0)	175.9
Segment assets	205.6	108.6	153.0	154.0	1.3	622.5
Unallocated assets	0	0	0	0	134.4	134.4
Total assets	205.6	108.6	153.0	154.0	135.7	756.8
Trade payables	31.1	28.6	24.4	29.5	0.8	114.5
Unallocated liabilities	0	0	0	0	409.8	409.8
Total liabilities	31.1	28.6	24.4	29.5	410.6	524.2
Capital expenditure	1.4	0.7	0.5	1.4	0.0	4.0

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

YTD 2014

MEUR	Interior	Driveline	Fluid Transfer	Driver Controls	Elim & other	Group
Operating Revenues	78.0	69.0	50.2	67.3	(8.7)	255.8
EBITDA	10.6	3.3	9.3	9.3	(4.0)	28.5
Depreciation	(1.8)	(1.9)	(1.9)	(1.5)	(0.0)	(7.1)
Amortization	(0.5)	(0.8)	(0.8)	(1.1)	(0.0)	(3.3)
EBIT	8.3	0.6	6.6	6.6	(4.0)	18.1
					-	
<i>Assets and liabilities</i>					0	
Goodwill	70.7	6.0	46.4	33.0	0.0	156.0
Other intangible assets	8.4	12.3	12.8	20.4	0.9	54.9
Property, plant and equipment	28.9	31.5	25.8	33.1	0.5	119.8
Inventories	16.4	19.1	18.2	27.3	(0.6)	80.4
Trade receivables	52.9	35.6	31.5	34.8	0.2	155.1
Segment assets	177.4	104.6	134.7	148.6	1.0	566.3
Unallocated assets	0	0	0	0	126.4	126.4
Total assets	177.4	104.6	134.7	148.6	127.4	692.7
Trade payables	25.8	27.8	22.0	28.9	0.6	105.1
Unallocated liabilities	0	0	0	0	389.0	389.0
Total liabilities	25.8	27.8	22.0	28.9	389.6	494.1
Capital expenditure	1.1	1.1	0.7	1.9	0.1	4.8

Full year 2014

MEUR	Interior	Driveline	Fluid Transfer	Driver Controls	Elim & other	Group
Operating Revenues	304.5	265.0	193.5	252.7	267.8	979.1
EBITDA	35.3	15.6	34.1	29.3	18.0	97.0
Depreciation	(7.3)	(8.1)	(7.1)	(6.1)	(7.3)	(28.6)
Amortization	(2.1)	(3.0)	(3.4)	(4.8)	(2.3)	(13.5)
EBIT	25.9	4.5	23.6	18.4	8.3	54.8
<i>Assets and liabilities</i>						
Goodwill	75.1	6.4	51.1	33.3	75.2	165.9
Other intangible assets	7.5	10.9	11.6	17.8	8.5	48.8
Property, plant and equipment	33.2	33.9	28.0	32.6	33.8	128.3
Inventories	17.2	16.9	15.8	27.5	16.6	76.8
Trade receivables	49.6	33.6	26.5	30.4	49.6	140.1
Segment assets	182.6	101.7	132.9	141.7	183.6	559.9
Unallocated assets	-	-	-	-	129.3	129.3
Total assets	182.6	101.7	132.9	141.7	312.9	689.2
Trade payables	26.6	25.0	21.4	25.2	27.4	99.1
Unallocated liabilities	-	-	-	-	379.9	379.9
Total liabilities	26.6	25.0	21.4	25.2	407.3	478.9
Capital expenditure	9.5	9.2	7.4	7.4	0.5	34.0

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

2.2 SEGMENTS BY GEOGRAPHICAL LOCATION

2.2.1 Sales to customers by geographical location

MEUR	2015		2014		2014	
	Jan - March	%	Jan - March	%	Jan - Dec	%
Sweden	20.1	7.5 %	23.5	9.2 %	82.6	8.4 %
Germany	27.7	10.3 %	27.6	10.8 %	102.4	10.5 %
France	21.3	7.9 %	21.6	8.4 %	73.2	7.5 %
Other EUR	65.9	24.4 %	66.3	25.9 %	252.3	25.8 %
Total EUR	135.0	50.0 %	138.9	54.3 %	510.4	52.1 %
USA	83.8	31.0 %	62.1	24.3 %	251.5	25.7 %
NA other	25.4	9.4 %	28.8	11.3 %	114.0	11.6 %
Total NA	109.1	40.4 %	90.8	35.5 %	365.5	37.3 %
China	14.9	5.5 %	13.2	5.2 %	57.0	5.8 %
Asia Other	5.7	2.1 %	5.6	2.2 %	22.6	2.3 %
Total Asia	20.6	7.6 %	18.8	7.3 %	79.5	8.1 %
Other countries	5.2	1.9 %	7.3	2.9 %	23.6	2.4 %
Operating revenues	270.0	100.0 %	255.8	100.0 %	979.1	100.0 %

2.2.2 Non-current assets by geographical location

MEUR	2015		2014		2014	
	Jan - March	%	Jan - March	%	Jan - Dec	%
USA	133.4	37.0 %	105.6	31.9 %	119.9	34.9 %
UK	12.9	3.6 %	11.8	3.6 %	12.8	3.7 %
Norway	26.5	7.3 %	27.6	8.3 %	25.8	7.5 %
Germany	15.7	4.3 %	15.8	4.8 %	15.6	4.5 %
Sweden	30.2	8.4 %	30.9	9.3 %	29.8	8.7 %
Poland	37.3	10.3 %	35.3	10.7 %	36.0	10.5 %
Other	104.1	28.9 %	103.8	31.4 %	103.1	30.0 %
Total Non-Current Assets*	359.9	100.0 %	330.8	100.0 %	343.0	100.0 %

* Includes intangible assets, property, plant and equipment

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Note 3 – Interest-bearing liabilities

3.1 Interest-bearing liabilities as presented in statement of financial position

MEUR	31.03.15	31.12.14
Non current interest-bearing loans and borrowings	269.3	254.9
Other current interest-bearing liabilities*	0.0	0.0
Capitalized arrangement fees	(1.3)	(2.1)
Total interest-bearing liabilities	268.0	252.8

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

MEUR	31.03.15	31.12.14
EUR	133.0	135.0
USD	135.7	119.4
Other currencies	0.6	0.5
Capitalized arrangement fee*	(1.3)	(2.1)
Total interest-bearing liabilities	268.0	252.8

* The capitalized arrangements fees from 2012 have been written-off and the refinancing costs from March 2015 have been capitalized.

3.2 Specification of interest-bearing loans and borrowings (in local currencies)

Facilities	Currency	Total amounts	Maturity/ date	Drawn amount	Interest rate (incl margin)
Tranche EUR	EUR	162.0	31.03.18	133.0	1.50%
Tranche USD	USD	172.0	31.03.18	146.0	1.65%

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

3.3 Facility reduction schedule - Interest-bearing loans and borrowings (in local currencies)

Year	EUR	USD
2015		
2016		
2017		
2018 and later	162.0	172.0
Total	162.0	172.0

3.4 Liquidity reserve

The liquidity reserve of KA group consists of cash equivalents in addition to undrawn credit facilities.

MEUR	31.03.15	31.12.14
Cash reserve, excl. restricted cash	54.0	52.4
Undrawn facility*	73.2	101.2
Total (before bankoverdraft)	127.2	153.6
Bank overdraft	(22.4)	(18.8)
Liquidity reserve	104.8	134.8

*including a short-term overdraft facility of MEUR 20.0 which can be renewed each year.

Note 4 - Net financial items

4.1 Net Financials

MEUR	Q1 2015	Q1 2014	YTD 2015	YTD 2014	2014
Interest income	0.0	0.0	0.0	0.0	0.2
Interest expenses	(2.5)	(2.8)	(2.5)	(2.8)	(11.9)
Foreign currency gains (losses)	(3.8)	1.1	(3.8)	1.1	(20.6)
Change in valuation currency contracts	1.0	0.3	1.0	0.3	(0.2)
Other financial items*	(2.4)	(1.4)	(2.4)	(1.4)	(3.3)
Net financial items	(7.7)	(2.7)	(7.7)	(2.7)	(35.9)

* Other financial items include arrangement fees, interest component on pension liability, and other fees and charges.

OTHER COMPANY INFORMATION

THE BOARD OF DIRECTORS:

Ulla-Britt Fräjdin-Hellqvist	Chairman
Thomas Falck	Shareholder elected
Malin Persson	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, Interior
Joachim Magnusson	Executive Vice President, Driveline
Scott Paquette	Executive Vice President, Driver Control
Jonathan Day	Executive Vice President, Fluid Transfer
Lovisa Söderholm	Executive Vice President, Purchase
Philippe Toth	Senior Vice President Business Development & IR

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
1st Quarter 2015	16 April 2015	17 April 2015
2nd Quarter 2015	9 July 2015	10 July 2015
3rd Quarter 2015	14 October 2015	15 October 2015
4th Quarter 2015	TBD	TBD

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