



KONGSBERG

KONGSBERG

Q1 2009

WORLD CLASS – through people, technology and dedication

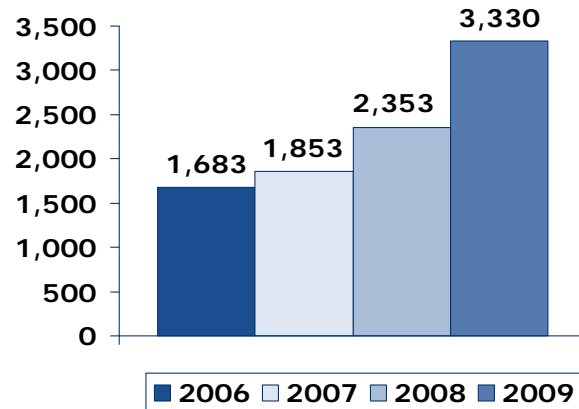
- Continued growth and stronger profits
- The backlog of orders remains high
- Strengthening of market positions
 - Strategic contracts, not least in fisheries
 - Kongsberg Maritime reaffirmed its position in the market with a strong influx of new orders in a turbulent market
- Currency fluctuations
 - The weak equity situation at year end has improved substantially
 - Leads to fluctuations in equity (accounting purposes)
- Initiatives for further growth
 - Major marketing campaigns
 - Changes in corporate structure
 - Efficiency enhancement and focus on operations
 - Efficiency improvement programme throughout the Group
 - Reorganisation in units with weak profitability

AGENDA

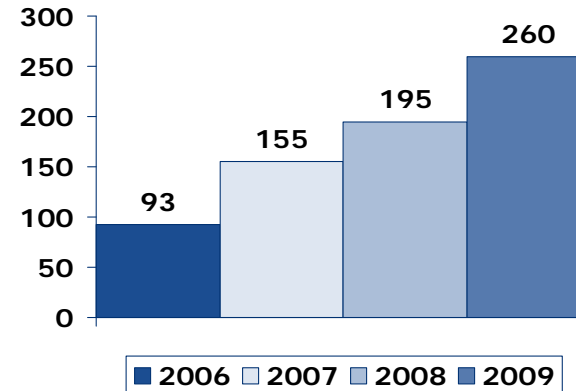
- Financial status at Q1 2009
- Status for the business areas
- Updates
- Appendix

Status Q1 2009

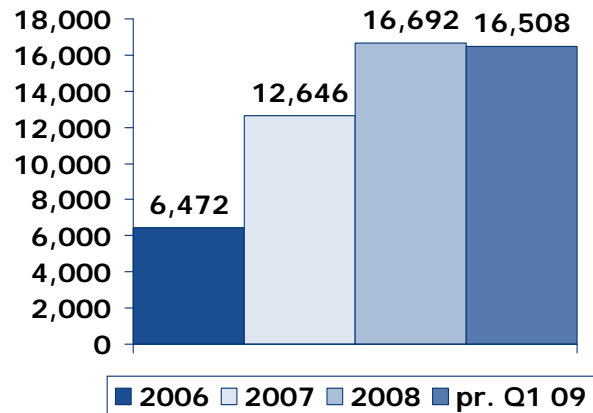
Operating revenues



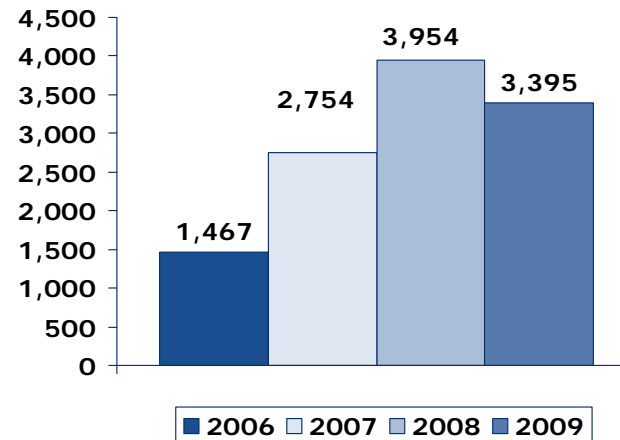
EBITA



Backlog of orders



New orders

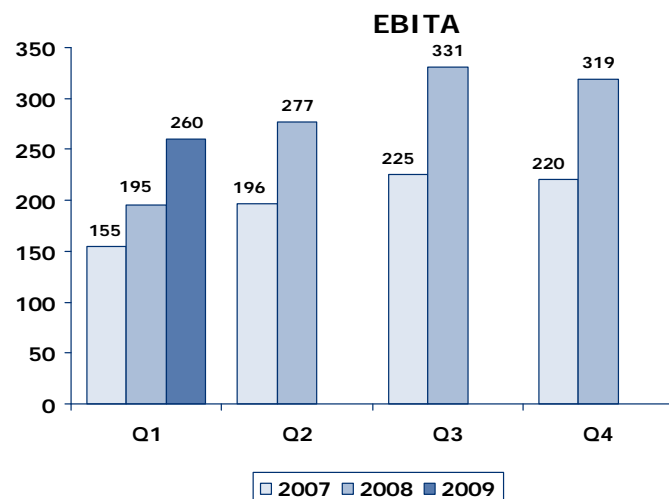
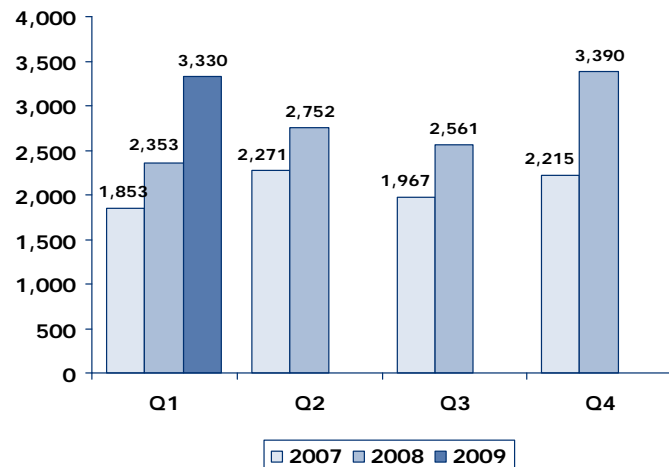




Financial status at Q1 2009

Quarterly trends in operating revenues and EBITA

Operating revenues



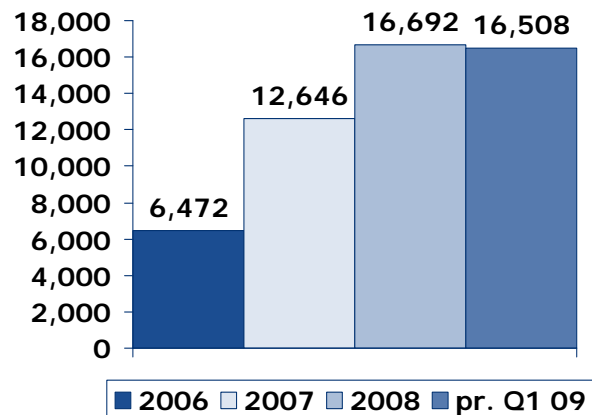
Operating revenues			
	2008	2009	Change (%)
Q1	2 353	3 330	42 %
EBITA			
Q1	195	260	33 %
EBITA margin			
Q1	8.3 %	7.8 %	



Financial status at Q1 2009

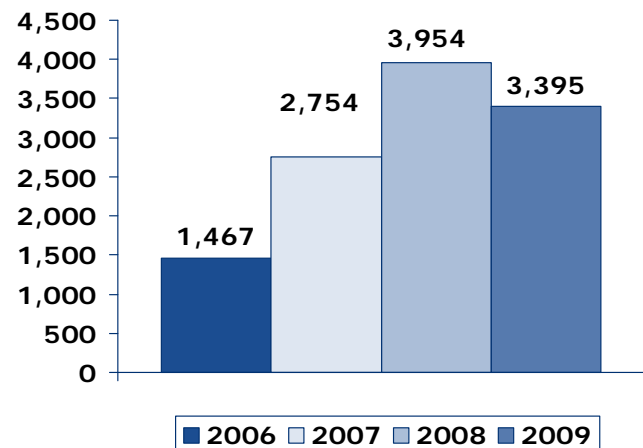
New orders and the backlog of orders

Backlog of orders



Backlog of orders			
	2008	Q1 2009	Change (%)
	16 692	16 508	- 1 %
New orders			
	2008	2009	
Q1	3 954	3 395	- 14 %

New orders





Financial status at Q1 2009

Liabilities and equity

- KONGSBERG has MNOK 1 281 in net interest-bearing debt
- In March 2009, the Group raised MNOK 500 in the bond market
 - Paid-in 17 April
 - The Group also has an undrawn credit facility of MNOK 800
 - The average term to maturity on the loans is 3.5 years
- The value of forward foreign exchange contracts rose by MNOK 633 during the quarter
 - Robust reversal of the dip in equity at end of 1st quarter
 - The consolidated equity ratio is 21.1 per cent, compared with 15.2 per cent at year end

Maturity structure of loan contracts

Amount	Maturity
MNOK 400	Jun. 2009
MNOK 800*	Dec. 2010
MNOK 300	2012
MNOK 1 000	2013
MNOK 500	2014

* The credit facility was undrawn at 31 Mar. 2009

Financial status at Q1 2009

Cash flow



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- Comments to cash flow:
 - Prepayments from customers increased by MNOK 509
 - Associated with contracts in Kongsberg Defence Systems and Kongsberg Protech Systems
 - Inventories increased by MNOK 102
 - Increase in Kongsberg Maritime and Kongsberg Defence Systems
 - Decrease in Kongsberg Protech Systems
 - Other current liabilities decreased by MNOK 304
 - Primarily associated with reduction in accounts payable

- KONGSBERG had net interest-bearing debt of MNOK 1 281 at 31 March, down 11 per cent from year end

Net cash flow Q1 (MNOK)	
<i>EBITDA</i>	312
<i>Change in other items related to operations</i>	(22)
Cash flow from operating activities	290
<i>Acquisition of fixed assets</i>	(42)
<i>Acquisition of subsidiaries</i>	(15)
<i>Payments of loans and the acquisition/sale of shares</i>	-
<i>Other investing activities</i>	(3)
Cash flow from investment activities	(60)
Cash flow from financing activities	(38)
<i>Effect of currency fluctuations on cash and short-term deposits</i>	(32)
Net change, cash and short-term deposits	160
Net interest-bearing debt at 31 Mar. 2009	1 281

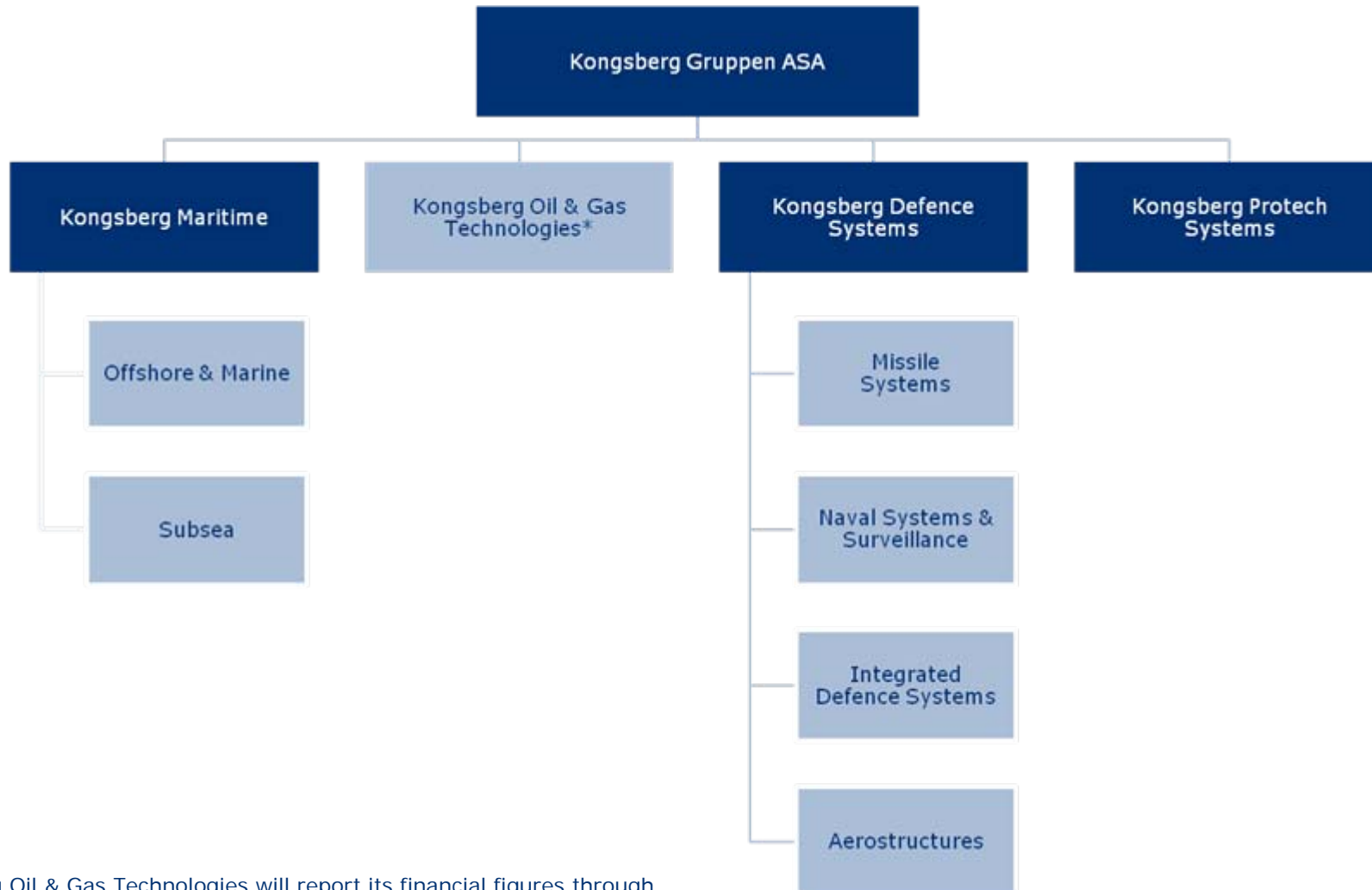
Key figures

	Q1 2009	Q1 2008	2008
Change, operating revenues	42 %	27 %	33 %
EBITDA	312	237	1 319
EBITDA/employee* (in NOK 1 000)	59	55	279
EBITA	260	195	1 122
EBITA margin	7.8 %	8.3 %	10.1 %
EBT	209	181	861
Net Debt Gearing ratio	0,92	(0,05)	1,09 %
Equity %	21.1 %	30 %	15 %
Book/bill	1.02	1.68	1.32
EPS	4.80	4.17	19.44

* Average number of employees

KONGSBERG's organisation

As from 1 January 2009



*Kongsberg Oil & Gas Technologies will report its financial figures through Kongsberg Maritime



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Kongsberg Maritime Status

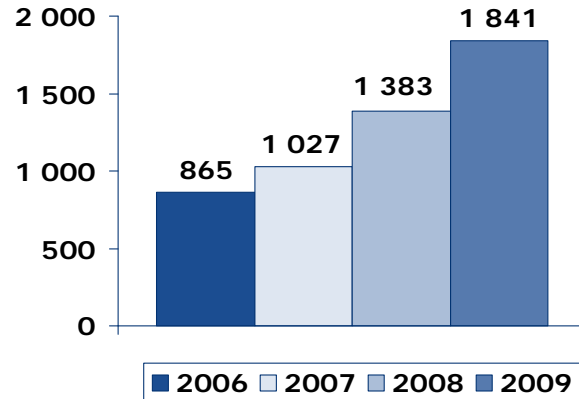


Kongsberg Maritime

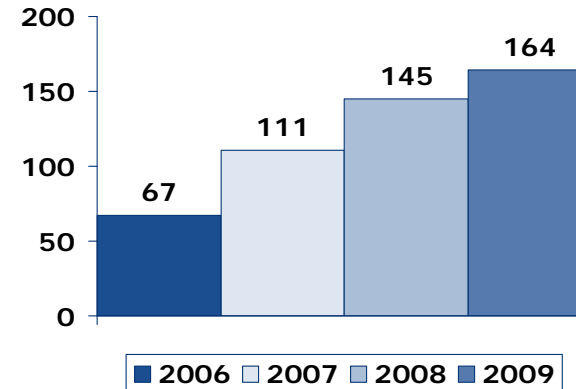
Status at Q1 2009



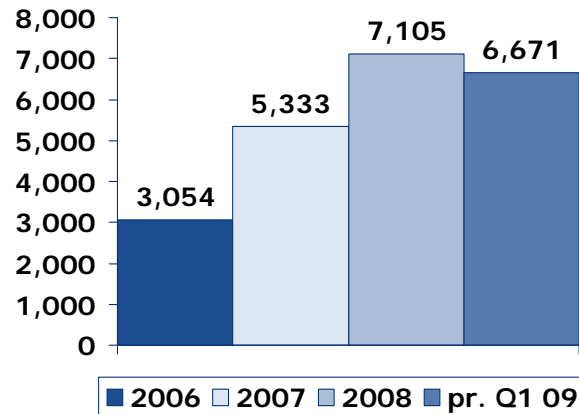
Operating revenues



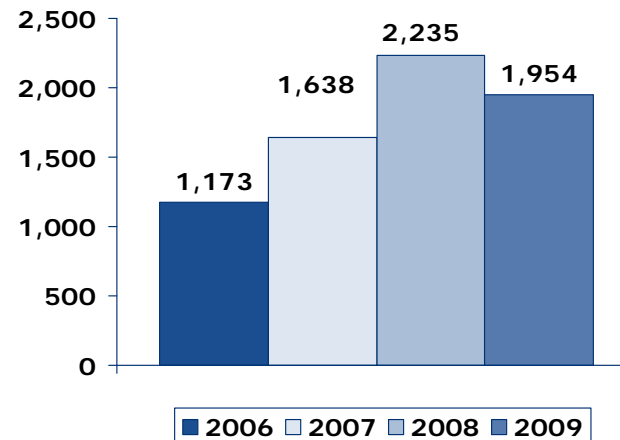
EBITA



Backlog of orders



New orders



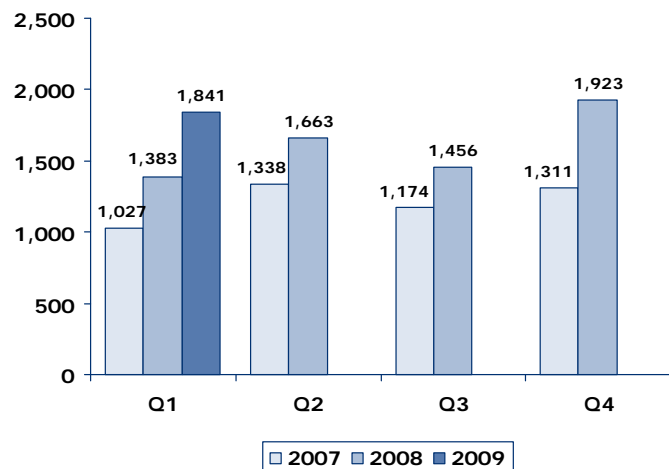
Kongsberg Maritime

Quarterly trends in operating revenues and EBITA

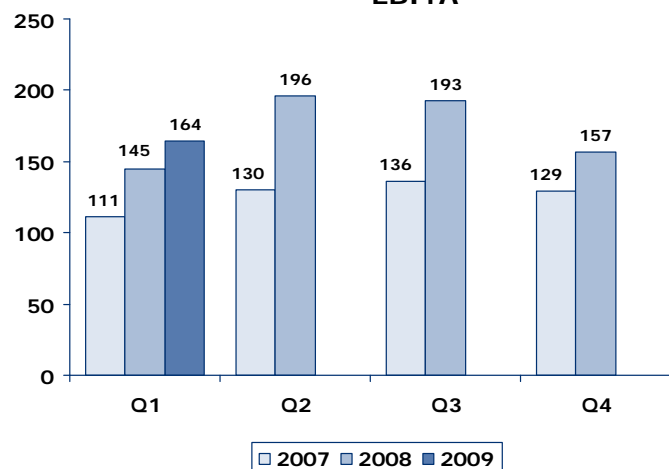


KONGSBERG

Operating revenues



EBITA

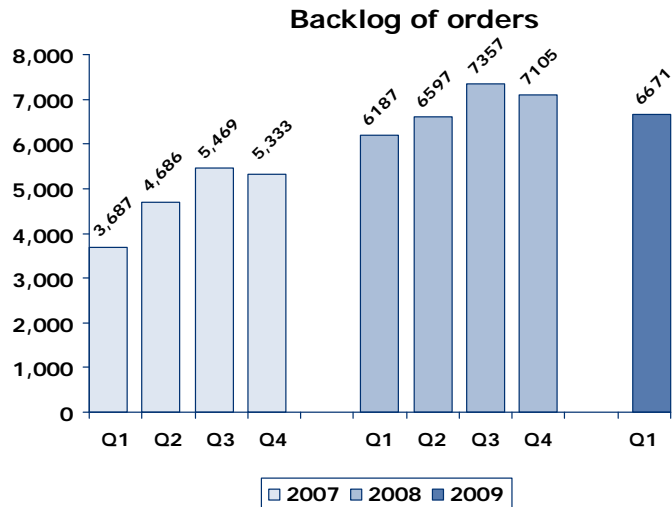


Operating revenues			
	2008	2009	Change (%)
Q1	1 383	1 841	33.1 %
EBITA			
Q1	145	164	13.1 %
EBITA margin			
Q1	10.5 %	8.9 %	

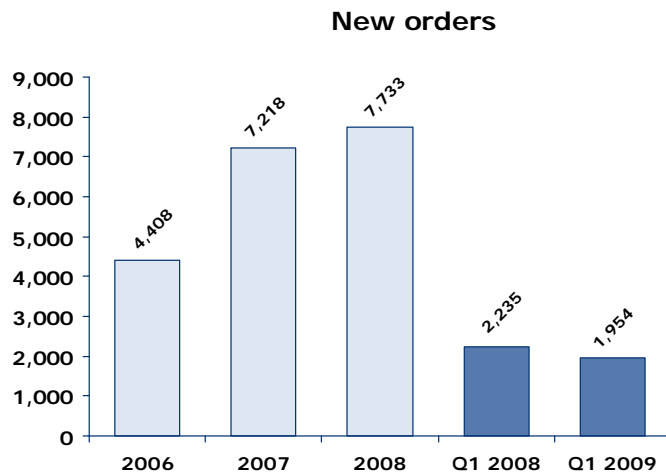
- The reorganisation in Kongsberg Oil & Gas Technologies has had an impact on the margin

Kongsberg Maritime

New orders and the backlog of orders



Backlog of orders			
	2008	Q1 2009	Change in %
YTD	7 105	6 671	-6,1 %
New orders			
	2008	2009	
Q1	2 235	1 954	-12.6 %



- Kongsberg Maritime has had cancellations totalling MNOK 157 during the period
- Corrections as a result of the consolidation of foreign subsidiaries affect the backlog of orders

Kongsberg Maritime

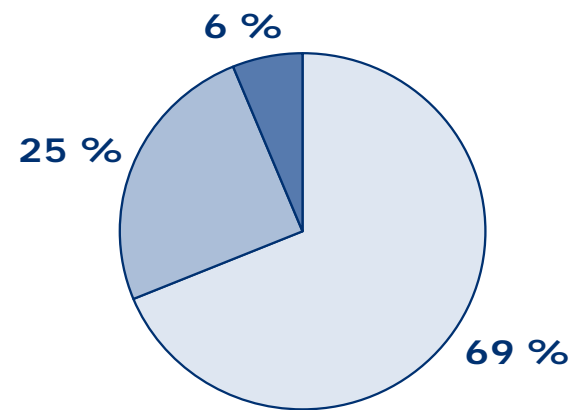
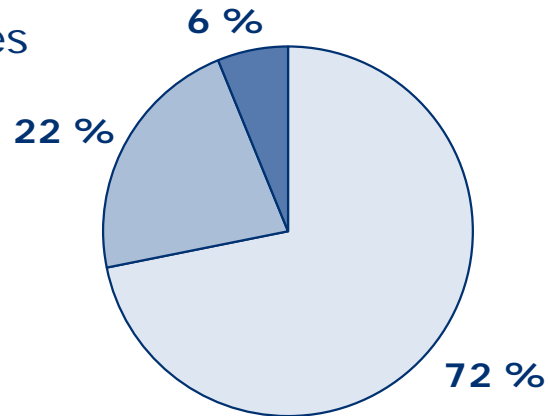
Divisional structure



Q1 2009

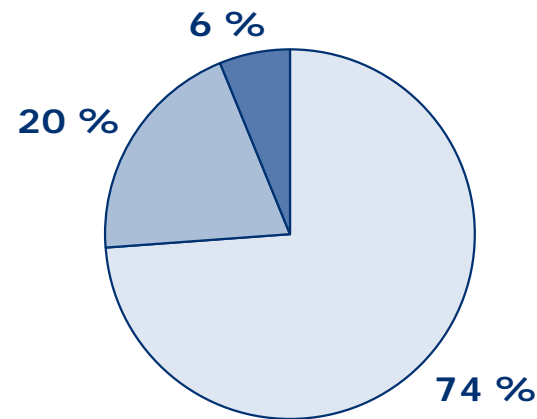
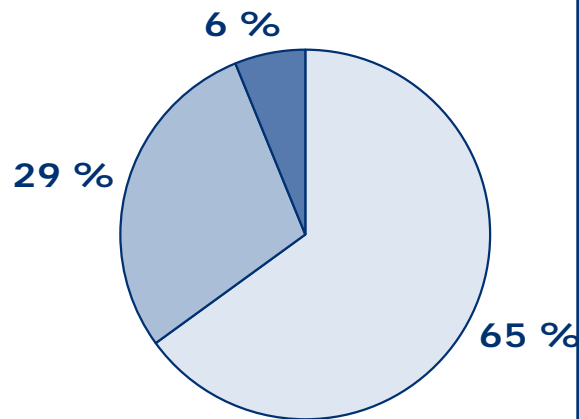
Q1 2008

Operating revenues



- Offshore & Marine
- Subsea
- Oil & Gas Technologies

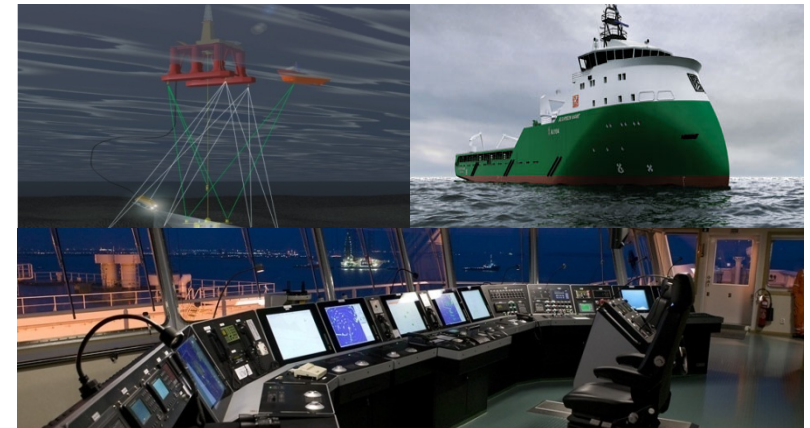
Orders received



Kongsberg Maritime in Q1



- The BA is maintaining its strong positions on the market
- New technological applications
 - Important contract for trawling equipment with Spain for the fisheries unit
 - To be installed on fishing vessels that operate near a new gas pipeline in the Mediterranean
 - Positions and monitors the trawler to prevent damage to infrastructure and trawl nets
- Good influx of new orders during the quarter despite the fact that the pace of ordering new vessels has been slow at the shipyards
 - The backlog of orders remains high
- Cancellations valued at MNOK 157 in Q1
 - Main focus on the market for commercial vessels
- Monitoring market trends very closely



Kongsberg Defence Systems Status

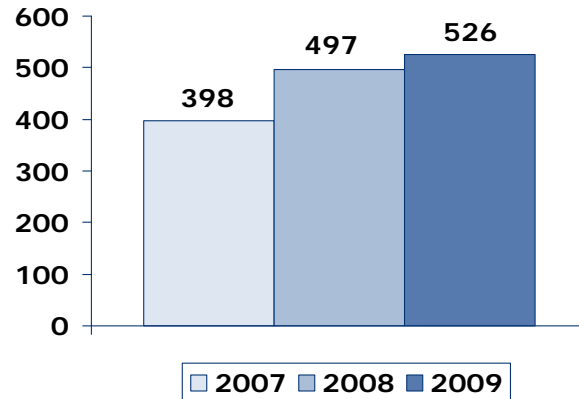


Kongsberg Defence Systems

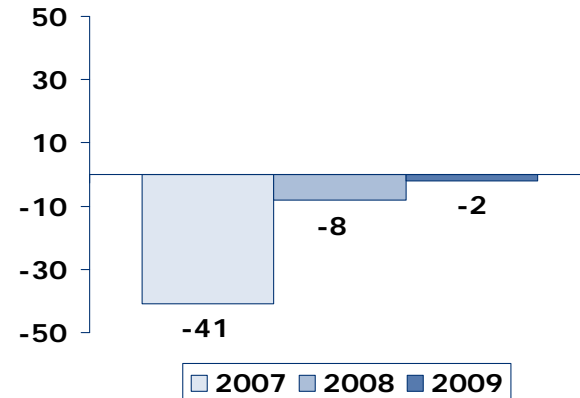
Status Q1 2009



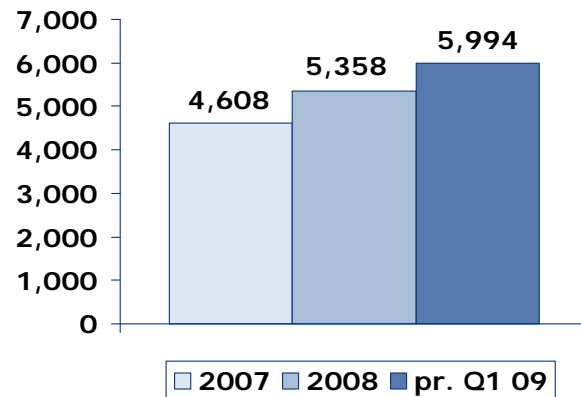
Operating revenues



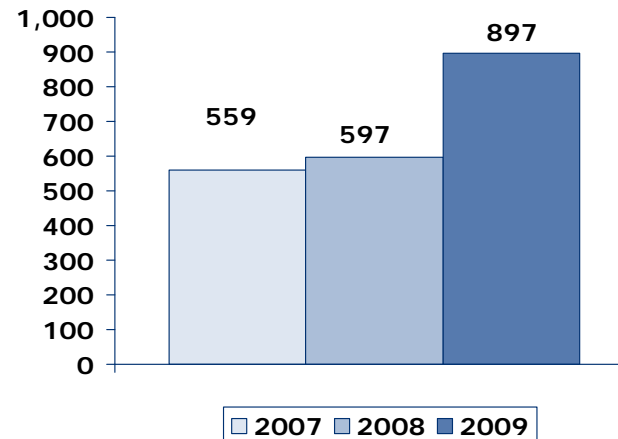
EBITA



Backlog of orders



New orders



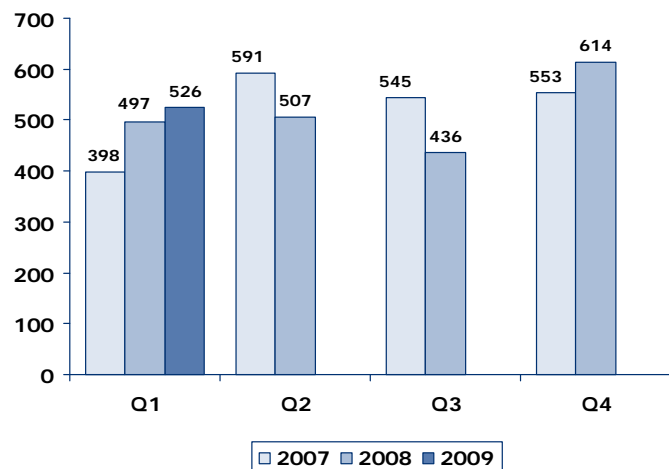
Kongsberg Defence Systems

Quarterly trends in operating revenues and EBITA



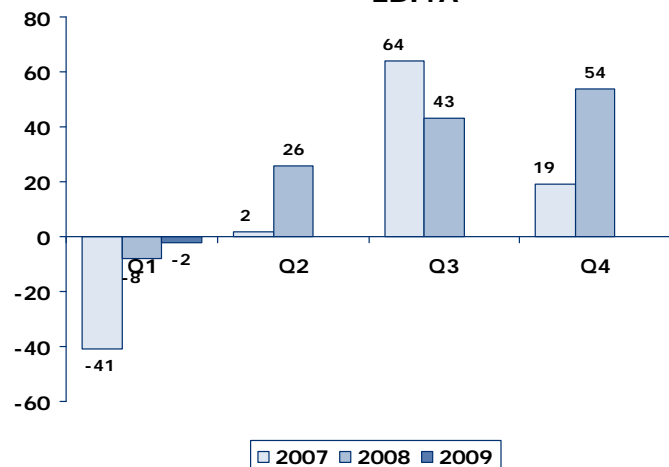
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Operating revenues



Operating revenues			
	2008	2009	Change (%)
Q1	497	526	5.8 %
EBITA			
Q1	-8	-2	
EBITA margin			
Q1	-1.6 %	-0.4 %	

EBITA



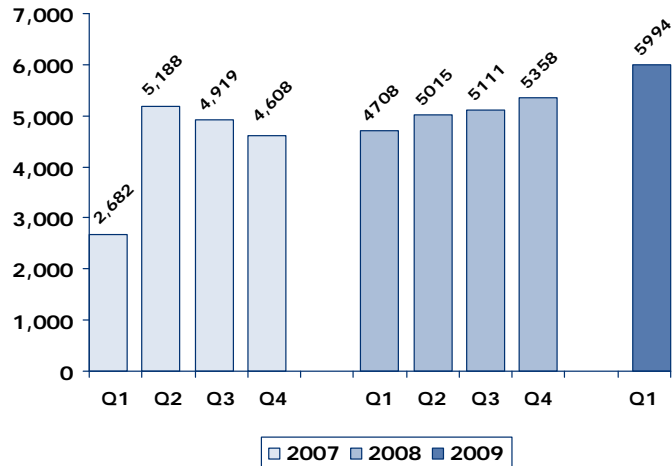
- Usually few milestones early in the year
- Profitability is characterised by the start-up of the composite plant
- Process of industrialisation for the entire business area

Kongsberg Defence Systems

New orders and the backlog of orders

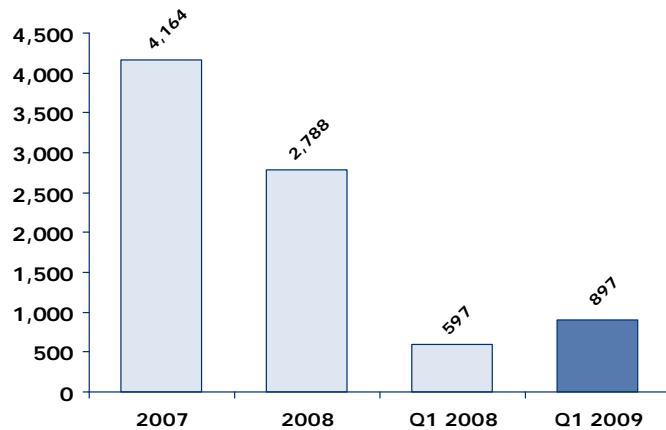


Backlog of orders



Backlog of orders			
	2008	Q1 2009	Change (%)
YTD	5 358	5 994	11.9 %
New orders			
	2008	2009	
Q1	597	897	50.3 %

New orders



- Correction in the order backlog of + 273 MNOK regarding reclassification of order from internal to external

Kongsberg Defence Systems

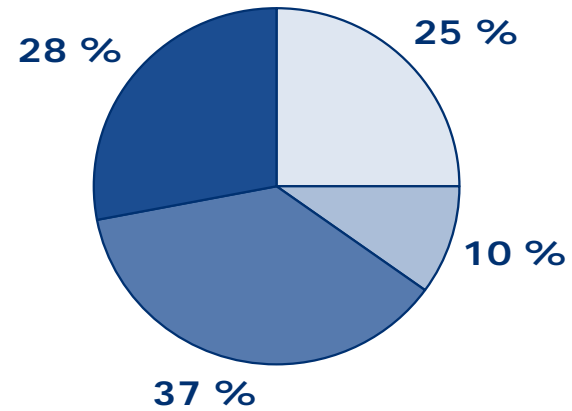
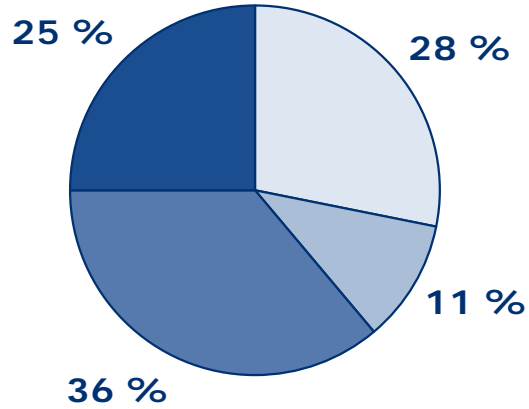
Divisional structure



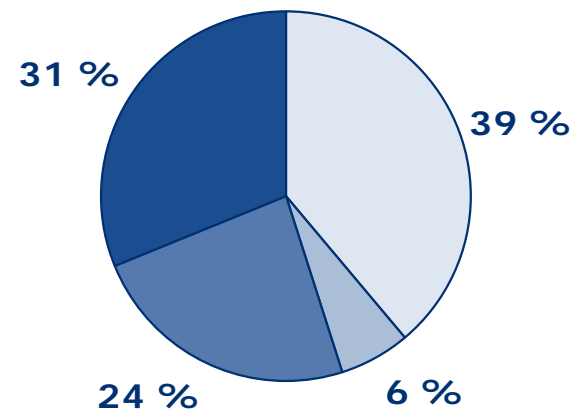
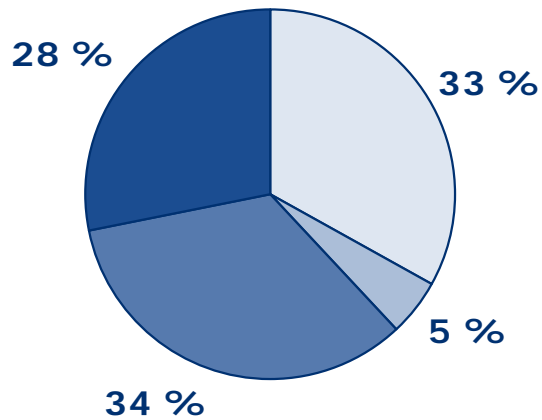
Q1 2009

Q1 2008

Operating revenues



Orders received



Kongsberg Defence Systems in Q1

- Well positioned in the market for anti-ship missiles with both the Naval Strike Missile (NSM) and its predecessor, the Penguin
 - International breakthrough for NSM in December 2008
 - Substantial market penetration with a view to further exports of the NSM and the development of the new Joint Strike Missile
- Other areas
 - Ariane 5 contract valued at MNOK 120
 - Deliveries totalling MNOK 500 since the beginning of the Ariane 5 programme
 - Contract worth MNOK 150 related to submarines for the Italian Navy
- The business area has considerable potential, especially with a view to aircraft components made of composite materials, missiles and air defence.
- The defence market is distinguished by few and large-scale contracts
 - Sales orders fluctuate as a result of this



Kongsberg Protech Systems Status

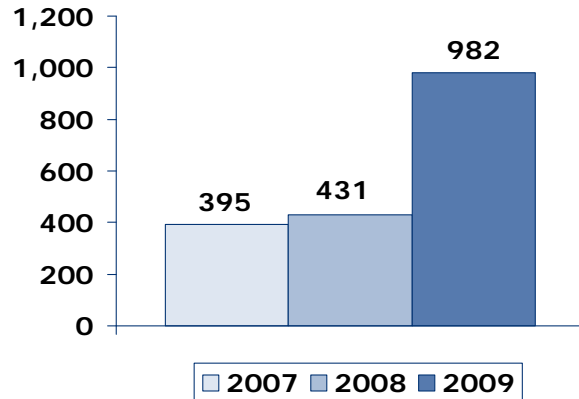


Kongsberg Protech Systems

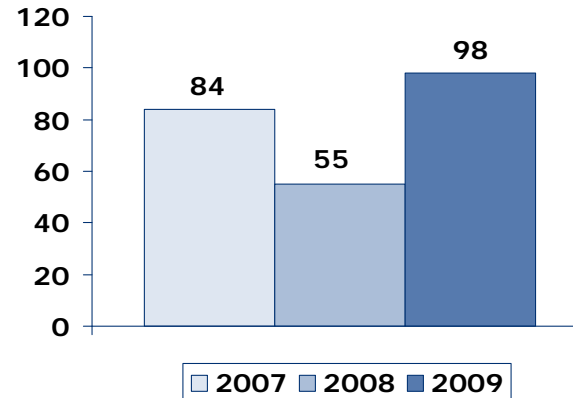
Status Q1 2009



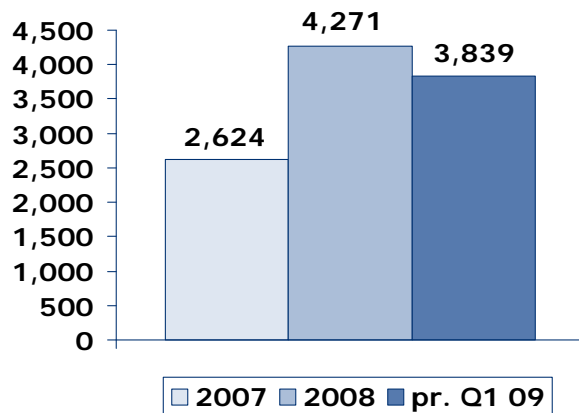
Operating revenues



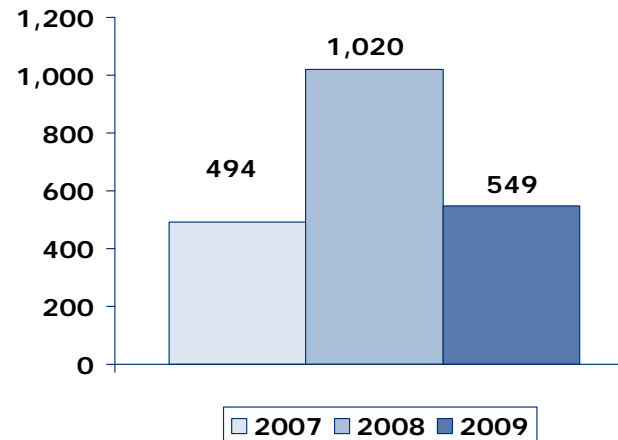
EBITA



Backlog of orders



New orders



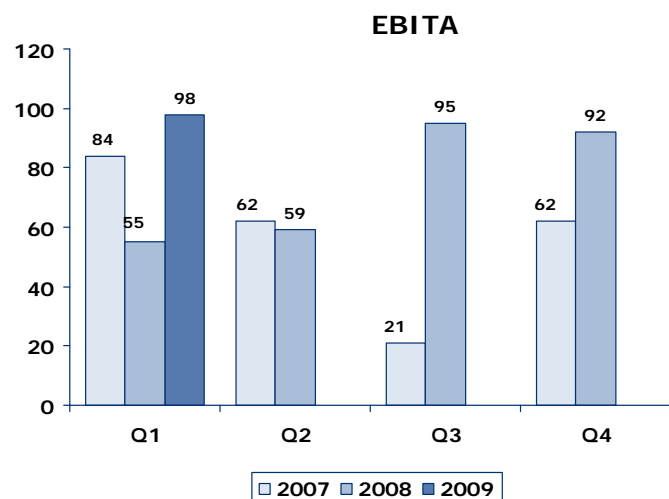
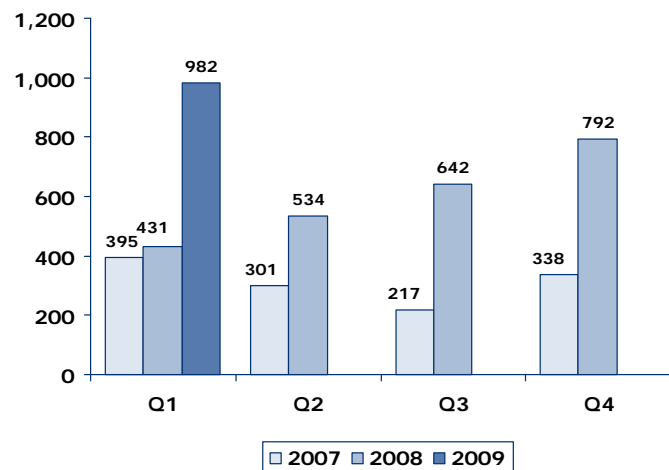
Kongsberg Protech Systems

Quarterly trends in operating revenues and EBITA



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Operating revenues

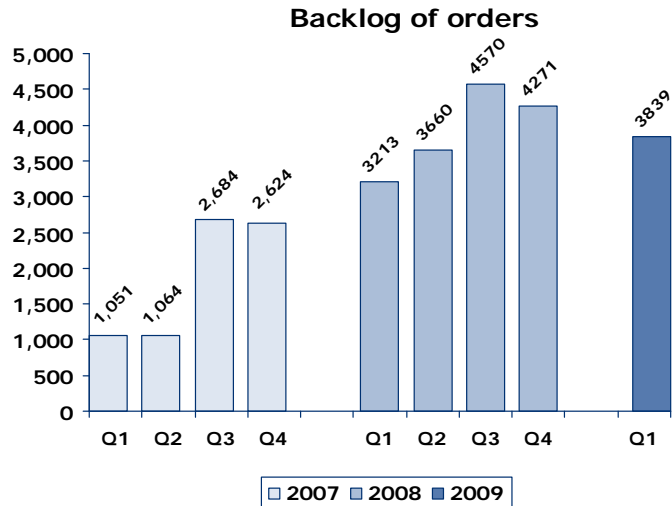


Operating revenues			
	2008	2009	Change (%)
Q1	431	982	127.8 %
EBITA			
Q1	55	98	78.2 %
EBITA margin			
Q1	12.8 %	10.0 %	

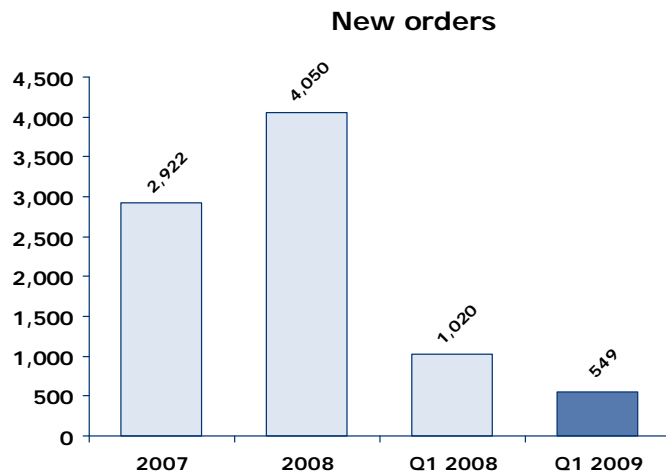
- Lower contribution margin on projects requiring approval of expenses
- Higher equity-financed R&D

Kongsberg Protech Systems

New orders and the backlog of orders



Backlog of orders			
	2008	Q1 2009	Change (%)
YTD	4 271	3 839	-10.1 %
New orders			
	2008	2009	
Q1	1 020	549	-46.2 %



- Natural fluctuations in new orders
- Higher percentage of new orders expected late in the year

Kongsberg Protech Systems in Q1



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- Kongsberg Protech Systems is the leading player in the market for weapon control systems for armoured personnel carriers
- The market prospects for the BA's products are good
 - Growing percentage of after-sales
- Orders in Q1 mainly consisted of a contract worth MNOK 100 with Slovenia and call-off orders on the CROWS II framework contract landed in autumn 2007
- The new factory for assembling weapon control systems in the USA is now running at full capacity
 - Capacity can be expanded further without major investments





KONGSBERG

Updates

Prospects for the future

Highlights – read the quarterly report for the full text



- Kongsberg Maritime is maintaining its strong market positions. The business area is addressing a more difficult market by offering highly specialised products and an efficient production system
- Kongsberg Defence Systems and Kongsberg Protech Systems expect a continued strong influx of new orders and activities
- Initiatives are being put into place on an ongoing basis to reduce the Group's foreign exchange exposure. Besides hedging all signed contracts, the Group hedges a percentage of anticipated new orders. Changes in the value of futures hedges are recognised directly against equity
- KONGSBERG is in a good position, and has a strong platform for further operations. It is, however, uncertain how the Group's markets will develop in the latter half of 2009. The Board of Directors is following the situation closely and considering further initiatives on an ongoing basis



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Appendix

Financial status at 31 March 2009

Income statement



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MNOK	Q1 - 09	Q1 - 08	2008	2007
Operating revenues	3 330	2 353	11 056	8 306
Gains on the sale of property ^a				253
Total revenues	3 330	2 353	11 056	8 559
Operating expenses	(3 018)	(2 116)	(9 737)	(7 340)
Non-recurring effect related to the settlement of the pension scheme ^a				341
Earnings before interest, depreciation and the amortisation of goodwill (EBITDA)	312	237	1 319	1 560
Depreciation	(52)	(42)	(197)	(170)
EBITA	260	195	1 122	1 390
Amortisation	(22)	(12)	(84)	(44)
Earnings before interest and tax (EBIT)	238	183	1 038	1 346
Write-downs on financial assets			(138)	
Net other financial items	(29)	(2)	(39)	(67)
Profit before tax	209	181	861	1 279
Taxes	(63)	(55)	(274)	(293)
Result during the period	146	126	587	986
Minority interests	144	125	(4)	(5)
Equity holders of the parent	2	1	583	981
<i>Earnings per share (NOK)</i>	<i>4.80</i>	<i>4.17</i>	<i>19.44</i>	<i>32.71</i>
<i>Earnings per share, diluted (NOK)</i>	<i>4.80</i>	<i>4.17</i>	<i>19.44</i>	<i>32.71</i>
<i>Earnings per share, excl. non-recurring items</i>	<i>4.80</i>	<i>4.17</i>	<i>19.44</i>	<i>16.17</i>
^a <i>Constitute non-recurring items</i>				
New orders (MNOK)	3 395	3 954	14 635	14 338

Financial status at 31 March 2009

Balance sheet



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MNOK	31 March 09	31 Dec. 08	31 March 08
Tangible fixed assets	1 838	1 863	1 291
Intangible assets	2 321	2 379	1 843
Other non-current assets	487	421	468
Total non-current assets	4 646	4 663	3 602
Short-term assets	7 473	7 504	5 139
Cash and short-term deposits	443	283	754
Total current assets	7 916	7 787	5 893
Total assets	12 562	12 450	9 495
Paid-in capital	982	982	982
Retained earnings	1 899	1 835	1 485
Excess/negative value, financial instruments	(246)	(939)	352
Minority interests	16	16	11
Total equity	2 651	1 894	2 830
Long-term interest-bearing debt	1 724	1 722	705
Other non-current liabilities	1 052	830	1 503
Total non-current liabilities	2 776	2 552	2 208
Prepayments from customers	2 262	1 320	1 920
Other current liabilities	4 873	6 684	2 537
Total current liabilities	7 135	8 004	4 457
Total equity and liabilities	12 562	12 450	9 495

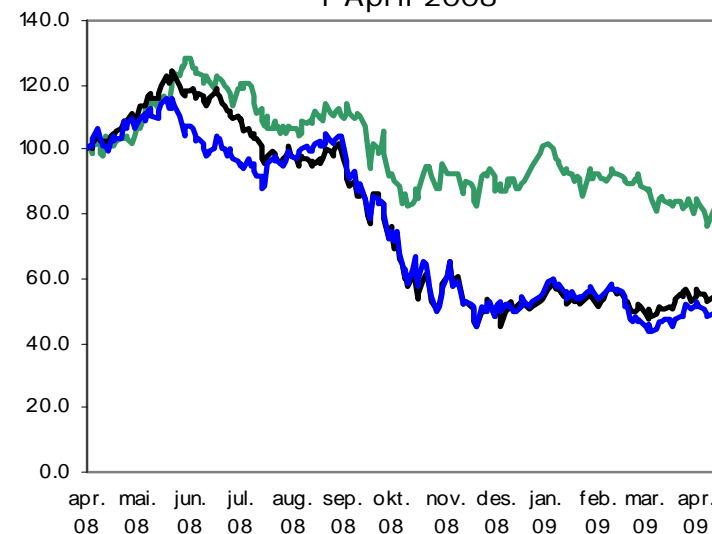
Shares and shareholders

20 largest shareholders (at 21 April 2009)

Shareholders	# shares	Stake	Δ 2009
1 State as repr. by the Ministry of Trade and Indust	15 000 400	50,00 %	-
2 National Insurance Fund	3 330 030	11,10 %	1,28 %
3 Arendals Fossekompagni ASA	2 388 199	7,96 %	-
4 MP Pensjon	1 203 200	4,01 %	-
5 Orkla ASA	725 060	2,42 %	0,05 %
Total for the 5 largest shareholders	22 646 889	75,49 %	
6 Skagen Vekst	700 000	2,33 %	-0,11 %
7 Odin Norge	672 690	2,24 %	0,00 %
8 Odin Norden	552 747	1,84 %	0,00 %
9 Odin Offshore	250 000	0,83 %	-
10 State Street Bank and Trust Co. - nominee	179 760	0,60 %	-0,01 %
11 DnB NOR Norge (IV)	155 523	0,52 %	-0,21 %
12 Ferd Invest AS	150 000	0,50 %	-
13 JP Morgan Chase Bank - nominee	131 769	0,44 %	-0,05 %
14 Kongsberg Gruppen ASA	129 744	0,43 %	New
15 Vital Forsikring ASA	124 607	0,42 %	-0,06 %
16 VP Danske Invest	107 048	0,36 %	-
17 JP Morgan Chase Bank - nominee	103 000	0,34 %	-
18 Must Invest AS	100 000	0,33 %	-
19 BNP Paribas - nominee	96 000	0,32 %	-
20 Bank of New York, Brussels branch - nominee	89 275	0,30 %	-0,12 %
Total for the 20 largest shareholders	26 189 052	87,3 %	
Total number of shares	30 000 000	100,0 %	

Share price performance over the past year

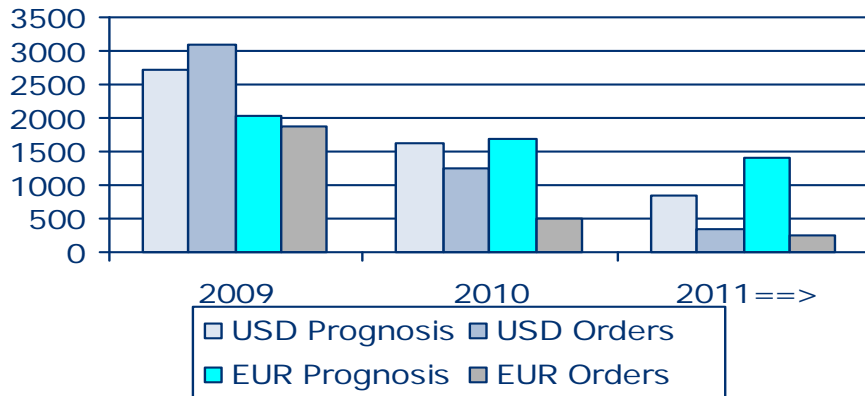
Index¹⁾ KOG compared with indices from 1 April 2008



— KOG Index — OSEBX — OSE Ind.

1) KOG's share price relative to OSEBX and the industrial index. Closing share price on 1 April 2008 = 100

Hedging portfolio at 31 March 2009 (value in NOK)



Foreign exchange policy

- Hedging of all signed contracts
- Partial hedging of anticipated revenues in foreign currencies two years ahead.
- Objectives:
 - Create predictability and ensure profitability for the existing product portfolio
 - Allow time for operational and strategic initiatives in the event of lasting changes in exchange rates

Hedging portfolio

- Orders: All orders signed in foreign currencies are hedged, eliminating currency risk
- Prognosis: Prior to signature, probable contracts are also hedged pursuant to the guidelines stipulated in the Foreign Exchange Policy

Foreign currency position

- 70-75 per cent of sales influenced by exchange rates
- 30-35 per cent of costs in foreign currencies
- Approx. 35 per cent net exposure, primarily USD and EUR
- Our competitiveness is influenced by:
 - Changes in the NOK exchange rate, NOK/EUR, against all foreign competitors
 - Changes in the USD exchange rate, USD/EUR, against all competitors with their cost base in USD or currencies linked to the USD

The Board of Directors of Kongsberg Gruppen ASA



Finn Jebsen (58), Chair of the Board

- Self-employed
- CEO of Orkla from 2001 to 2005
- Other directorships: Chair of the Board of Directors Kavli Holding AS, Deputy Chair of KLP forsikring (insurance), director of Berner Gruppen AS, Anders Wilhelmsen Management AS and Norsk Hydro ASA.



Benedicte Berg Schilbred (61), Deputy Chair

- Executive Chair of the Board of the Odd Berg Group
- Other directorships: Chairman of the Board Tos Lab AS, director in Norway Pelagic Group AS, Norsildmel AS and Nordsildmel Innovation AS



Erik Must (65), Director

- Other directorships: Chair of the Board of Directors in Fondsfins ASA, Fondsfins Kapitalforvaltning Holding AS, Arendals Fossekompagni, Gyldendal ASA and Erik Must AS. Member of the Boards of the NSTC Media Group and the Norwegian Museum of Cultural History.



John Giverholt (55), Director

- CFO, Ferd AS
- Experience from Orkla ASA, DnB ASA and Norsk Hydro ASA
- Other directorships: Director of Telenor ASA



Siri Hatlen (50), Director

- Executive Vice President, New Energy, Statkraft
- Other directorships: Det Norske Samlaget Publishing House and AS Vinmonopolet. Director of PGS ASA, NTNU and Det Norske Teateret, among others



Roar Marthiniussen (51) – Director (employee representative)

- Sales and Marketing Manager, Kongsberg Maritime AS
- Engineer from the Horten College of Engineering
- Employee representative on KONGSBERG's Board of Directors since 1999



Audun Solås (49), Director (employee representative)

- Chief Engineer, Kongsberg Defence Systems
- Graduate Engineer, Royal College of Technology, Stockholm
- Employee representative since 2005



Kai Johansen (40), Director (employee representative)

- Shop Steward in the Norwegian United Federation of Trade Unions, Kongsberg Protech Systems
- Training from Kongsberg Vocational School
- Guild certificate as a CNC operator
- Employee representative since 2007

Financial Calendar and Investor Relations contacts



Financial calendar 2009

Publication of quarterly accounts

- Q2 14 August
- Q3 23 October

Annual general meeting

- 7 May

IR contacts

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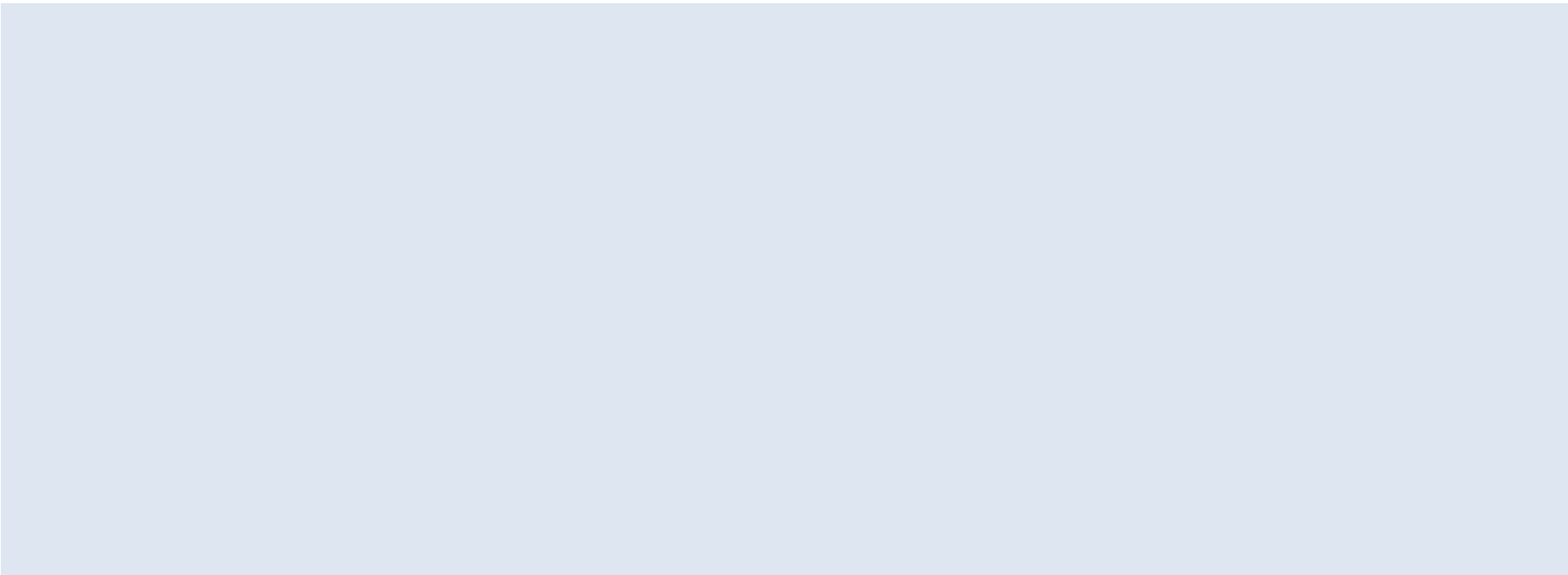
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For more information, see: www.kongsberg.com/en/KOG/InvestorRelations.aspx



KONGSBERG