

**BLOM ASA**

**Q2 2011 RESULTS**

**Presentation by  
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**Thon Hotel Vika Atrium, Oslo**



## Forward Looking Statements

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

These forward-looking statements reflect current views with respect to future events and are by their nature subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity or performance will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this presentation, either to conform them to actual results or to changes in our expectations.



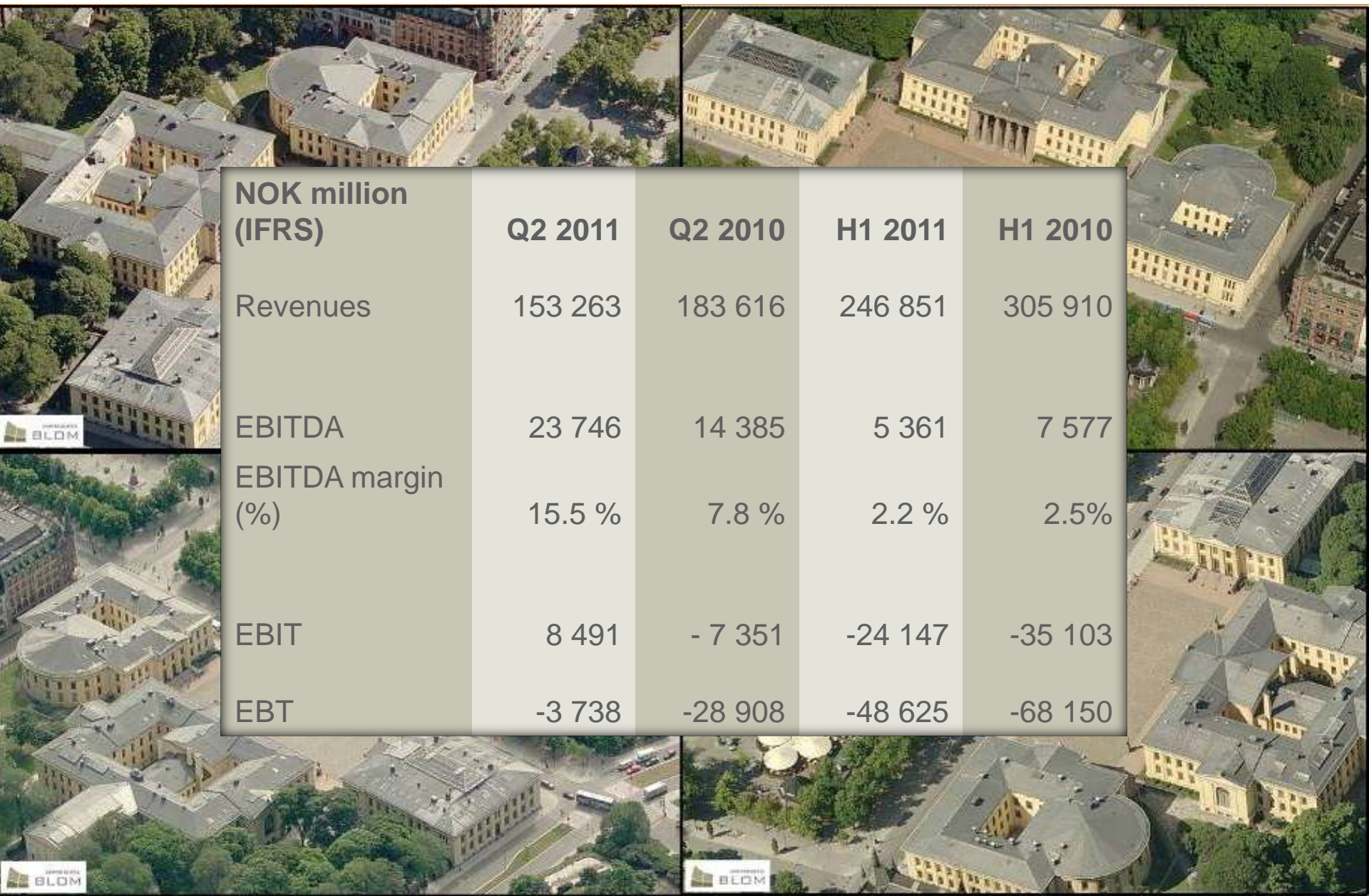
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- Financial restructuring
  - Rights issue raised net proceeds of NOK 56 million completed
  - Bond restructuring soon to be completed
- Q2 Improved margins
  - Cost-cutting program yields improved margins
- Continued challenging market conditions
  - Still uncertainty in Southern Europe
  - Focus on specific market segments and geographical markets with growth



# Key Figures – Q2 Profit & Loss



NOK million (IFRS)	Q2 2011	Q2 2010	H1 2011	H1 2010
Revenues	153 263	183 616	246 851	305 910
EBITDA	23 746	14 385	5 361	7 577
EBITDA margin (%)	15.5 %	7.8 %	2.2 %	2.5%
EBIT	8 491	- 7 351	-24 147	-35 103
EBT	-3 738	-28 908	-48 625	-68 150

# Key Figures – Q2 Segments



(NOK million)	Q2 2011	Q2 2010
<b>Revenues</b>		
BIS	19 456	27 263
BGES	133 808	156 353
<b>Total revenues</b>	<b>153 263</b>	<b>183 616</b>
<b>EBITDA</b>		
BIS	9 438	7 140
BGES	21 822	16 017
Other	-7 515	- 8 771
<b>Total EBITDA</b>	<b>23 745</b>	<b>14 385</b>
<b>EBIT</b>		
BIS	4 469	-3 925
BGES	11 567	6 357
Other	-7 546	-8 814
<b>Total EBIT</b>	<b>8 567</b>	<b>-6 382</b>

# Key Figures – Q2 Balance Sheet



NOK million (IFRS)	Per 30.06.11	Per 31.03.11	Per 31.12.10
Fixed Asset	364 464	350 518	352 537
Current Assets	485 783	418 279	455 757
- Cash	114 881	86 319	95 888
<b>Total Assets</b>	<b>850 247</b>	<b>768 797</b>	<b>808 294</b>
Shareholder's Equity	124 410	69 195	107 853
Long Term Liability Int bearing	33 681	39 867	38 930
Other Long term Liability	36 521	40 897	25 502
Current Liab. Int. Bearing	465 635	413 415	389 423
Other Current Liabilities	190 000	205 423	246 586
<b>Total Equity and Debt</b>	<b>850 247</b>	<b>768 797</b>	<b>808 294</b>
Net Interest Bearing Debt	384 435	366 963	332 465
Equity Ratio (%)	14.6 %	9.0 %	13.3 %
Current Ratio	0.74	0.68	0.72

- New market segments:
  - Romania infrastructure markets develop according to expectations
  - Successful focus on Defense & Security
  - Pursuing opportunities within environmental projects
- New geographical markets:
  - Latin America promising growth opportunities identified
  - Increased focus on French market through new contracts and reorganized organization
- Uncertainty still persists in the macroeconomic environment in Western Europe



- Implementation of a new sales and product oriented structure
  - Progressing according to plan
- Conversion to Blom proprietary technology
  - BlomURBEX™
    - Future revenue will increasingly be created by delivery of content and services online using the BlomURBEX™ platform
  - BlomDESKTOP Viewer™
    - The BlomDESKTOP Viewer™ provides our customers with a “one stop shop” viewer application that is capable of visualizing and working with all the different types of content that Blom can deliver.
  - BlomWEB Viewer™
    - It supplies our customers with an easy to install, customizable web application to support quick deployment of service in an online environment.



- Financial restructuring
  - Constructive dialog with the Bondholders
  - Dialog comprises e.g. extension of the maturity of the Bond
  - Common understanding that a more long term structure is beneficial
  - Waiver given until 18 November to fine-tune long-term solution

*“The Issuer and the Bond Trustee and certain of its bondholders have thereafter been in a constructive dialogue to find a more long-term solution to the debt structure. The dialog includes e.g. extension of the maturity of the bonds and refinement of the covenant structure. The parties together aim to work out a long-term solution which meets their joint needs.”*

*Source: Norwegian Trustee, Summons to bondholders meeting, 25 July 2011*



## Q2 Financial Highlights

- Cost cutting program yields better margins
  - Salary cost down 16 MNOK 1<sup>st</sup> half 2011
  - Other operating cost down 12 MNOK 1<sup>st</sup> half 2011
  
- Rights issue carried out in April
  - Raised net proceeds of NOK 56 million
  - Outstanding shares increased from 41.7 million to 254.7 million
  - Equity ratio improved from 9% to 15% during Q2
  
- Continued focus on maintaining lean working capital levels

(NOK million)									
Balance sheet values	Q2 09	Q3 09	Q4 09	Q1 10	Q2 10	Q3 10	Q4 10	Q1 11	Q2 11
Work in progress / inventory	363	416	264	253	284	280	155	165	208
Accounts receivables	218	216	240	171	149	125	164	122	119
<b>Total</b>	<b>581</b>	<b>663</b>	<b>504</b>	<b>424</b>	<b>433</b>	<b>405</b>	<b>319</b>	<b>287</b>	<b>327</b>



- Continued focus on improved margins and operational effectiveness
- Expect continued reduction of cost base going forward
- Blom will adapt a more market oriented approach targeting key segments
- Based on the strong current technical platform, Blom will continue to meet present and future customer needs without substantial investments
- BlomURBEX™ with its robust online Geo Services solution is a key component in serving client needs



- Reduced risk exposure through
  - Successful completion of financial restructuring through rights issue
  - Reduced cost base

- Improved operational platform through
  - Strengthened executive management team
  - Enhanced commercial market and sales approach



# Q&A

