HEXAGON COMPOSITES

FIRST QUARTER 2011 RESULTS

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Oslo, 13 May 2011

AGENDA Q1 2011 RESULTS

- Hexagon Composites overview
- Key figures
- Business Units
- Group financials
- Summary & Outlook
- Q & A

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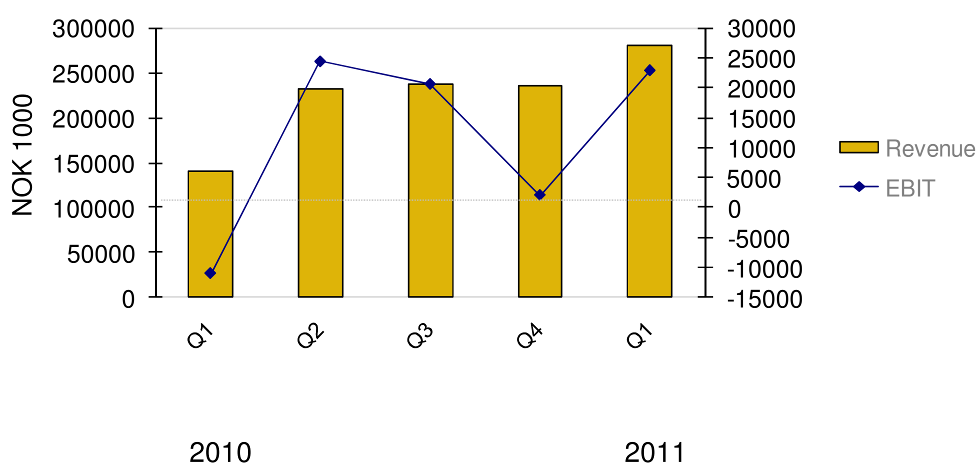
COMPOSITE CONTAINERS FOR PROPANE, NATURAL GAS AND BIOGAS	HIGH-PRESSURE CONTAINERS NATURAL GAS, BIOGAS AND HYDROGEN	COMPOSITE REINFORCEMENTS FOR LIGHTWEIGHT CONSTRUCTIONS
RAGASCO	LINCOLN COMPOSITES; Raufoss FUEL SYSTEMS	DEVOLD AMT
composite SCANDINAVIA		UAB AMT BALTIJA; PPG-DEVOLD LLC (50/50)

GROUP KEY FIGURES Q1 COMPARISON

	Q1 2010	Q4 2010	Q1 2011
Total Sales	141.343	235.036	280.520
EBITDA	1.756	23.665	42.858
EBIT	-11.067	2.063	23.005
EBIT %	-7,83 %	0,88 %	8,20 %

Total Sales and EBIT last quarters



Q1 operating results

- Account receivables related to a major delivery from Ragasco received
- Strong and increasing market for CNG composite containers in North America
- Ragasco secured important contract with large European car manufacturer for delivery of composite containers
- Positive development for Devold AMT
- Stronger NOK may weaken the Group profitability

Q1 2011 - BUSINESS UNITS

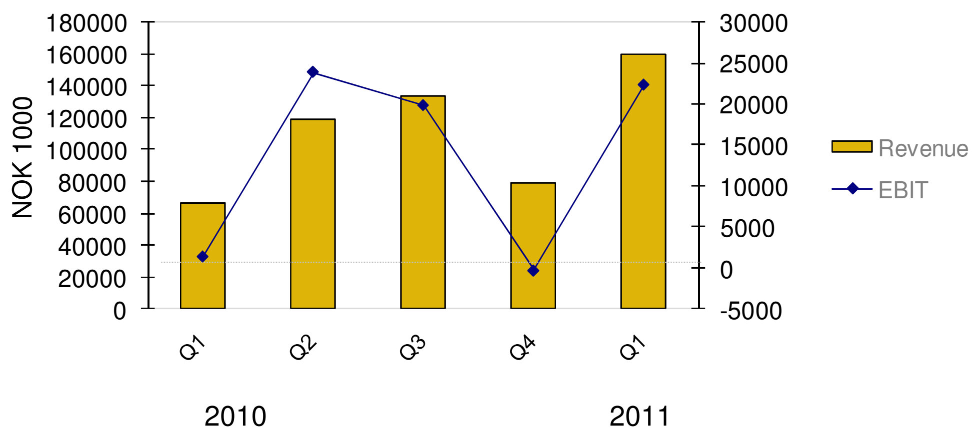
COMPOSITE CONTAINERS

- Account receivables related to a major delivery from Ragasco received
- Positive development at Ragasco and Composite Scandinavia
- Ragasco secured important contract with large European car manufacturer for delivery of gas containers for new gas-powered passenger cars.
- Continued focus on sales activities and cost reductions

COMPOSITE CONTAINERS

	Q1 2010	Q4 2010	Q1 2011
Total Sales	66.803	78.801	159.438
EBITDA	8.708	15.822	36.431
EBIT	1.420	-287	22.273
EBIT %	2,13 %	-0,36 %	13,97 %

Total Sales and EBIT last quarters



Q1 operating results

- Increased turnover due to transfer of a major delivery from Q4 2010 to 2011
- Improved EBIT margin compared to Q1 and Q4 2010
- Positive development for Composite Scandinavia

Outlook

- Good order book for first half of 2011, however some uncertainty related to the second half of the year.
- Increasing interest for our CNG containers for cars (biogas)
- Increasing trend of higher raw material prices

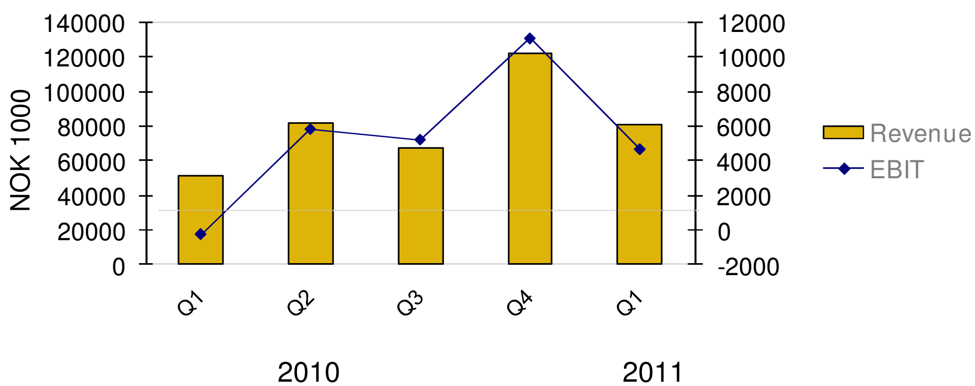
HIGH PRESSURE CONTAINERS

- Strong and increasing market for CNG vehicles in USA
- Continued positive market development for CNG buses in Europe
- Good market interest for TITAN™ but reduced sales in Q1 due to market variations
- Positive interest in our innovation projects
  - Riser, hybrid accumulators, hydrogen
- The order book for 2011 is satisfactory

HIGH PRESSURE CONTAINERS

	Q1 2010	Q4 2010	Q1 2011
Total Sales	51.530	121.994	80.824
EBITDA	2.726	14.367	8.338
EBIT	-226	11.091	4.681
EBIT %	-0,44 %	9,09 %	5,79 %

Total Sales and EBIT last quarters



Q1 operating results

- Reduced TITAN™ sales in Q1 due to market variations. Sales will normally fluctuate during the year
- Positive CNG sales development:
  - Light & heavy-duty vehicles - USA
  - Bus market - Europe
  - Bulk hauling - Europe
- Increasing operating margin

Outlook

- Increasing political incentives
- Continued strong CNG vehicle market
- Increasing prices of raw material and carbon fiber may reduce margins

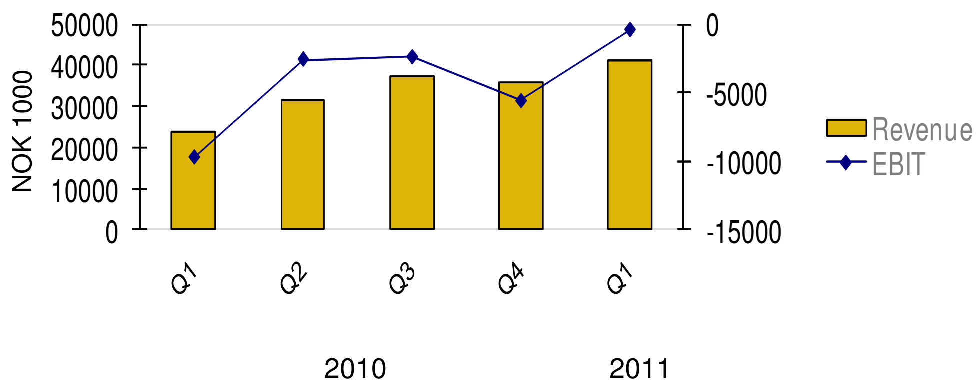
COMPOSITE REINFORCEMENTS

- Improved turnover in Q1
- Signed contracts with Siemens and Vestas Blades which will secure growth in 2011
- Anti-dumping duty valid for 5 years + normal duty on imported Chinese fiber glass to EU countries total 21%
  - gives cost advantages for production in Norway
- Implemented restructuring measures yield lower costs and increasing margins

COMPOSITE REINFORCEMENTS

	Q1 2010	Q4 2010	Q1 2011
Total Sales	23.718	35.688	40.994
EBITDA	-7.072	-3.515	1.474
EBIT	-9.656	-5.590	-439
EBIT %	-40,71 %	-15,66 %	-1,07 %

Total Sales and EBIT last quarters



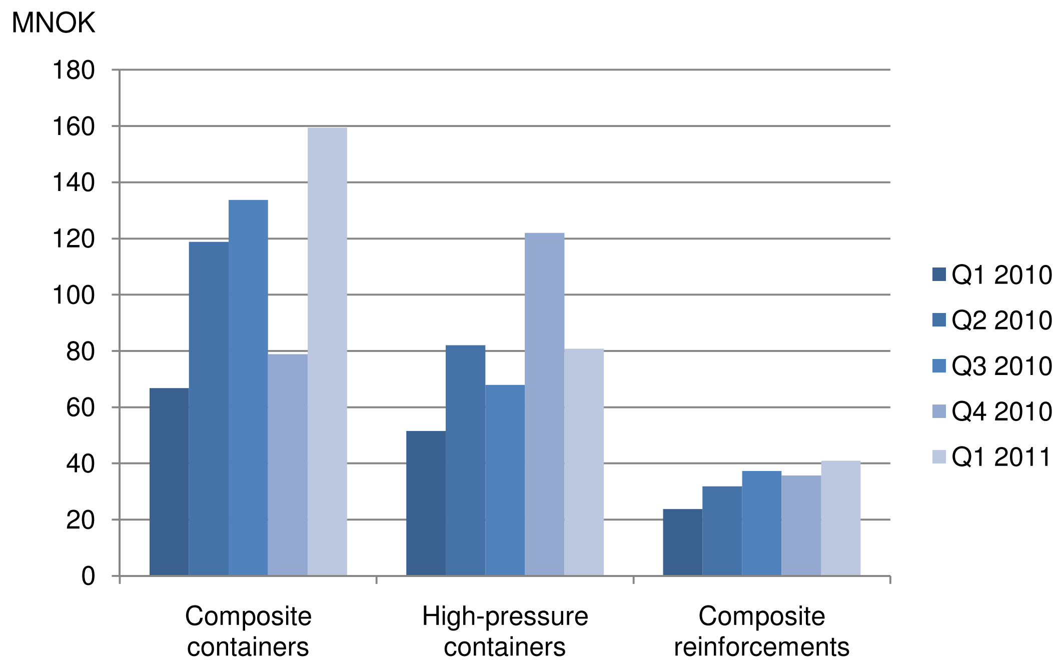
Q1 operating results

- Improved turnover and reduced loss
- Restructuring measures yield lower costs and increasing margins

Outlook

- Expected continued growth in the wind power market
- Further improved turnover and reduced loss expected for 2011
- Anti-dumping duty + normal duty on imported Chinese fiber glass to EU countries total 21%
  - gives cost advantages for production in Norway

TURNOVER PER BUSINESS UNIT



Q1 2011 – GROUP FINANCIALS

PROFIT AND LOSS ACCOUNT Q1 2011

Key figures (NOK 1 000)	Q1 2011	Q1 2010	Change
Sales Revenue	280.520	141.343	98%
EBITDA	42.858	1.756	2341%
EBIT	23.005	-11.067	308%
EBIT %	8,2 %	-7,8 %	
Profit before tax	19.071	-6.970	374%

Q1 operating results

- Positive development of turnover due to good sales in all business units
- Improving operating margins
- Results in Q1 2010 was affected by low turnover due to plant rebuilding and non/low production at Ragasco and Lincoln Composites

BALANCE SHEET AS PER 31.03.2011

ASSETS

Balance Sheet - Assets	31.03.2011	31.12.2010	Change
Intangible assets	130.875	135.048	-4.173
Tangible fixed assets	276.391	293.302	-16.911
Investments in associates	5.392	5.499	-107
Other financial fixed assets	2.373	915	1.458
Inventories	190.934	201.391	-10.457
Receivables	253.260	262.916	-9.656
Bank deposits, cash and similar	8.312	9.028	-716
Total Assets	867.536	908.099	-40.563

(NOK 1 000)

BALANCE SHEET AS PER 31.03.2011

LIABILITIES AND EQUITY

Balance Sheet - Liabilities and Equity	31.03.2011	31.03.2010	Change
Paid-in capital	103.309	103.180	129
Other equity	161.197	150.399	10.798
Provisions	19.276	18.161	1.115
Interest-bearing long-term liabilities	306.860	307.251	-391
Interest-bearing current liabilities	82.891	96.951	-14.060
Other current liabilities	194.004	232.158	-38.154
Total Liabilities and Equity	867.536	908.099	-40.563

(NOK 1 000)

BALANCE SHEET AS PER 31.03.2011

ASSETS

Balance Sheet - Assets (NOK 1 000)	31.03.2011	31.12.2010	Change
Intangible assets	130.875	142.896	-12.021
Tangible fixed assets	276.391	318.383	-41.992
Investments in associates	5.392	5.949	-557
Other financial fixed assets	2.373	1.044	1.329
Inventories	190.934	95.987	94.947
Receivables	253.260	188.352	64.908
Bank deposits, cash and similar	8.312	11.391	-3.079
Total Assets	867.536	764.002	103.534

BALANCE SHEET AS PER 31.03.2011

LIABILITIES AND EQUITY

Balance Sheet - Liabilities and Equity	31.03.2011	31.03.2010	Change
Paid-in capital	103.309	177.619	-74.310
Other equity	161.197	77.151	84.046
Provisions	19.276	20.722	-1.446
Interest-bearing long-term liabilities	306.860	319.140	-12.280
Interest-bearing current liabilities	82.891	28.846	54.045
Other current liabilities	194.004	140.523	53.481
Total Liabilities and Equity	867.536	764.002	103.534

(NOK 1 000)

CASH FLOW STATEMENT AS AT 31.03.2011

Cash Flow Statement (NOK 1 000)	31.03.2011
Profit before tax	19.071
Depreciation and write-downs	19.854
Change in net working capital	-14.964
Net cash flow from operations	23.961
Net cash flow from investment activities	-4.384
Net cash flow from financing activities	-20.292
Net change in cash and cash equivalents	-716
Cash and cash equivalents at start of period	9.028
Cash and cash equivalents at end of period	8.312
Available unused credit facility	67.522

SUMMARY & OUTLOOK

MARKET DRIVERS

Composite containers

LPG:

Market change from steel to composite cylinders

Increased focus on design, light-weight and safety

CNG:

Political incentives

High-pressure containers

Increased oil price and stable low gas price will increase gas vehicle market

Increasing political incentives:

- NGV Europe: Biogas
- NGV USA: Natural gas

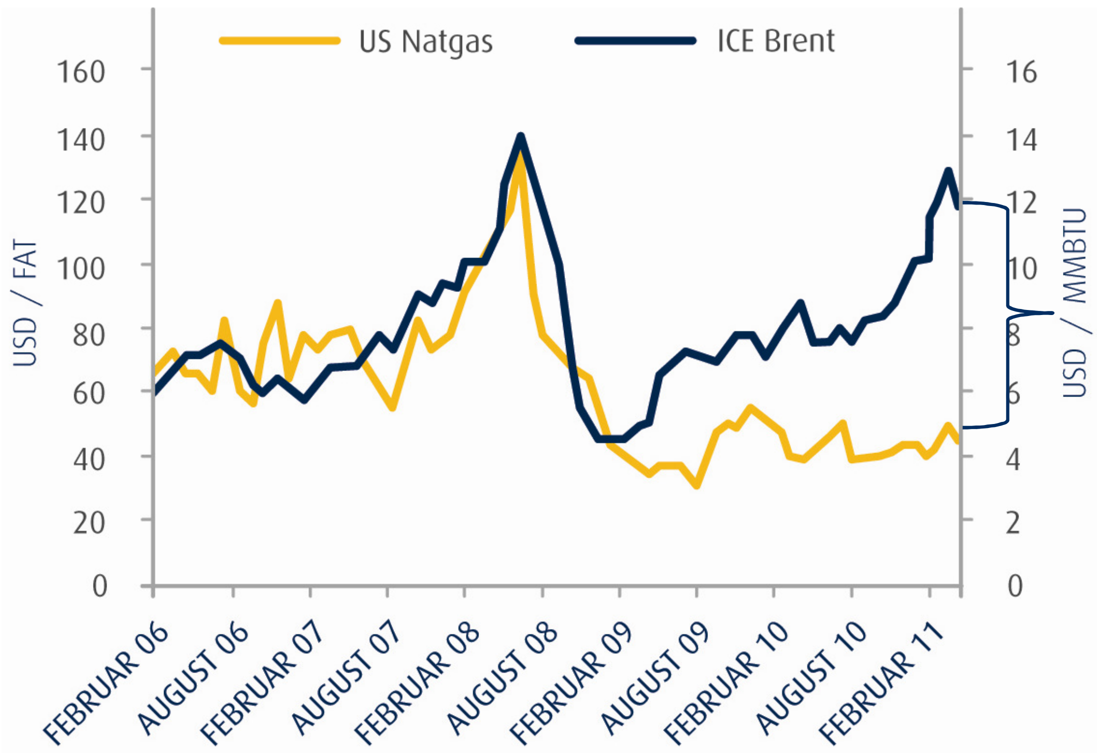
More gas vehicles require more filling stations

Conversion of power plants from oil to gas
- more bulk hauling

Composite reinforcements

Continued growth with wind power as clean energy

OIL AND NATURAL GAS



Drives market for natural gas solutions

SUMMARY & OUTLOOK

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- Expected continued growth in the wind power market


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Q & A