

## Hexagon Composites ASA - Profit and Loss Statement 1<sup>st</sup> Quarter 2011

(All figures in NOK 1.000)

### PROFIT AND LOSS ACCOUNT

	31.03.2011	31.03.2010	31.12.2010
	Unaudited	Unaudited	Audited
Operating income	280.520	141.343	845.974
Cost of materials	153.135	69.731	421.869
Payroll and social security expenses	50.107	43.609	185.409
Other operating expenses	34.419	26.246	127.456
Operating profit before depreciation (EBITDA)	42.858	1.756	111.241
Depreciation	19.854	12.823	75.034
Operating profit (EBIT)	23.005	-11.067	36.207
Income from investments in associates	-108	-149	-598
Other financial items (net)	-3.826	4.245	-8.354
Profit/loss before tax	19.071	-6.970	27.254
Tax	-5.474	1.918	-8.956
Profit/loss after tax	13.597	-5.052	18.298

### Comprehensive income statement according to IAS 1

Profit/loss after tax	13.597	-5.052	18.298
Exchange differences arising from the translation of foreign operations	-2.800	1.360	1.186
Actuarial gains/losses for the period	0	0	-1.099
Fair value adjustments hedging instruments	0	304	7.070
Comprehensive income	10.797	-3.388	25.456

### BALANCE SHEET

Intangible assets	130.875	142.896	135.048
Tangible fixed assets	276.391	318.383	293.302
Investments in associates	5.392	5.949	5.499
Other financial fixed assets	2.373	1.044	915
Inventories	190.934	95.987	201.391
Receivables	253.260	188.352	262.916
Bank deposits, cash and similar	8.312	11.391	9.028
Total assets	867.536	764.002	908.099
Paid-in capital	103.309	177.619	103.180
Other equity	161.197	77.151	150.399
Provisions	19.276	20.722	18.161
Interest-bearing long-term liabilities	306.860	319.140	307.251
Interest-bearing current liabilities	82.891	28.846	96.951
Other current liabilities	194.004	140.523	232.158
Total liabilities and equity	867.536	764.002	908.099

### CASH FLOW STATEMENT

Profit before tax	19.071	-6.970	27.254
Depreciation and write-downs	19.854	12.823	75.034
Change in net working capital	-14.964	18.319	-60.455
Net cash flow from operations	23.961	24.172	41.834
Net cash flow from investment activities	-4.384	-46.493	-68.717
Net cash flow from financing activities	-20.292	-12.851	-10.652
Net change in cash and cash equivalents	-7.16	-35.172	-37.535
Cash and cash equivalents at start of period	9.028	46.563	46.563
Cash and cash equivalents at end of period	8.312	11.391	9.028
Available unused credit facility	67.522	99.616	50.926

### Statement of changes in equity

	Share capital	Share premium reserve	Revaluation reserve	Exchange differences	Other equity	Total
Balance sheet as at 31 December 2009	13.329	157.955	-7.070	-3.110	96.798	257.900
Comprehensive income for the period			7.070	1.186	17.200	25.456
Share-based payment					874	874
Dividends					-30.650	-30.650
Reduction of share premium reserve <sup>1)</sup>		-75.000			75.000	0
Balance sheet as at 31 December 2010	13.329	82.955	0	-1.925	159.221	253.580
<sup>1)</sup> Decision of May 6 <sup>th</sup> 2010. Registered as carried through in the Register of Business Enterprises October 14 <sup>th</sup> 2010.						
Balance sheet as at 31 December 2010	13.329	82.955	0	-1.925	159.221	253.580
Comprehensive income for the period				-2.800	13.597	10.797
Share-based payment					129	129
Balance sheet as at 31 March 2011	13.329	82.955	0	-4.725	172.947	264.505

### KEY FIGURES

	31.03.2011	31.03.2010	31.12.2010
Equity ratio	30,5%	33,3%	27,9%
Equity/Capital employed	40,4%	42,3%	38,6%
Liquidity ratio I	1,6	1,7	1,4
Return on equity (annualised)	21,0%	-7,9%	7,2%
Total return (annualised)	8,6%	-0,5%	6,8%
Earnings per share	0,10	-0,04	0,14
Diluted earnings per share	0,10	-0,04	0,14
Cash flow from operations per share	0,18	0,18	0,31
Equity per share	1,98	1,91	1,90
Interest-bearing liabilities	389.751	347.987	404.201

### Information on Business Areas <sup>2)</sup>:

	31.03.2011	31.03.2010	31.12.2010
<b>Ragasco - LPG Containers:</b>			
Operating income	159.438	66.803	398.114
Operating profit before depreciation (EBITDA)	36.431	8.708	96.900
Operating profit (EBIT)	22.273	1.420	44.728
<b>Lincoln/Raufoss - High Pressure Containers:</b>			
Operating income	80.824	51.530	323.489
Operating profit before depreciation (EBITDA)	8.338	2.726	35.592
Operating profit (EBIT)	4.681	-226	21.946
<b>Devold AMT - Composite Reinforcements:</b>			
Operating income	40.994	23.718	128.528
Operating profit before depreciation (EBITDA)	1.474	-7.072	-11.152
Operating profit (EBIT)	-439	-9.656	-20.227

<sup>2)</sup> Figures for the business areas do not include elimination of internal sales.