

1st

QUARTER
2014

Oslo, 9th May 2014

Jon Erik Engeset, Group President & CEO
David Bandele, CFO



HEXAGON
COMPOSITES

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AGENDA



- Group Highlights
- Group Financials & Segment overview
- Summary and Outlook
- Q & A

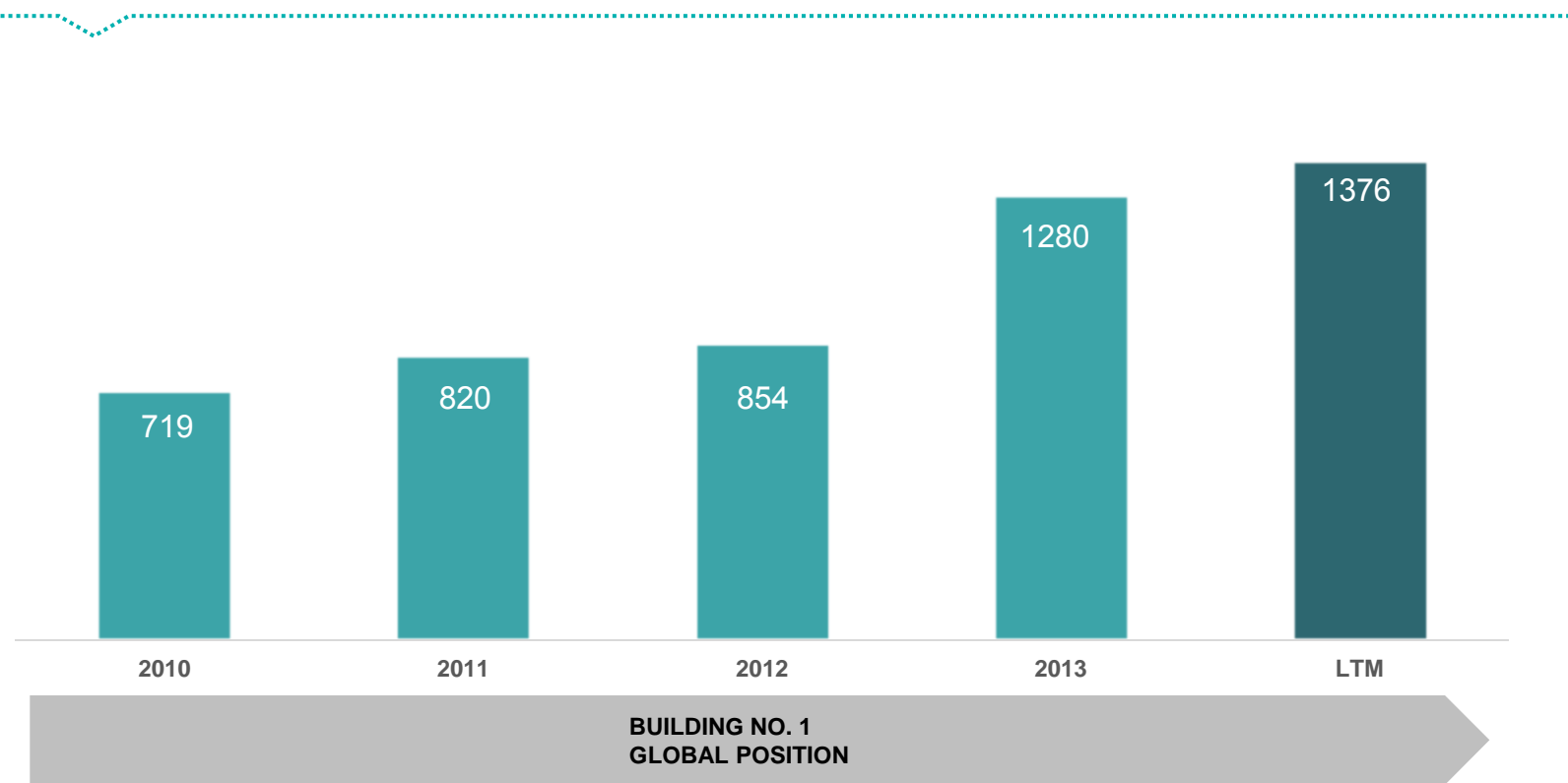
STRONG REVENUE GROWTH



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OPERATING REVENUES

NOK Million



* All numbers excluding Devold AMT and Rugasco

HIGHLIGHTS Q1 AND APRIL 2014

- Best quarter in Company history (EBITDA)
- High overall capacity utilization and production efficiency
 - Still capacity constrained
- Increased margins
- Growth in the Heavy Duty truck market continues
- Gas Distribution Products (TITAN™ and SMARTSTORE™) sustained at robust level
- Passenger car business breaking even in the quarter
- Phase 1 capacity increase commissioned
- Major LPG tank contracts to Qatar and Iraq secured for Q3 and Q4 deliveries
 - High capacity utilization throughout the year
- Strategic Joint Venture entered into with our largest customer, Agility Fuel Systems
 - Drives Heavy Duty segment growth short and long term
 - Enables innovation and economies of scale



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**QUARTER 2014
GROUP FINANCIALS**



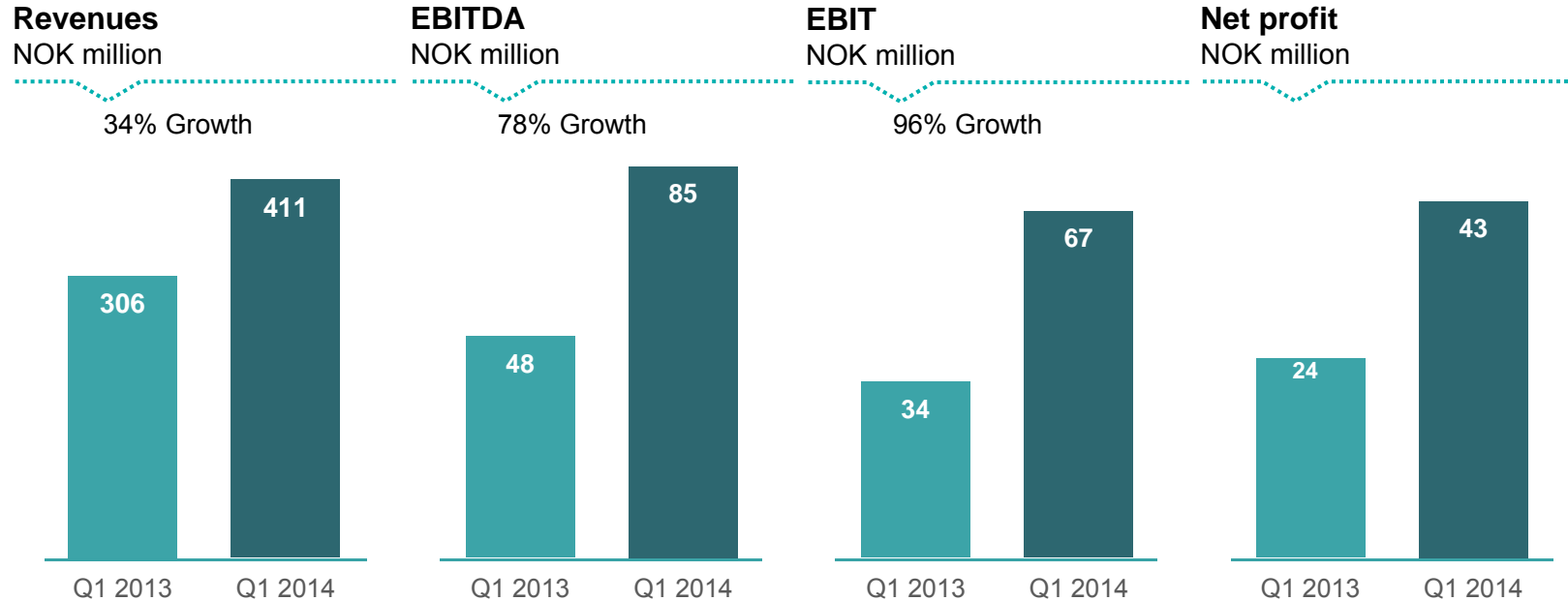
**HEXAGON
COMPOSITES**

Q1 2014 GROUP INCOME STATEMENT



| NOK THOUSAND | THREE MONTHS ENDING* | | | TWELVE MONTHS ENDING* |
|--|----------------------|----------------|----------------|-----------------------|
| | 31.03.14 | 31.03.13 | Variance | 31.12.13 |
| Operating Income | 410 529 | 305 919 | 104 610 | 1 271 622 |
| Operating expenses | (325 416) | (257 973) | (67 443) | (1 067 260) |
| EBITDA | 85 113 | 47 946 | 37 167 | 204 362 |
| Depreciation and impairment | (17 993) | (13 712) | (4 281) | (62 298) |
| EBIT | 67 120 | 34 234 | 32 886 | 142 064 |
| Share of profit/(loss) from associates | (755) | (173) | (582) | (4 224) |
| Other financial items (net) | (8 892) | 430 | (9 322) | (9 396) |
| Profit before tax from cont. operations | 57 473 | 34 491 | 22 982 | 128 444 |
| Tax expense | (18 951) | (10 824) | (8 127) | (41 742) |
| Profit after tax from cont. operations | 38 522 | 23 667 | 14 855 | 86 702 |
| Profit/(loss) from companies held for sale | 4 855 | 624 | 4 231 | 2 941 |
| Profit/(loss) for the year | 43 377 | 24 291 | 19 086 | 89 643 |
| EBITDA % | 20.7% | 15.7% | | 16.1% |
| EBIT % | 16.3% | 11.2% | | 11.2% |

Q1 '14* V '13* INCOME STATEMENT HIGHLIGHTS



- High-pressure drives NOK 57 million growth
- Low-pressure drives 48 million growth

- High-pressure at 20.2% margin
- Low-pressure at 28.4% margin

- NOK 4 million depreciation growth mainly due to volume based methods (Low-pressure 3, High-pressure 1)

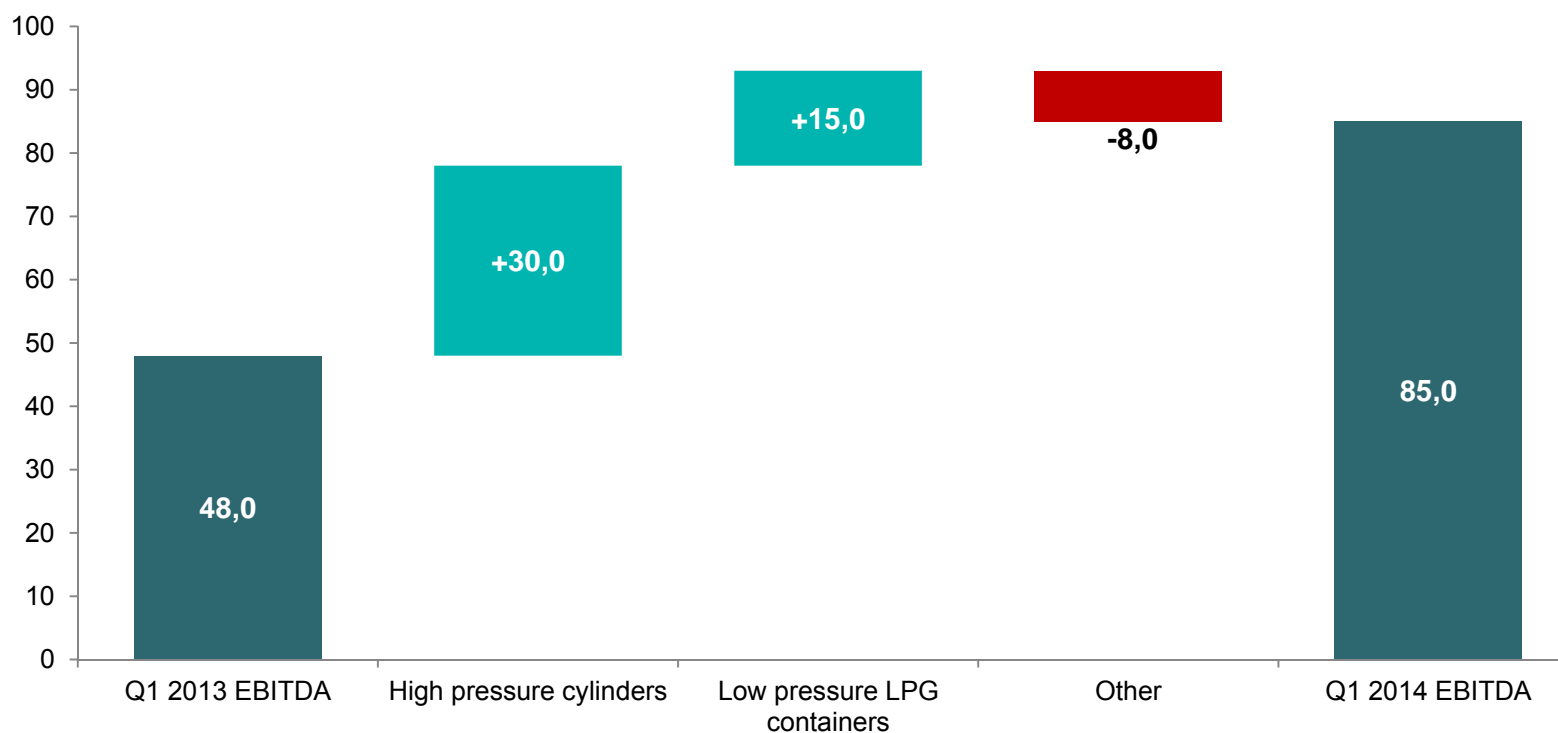
- Tax growth of -NOK 8 million
- Finance and other contributions growth of -NOK 10 million
- Income from divested business of +NOK 4

Significant margin improvement from supply-chain efficiencies

GROUP EBITDA Q1 '14* V Q1'13*



NOK million



Good contributions from both core business segments

FINANCIAL POSITION V PREVIOUS QUARTER

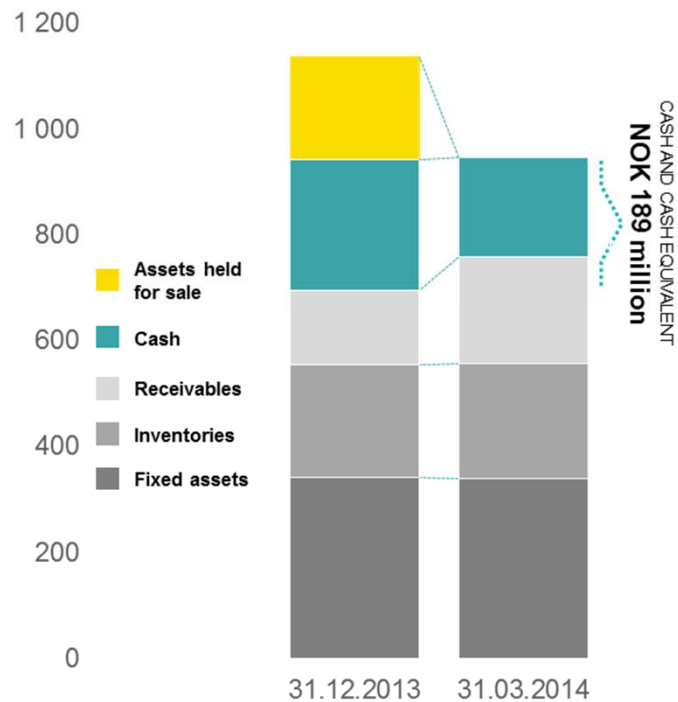


| NOK THOUSAND | 31.3.2014* | 31.12.2013* | Change |
|---|----------------|------------------|------------------|
| Intangible assets | 100 955 | 107 717 | (6 762) |
| Tangible fixed assets | 233 429 | 228 990 | 4 439 |
| Other non-current assets | 3 547 | 3 817 | (270) |
| Total Non-current Assets | 337 931 | 340 524 | (2 593) |
| Inventories | 216 765 | 213 026 | 3 739 |
| Receivables | 203 247 | 141 526 | 61 721 |
| Bank deposits, cash and similar | 189 362 | 248 303 | (58 941) |
| Total Current Assets | 609 374 | 602 855 | 6 519 |
| Assets of businesses held for sale | - | 193 967 | (193 967) |
| Total Assets | 947 305 | 1 137 346 | (190 041) |
| Total Equity | 390 195 | 348 564 | 41 631 |
| Provisions | 18 487 | 20 197 | (1 710) |
| Long-term interest-bearing debt | 296 736 | 446 466 | (149 730) |
| Total Non-current Liabilities | 315 223 | 464 663 | (151 440) |
| Short-term interest-bearing debt | - | - | - |
| Other current liabilities | 241 887 | 241 844 | 43 |
| Total Current Liabilities | 241 887 | 241 844 | 43 |
| Liabilities of businesses held for sale | - | 80 275 | (80 275) |
| Total Liabilities | 557 110 | 788 782 | (231 672) |
| Total Equity and Liabilities | 947 305 | 1 137 346 | (188 141) |

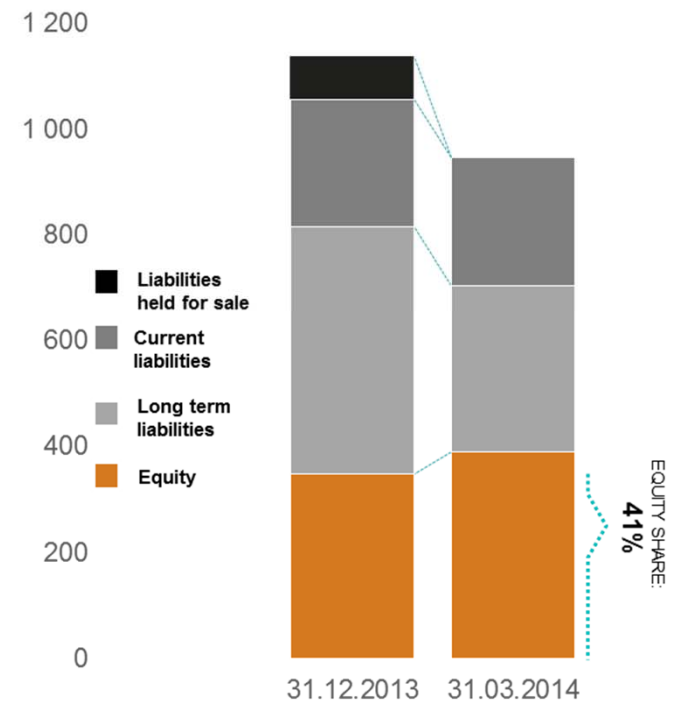
- NOK 115 million received for sale of Composites Reinforcements business
- Cash reserves used to pay down NOK 150 million in debt
- Additional Liquidity reserves are NOK 420 million
- Net Interest-bearing debt reduces by NOK 91 million (Q4 2013: 198* v Q1 2014: 107)

CAPITAL STRUCTURE

ASSETS NOK Million



LIABILITIES AND EQUITY NOK Million



- Net Interest Bearing Debt of NOK 107 million at Q1 2014

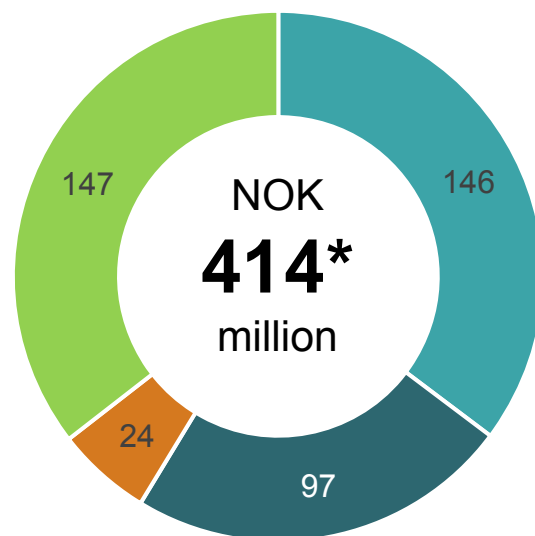


SEGMENT SHARES Q1 2014

BEFORE INTERCOMPANY ELIMINATIONS AND GROUP CHARGES*

SHARE OF OPERATING INCOME

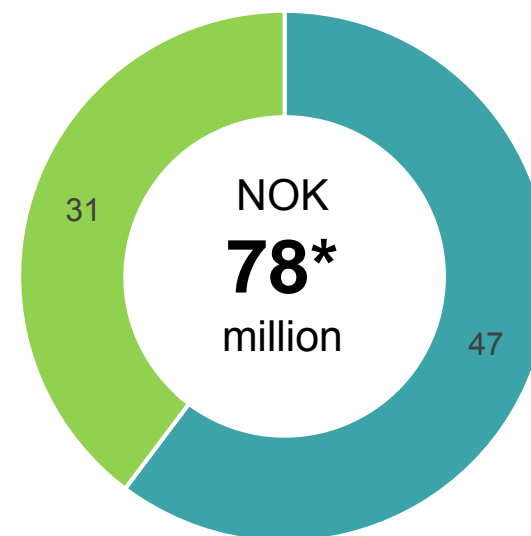
Percent



- High Pressure: CNG (excluding passenger cars)
- High Pressure: Gas Distribution Products
- High Pressure: Passenger cars
- Low Pressure: LPG (Propane)

SHARE OF EBIT

Percent



- High Pressure: CNG and Gas Distribution Products
- Low Pressure: LPG (Propane)

Q1: HIGH-PRESSURE CYLINDERS

- Strong heavy duty demand in North America and global bus market
- Global market for TITAN™ and SMARTSTORE™ transportation and storage systems on target
- Our position in multiple markets allows us to take advantage of growth in the varying markets

| NOK THOUSAND | SUMMARY FINANCIALS | | |
|-----------------------------|--------------------|---------------|---------------|
| | Q1 2014 | Q1 2013 | Variance |
| Operating Income | 266 709 | 209 994 | 56 715 |
| Operating expenses | (212 746) | (186 096) | (26 650) |
| EBITDA | 53 963 | 23 898 | 30 065 |
| Depreciation and impairment | (6 958) | (6 345) | (613) |
| EBIT | 47 005 | 17 553 | 29 452 |



Q1: LOW-PRESSURE LPG CONTAINERS

- Strong global sales; majority of growth outside Europe
- Commercial production in Russia
- High manufacturing utilisation and productivity

| NOK THOUSAND | SUMMARY FINANCIALS | | |
|-----------------------------|--------------------|---------------|---------------|
| | Q1 2014 | Q1 2013 | Variance |
| Operating Income | 146 535 | 98 682 | 47 853 |
| Operating expenses | (104 946) | (71 580) | (33 366) |
| EBITDA | 41 589 | 27 102 | 14 487 |
| Depreciation and impairment | (10 441) | (7 237) | (3 204) |
| EBIT | 31 148 | 19 865 | 11 283 |



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**QUARTER 2014
SUMMARY & OUTLOOK**



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EXPANSION PROGRAM

- Phase 1 commissioned in March
- Some start-up issues and technological challenges remain to overcome to reach name plate capacity
 - high degree of comfort regarding choice of technologies and line layout
- Gradually improving supply / demand balance, but still longer than normal delivery times
 - Expect sufficient capacity from Q3
- Maintain plan to commission Phase 2 from Q2 2015
 - Problems faced and solved in Phase 1 will greatly benefit Phase 2
- Preparing a Phase 3 expansion jointly with Agility mid 2016
- “Just in Time”



AGILITY HEXAGON JOINT VENTURE



- Alliance with largest customer
- Opportunity for joint R&D and systems optimization
- Feasibility study to consider new integrated site





Agility Fuel Systems

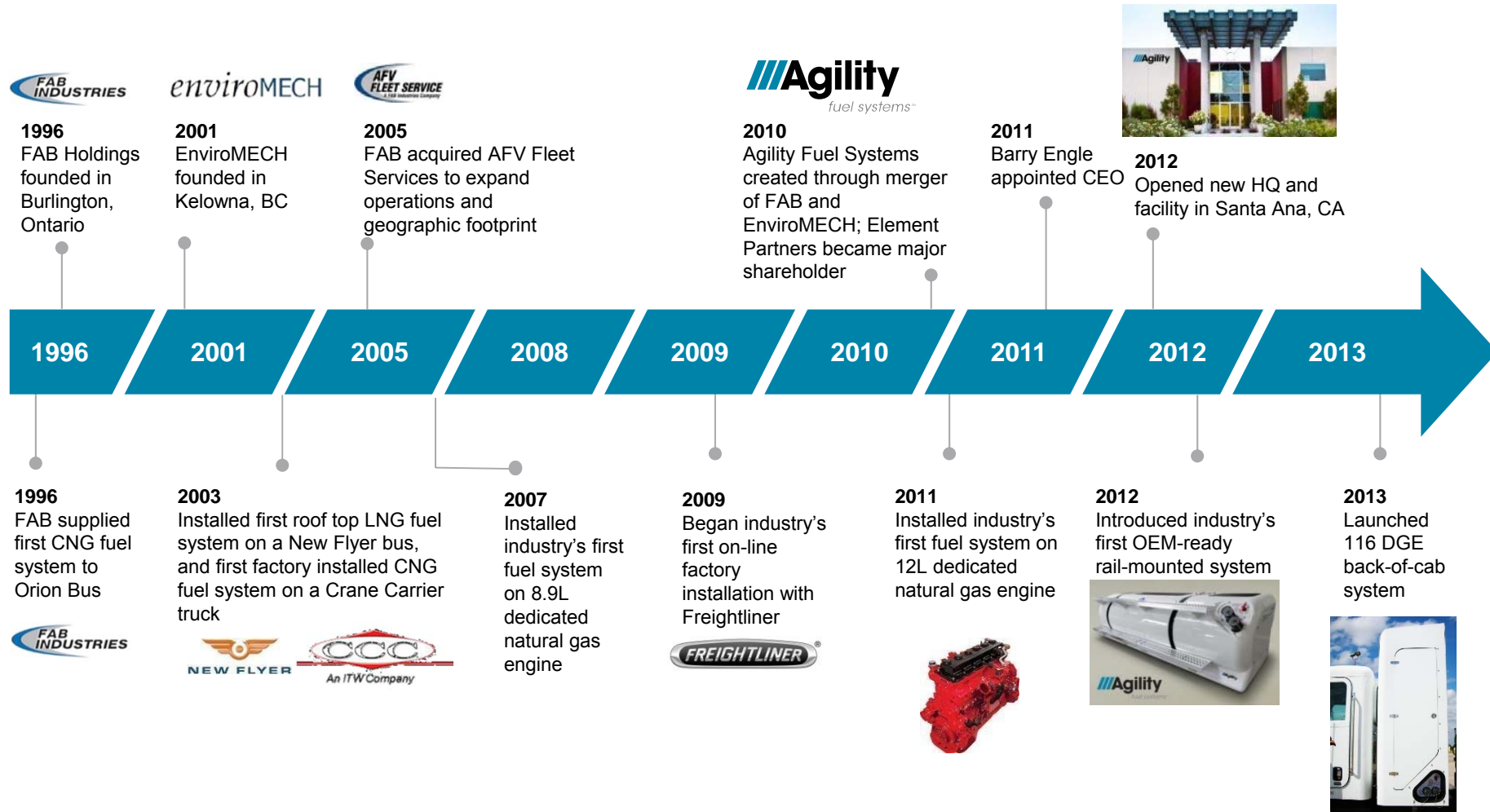
Company Overview

May 06, 2014

Agility Offers a Full Product Line and has over 25,000 Units in Operation



History of innovation and market leadership

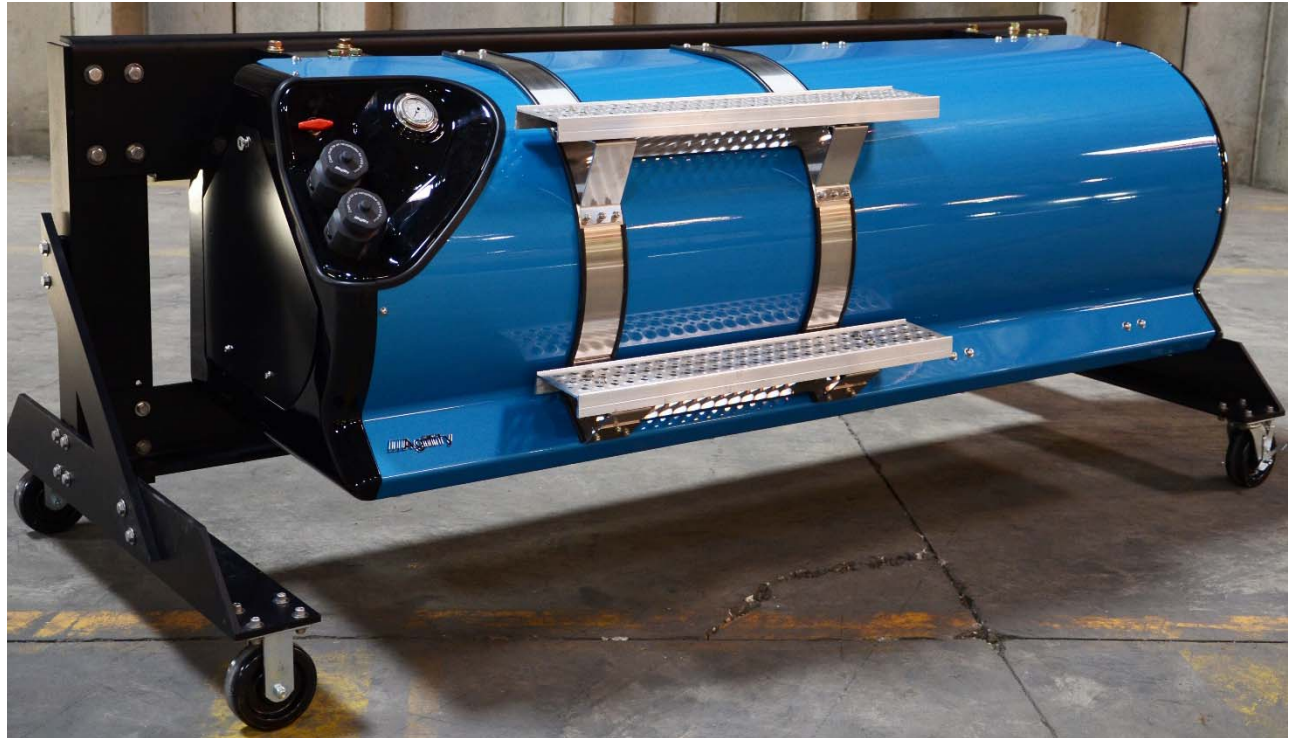


Merger of FAB and EnviroMECH created the dominant player in heavy-duty natural gas fuel systems

Next-generation side-mount System

Most Innovative Natural Gas System in the Market!

- Neck and strap-mount options available
- Developed through two years of capturing VOC, field data, and refining the design
- Integrated Fuel Management Module
- “Drop & Go” brackets for ease of installation
- Protective side impact structure built into covers
- 30 to 63 Diesel Gallon Equivalent (DGE) per tank



The evolution of our side-mount system over the past three years has led us to this mature design intended to serve the market moving forward

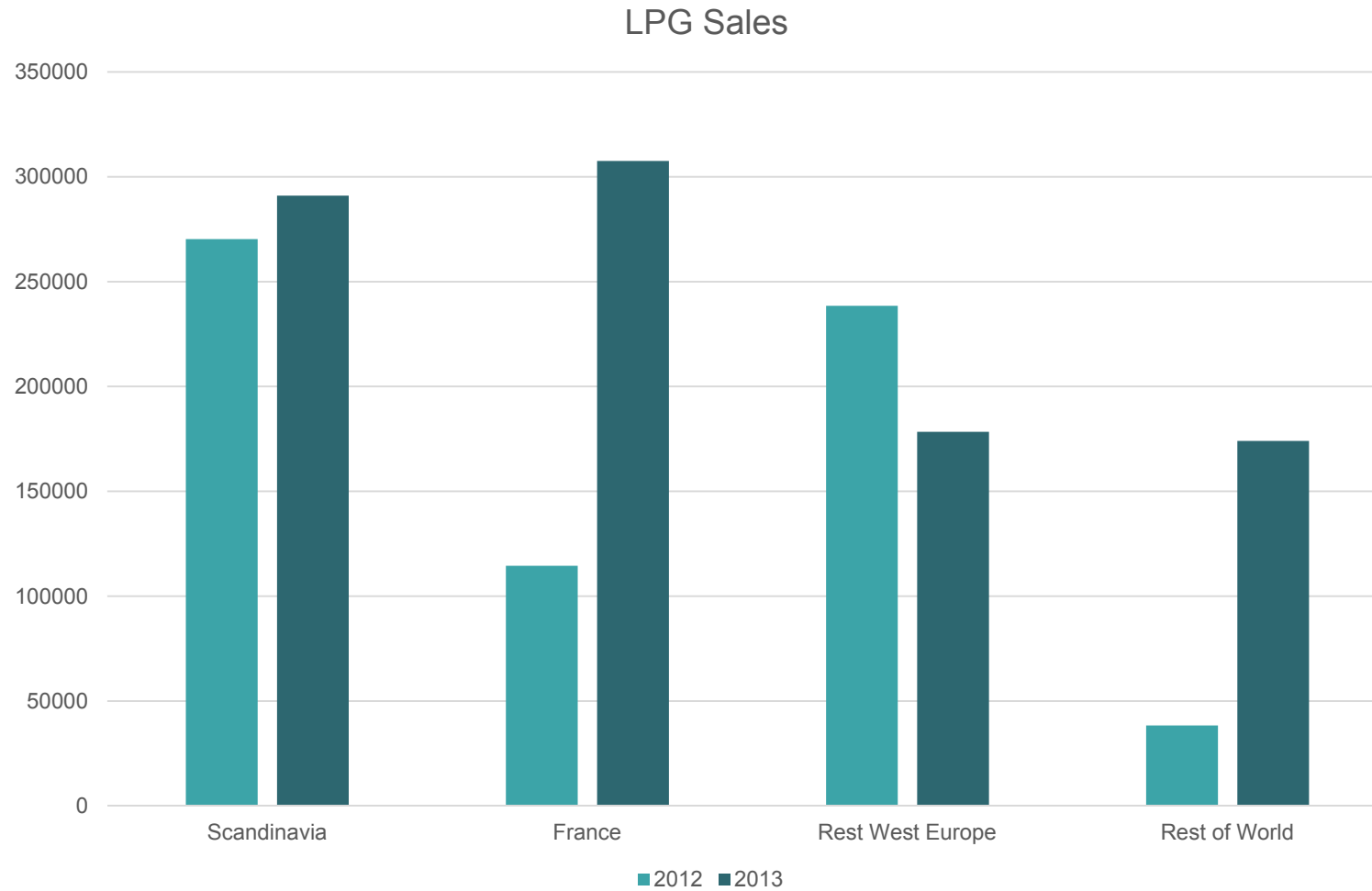
Back-of-cab mounted system 155 DGE

- Enables a range of up to 600-miles
- Industry's best DGE per inch of frame rail
- Only 35-inches of frame rail space required
- Wedge profile allows system to fit behind fairing and maintain vehicle aerodynamics
- 4 Type 4 cylinders; measuring 26" x 80" each
- Weighs 2,550 lbs. empty
- Integrated Fuel Management Module
- System includes patent pending ignition disconnect fuel caps
- Best placement with entire system above frame rail
- Can be packaged with side mount systems for a total of 275 DGE
- Can be combined with rail mounted systems to maximize fuel on board
- Integrated lights, grab handles, accommodations for trailer connections

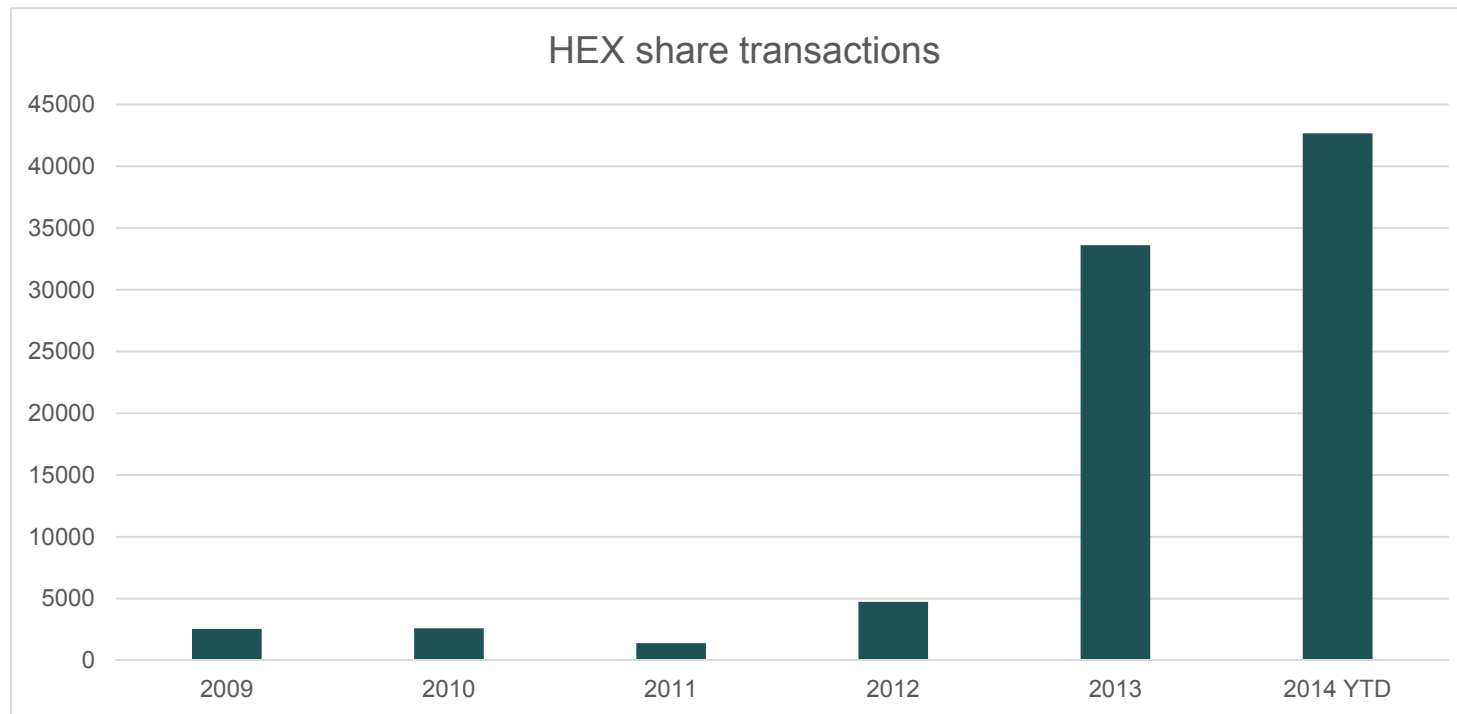


System can be packaged with side mount systems for a maximum of 275 DGE, which is the most of any system in the market!

SUCCESSFUL GEOGRAPHICAL EXPANSION OF LPG CYLINDER BUSINESS



HEX SHARE TRANSACTIONS



OUTLOOK REMAINS VERY ENCOURAGING





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THANK YOU

Jon Erik Engeset, CEO

David Bandele, CFO