

## Hexagon Composites ASA - Profit and Loss Statement 4<sup>th</sup> Quarter 2010

(All figures in NOK 1.000)

### PROFIT AND LOSS ACCOUNT

	31.12.2010	31.12.2009	4Q 2010	4Q 2009
	Unaudited	Audited	Unaudited	Unaudited
Operating income	845.974	867.542	235.036	184.375
Cost of materials	421.869	457.049	118.720	94.990
Payroll and social security expenses	185.409	173.151	53.288	44.492
Other operating expenses	127.456	108.702	39.364	29.248
Operating profit before depreciation (EBITDA)	111.241	128.640	23.665	15.645
Depreciation	75.034	56.654	21.602	14.669
Operating profit (EBIT)	36.207	71.985	2.063	976
Income from investments in associates	-598	-3.112	-170	-534
Other financial items (net)	-8.354	17.511	-7.477	359
Profit/loss before tax	27.254	86.385	-5.583	802
Tax	-8.956	-24.946	867	-141
Profit/loss after tax	18.298	61.439	-4.717	661

### Comprehensive income statement according to IAS 1

Profit/loss after tax	18.298	61.439
Exchange differences arising from the translation of foreign operations	1.171	-10.791
Actuarial gains/losses for the period	-1.099	2.488
Fair value adjustments hedging instruments	7.070	4.911
Other income and expenses in associates	0	-2.258
Comprehensive income	25.440	55.789

### BALANCE SHEET

Intangible assets	135.555	125.005
Tangible fixed assets	293.328	286.201
Investments in associates	5.499	6.097
Other financial fixed assets	871	863
Inventories	201.391	95.397
Receivables	262.916	198.521
Bank deposits, cash and similar	9.028	46.563
Total assets	908.589	758.648
Paid-in capital	103.180	177.359
Other equity	150.383	80.541
Provisions	18.666	24.049
Interest-bearing long-term liabilities	321.336	309.898
Interest-bearing current liabilities	82.865	31.905
Other current liabilities	232.158	134.896
Total liabilities and equity	908.589	758.648

### CASH FLOW STATEMENT

Profit before tax	27.254	86.385
Depreciation and write-downs	75.034	56.654
Change in net working capital	-58.233	-4.006
Net cash flow from operations	44.056	139.033
Net cash flow from investment activities	-72.069	-46.815
Net cash flow from financing activities	-9.522	-55.593
Net change in cash and cash equivalents	-37.535	36.625
Cash and cash equivalents at start of period	46.563	9.938
Cash and cash equivalents at end of period	9.028	46.563
Available unused credit facility	55.541	85.633

### Statement of changes in equity

	Share capital	Share premium reserve	Revaluation reserve	Exchange differences	Other equity	Total
Balance sheet as at 31 December 2008	13.329	157.955	-11.981	10.079	31.486	200.869
Comprehensive income for the period			4.911	-13.189	64.067	55.789
Share-based payment			0	0	1.245	1.245
Balance sheet as at 31 December 2009	13.329	157.955	-7.070	-3.110	96.798	257.900
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	1.171	17.200	25.440
Share-based payment			0	0	874	874
Dividends			0	0	-30.650	-30.650
Reduction of share premium reserve <sup>1)</sup>		-75.000	0	0	75.000	0
Balance sheet as at 31 December 2010	13.329	82.955	0	-1.940	159.221	253.564

<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.

### KEY FIGURES

	31.12.2010	31.12.2009
Equity ratio	27,9%	34,0%
Equity/Capital employed	38,5%	43,0%
Liquidity ratio I	1,5	2,0
Return on equity (annualised)	7,2%	26,8%
Total return (annualised)	6,5%	14,8%
Earnings per share	0,14	0,46
Diluted earnings per share	0,14	0,46
Cash flow from operations per share	0,33	1,04
Equity per share	1,90	1,93
Interest-bearing liabilities	404.201	341.803

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

	31.12.2010	31.12.2009	4Q 2010	4Q 2009
<b>Ragasco - LPG Containers:</b>				
Operating income	398.114	451.688	78.801	99.763
Operating profit before depreciation (EBITDA)	96.900	117.531	15.822	18.929
Operating profit (EBIT)	44.728	80.948	-287	10.176
<b>Lincoln/Raufoss - High Pressure Containers:</b>				
Operating income	323.489	251.120	121.994	50.889
Operating profit before depreciation (EBITDA)	35.592	22.073	14.367	1.160
Operating profit (EBIT)	21.946	10.594	11.091	-2.387
<b>Devold AMT - Composite Reinforcements:</b>				
Operating income	128.528	166.501	35.688	34.296
Operating profit before depreciation (EBITDA)	-11.152	-1.270	-3.515	-1.500
Operating profit (EBIT)	-20.227	-9.838	-5.590	-3.844

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