

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

(All figures in NOK 1.000)

PROFIT AND LOSS ACCOUNT	30.06.2011	2Q 2011	30.06.2010	2Q 2010	31.12.2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Operating income	573.703	293.183	373.255	231.912	845.974
Cost of materials	324.609	171.474	183.140	113.408	421.869
Payroll and social security expenses	91.758	41.650	85.113	41.504	185.409
Other operating expenses	66.194	31.776	59.707	33.461	127.456
Operating profit before depreciation (EBITDA)	91.142	48.283	45.295	43.539	111.241
Depreciation	37.898	18.044	31.874	19.050	75.034
Operating profit (EBIT)	53.244	30.239	13.421	24.488	36.207
Income from investments in associates	-563	-455	-352	-203	-598
Other financial items (net)	-9.522	-5.696	4.238	-7	-8.354
Profit/loss before tax	43.159	24.088	17.308	24.278	27.254
Tax	-13.339	-7.864	-5.119	-7.037	-8.956
Profit/loss after tax	29.821	16.224	12.189	17.241	18.298

### Comprehensive income statement according to IAS 1

Profit/loss after tax	29.821		12.189		18.298
Exchange differences arising from the translation of foreign operations	-4.533		5.482		1.186
Actuarial gains/losses for the period	0		0		-1.099
Fair value adjustments hedging instruments	0		1.696		7.070
Comprehensive income	25.287		19.367		25.456

### BALANCE SHEET

Intangible assets	125.380		140.455		135.048
Tangible fixed assets	267.002		327.423		293.302
Investments in associates	4.936		5.746		5.499
Other financial fixed assets	1.015		1.005		915
Inventories	180.331		114.419		201.391
Receivables	247.377		214.391		262.916
Bank deposits, cash and similar	10.668		9.298		9.028
Total assets	836.710		812.736		908.099
Paid-in capital	103.438		177.888		103.180
Other equity	166.359		69.249		150.399
Provisions	20.075		26.254		18.161
Interest-bearing long-term liabilities	308.846		315.324		307.251
Interest-bearing current liabilities	56.634		45.387		96.951
Other current liabilities	181.358		178.634		232.158
Total liabilities and equity	836.710		812.736		908.099

### CASH FLOW STATEMENT

Profit before tax	43.159		17.308		27.254
Depreciation and write-downs	37.898		31.874		75.034
Change in net working capital	-8.549		12.960		-60.455
Net cash flow from operations	72.508		62.141		41.834
Net cash flow from investment activities	-11.160		-62.166		-68.717
Net cash flow from financing activities	-59.707		-37.241		-10.652
Net change in cash and cash equivalents	1.640		-37.265		-37.535
Cash and cash equivalents at start of period	9.028		46.563		46.563
Cash and cash equivalents at end of period	10.668		9.298		9.028
Available unused credit facility	92.717		85.795		50.926

### Statement of changes in equity

	Share capital	Share premium reserve	Revaluation reserve	Exchange differences	Other equity	Total
Balance sheet as at December 31 <sup>st</sup> 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 December 31 <sup>st</sup> 2010	13.329	82.955	0	-1.925	159.221	253.580
Balance sheet as at December 31 <sup>st</sup> 2010	13.329	82.955	0	-1.925	159.221	253.580
Comprehensive income for the period				-4.533	29.821	25.287
Share-based payment					259	259
Dividends					-9.329	-9.329
Balance sheet as at June 30 <sup>th</sup> 2011	13.329	82.955	0	-6.458	179.971	269.796

<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

	30.06.2011	30.06.2010	31.12.2010
Equity ratio	32,2%	30,4%	27,9%
Equity/Capital employed	42,5%	40,7%	38,6%
Liquidity ratio I	1,8	1,5	1,4
Return on equity (annualised)	22,8%	9,7%	7,2%
Total return (annualised)	12,5%	7,5%	6,8%
Earnings per share	0,22	0,09	0,14
Diluted earnings per share	0,22	0,09	0,14
Cash flow from operations per share	0,54	0,47	0,31
Equity per share	2,02	1,85	1,90
Interest-bearing liabilities	365.480	360.711	404.201

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

	30.06.2011	2Q 2011	30.06.2010	2Q 2010	31.12.2010
<b>Ragasco - LPG Containers:</b>					
Operating income	274.309	114.871	185.630	118.827	398.114
Operating profit before depreciation (EBITDA)	56.318	19.887	45.767	37.060	96.900
Operating profit (EBIT)	30.008	7.736	25.241	23.821	44.728
<b>Lincoln/Raufoss - High Pressure Containers:</b>					
Operating income	214.735	133.911	133.532	82.002	323.489
Operating profit before depreciation (EBITDA)	36.807	28.468	12.291	9.565	35.592
Operating profit (EBIT)	29.539	24.858	5.619	5.845	21.946
<b>Devold AMT - Composite Reinforcements:</b>					
Operating income	86.082	45.087	55.514	31.797	128.528
Operating profit before depreciation (EBITDA)	3.322	1.847	-7.556	-484	-11.152
Operating profit (EBIT)	-750	-311	-12.231	-2.575	-20.227

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