

# 3rd Quarter Report 2011

Kongsberg Automotive Holding ASA



# CONTENTS

➤ Highlights .....	2
➤ Our business.....	3
➤ Financials & Segments KA Group.....	4
➤ Statement of comprehensive income .....	6
➤ Statement of financial position.....	7
➤ Statement of changes in equity .....	8
➤ Statement of cash flow .....	9
➤ Segment reporting.....	10
➤ Notes.....	13
➤ Other company information.....	16

# KONGSBERG AUTOMOTIVE GROUP

Interim report 3rd quarter 2011

(The report is based on IFRS)



## Highlights Q3 2011

- ▶ Revenues in Q3 ended at MEUR 229.6 up 9% YoY
- ▶ Kongsberg Automotive's revenue growth continues to be stronger than the market volumes
- ▶ EBITDA in Q3 at MEUR 15.4 (6.6%) representing a 20.3 % growth versus same period last year
- ▶ Q3 includes restructuring cost of MEUR 1.3
- ▶ Net profit year to date more than doubled versus same period 2010
- ▶ Revenue expectation for the year MEUR 1000 and EBITDA for the year expected between MEUR 85-90
- ▶ Continue to secure important global contracts

## Our business

*Kongsberg Automotive* provides system solutions and components to vehicle makers around the world.

Kongsberg Automotive's business has a global presence. The company is headquartered in Kongsberg, Norway and has 35 production facilities worldwide.

The organizational structure is made up of five business areas with a clear customer and product focus.

**Driveline** is a global Tier 1 supplier of driver controls in the automotive market. The portfolio includes custom-engineered cable controls, complete shift systems, including shifter modules, shift cables and shift towers.

**Interior** is a global leader in the design, development and manufacture of seat comfort systems and mechanical and electro-mechanical light-duty motion controls to Tier 1 and OEM customers. The product range includes seat adjusters, seat cables, side bolsters and lumbar support, seat heating,

ventilation and massage systems, arm rests and head restraints.

**Actuation and Chassis** is a global developer and manufacturer of operator control systems for commercial and industrial vehicle markets. Offering a robust product portfolio of clutch actuation systems, gearshift systems, vehicle dynamics and steering columns.

**Fluid Transfer** designs and manufactures fluid handling systems for both the automotive and commercial vehicle markets, as well as coupling systems for compressed-air circuits in heavy trucks. The business area is also specialized in manufacturing tube and hose assemblies for difficult environments.

**Power Products** is one of the global leaders in the design, manufacture and supply of vehicle control systems, providing quality engineered pedal systems, steering systems, electronic displays and cable controls to the world's foremost manufacturers of industrial, agricultural and construction vehicles.



# Financials & Segments KA Group

3<sup>rd</sup> quarter 2011



## Group

Condensed Consolidated Statement of Profit & Loss		3rd Quarter		YTD		Year
MEUR		2011	2010	2011	2010	2010
Revenues		229.6	211.2	753.6	636.6	864.4
Opex		(214.3)	(198.4)	(685.8)	(587.7)	(807.3)
<b>EBITDA</b>		<b>15.4</b>	<b>12.8</b>	<b>67.8</b>	<b>48.9</b>	<b>57.1</b>
<b>EBITDA %</b>		<b>6.7 %</b>	<b>6.1 %</b>	<b>9.0 %</b>	<b>7.7 %</b>	<b>6.6 %</b>
Depreciation and Amortization		(10.3)	(11.8)	(31.0)	(35.1)	(46.9)
<b>EBIT</b>		<b>5.0</b>	<b>1.0</b>	<b>36.8</b>	<b>13.8</b>	<b>10.2</b>
<b>EBIT %</b>		<b>2.2 %</b>	<b>0.5 %</b>	<b>4.9 %</b>	<b>2.2 %</b>	<b>1.2 %</b>
Net Financial items		(13.1)	5.3	(23.0)	(8.0)	(12.1)
<b>Profit before taxes</b>		<b>(8.0)</b>	<b>6.3</b>	<b>13.8</b>	<b>5.8</b>	<b>(1.9)</b>
Income tax		(0.2)	(7.3)	(4.3)	(7.3)	(6.2)
Change in deferred tax		2.6	5.9	1.0	5.9	(1.1)
<b>Net profit</b>		<b>(5.6)</b>	<b>5.0</b>	<b>10.5</b>	<b>4.5</b>	<b>(9.2)</b>

## Segments

MEUR	3rd Quarter		YTD		Year
	2011	2010	2011	2010	2010
<b>Interior</b>					
Revenues	58.8	54.7	185.3	163.5	220.5
EBITDA	3.3 5.6 %	4.7 8.7 %	13.3 7.2 %	19.0 11.6 %	23.0 10.5 %
<b>Driveline</b>					
Revenues	73.3	67.1	245.4	211.9	289.5
EBITDA	1.0 1.3 %	(0.9) -1.3 %	11.3 4.6 %	3.6 1.7 %	(1.2) -0.4 %
<b>Fluid Transfer</b>					
Revenues	41.1	32.9	130.8	95.3	132.6
EBITDA	6.8 16.5 %	3.8 11.5 %	21.2 16.2 %	10.4 10.9 %	15.7 11.8 %
<b>Actuation &amp; Chassis</b>					
Revenues	38.5	29.2	124.1	81.0	114.3
EBITDA	5.9 15.2 %	5.4 18.6 %	20.3 16.3 %	14.1 17.3 %	18.6 16.2 %
<b>Power Products</b>					
Revenues	28.3	32.2	103.1	100.2	134.9
EBITDA	2.1 7.3 %	0.7 2.3 %	12.4 12.1 %	5.7 5.7 %	7.0 5.2 %
<b>Elim &amp; other</b>					
Revenues	(10.2)	(4.9)	(35.07)	(15.3)	(27.4)
EBITDA	(3.6)	(1.0)	(10.7)	(4.0)	(6.0)
<b>Group</b>					
Revenues	<b>229.6</b>	<b>211.2</b>	<b>753.6</b>	<b>636.6</b>	<b>864.4</b>
EBITDA	<b>15.4 6.7 %</b>	<b>12.8 6.1 %</b>	<b>67.8 9.0 %</b>	<b>48.9 7.7 %</b>	<b>57.1 6.6 %</b>

**Revenues** in the 3<sup>rd</sup> quarter of 2011 for the Group were MEUR 229.6 which was MEUR 18.4 (8.7 %) higher compared to the 3<sup>rd</sup> quarter last year including a negative currency effect of MEUR -7.4. The growth excluding currency effects was 12.2 %.

**EBITDA** for the Group was MEUR 15.4 (6.7 %) in the 3<sup>rd</sup> quarter of 2011. The EBITDA margin was slightly above the level in the same period last year. The YTD 2011 margins improved in Driveline, Fluid and

Power Products but the Group has seen a small decline in A&C.

Interior Systems had a negative impact of product mix and some higher project costs.

*The Interior* revenues were up MEUR 4.1 (7.5 %), including a negative currency effect of MEUR -3.6. EBITDA for Interior was MEUR 3.3 in the 3<sup>rd</sup> quarter of 2011, down from MEUR 4.7 in the same period last year. The EBITDA margin was down by -3.1 % points, to 5.6 %. The effect of higher revenues was offset by a negative portfolio mix in North America versus Europe. In addition there are still some higher cost on specific projects.

*The Driveline* revenues were up MEUR 6.2 (9.2 %), including a negative currency effect of MEUR -1.6. EBITDA for Driveline was MEUR 1.0 in the 3<sup>rd</sup> quarter of 2011, which is MEUR 1.9 above same period last year. The EBITDA margin was up 2.6 % points, to 1.3 %.

*The Fluid Transfer* revenues were up MEUR 8.2 (24.9 %), including a negative currency effect of MEUR -1.0. EBITDA for Fluid Transfer was MEUR 6.8, which is MEUR 3.0 above comparable period last year. The EBITDA margin was up 5.0 % points to 16.5 % based on the operational gearing effect of higher revenues.

*The Actuation & Chassis* revenues were up MEUR 9.3 (31.8 %), including a positive currency effect of MEUR 0.2. EBITDA for Actuation & Chassis was MEUR 5.9, which was MEUR 0.5 above comparable period last

year. The EBITDA margin was down -3.4% points. The higher topline effect is partly offset by a lower margin performance.

*The Power Products* revenues were down MEUR -3.9 (-12.1 %), including a negative currency effect of MEUR -1.5. EBITDA for Power Product was MEUR 2.1 in the 3<sup>rd</sup> quarter 2011, which is MEUR 1.4 above comparable period last year. Improved cost control brings the operational gearing effect down to the EBITDA line, increasing the EBITDA margin with 5.0 % points.

**Net financials** (see note 2) were negative with MEUR -13.1 in the 3<sup>rd</sup> quarter of 2011, compared to positive MEUR 5.3 in the same period 2010. Interest expenses 3<sup>rd</sup> quarter of 2011 were lower than 3<sup>rd</sup> quarter 2010 by MEUR -0.7. Foreign currency loss in 3<sup>rd</sup> quarter of 2011 was MEUR -6.2 mainly due to the change in NOK versus EUR and USD, influencing the conversion of group loans. In Q3 2010 we had currency gain of MEUR 10.1.

**Profit before tax** was negative by MEUR 8.0 which is MEUR 14.3 lower than Q3 last year. Most of which is related to change in currency effects with no cash impact. As explained above, the profit before tax was influenced by unfavorable fluctuations in currency rates Q3.

## Statement of Comprehensive Income

3<sup>rd</sup> quarter 2011

Condensed Consolidated Statement of Profit & Loss	3rd Quarter		YTD		Year
MEUR	2011	2010	2011	2010	2010
Revenues	229.6	211.2	753.6	636.6	864.4
Opex	(214.3)	(198.4)	(685.8)	(587.7)	(807.3)
<b>EBITDA</b>	<b>15.4</b>	<b>12.8</b>	<b>67.8</b>	<b>48.9</b>	<b>57.1</b>
<b>EBITDA %</b>	<b>6.7 %</b>	<b>6.1 %</b>	<b>9.0 %</b>	<b>7.7 %</b>	<b>6.6 %</b>
Depreciation and Amortization	(10.3)	(11.8)	(31.0)	(35.1)	(46.9)
<b>EBIT</b>	<b>5.0</b>	<b>1.0</b>	<b>36.8</b>	<b>13.8</b>	<b>10.2</b>
<b>EBIT %</b>	<b>2.2 %</b>	<b>0.5 %</b>	<b>4.9 %</b>	<b>2.2 %</b>	<b>1.2 %</b>
Net Financial items	(13.1)	5.3	(23.0)	(8.0)	(12.1)
<b>Profit before taxes</b>	<b>(8.0)</b>	<b>6.3</b>	<b>13.8</b>	<b>5.8</b>	<b>(1.9)</b>
Income tax	(0.2)	(7.3)	(4.3)	(7.3)	(6.2)
Change in deferred tax	2.6	5.9	1.0	5.9	(1.1)
<b>Net profit</b>	<b>(5.6)</b>	<b>5.0</b>	<b>10.5</b>	<b>4.5</b>	<b>(9.2)</b>
Translation differences	9.9	(23.0)	(1.9)	8.5	11.2
Tax on translation differences	(4.9)	7.2	(1.6)	(0.1)	(0.1)
<b>Total comprehensive income for the period</b>	<b>(0.6)</b>	<b>(10.8)</b>	<b>7.0</b>	<b>12.9</b>	<b>1.9</b>
<b>Net profit attributable to:</b>					
Equity holders (mother company)	(5.7)	4.8	10.1	4.0	(9.8)
Non-controlling interests	0.1	0.2	0.4	0.5	0.6
<b>Total comprehensive income attributable to:</b>					
Equity holders (mother company)	(0.7)	(11.0)	6.6	12.4	1.1
Non-controlling interests	0.1	0.2	0.4	0.5	0.8
<b>Earnings per share:</b>					
Basic earnings per share, Euros	(0.01)	0.01	0.03	0.01	(0.02)
Diluted earnings per share, Euros	(0.01)	0.01	0.03	0.01	(0.02)

## Statement of Financial Position

3<sup>rd</sup> quarter 2011

Balance Sheet MEUR	30.09.2011	30.09.2010	31.12.2010
Deferred tax asset	63.5	66.8	61.9
Intangible assets	239.9	255.2	253.4
Plant, building, and property	129.8	131.4	131.9
Other non-current assets	1.2	4.9	3.2
<b>Total Non-Current Assets</b>	<b>434.3</b>	<b>458.4</b>	<b>450.4</b>
Inventories	93.0	81.7	83.4
Account receivables	152.0	137.5	126.6
Other short term receivables	39.5	37.8	37.6
Cash and cash equivalents	73.1	88.6	106.9
<b>Current assets</b>	<b>357.6</b>	<b>345.5</b>	<b>354.5</b>
<b>Assets</b>	<b>792.0</b>	<b>803.9</b>	<b>804.9</b>
Share capital	25.3	25.1	25.6
Share premium reserve	213.8	211.6	215.8
Other equity	(63.6)	(55.6)	(73.0)
Non-controlling interests	6.3	7.0	6.2
<b>Total Equity</b>	<b>181.8</b>	<b>188.2</b>	<b>174.6</b>
Interest bearing loans and borrowings	334.2	378.6	370.5
Other long term liabilities	49.0	49.9	51.4
<b>Total Long term liability</b>	<b>383.2</b>	<b>428.5</b>	<b>421.9</b>
Bank overdraft	21.9	3.1	5.9
Other short term liabilities, interest bearing	31.1	15.3	24.9
Accounts payable	107.5	100.7	110.3
Other short term liabilities	66.5	68.1	67.3
<b>Short Term Liability</b>	<b>227.0</b>	<b>187.2</b>	<b>208.4</b>
<b>Total liability</b>	<b>610.2</b>	<b>615.7</b>	<b>630.3</b>
<b>Total Equity and Liabilities</b>	<b>792.0</b>	<b>803.9</b>	<b>804.9</b>

The total assets have decreased by MEUR 12.9 since year end 2010. Cash and cash equivalents were reduced by MEUR 33.8, mainly due re-payment of loans (MEUR 27.3). Higher sales have led to a higher level of net working capital.

The Equity was MEUR 181.8 at the end of the 3<sup>rd</sup> quarter of 2011, up MEUR 7.2 since year end 2010. The equity ratio was 23.0 %, decreased by 0.4 % points since 3<sup>rd</sup> quarter 2010.

The company is MEUR 18.0 below the maximum limit on the revolver facility related to existing currency loans (see note 2) in 3<sup>rd</sup> quarter. The liquidity reserve was MEUR 152.0 in 3<sup>rd</sup> quarter of 2011, increased by MEUR 2.0 from the same period last year.

Net Interest Bearing Debt of MEUR 314.1 at the end of 3<sup>rd</sup> quarter of 2011 was increased by MEUR 5.7 since 3<sup>rd</sup> quarter 2010.



## Consolidated statement of changes in Equity

Consolidated statement of changes in equity MEUR	YTD		
	30.09.11	30.09.10	31.12.10
<b>Equity as of start of period</b>	<b>174.6</b>	<b>178.9</b>	<b>178.9</b>
Net profit for the period	10.5	4.5	(9.2)
Translation differences	(1.9)	8.5	11.2
Tax on translation differences	(1.6)	(0.1)	(0.1)
<i>Total comprehensive income</i>	<i>7.0</i>	<i>12.9</i>	<i>1.9</i>
Options contracts (employees)	0.6	0.6	0.8
Treasury shares	0.1	(4.2)	(4.3)
Other changes in non-controlling interests	(0.5)	0.0	(0.3)
Other changes in equity	0.0	0.0	(2.4)
<b>Equity as of end of period</b>	<b>181.8</b>	<b>188.2</b>	<b>174.6</b>

## Consolidated statement of Cash Flow

Cash flow statement MEUR	30.09.11	YTD 30.09.10	31.12.10
<b>Operating activities</b>			
(Loss) / profit before taxes	13.8	5.8	(1.9)
Depreciation	20.3	22.5	30.1
Amortization	10.8	12.5	16.8
Interest income	(0.4)	(0.7)	(0.8)
Interest expenses	16.0	16.7	22.2
Taxes paid	(2.0)	(5.1)	(6.6)
(Gain) / loss on sale of non-current assets	0.0	0.6	3.7
Changes in working capital	(37.8)	(27.8)	(9.0)
Currency differences over P/L	6.4	(5.2)	(7.7)
Changes in value of financial derivatives	(1.8)	(4.2)	(5.9)
Changes in other items	0.1	0.0	3.0
<b>Cash flow from operating activities</b>	<b>25.2</b>	<b>15.2</b>	<b>43.9</b>
<b>Investing activities</b>			
Capital expenditures, including intangible assets	(23.4)	(12.7)	(23.7)
Proceeds from sale of fixed assets	0.0	3.2	3.7
Proceeds from sale and liquidation of subsidiaries	0.0	0.1	1.5
Investments in subsidiaries	(0.1)	0.0	(1.0)
Interest received	0.4	0.7	0.8
<b>Cash flow from investing activities</b>	<b>(23.1)</b>	<b>(8.7)</b>	<b>(18.8)</b>
<b>Financing activities</b>			
Purchase of treasury shares	0.0	(4.2)	(4.3)
Proceeds from sale of treasury shares	0.2	0.0	0.1
Repayment of external loans*	(27.3)	0.0	(1.9)
Interest paid	(14.8)	(15.8)	(21.9)
Dividends paid **	(0.5)	0.0	0.0
Other financial charges	(2.8)	0.0	(0.4)
<b>Cash flow from financing activities</b>	<b>(45.2)</b>	<b>(20.1)</b>	<b>(28.4)</b>
<b>Currency effects on cash</b>	<b>(6.7)</b>	<b>(4.4)</b>	<b>0.9</b>
Net change in cash	(49.7)	(18.0)	(2.5)
Net cash at 01.01 (including bank overdraft)	101.0	103.5	103.5
<b>Net cash at period end (including bank overdraft)</b>	<b>51.2</b>	<b>85.5</b>	<b>101.0</b>
Of this, restricted cash	2.5	1.0	1.5

\* See note 2 for comments,

\*\* Dividend paid from Shanghai Kongsberg Automotive Dong Feng Morse Co. Ltd (China) to joint venture partner.

## Operating Segments

MEUR	30.09.2011						
	Driveline	Interior	Actuation & Chassis	Fluid Transfer	Power Products	Elim & other	Group
Operating Revenues	245.4	185.3	124.1	130.8	103.1	(35.1)	753.6
<b>EBITDA</b>	<b>11.3</b>	<b>13.3</b>	<b>20.3</b>	<b>21.2</b>	<b>12.4</b>	<b>(10.7)</b>	<b>67.8</b>
Depreciation	(6.0)	(4.6)	(3.5)	(4.6)	(1.3)	(0.1)	(20.3)
Amortization	(2.4)	(1.8)	(1.5)	(2.5)	(2.2)	(0.4)	(10.8)
<b>EBIT</b>	<b>2.8</b>	<b>7.0</b>	<b>15.3</b>	<b>14.1</b>	<b>8.9</b>	<b>(11.3)</b>	<b>36.8</b>
<i>Assets and liabilities</i>							
Goodwill	6.0	70.2	26.0	47.0	7.9	(0.0)	157.1
Other intangible assets	17.5	12.7	12.5	20.7	18.6	0.8	82.8
Property, plant and equipment	39.7	27.3	24.1	29.0	9.2	0.5	129.8
Inventories	33.4	13.6	16.3	15.3	15.0	(0.5)	93.0
Trade receivables	43.5	45.6	22.7	25.6	14.5	0.0	152.0
<b>Segment assets</b>	<b>140.1</b>	<b>169.5</b>	<b>101.6</b>	<b>137.5</b>	<b>65.1</b>	<b>0.8</b>	<b>614.7</b>
Unallocated assets	-	-	-	-	-	177.3	177.3
<b>Total assets</b>	<b>140.1</b>	<b>169.5</b>	<b>101.6</b>	<b>137.5</b>	<b>65.1</b>	<b>178.1</b>	<b>792.0</b>
Trade payables	35.2	22.5	18.1	20.2	11.0	0.5	107.5
Unallocated liabilities	-	-	-	-	-	502.7	502.7
<b>Total liabilities</b>	<b>35.2</b>	<b>22.5</b>	<b>18.1</b>	<b>20.2</b>	<b>11.0</b>	<b>503.2</b>	<b>610.2</b>
<b>Capital expenditure</b>	<b>6.1</b>	<b>7.2</b>	<b>3.5</b>	<b>2.8</b>	<b>1.5</b>	<b>-</b>	<b>21.1</b>

MEUR	30.09.2010						
	Driveline	Interior	Actuation & Chassis	Fluid Transfer	Power Products	Elim & other	Group
Operating Revenues	211.9	163.5	81.0	95.3	100.2	(15.3)	636.6
<b>EBITDA</b>	<b>3.6</b>	<b>19.0</b>	<b>14.1</b>	<b>10.4</b>	<b>5.7</b>	<b>(4.1)</b>	<b>48.8</b>
Depreciation	(7.2)	(5.1)	(3.5)	(4.9)	(1.7)	(0.1)	(22.5)
Amortization	(2.4)	(2.2)	(1.6)	(3.1)	(2.9)	(0.3)	(12.5)
<b>EBIT</b>	<b>(5.9)</b>	<b>11.7</b>	<b>9.0</b>	<b>2.5</b>	<b>1.1</b>	<b>(4.6)</b>	<b>13.8</b>
<i>Assets and liabilities</i>							
Goodwill	7.1	72.7	19.9	46.6	13.8	0.7	160.9
Other intangible assets	19.6	15.3	11.2	23.9	23.5	0.7	94.3
Property, plant and equipment	42.5	24.2	20.6	31.3	12.2	0.7	131.4
Inventories	29.3	11.2	10.1	13.5	18.1	(0.5)	81.7
Trade receivables	43.0	37.9	14.9	20.5	21.2	(0.0)	137.5
<b>Segment assets</b>	<b>141.5</b>	<b>161.3</b>	<b>76.7</b>	<b>135.9</b>	<b>88.8</b>	<b>1.7</b>	<b>605.8</b>
Unallocated assets	-	-	-	-	-	198.1	198.1
<b>Total assets</b>	<b>141.5</b>	<b>161.3</b>	<b>76.7</b>	<b>135.9</b>	<b>88.8</b>	<b>199.8</b>	<b>803.9</b>
Trade payables	37.4	18.6	9.9	18.4	16.2	0.2	100.7
Unallocated liabilities	-	-	-	-	-	515.1	515.1
<b>Total liabilities</b>	<b>37.4</b>	<b>18.6</b>	<b>9.9</b>	<b>18.4</b>	<b>16.2</b>	<b>515.2</b>	<b>615.7</b>
<b>Capital expenditure</b>	<b>3.7</b>	<b>4.8</b>	<b>1.0</b>	<b>1.5</b>	<b>0.6</b>	<b>-</b>	<b>11.5</b>

## Operating Segments (Continued)

MEUR	31.12.2010						
	Driveline	Interior	Actuation & Chassis	Fluid Transfer	Power Products	Elim & other	Group
Operating Revenues	289.5	220.5	114.3	132.6	134.9	(27.4)	864.4
<b>EBITDA</b>	<b>(1.2)</b>	<b>23.0</b>	<b>18.6</b>	<b>15.7</b>	<b>7.0</b>	<b>(6.0)</b>	<b>57.1</b>
Depreciation	(9.4)	(6.6)	(4.6)	(6.4)	(2.8)	(0.2)	(30.1)
Amortization	(3.2)	(2.9)	(2.1)	(4.1)	(3.9)	(0.4)	(16.8)
<b>EBIT</b>	<b>(13.9)</b>	<b>13.5</b>	<b>11.8</b>	<b>5.2</b>	<b>0.3</b>	<b>(6.6)</b>	<b>10.2</b>
<i>Assets and liabilities</i>							
Goodwill	6.2	73.6	20.3	47.4	14.0	(0.1)	161.3
Other intangible assets	19.0	14.8	11.1	23.3	23.1	0.6	92.1
Property, plant and equipment	40.9	25.8	22.1	31.5	10.9	0.7	131.9
Inventories	27.3	12.2	10.3	16.3	17.7	(0.5)	83.4
Trade receivables	36.5	36.3	12.7	20.5	20.6	(0.0)	126.6
<b>Segment assets</b>	<b>129.9</b>	<b>162.7</b>	<b>76.6</b>	<b>139.0</b>	<b>86.3</b>	<b>0.7</b>	<b>595.3</b>
Unallocated assets	-	-	-	-	-	209.6	209.6
<b>Total assets</b>	<b>129.9</b>	<b>162.7</b>	<b>76.6</b>	<b>139.0</b>	<b>86.3</b>	<b>210.4</b>	<b>804.9</b>
Trade payables	37.9	22.7	13.2	20.0	16.1	0.3	110.3
Unallocated liabilities	-	-	-	-	-	520.0	520.0
<b>Total liabilities</b>	<b>37.9</b>	<b>22.7</b>	<b>13.2</b>	<b>20.0</b>	<b>16.1</b>	<b>520.4</b>	<b>630.3</b>
<b>Capital expenditure</b>	<b>5.1</b>	<b>8.9</b>	<b>2.9</b>	<b>2.8</b>	<b>1.0</b>	<b>0.9</b>	<b>21.7</b>

## Segments - geographical location

MEUR	YTD				Full year	
	2011	%	2010	%	2010	%
Sweden	97,8	13,0 %	54,7	8,6 %	82,2	9,5 %
Germany	84,0	11,2 %	78,9	12,4 %	114,1	13,2 %
Other EU	224,7	29,8 %	194,4	29,7 %	248,4	28,7 %
<b>Total EUR</b>	<b>406,6</b>	<b>54,0 %</b>	<b>322,9</b>	<b>50,7 %</b>	<b>444,6</b>	<b>51,4 %</b>
USA	197,7	26,2 %	160,8	24,5 %	202,3	23,4 %
NA other	49,3	6,5 %	57,3	9,0 %	80,7	9,3 %
<b>Total NA</b>	<b>247,0</b>	<b>32,8 %</b>	<b>213,1</b>	<b>33,5 %</b>	<b>283,0</b>	<b>32,7 %</b>
China	44,4	5,9 %	52,0	8,2 %	65,4	7,6 %
Asia Other	24,6	3,3 %	16,0	2,5 %	31,7	3,7 %
<b>Total Asia</b>	<b>69,0</b>	<b>9,2 %</b>	<b>68,0</b>	<b>10,7 %</b>	<b>97,1</b>	<b>11,2 %</b>
Other countries	31,0	4,1 %	22,5	5,1 %	39,7	4,6 %
<b>Operating revenues</b>	<b>753,6</b>	<b>100,0 %</b>	<b>636,6</b>	<b>100,0 %</b>	<b>864,4</b>	<b>100,0 %</b>

All countries with identified revenue of more than 10% of the total revenue are split out.

Non-current assets by geography						
MEUR	YTD Q3				Full year	
	2011	%	2010	%	2010	%
USA	137.6	37.2 %	142.3	36.8 %	143.8	37.3 %
UK	17.2	4.7 %	45.3	11.7 %	44.3	11.5 %
Norway	31.7	8.6 %	32.5	8.4 %	33.9	8.8 %
Germany	30.0	8.1 %	32.7	8.5 %	32.0	8.3 %
Sweden	30.7	8.3 %	30.2	7.8 %	31.3	8.1 %
Other	122.3	33.1 %	103.6	26.8 %	100.1	26.0 %
<b>Total Non-Current Assets</b>	<b>369.6</b>	<b>100 %</b>	<b>386.7</b>	<b>100.0 %</b>	<b>385.3</b>	<b>100.0 %</b>

Non-current assets comprise intangible assets (including goodwill) and property, plant and equipment.

# Notes



## Note 1 Disclosures

### General information

Kongsberg Automotive Holding ASA and its subsidiaries develop, manufacture and sell products to the automotive industry all over the world. Kongsberg Automotive Holding ASA is a limited liability company which is listed on the Oslo Stock Exchange. The consolidated interim financial statements are not audited.

### Basis of preparation

This condensed consolidated interim financial information, ended 30 September 2011, has been prepared in accordance with IAS 34 "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with IFRS.

### Accounting policies

The accounting policies are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the estimated effective tax rate.

### Risks

The Group's activities are exposed to different types of risks. Some of the most important factors are foreign exchange rates, interest rates, raw material prices and credit risks, as well as liquidity risk. As the Company operates in many countries, it is vulnerable to currency risk. The greatest currency exposure is associated with EUR and USD, while raw material exposure is greatest in copper, zinc, aluminium and steel. The gearing level in the company is high, which influences the liquidity situation in the Group. Uncertainty in the market's development is still a risk factor. The BoD and management continue to proactively address the risk factors described above.

### Seasonality

The KA Group is to some extent influenced by seasonality. The seasonality is mainly driven by the vacation period in the 3<sup>rd</sup> quarter each year having lower sales.

## Note 2 Interest Bearing Loans and Borrowings

MEUR	YTD	
	30.09.2011	31.12.2010
<b>Non-current liabilities</b>		
Bank loans	334.2	370.5
<b>Current liabilities</b>		
Bank overdrafts	21.9	5.9
Other current interest-bearing liabilities	31.1	24.9
<b>Total interest-bearing liabilities</b>	<b>387.3</b>	<b>401.2</b>

### Non-current liabilities

The group has outstanding financing facilities as follows (in local currencies, million):

Facilities	Currency	Total Amounts	Drawn Amounts	Maturity Date	Interest Rate (incl. margin)
DnB Nor / Nordea Reducing Revolving Facility					
Tranche in EUR*	EUR	211.4	190.0	29.12.2013	4.54 %
Tranche in EUR*	EUR		15.0	29.12.2013	4.36 %
Tranche in USD*	USD	208.2	170.0	29.12.2013	3.37 %
Tranche in USD*	USD		22.5	29.12.2013	3.24 %
Nordea Revolving Facility	NOK	250.0	0.0	29.12.2013	1.20% - 5.90%
DNB Nor Overdraft Facility	NOK	250.0	168.0	29.12.2013	0.50% - 5.90%
Innovasjon Norge	NOK	130.5	130.5	10.12.2021	4.90%- 6.09%

\* The total un-drawn amount is MEUR 18.0 on the DnB Nor / Nordea facility.

### Other current interest-bearing liabilities

These comprise accrued interest and capital repayments on long-term loans payable within twelve months of the balance sheet date, as well certain other short-term interest-bearing liabilities.

### Borrowings by currency

MEUR	YTD	
	30.09.2011	31.12.2010
EUR	220.6	226.2
USD	146.9	156.8
NOK	18.6	17.0
Other currencies	1.2	1.2
<b>Total interest-bearing liabilities</b>	<b>387.3</b>	<b>401.2</b>

### Maturity schedule

The maturity schedule for liabilities is as follows (in local currencies, million):

Year	EUR	USD	NOK
Repayable during 2011	10.0		
Repayable during 2012	40.0		
Repayable during 2013	161.4	208.2	14.5
Repayable during 2014			29.0
Repayable during 2015			29.0
Repayable during 2016 (and later)			58.0
<b>Total</b>	<b>211.4</b>	<b>208.2</b>	<b>130.5</b>

### Liquidity reserve

The liquidity reserve of KA group consists of: cash & cash equivalents + un-drawn credit facilities.

MEUR	30.09.2011	31.12.2010
Total (before use)	173.9	170.9
Used (Bankoverdraft)	(21.9)	(5.9)
<b>Unused liquidity reserve</b>	<b>152.0</b>	<b>165.0</b>

### Net Financials

Financial income and expenses MEUR	3rd Quarter		YTD		Year 2010
	2011	2010	2011	2010	
Interest income	0.1	0.2	0.4	0.7	0.8
Interest expenses	(5.5)	(6.2)	(16.0)	(16.7)	(22.2)
Foreign currency gains/losses	(6.2)	10.1	(6.4)	5.2	7.7
Change in valuation currency contracts	(0.5)	1.5	1.8	4.2	5.9
Other financial items	(1.0)	(0.3)	(2.8)	(1.4)	(4.3)
<b>Net financial items</b>	<b>(13.1)</b>	<b>5.3</b>	<b>(23.0)</b>	<b>(8.0)</b>	<b>(12.1)</b>



## Other company information

Kongsberg Automotive Holding ASA  
Dyrmyrgata 48  
3601 Kongsberg, Norway  
Phone +47 32 77 05 00  
[www.kongsbergautomotive.com](http://www.kongsbergautomotive.com)

### The Board of Directors:

Ulla-Britt Fräjdin-Hellqvist	(Chairman)
Thomas Falck	(Shareholder elected)
Tone Bjørnov	(Shareholder elected)
Magnus Jonsson	(Shareholder elected)
Halvor Stenstadvold	(Shareholder elected)
Eivind Holvik	(Employee elected)
Tonje Sivesindtjet	(Employee elected)
Kjell Kristiansen	(Employee elected)

### Executive Committee:

Hans Peter Havdal	President & CEO
Trond Stabekk	Executive Vice President & CFO

### Investor Relations

Contact:

Hans Peter Havdal	+47 920 65 690
Trond Stabekk	+47 982 14 054
Philippe Toth	+47 982 14 021

### Financial Calendar

Publication of the quarterly financial statements:

	Report distributed	Presentation
3rd Quarter 2011	20 October 2011	21 October 2011
4th Quarter 2011	14 February	15 February