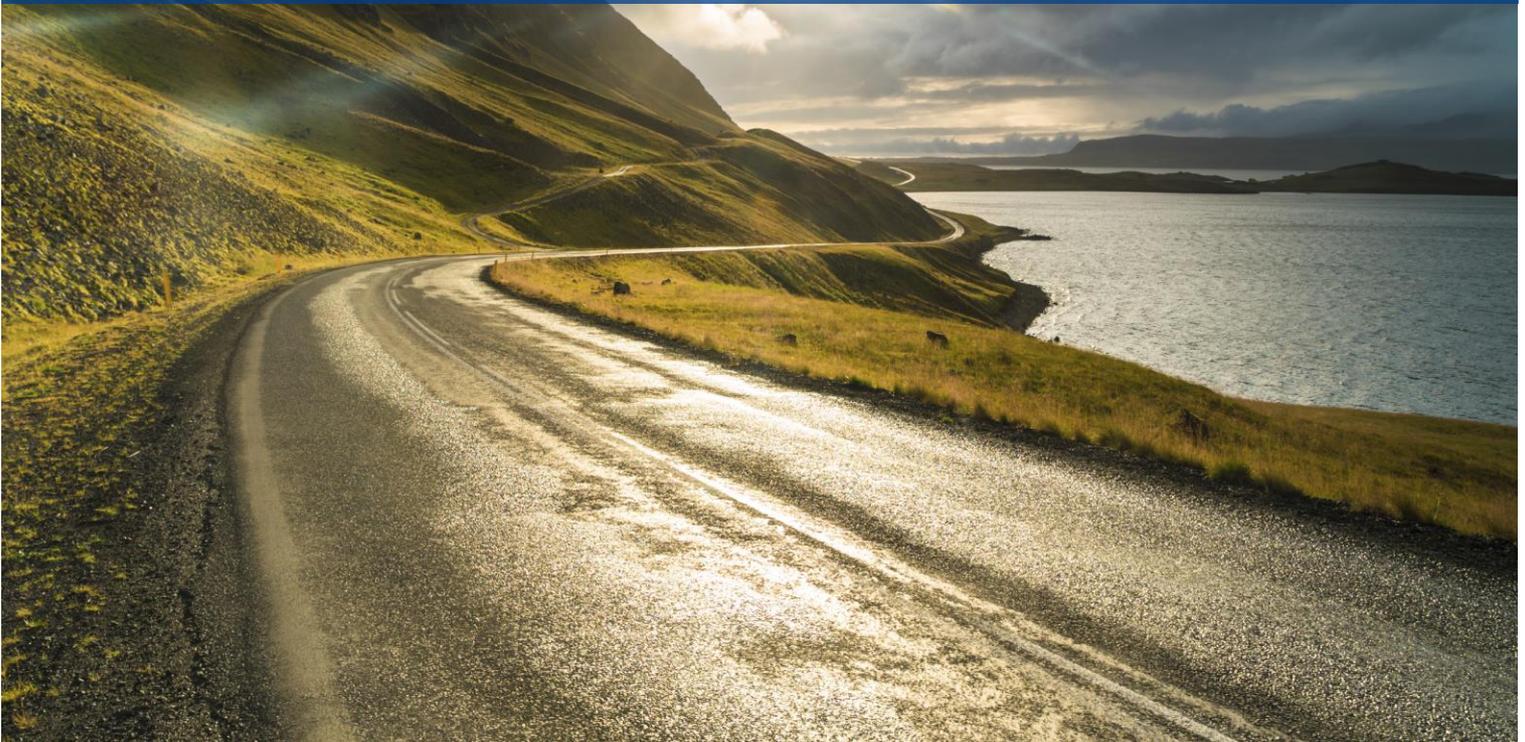


4th Quarter Report 2015

Kongsberg Automotive



Enhancing the driving experience

2015

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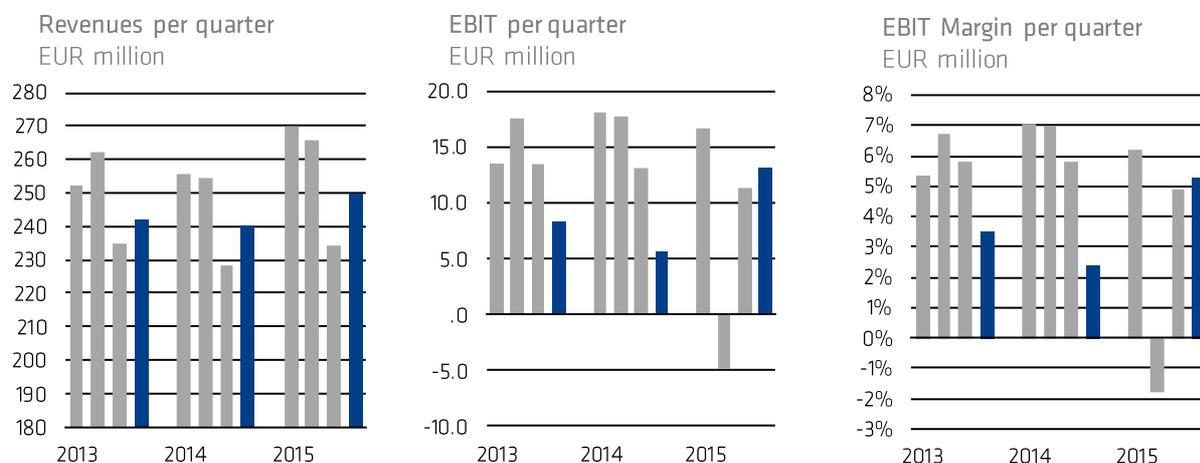
HIGHLIGHTS 4TH QUARTER 2015

HIGHLIGHTS

- Revenues were EUR 249.5 million in the fourth quarter, EUR 9.2 million (3.8 %) above the fourth quarter last year, including favorable currency effects of EUR 8.4 million. Full year revenues amounted to EUR 1020.1 million, EUR 41.0 (4.2%) million above 2014, including favorable currency effects of EUR 61.1 million.
- EBIT was EUR 13.1 million in the fourth quarter, EUR 7.4 (131.0 %) million above the fourth quarter last year, impacted by favorable changes in product mix, operational improvements and temporary lower net R&D costs (EUR 1.5 million). Excluding the write-off in the second quarter, of EUR 19.5 million, adjusted EBIT in 2015 was EUR 56.0 million, EUR 1.1 (2.0 %) million above 2014.
- The financial gearing ratio was at 2.1 times
- Annualized business wins in the quarter amounted to EUR 127 million.
- Revenues for the first quarter 2016 are expected to be approximately EUR 250 million.

KEY FIGURES

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	249.5	240.3	1020.1	979.1
EBITDA	24.7	17.0	102.6	97.0
EBITDA %	9.9 %	7.1 %	10.1 %	9.9 %
EBIT	13.1	5.7	36.5	54.8
EBIT (%)	5.3 %	2.4 %	3.6 %	5.6 %
Net profit	(1.0)	(18.1)	(8.3)	5.4
NIBD/EBITDA (LTM)	2.1	2.2	2.1	2.2
Equity ratio (%)	30.7 %	30.5 %	30.7 %	30.5 %



All amounts in the report are rounded to the nearest hundred thousand.

GROUP FINANCIALS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	249.5	240.3	1020.1	979.1
Opex	(224.8)	(223.4)	(917.5)	(882.1)
EBITDA	24.7	17.0	102.6	97.0
<i>EBITDA (%)</i>	<i>9.9 %</i>	<i>7.1 %</i>	<i>10.1 %</i>	<i>9.9 %</i>
Depreciation and amortization	(11.6)	(11.3)	(66.1)	(42.1)
EBIT	13.1	5.7	36.5	54.8
<i>EBIT (%)</i>	<i>5.3 %</i>	<i>2.4 %</i>	<i>3.6 %</i>	<i>5.6 %</i>
Net financial items	(6.0)	(22.4)	(32.8)	(35.9)
Profit before taxes	7.1	(16.7)	3.7	18.9
Income taxes	(8.1)	(1.4)	(12.0)	(13.5)
Net profit	(1.0)	(18.1)	(8.3)	5.4

REVENUES

Revenues for the Group amounted to EUR 249.5 million in the fourth quarter of 2015. Revenues were EUR 9.2 million (3.8%) above the comparable period last year, including favorable currency effects of EUR 8.4 million.

In the passenger car segments revenues increased by EUR 3.9 million (2.8%) compared to the fourth quarter of 2014. Interior had EUR 8.8 million (11.4%) higher revenues in the fourth quarter than in the same period last year, including favorable currency effects of EUR 5.6 million. Continued lower sales volumes in North America, due to end of production of a program within the Headrest and Armrest business, was offset by higher sales in both the premium car and light duty cable segment in Europe. Revenues in Driveline decreased by EUR 4.8 million (-7.6%) compared to the same quarter last year, including favorable currency effects of EUR 2.7 million. The decline in revenues, excluding the currency effect, was due to lower sales across all regions, especially in Europe due to major programs reaching end of production.

Revenues from the commercial vehicle segments increased by EUR 3.2 million (2.9%) compared to the same quarter in 2014. Revenues in Fluid Transfer increased by EUR 4.4 million (9.2%), including favorable currency effects of EUR 2.1 million. The revenue increase was primarily related to the commercial vehicle business in Europe and the automotive business in North America, both supported by a healthy underlying market, and increased sales in the Chinese business. Revenues in Driver Control decreased by EUR 1.2 million (-1.9%), including an unfavorable currency effect of EUR 0.8 million. The change in revenues reflects lower sales in the South American, Chinese and European business, partially offset by stronger sales in the North American business.

In the fourth quarter of 2015 the Group was awarded a business win for the supply of On Board Chargers (OBC) for Plug-in Hybrid Electric Vehicles in China. The contract amounts to EUR 7 million in annual sales. The R&D costs in e-Power was EUR 0.5 million above the comparable quarter last year.

EBIT

EBIT for the Group was EUR 13.1 million in the fourth quarter of 2015, an increase of EUR 7.4 (131.0%) million compared to the same quarter last year. EBIT increased primarily due to favorable changes in product mix, operational improvements and temporary lower net R&D costs (EUR 1.5 million). R&D costs in the comparable quarter last year were influenced by a high level of project activity mainly related to business wins within the same quarter. The fourth quarter 2014 carried higher maintenance costs of EUR 1.2 million.

NET FINANCIALS

Net financials (see note 4.1) were EUR -6.0 million in the fourth quarter of 2015, compared to EUR -22.4 million in the same period in 2014. The decrease in net financial items was driven by lower unrealized currency losses (EUR 14.5 million) and by lower net interest expenses (EUR 1.2). The lower net interest expenses were driven by the lower interest rate margin following the new loan agreement signed in the first quarter of 2015.

PROFIT BEFORE TAX / NET PROFIT

Profit before tax were EUR 7.1 million in the fourth quarter of 2015, compared to EUR -16.7 million in the same period in 2014. The increase reflects lower net financial items and increased operating profit. Net profit was EUR -1.0 million in the fourth quarter, compared to EUR -18.1 million in the comparable quarter last year. Income tax expense for the year was impacted by prior year adjustments and the tax effect of losses not capitalized

GROUP FINANCIALS

CONDENSED STATEMENT OF CASH FLOW

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Cash flow from operating activities	37.6	32.3	73.5	86.1
Cash flow from investing activities	(20.8)	(16.2)	(43.5)	(36.2)
Cash flow from financing activities	(2.1)	(9.7)	(26.3)	(49.9)
Currency effects on cash	0.2	0.6	1.5	2.0
Net change in cash	14.9	7.1	5.2	1.9
Net cash at beginning period *	24.9	27.6	34.6	32.7
Net cash at period end *	39.9	34.6	39.9	34.6
Of this, restricted cash	0.3	1.0	0.3	1.0

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities increased by EUR 5.3 million to EUR 37.6 million in the fourth quarter of 2015 compared to the comparable quarter last year. The increase was primarily driven by the increase in EBITDA, partially offset by an increase in paid taxes and increased net working capital.

For the full year, despite a higher EBITDA, cash flow from operating activities was reduced by EUR 12.6 million, driven by an increase net working capital and taxes paid. The increase in net working capital is to a large degree driven by customer-tooling prepayments which are settled close to start of production.

CASH FLOW FROM INVESTING ACTIVITIES

Net cash flow from investing activities amounted to EUR -20.8 million in the fourth quarter of 2015, EUR 4.6 million higher than comparable period in 2014. The increase was concentrated on CAPEX for new orders and investments in production facilities, including upgrade and expansion of production facilities to accommodate expected growth in the Interior segment. Fourth quarter CAPEX spend was mainly related to a significant contract won in the fourth quarter last year.

The increase in business wins was also the driver for the year over year increase in investments.

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities was EUR -2.1 million in the fourth quarter, EUR 7.6 million above the comparable period last year, primarily due to absence of debt repayments in the fourth quarter 2015 and lower interest expenses compared to the comparable quarter last year.

Fourth quarter interest payments, of EUR 1.9 million, decreased by EUR 1.5 million compared to the same quarter last year. The decrease in interest payments were driven by the lower interest rate margin as a result of the new loan agreement.

The reduction in both debt and interest payments were also the main drivers for the reduction in cash flow used on financing activities year-over year.

NET CHANGE IN CASH

Change in net cash, including bank overdraft, was EUR 14.9 million in the fourth quarter of 2015, resulting in net cash of EUR 39.9 million at the end of the quarter. Cash holding decreased by EUR 2.9 million from EUR 56.8 million to EUR 53.9 million during the fourth quarter. Bank overdraft decreased by EUR 17.8 million from EUR 31.9 to EUR 14.0 during the quarter.

Net change in cash was positive by EUR 5.2 million since last year.

LIQUIDITY RESERVE

The liquidity reserve was EUR 125.2 million at the end of the fourth quarter, compared to EUR 134.8 million at year end 2014. The reduction was primarily due the reduced facilities as a consequence of the new loan agreement, partially offset by the increase in net cash and positive currency effects. See note 3.4 for more information.

GROUP FINANCIALS

CONDENSED STATEMENT OF FINANCIAL POSITION

MEUR	31.12.15	31.12.14
Non-current assets	379.7	386.6
Cash and cash equivalents	53.9	53.5
Other current assets	264.5	249.2
Total assets	698.1	689.2
Equity	214.2	210.3
Interest bearing debt	253.9	252.8
Other liabilities	230.0	226.1
Total equity and liabilities	698.1	689.2
NIBD	214.0	218.2
Equity ratio	30.7%	30.5%

ASSETS

Total assets were EUR 698.1 million as of December 31, 2015, an increase of EUR 8.9 million from year end 2014. The increase was mainly due to translation currency effects and increased investments in PP&E, partially offset by the goodwill write-off in the second quarter.

EQUITY

From year end 2014 equity increased by EUR 3.9 million to EUR 214.2 million. The increase was driven by positive currency translation effects, partially offset by the negative net profit for the period of EUR 8.3 million and purchase of treasury shares. The equity ratio increased by 0.5 percentage points to 30.7%.

INTEREST BEARING DEBT

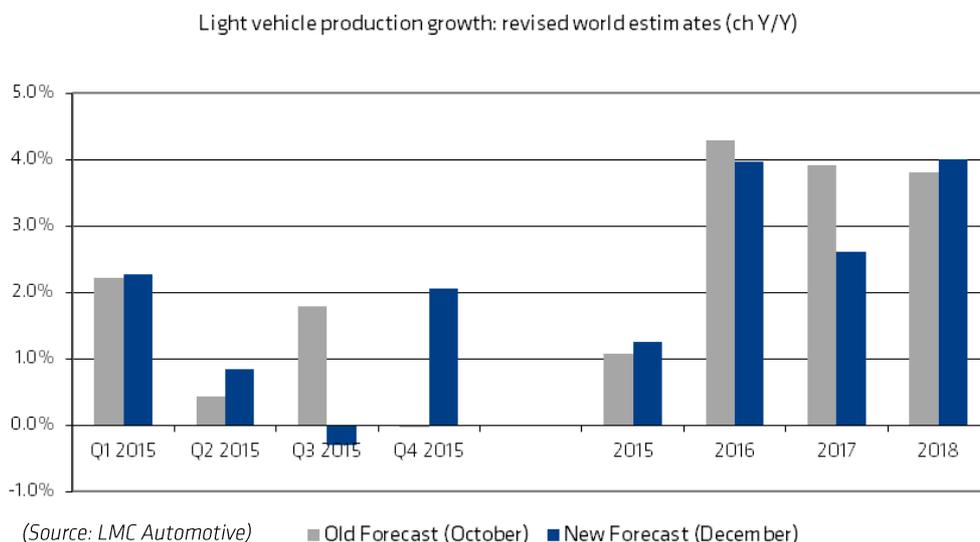
Gross long-term interest bearing debt amounted to EUR 253.9 million at the end of the fourth quarter, an increase of EUR 1.1 million since year end 2014. The net change reflects derecognition of capitalized arrangement fees in the first quarter, as debt repayments were offset by negative currency effects of EUR 13.6 million.

Net interest bearing debt decreased by EUR 4.2 million to EUR 214.0 million since year end 2014. The reduction was due to a positive operational cash flow, partially offset by payment of interest, financial charges and negative currency effects.

MARKET OUTLOOK

LIGHT VEHICLE PRODUCTION (LVP) ESTIMATES

Year-on-year change in production growth rate:



GLOBAL LIGHT VEHICLE PRODUCTION*

Light Vehicle Production (LVP) in the fourth quarter of 2015 ended 2.1% higher than the fourth quarter of 2014.

European production increased by 1.5% in the fourth quarter 2015, a slower pace than earlier in the year. Total production in Europe was up by 3.4% in 2015 compared to 2014 to 20.8 million vehicles.

North American production continued the trend this year and grew by 3.4% in the fourth quarter of 2015 compared to the same quarter last year, resulting in a production of 17.6 million vehicles in 2015 (up by 3.6% since last year).

Production in China picked up again, compared to the third quarter this year, and the growth ended at 5.9% in the

fourth quarter of 2015 compared to the fourth quarter of 2014. The production for 2015 ended at 23.1 million vehicles, a growth rate of 2.2% compared to last year.

South America, and especially Brazil, continued the trend with a decline of -26.4% in the fourth quarter compared to the fourth quarter last year. Estimated production for 2015 is at 3.1 million vehicles, a decline of close to 18% compared to 2014.

Global production for the full year 2015 ended at 88.5 million vehicles, an increase of 1.2% from 2014.

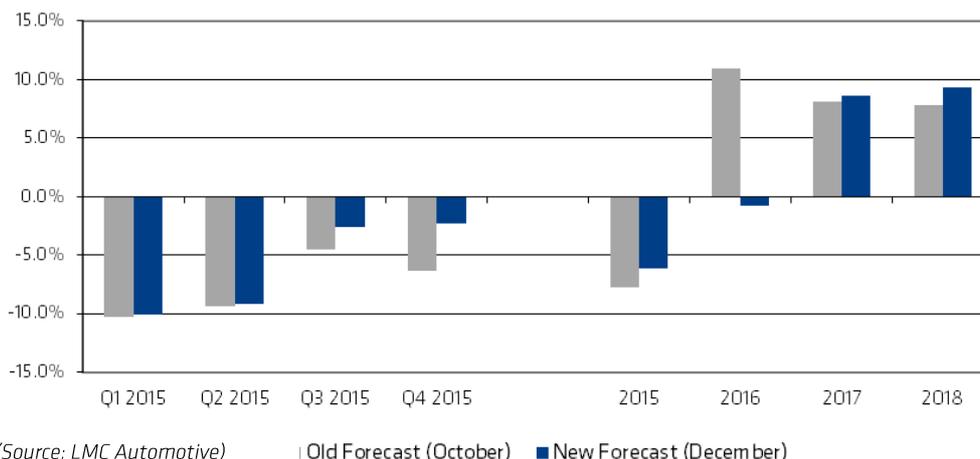
* Material based on external source LMC automotive

MARKET OUTLOOK

COMMERCIAL VEHICLE PRODUCTION (CVP) ESTIMATES

Year-on-year change in production growth rate:

Medium and heavy duty truck production growth: revised world estimates (ch Y/Y)



GLOBAL COMMERCIAL VEHICLE PRODUCTION*

Commercial Vehicle Production (CVP) in the fourth quarter of 2015 declined by -2.3%, compared to the same quarter in 2014. The decline in world production of trucks was driven by the continued reduction in the Chinese production.

Production in China declined with -21.1% in the fourth quarter of 2015, compared to the same quarter last year. For the full year 2015 the Chinese production is estimated to be 715 thousand units, a decrease of 28% compared to 2014.

European production increased by 9.5% in the fourth quarter of 2015, including the continued decrease in the Russian production. The increase was driven by both the European production for internal sales and export.

In North America the growth was 3% in the fourth quarter of 2015 compared to fourth quarter 2014. The Heavy Duty (Class8) segment grew the most.

South America continued to decline. The fourth quarter production declined by -15%, compared to the comparable quarter last year, resulting in an estimated drop of 40% for the full year 2015 production. Production in 2015 was at 85 thousands trucks.

Asia, excluding China, had a growth of 13.3% in the fourth quarter of 2015 compared to the comparable period last year. The growth was driven by the growth in the Indian production.

The total global production for the commercial vehicles production ended at 2.6 million vehicles, a reduction of -6.2% in 2015 compared to 2014.

* Material based on external source LMC automotive

INTERIOR

Segment Reporting

INTERIOR SYSTEMS

Interior is a global leader in the development, design 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 adjuster cables and other cabling systems, lumbar support and side bolsters, seat heating, ventilation and massage systems, armrests and head restraints.

Interior products address the passenger car market, with particularly strong positions in the European and North American

markets. Market penetration for products such as seat heating, seat ventilation and massage systems are especially high in medium to higher end cars, while headrests and light duty cables can be found in all ranges of cars. Customers include all major European and North American car and seat manufacturers such as Johnson Controls, Faurecia, Audi, Volvo and BMW. In addition the division is a market leader in the supply of light-duty cables to the Outdoor Power Equipment market globally and several other niche industrial market sectors

KEY FIGURES

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	85.5	76.7	330.1	304.5
EBITDA	11.5	7.4	39.0	35.3
EBITDA (%)	13.4 %	9.6 %	11.8 %	11.6 %
Depreciation	(2.2)	(2.0)	(8.8)	(7.3)
Amortization*	(0.6)	(0.5)	(21.9)	(2.1)
EBIT	8.6	4.8	8.4	25.9
EBIT (%)	10.1 %	6.3 %	2.5 %	8.5 %
Investments	(8.9)	(4.0)	(15.8)	(9.6)
Capital Employed **	151.2	156.0	151.2	156.0

* Including the write-off of EUR 19.5 million related to the Armrest and Headrest business in the second quarter

** Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

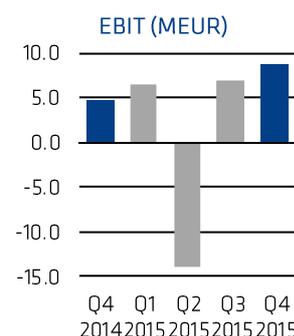
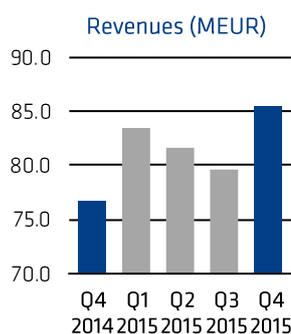
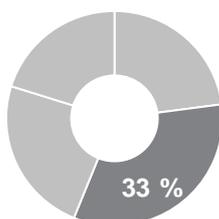
Revenues in Interior increased by EUR 8.8 million (11.4%) to EUR 85.5 million in the fourth quarter of 2015 compared to the same quarter in 2014, including a favorable currency effect of EUR 5.6 million. Lower sales volumes in the North American head-restraint business (a major program reaching end of production) was offset by higher sales in both the premium car and light duty cable segment in Europe. Revenues for the full year amounted to EUR 330.1 million, an increase of 8.4% from 2014, including positive FX effects of EUR 30.4 million.

EBIT was EUR 8.6 million in the fourth quarter, an increase of EUR 3.8 million compared to the fourth quarter 2014. The fourth quarter EBIT margin increased by 3.8 percentage points to 10.1%. The change in EBIT was related to a favorable sales mix, higher volumes, operational improvements and one-off maintenance costs in the same quarter last year (EUR 1.2 million) off-setting increased R&D efforts (EUR 0.6 million) to support future growth opportunities. EBIT for the full year decreased by EUR -17.6 million (-67.7%) over last year, including a EUR 19.5 million goodwill write-off.

COMMERCIAL & OPERATIONAL UPDATE

In the fourth quarter total business wins amounted to EUR 17.4 million in annual sales. Business wins for the Light Duty Cable business amounted to EUR 6.7 million in annual sales. Significant business wins included a contract from a major European premium OEM, for a new generation seat ventilation product and a contract for the supply of interior panel heating to a European premium SUV, which is a new product with a strong growth potential. In general the vehicles launched throughout the year with Kongsberg Automotive Interior products have been very well received in the market, and exceeded their sales targets. Further new car models will be launched based on the same technology in the coming year. Business wins year to date and significant new business opportunities, demonstrate that Kongsberg Automotive has both the required technology and reputation to work with the best in the business, representing a good platform for growth in the attractive seat comfort segment.

Share of Group Q4 2015 revenues



DRIVELINE

Segment Reporting

DRIVELINE

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

Driveline products address the passenger car market, with particularly strong positions in Europe. With a global footprint, Driveline is able to support customers worldwide. Key customers include Ford, General Motors, Volvo and Renault-Nissan.

KEY FIGURES

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	59.0	63.8	253.9	265.0
EBITDA	3.5	3.1	13.2	15.6
EBITDA (%)	6.0 %	4.9 %	5.2 %	5.9 %
Depreciation	(2.2)	(2.6)	(8.0)	(8.1)
Amortization	(0.8)	(0.7)	(3.0)	(3.0)
EBIT	0.6	(0.2)	2.2	4.5
EBIT (%)	1.0 %	-0.3 %	0.9 %	1.7 %
Investments	(4.2)	(5.1)	(9.6)	(10.2)
Capital Employed *	73.3	76.6	73.3	76.6

* Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

Revenues in Driveline decreased by EUR -4.8 million (-7.6%) to EUR 59.0 million in the fourth quarter of 2015 compared to the same quarter in 2014, including a favorable currency effect of EUR 2.7 million. The decline in revenues, excluding the currency effect, was due to lower sales across all regions, especially in Europe due to major programs reaching end of production. Revenues for the full year amounted to EUR 253.9 million, a decrease of -4.2% from 2014.

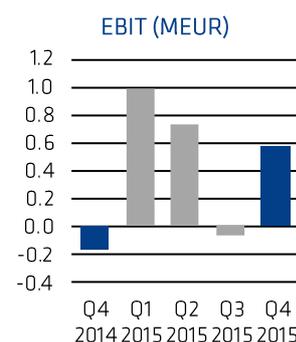
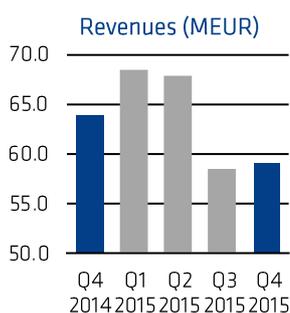
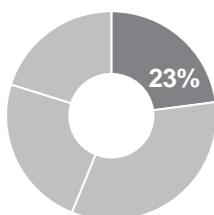
EBIT was EUR 0.6 million in the fourth quarter, an increase of EUR 0.7 million compared to the fourth quarter 2014. Excluding the one-off depreciations (EUR 0.6 million) in the fourth quarter last year, the main drivers for the increase in EBIT were operational improvements and lower fixed costs, especially lower R&D costs of EUR 0.9 million and bonus costs of EUR 0.4 million. The fourth quarter EBIT margin increased by 1.2 percentage points to 1.0%. EBIT for the full year decreased by EUR -2.3 million (-50.6%) over last year, impacted by the additional costs related to new program launches.

COMMERCIAL & OPERATIONAL UPDATE

R&D and marketing activities to support further business wins continues to be the main focus. A total of EUR 75.4 million in new business wins during the year will continue to demand a high level of R&D activities.

Fourth quarter business awards amounted to EUR 27.5 million in annual sales. The awarded contracts was for supply Shift By Wire (EUR 5.4 million), Automatic Shifter systems (EUR 17.6 million) and others (EUR 4.5 million). Major OEM's as well as local customers in the Asian market are among the customers.

Share of Group Q4 2015 revenues



FLUID TRANSFER

Segment Reporting

FLUID TRANSFER

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 provides completely engineered flexible fluid assemblies for all market segments in which it operates. The business area is also specialized in manufacturing tube and hose assemblies for difficult environments.

Fluid Transfer products primarily address the commercial vehicle

market, with particularly strong positions in the United States and in Western Europe.

Key customers in commercial vehicles include Volvo Trucks, Navistar and Paccar. OEM automotive customers are Ford and Jaguar Land Rover. Key Tier 1 automotive customers include TI Automotive, Cooper Standard Automotive and Martinrea in addition to an industrial customer base primarily in North America and Europe.

KEY FIGURES

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	51.9	47.5	215.0	193.5
EBITDA	9.8	7.1	41.2	34.1
EBITDA (%)	19.0 %	15.0 %	19.1 %	17.6 %
Depreciation	(1.4)	(1.7)	(6.0)	(7.1)
Amortization	(1.0)	(0.9)	(3.9)	(3.4)
EBIT	7.4	4.5	31.3	23.6
EBIT (%)	14.3 %	9.5 %	14.6 %	12.2 %
Investments	(2.9)	(3.8)	(8.1)	(7.4)
Capital Employed *	125.4	111.5	125.4	111.5

* Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

Revenues in Fluid Transfer increased by EUR 4.4 million (9.2%) to EUR 51.9 million in the fourth quarter of 2015 compared to the same quarter in 2014, including a favorable currency effect of EUR 1.4 million. Revenues for the full year amounted to EUR 215.0 million, an increase of 11.1% from 2014.

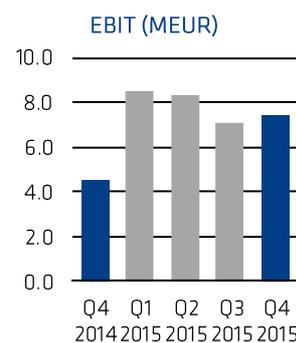
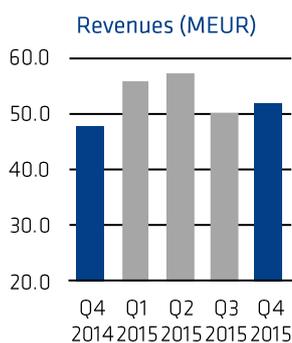
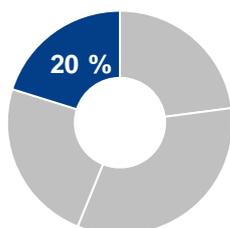
The increase in revenues in the fourth quarter was driven by strength in Europe for air coupling systems to the commercial vehicle business in addition to strong automotive demand due to a healthy underlying U.S. market and new program launches in China, partially offset by weakness in the North American industrial and commercial vehicle businesses.

EBIT was EUR 7.4 million in the fourth quarter, an increase of EUR 2.9 million compared to the fourth quarter 2014. The fourth quarter EBIT margin increased by 4.8 percentage points to 14.3% primarily due to favorable product mix and volume effects. EBIT for the full year increased by EUR 7.7 million (32.6%) over last year.

COMMERCIAL & OPERATIONAL UPDATE

Fluid Transfer capped off a record-setting year for new business wins with a strong fourth quarter highlighted by previously announced contract awards in our Air Handling segment, which is part of the group's key growth platforms. Total fourth quarter and full year 2015 business awards amounted to EUR 36.1 million and EUR 77.2 million in annual sales, respectively.

Share of Group Q4 2015 revenues



DRIVER CONTROL

Segment Reporting

DRIVER CONTROL

Driver Control is a global leader in the development, design and manufacturing of operator control systems for both on- and off-highway commercial vehicles. Driver Control is offering a robust product portfolio of clutch actuation systems, gearshift systems, vehicle dynamics, steering columns, pedal systems and electronic displays.

Driver Controls' products and services have particularly strong positions in European, North American, Brazilian, and South Korean markets. Key customers include Volvo Group, Scania, MAN, Daimler, Hyundai, DAF/PACCAR, John Deere, CAT and BRP.

KEY FIGURES

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	61.1	62.3	256.1	252.7
EBITDA	7.3	4.7	30.9	29.3
EBITDA (%)	12.0 %	7.5 %	12.1 %	11.6 %
Depreciation	(1.6)	(1.5)	(6.6)	(6.1)
Amortization	(1.6)	(1.2)	(7.5)	(4.8)
EBIT	4.1	1.9	16.8	18.4
EBIT (%)	6.7 %	3.1 %	6.5 %	7.3 %
Investments	(4.8)	(2.9)	(10.1)	(7.9)
Capital Employed *	111.1	116.5	111.1	116.5

* Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

Revenues in Driver Control Systems decreased by EUR -1.2 million (-1.9%) to EUR 61.1 million in the fourth quarter of 2015 compared to the same quarter in 2014, including an unfavorable currency effect of EUR -0.8 million. The decrease in the fourth quarter revenues were driven by lower sales in the South American, Chinese and European business, partially offset by stronger sales in the North American off-highway business. Compared to the same quarter last year, sales in Europe were EUR 0.7 million lower, due to the sale of KA's business in Italy in the first quarter. Revenues for the full year amounted to EUR 256.1 million, an increase of 1.3% from 2014.

EBIT was EUR 4.1 million in the fourth quarter, an increase of EUR 2.2 million compared to the fourth quarter 2014. The fourth quarter EBIT margin increased by 3.6 percentage points to 6.7%. The increase was primarily driven by lower R&D project activity (EUR 2.6 million) and operational improvements.

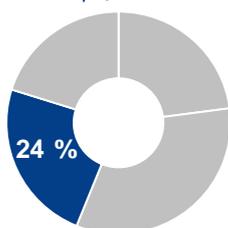
EBIT for the full year decreased by EUR -1.6 million (-8.9%) over last year, driven by the loss on sale of business (EUR 1.5 million) and product mix effects, partially offset by lower development costs (EUR 2.2 million).

COMMERCIAL & OPERATIONAL UPDATE

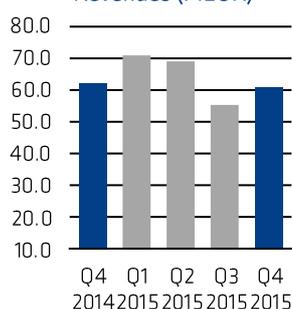
Cost reduction have been effectuated to compensate for lower sales. R&D project activity is high and this will continue in 2016. The R&D spend is mainly directed towards the development of a new Automated Manual Transmission (AMT) system where a significant contract was announced in the fourth quarter of 2014. Deliveries on this new contract will start in 2017.

Business wins in the quarter amounted to EUR 38.5million. New business wins exceeded EUR 81.2 million year to date with 21 % coming from BRIC countries.

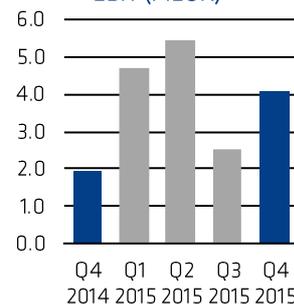
Share of Group Q4 2015 revenues



Revenues (MEUR)



EBIT (MEUR)



CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF COMPREHENSIVE INCOME

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Revenues	249.5	240.3	1020.1	979.1
Opex	(224.8)	(223.4)	(917.5)	(882.1)
EBITDA	24.7	17.0	102.6	97.0
<i>EBITDA (%)</i>	<i>9.9 %</i>	<i>7.1 %</i>	<i>10.1 %</i>	<i>9.9 %</i>
Depreciation and amortization	(11.6)	(11.3)	(66.1)	(42.1)
EBIT	13.1	5.7	36.5	54.8
<i>EBIT (%)</i>	<i>5.3 %</i>	<i>2.4 %</i>	<i>3.6 %</i>	<i>5.6 %</i>
Net financial items	(6.0)	(22.4)	(32.8)	(35.9)
Profit before taxes	7.1	(16.7)	3.7	18.9
Income taxes	(8.1)	(1.4)	(12.0)	(13.5)
Net profit	(1.0)	(18.1)	(8.3)	5.4

Other comprehensive income (Items that may be reclassified to profit or loss in subsequent periods):

Translation differences	6.7	16.5	25.6	27.9
Tax on translation differences	(2.5)	(9.0)	(11.2)	(12.6)

Other comprehensive income (Items that will not be reclassified to profit or loss in subsequent periods):

Remeasurement of the net PBO	0.2	(2.7)	0.2	(2.7)
Tax on remeasurement of the net PBO	(0.1)	0.8	(0.1)	0.8
Other comprehensive income	4.3	5.5	14.5	13.4
Total compr income	3.4	(12.6)	6.2	18.8

Net profit attributable to:

Equity holders (parent comp)	(0.9)	(18.3)	(8.4)	5.1
Non-controlling interests	(0.0)	0.2	0.0	0.3
Total	(1.0)	(18.1)	(8.3)	5.4

Total comprehensive income attributable to:

Equity holders (parent comp)	3.4	(12.8)	6.2	18.5
Non-controlling interests	(0.0)	0.2	0.0	0.3
Total	3.4	(12.6)	6.2	18.8

Earnings per share:

Basic earnings per share, EUR	(0.00)	(0.04)	(0.02)	0.01
Diluted earnings per share, EUR	(0.00)	(0.04)	(0.02)	0.01

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF FINANCIAL POSITION

MEUR	Note	31.12.15	31.12.14
Deferred tax assets		41.8	41.8
Intangible assets		193.5	214.7
Property, plant and equipment		143.3	128.3
Other non-current assets		1.1	1.8
Non-current assets		379.7	386.6
Inventories		80.5	76.8
Accounts receivable		144.6	140.1
Other short term receivables		39.4	32.3
Cash and cash equivalents		53.9	53.5
Current assets		318.4	302.7
Total assets		698.1	689.2
Share capital		21.2	22.3
Share premium reserve		175.6	186.5
Other equity		13.6	(2.5)
Non-controlling interests		3.9	4.0
Total equity		214.2	210.3
Interest bearing loans and borrowings	3	253.9	252.8
Deferred tax liabilities		30.8	17.5
Other long term liabilities		17.9	18.8
Non-current liabilities		302.5	289.0
Bank overdraft		14.0	18.8
Other short term liabilities, interest bearing		0.0	0.0
Accounts payable		101.0	99.1
Other short term liabilities		66.3	72.0
Current liabilities		181.3	189.9
Total liabilities		483.9	478.9
Total equity and liabilities		698.1	689.2

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF CHANGE IN EQUITY

MEUR	31.12.15	31.12.14
Equity as of start of period	210.3	189.6
Net profit for the period	(8.3)	5.4
Translation differences	25.6	27.9
Tax on translation differences	(11.2)	(12.6)
Remeasurement of the net PBO	0.2	(2.7)
Tax on remeasurement of the net PBO	(0.1)	0.8
Total comprehensive income	6.2	18.8
Options contracts (employees)	0.7	0.4
Treasury shares	(2.6)	1.9
Other changes in non-controlling interests	(0.0)	(0.4)
Other changes in equity	(0.4)	0.0
Equity as of end of period	214.2	210.3

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

STATEMENT OF CASH FLOW

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
<i>Operating activities</i>				
(Loss) / profit before taxes	7.1	(16.7)	3.7	18.9
Depreciation	7.5	7.8	29.6	28.6
Amortization	4.1	3.5	36.5	13.5
Interest income	(0.0)	(0.0)	(0.1)	(0.2)
Interest expenses	1.9	3.0	8.2	11.9
Taxes paid	(4.4)	(3.3)	(11.2)	(9.1)
(Gain) / loss on sale of non-current assets	0.0	0.0	0.0	0.0
Changes in receivables	12.0	9.9	(4.5)	(3.7)
Changes in inventory	3.9	6.5	(3.7)	0.5
Changes in payables	4.8	5.4	1.9	(1.3)
Currency (gain)/ loss	5.4	18.2	22.5	20.6
Changes in value fin. derivatives	(1.2)	0.5	(1.0)	0.2
Changes in other items	(3.5)	(2.4)	(8.2)	6.0
Cash flow from operating activities	37.6	32.3	73.5	86.1
<i>Investing activities</i>				
Investments	(20.8)	(16.3)	(43.9)	(36.1)
Sale of fixed assets	(0.0)	0.1	0.1	0.1
Investments in subsidiaries	0.0	0.0	0.0	(0.4)
Interest received	0.0	0.0	0.1	0.2
Proceeds from sale of subsidiaries	0.0	0.0	0.3	0.0
Cash flow from investing activities	(20.8)	(16.2)	(43.5)	(36.2)
<i>Financing activities</i>				
Proceeds from sale/purchase of treasury shares	0.1	0.5	(2.6)	1.9
Repayment of external loans	0.0	(6.6)	(13.6)	(36.7)
Interest paid	(1.9)	(3.4)	(8.5)	(12.8)
Dividends paid*	(0.4)	0.0	(0.4)	0.0
Other financial charges	(0.0)	(0.2)	(1.3)	(2.4)
Cash flow from financing activities	(2.1)	(9.7)	(26.3)	(49.9)
Currency effects on cash	0.2	0.6	1.5	2.0
Net change in cash	14.9	7.1	5.2	1.9
Net cash at beginning period **	24.9	27.6	34.6	32.7
Net cash at period end **	39.9	34.6	39.9	34.6
Of this, restricted cash	0.3	1.0	0.3	1.0

* Dividend to JV partner in Shanghai Kongsberg Automotive Dong Feng Morse Co Ltd (China)

** Includes bank overdraft

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1 – Disclosures

GENERAL INFORMATION

Kongsberg Automotive ASA and its subsidiaries develop, manufacture and sell products to the automotive industry globally. Kongsberg Automotive 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 December 31, 2015, and 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 December 31, 2015, 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 December 31, 2014, as described in those annual financial statements.

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

RISK

The Group continuously monitors its risk factors. The Group's activities are exposed to different types of risk. Some of the most important risk factors are foreign-exchange rates, interest rates, raw material prices and credit risks. As the Group 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, aluminum and steel. The development in the overall market is considered to be the most significant risk factor.

SEASONALITY

The Group is to some extent influenced by seasonality. The seasonality is mainly driven by the vacation period in the third quarter and December each year having lower sales.

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Note 2 – Segment Reporting

2.1 OPERATING REPORTABLE SEGMENTS

Full year 2015

MEUR	Interior	Driveline	Fluid Transfer	Driver Controls	Elim & other	Group
Operating Revenues	330.1	253.9	215.0	256.1	(35.0)	1,020.1
EBITDA	39.0	13.2	41.2	30.9	(21.7)	102.6
Depreciation	(8.8)	(8.0)	(6.0)	(6.6)	(0.2)	(29.6)
Amortization	(21.9)	(3.0)	(3.9)	(7.5)	(0.3)	(36.5)
EBIT	8.4	2.2	31.3	16.8	(22.2)	36.5
<i>Assets and liabilities</i>						
Goodwill	60.2	6.7	55.6	31.9	0.0	154.5
Other intangible assets	6.1	9.5	8.8	13.9	0.8	39.0
Property, plant and equipment	41.1	35.3	31.2	35.0	0.8	143.3
Inventories	18.3	16.9	19.1	27.0	(0.8)	80.5
Trade receivables	56.8	28.9	30.6	28.4	(0.0)	144.6
Segment assets	182.4	97.3	145.3	136.2	0.8	562.0
Unallocated assets	0	0	0	0	136.1	136.1
Total assets	182.4	97.3	145.3	136.2	136.9	698.1
Trade payables	31.2	24.0	19.9	25.1	0.8	101.0
Unallocated liabilities	0	0	0	0	382.9	382.9
Total liabilities	31.2	24.0	19.9	25.1	383.7	483.9
Capital expenditure	15.5	8.4	7.9	9.2	0.1	41.0

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Full year 2014

MEUR	Interior	Driveline	Fluid Transfer	Driver Controls	Elim & other	Group
Operating Revenues	304.5	265.0	193.5	252.7	(36.8)	979.1
EBITDA	35.3	15.6	34.1	29.3	(17.4)	97.0
Depreciation	(7.3)	(8.1)	(7.1)	(6.1)	(0.0)	(28.6)
Amortization	(2.1)	(3.0)	(3.4)	(4.8)	(0.3)	(13.5)
EBIT	25.9	4.5	23.6	18.4	(17.6)	54.8
<i>Assets and liabilities</i>						
Goodwill	75.1	6.4	51.1	33.3	0.0	165.9
Other intangible assets	7.5	10.9	11.6	17.8	1.0	48.8
Property, plant and equipment	33.2	33.9	28.0	32.6	0.6	128.3
Inventories	17.2	16.9	15.8	27.5	(0.6)	76.8
Trade receivables	49.6	33.6	26.5	30.4	0.0	140.1
Segment assets	182.6	101.7	132.9	141.7	1.0	559.9
Unallocated assets	0	0	0	0	129.3	129.3
Total assets	182.6	101.7	132.9	141.7	130.3	689.2
Trade payables	26.6	25.0	21.4	25.2	0.8	99.1
Unallocated liabilities	0	0	0	0	379.9	379.9
Total liabilities	26.6	25.0	21.4	25.2	380.6	478.9
Capital expenditure	9.5	9.2	7.4	7.4	0.5	34.0

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

2.2 SEGMENTS BY GEOGRAPHICAL LOCATION

2.2.1 Sales to customers by geographical location

MEUR	2015		2014	
	Jan - Dec	%	Jan - Dec	%
Sweden	83.0	8.1 %	82.6	8.4 %
Germany	96.6	9.5 %	102.4	10.5 %
France	70.5	6.9 %	73.2	7.5 %
Other EUR	252.1	24.7 %	252.3	25.8 %
Total EUR	502.2	49.2 %	510.4	52.1 %
USA	296.1	29.0 %	251.5	25.7 %
NA other	113.7	11.1 %	114.0	11.6 %
Total NA	409.7	40.2 %	365.5	37.3 %
China	65.8	6.4 %	57.0	5.8 %
Asia Other	21.5	2.1 %	22.6	2.3 %
Total Asia	87.2	8.6 %	79.5	8.1 %
Other countries	20.9	2.0 %	23.6	2.4 %
Operating revenues	1,020.1	100.0 %	979.1	100.0 %

2.2.2 Non-current assets by geographical location

MEUR	2015		2014	
	Jan - Dec	%	Jan - Dec	%
USA	107.5	31.9 %	119.9	34.9 %
UK	13.8	4.1 %	12.8	3.7 %
Norway	25.2	7.5 %	25.8	7.5 %
Germany	14.8	4.4 %	15.6	4.5 %
Sweden	30.8	9.1 %	29.8	8.7 %
Poland	43.3	12.8 %	36.0	10.5 %
Other	101.5	30.1 %	103.1	30.0 %
Total Non-Current Assets*	336.8	100.0 %	343.0	100.0 %

* Includes intangible assets, property, plant and equipment

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Note 3 – Interest-bearing loans and borrowings

3.1 Interest-bearing liabilities as presented in statement of financial position

MEUR	31.12.15	31.12.14
Non current interest-bearing loans and borrowings	254.8	254.9
Capitalized arrangement fees	(1.0)	(2.1)
Total interest-bearing liabilities	253.9	252.8

MEUR	31.12.15	31.12.14
EUR	123.0	135.0
USD	131.3	119.4
Other currencies	0.5	0.5
Capitalized arrangement fee	(1.0)	(2.1)
Total interest-bearing liabilities	253.9	252.8

3.2 Specification of interest-bearing loans and borrowings (in local currencies)

Facilities	Currency	Total amounts	Maturity/ date	Drawn amount	Interest rate (incl margin)
Tranche EUR	EUR	182.0	02.03.18	123.0	1.50%
Tranche USD	USD	172.0	02.03.18	143.0	2.10%

CONDENSED CONSOLIDATED FINANCIAL STATEMENT

3.3 Facility reduction schedule - Interest-bearing loans and borrowings (in local currencies)

Year	EUR	USD
2016	-	-
2017	-	-
2018	182.0	172.0
Total	182.0	172.0

3.4 Liquidity reserve

The liquidity reserve of KA Group consists of cash equivalents in addition to undrawn credit facilities.

MEUR	31.12.15	31.12.14
Cash reserve, excl. restricted cash	53.6	52.4
Undrawn facility*	85.6	101.2
Total (before bankoverdraft)	139.2	153.6
Bank overdraft	(14.0)	(18.8)
Liquidity reserve	125.2	134.8

*including a short-term overdraft facility of MEUR 20.0 which can be renewed each year.

Note 4 – Net financial items

4.1 Net financials

MEUR	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Interest income	0.0	0.0	0.1	0.2
Interest expenses	(1.9)	(3.0)	(8.2)	(11.9)
Foreign currency gains (losses)	(5.4)	(18.3)	(22.5)	(20.6)
Change in valuation currency contracts	1.2	(0.5)	1.0	(0.2)
Other financial items*	0.1	(0.7)	(3.3)	(3.3)
Net financial items	(6.0)	(22.4)	(32.8)	(35.9)

* Other financial items include arrangement fees, interest component on pension liability, and other fees and charges.

Note 5 – Subsequent events

Sale of North American headrest business

A letter of intent has been signed for the sale of the headrest business in North America. The exact financial impact is yet to be established; however, the transaction could generate an accounting loss in the range of EUR 3 to 5 million related to compensation for potential future losses and restructuring activities. The transaction is following the strategic decision to exit the headrest business and is considered a favorable option to gradually winding down the business. The transaction is expected to be completed during the second quarter of 2016.

OTHER COMPANY INFORMATION

THE BOARD OF DIRECTORS:

Ulla-Britt Fräjdin-Hellqvist	Chairwoman
Thomas Falck	Shareholder elected
Malin Persson	Shareholder elected
Magnus Jonsson	Shareholder elected
Halvor Stenstadvold	Shareholder elected
Jon Ivar Jørnby	Employee elected
Kari Brænden Aaslund	Employee elected
Kjell Kristiansen	Employee elected

EXECUTIVE COMMITTEE:

Hans Peter Havdal	President & CEO
Trond Stabekk	Executive Vice President & CFO
Jarle Nymoen	Executive Vice President, Human Resources
Anders Nyström	Executive Vice President, Interior
Joachim Magnusson	Executive Vice President, Driveline
Scott Paquette	Executive Vice President, Driver Control
Jonathan Day	Executive Vice President, Fluid Transfer
Lovisa Söderholm	Executive Vice President, Purchase
Philippe Toth	Senior Vice President Business Development & IR

INVESTOR RELATIONS:

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:

	Interim reports	Presentation
1st Quarter 2016	14 April 2016	15 April 2016
2nd Quarter 2016	13 July 2016	14 July 2016
3rd Quarter 2016	20 October 2016	21 October 2016
4th Quarter 2016	TBD	TBD

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