

Presentation Q2 2008

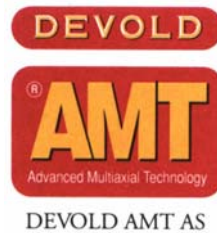
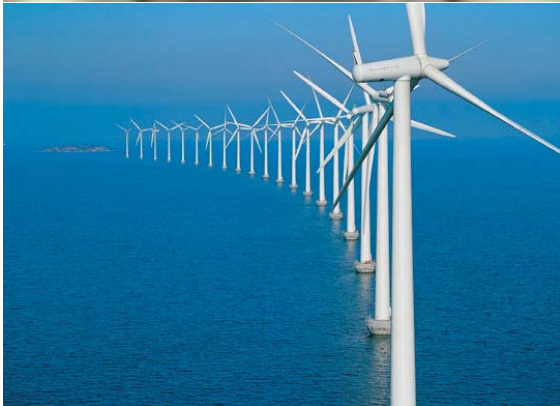
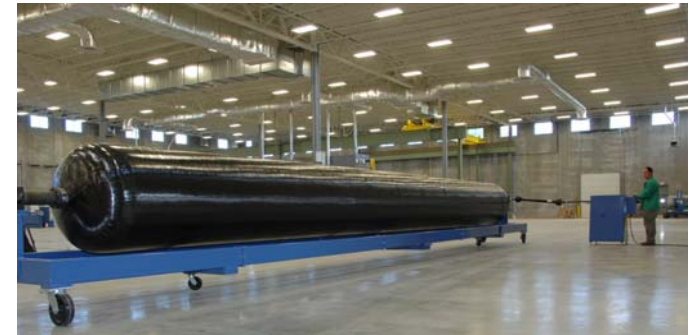
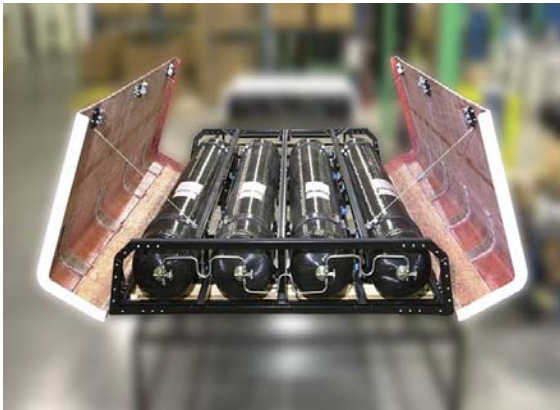
14th August 2008

Erik Espeset, Group President
Michael Rice, Investor Relations

Agenda - 2nd Quarter 2008 Results

- Brief Hexagon overview
- Business Units
- Group financials
- Summary
- Q & A

Hexagon Composites ASA



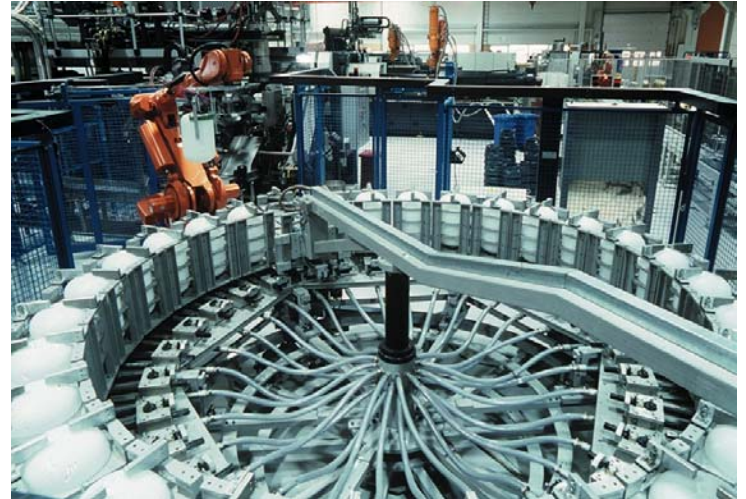


Q2 2008 - Business Units



Key points Q2

- Venezuela order – 300 000 cylinders
- Antargaz, agreement
- Less dependence on BP
- Smooth production
- Production & delivery of CNG cylinders to Daimler Benz





Q2 Financials – Composite containers

RAGASCO			
	Q2 2008	Q1 2008	Δ Q1 08 - Q2 08
Total Sales	74 072	72 718	1 354
EBITDA	17 586	16 096	1 490
EBIT	11 530	9 736	1 794
EBIT %	15,57 %	13,39 %	2,18 %



First half year (HY) Financials comparison

RAGASCO			
	1HY 2008	1HY 2007	1HY 08 - 1HY 07
Total Sales	146 790	117 819	28 971
EBITDA	33 682	23 865	9 817
EBIT	21 266	13 146	8 120
EBIT %	14,49 %	11,16 %	3,33 %



Outlook & Strategy

Outlook

- 2008: Expecting similar 2nd half year to the 1st half year
- 2009: Increased factory capacity, higher turnover

Strategy

- Improvements to the existing factory – greater capacity
- Further customers outside of Europe and the USA
- Further development and activity for CNG car cylinders
- Eventual new factory

Key points Q2

- TITAN – some testing conducted, approval process ongoing, production late Q4
- Haulage solutions – TITAN and, existing tank modules, strong interest
 - Key point – homologation/country approval
- Lincoln “Old” factory move – update
 - Limited effect on existing production
 - Stronger production capacity from 2nd half 2009
- CNG bus market still slow in Europe, strengthened sales in the USA
- Continuing strong activity/interest re Hydrogen



Q2 Financials - High Pressure Containers

Lincoln Composites / Raufoss Fuel Systems			
	Q2 2008	Q1 2008	Δ Q1 08 - Q2 08
Total Sales	51 148	34 024	17 124
EBITDA	3 837	742	3 095
EBIT	2 496	-656	3 152
EBIT %	4,88 %	-1,93 %	6,81 %

First half year (HY) Financials comparison

Lincoln Composites / Raufoss Fuel Systems			
	1HY 2008	1HY 2007	1HY 08 - 1HY 07
Total Sales	85 171	67 542	17 629
EBITDA	4 579	5 225	-646
EBIT	1 840	3 220	-1 380
EBIT %	2,16 %	4,77 %	-2,61 %



Outlook & Strategy

Outlook

- 2008: Breakeven - due to expected weak European market in 2nd half-year
- 2009: Improved capacity and sales

Strategy

- Maintain leading position for CNG buses
- Increase sales activity for compressed hydrogen cylinders
- Increase sales activity for bulk haulage – TITAN™ & Smart Store™ modules

KEY = Homologation country approval for TITAN

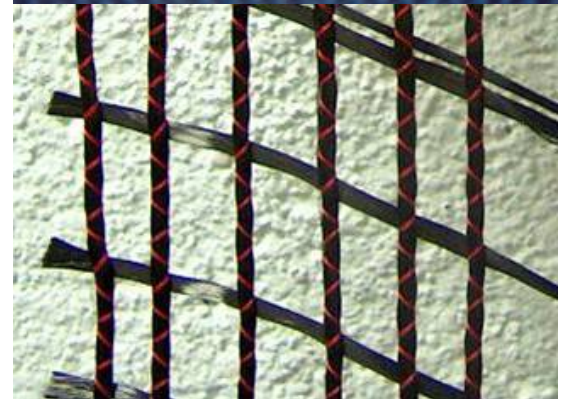
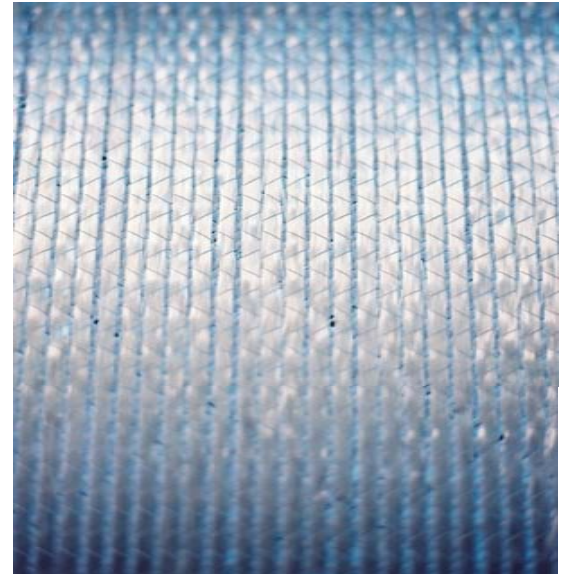
DEVOLD



DEVOLD AMT AS

Key Points Q2

- ◆ Operating profit from all three operational areas.
- ◆ Machine relocation
 - Norway to Lithuania
 - Internal in Norway
- ◆ Widening customer base within the wind energy sector
- ◆ More sales to non-wind customers



DEVOLD



DEVOLD AMT AS

Q2 Financials - Composite Reinforcements

Devold AMT			
	Q2 2008	Q1 2008	Δ Q1 08 - Q2 08
Total Sales	69 994	62 444	7 550
EBITDA	4 050	5 327	-1 277
EBIT	1 801	2 982	-1 181
EBIT %	2,57 %	4,78 %	-2,20 %

DEVOLD



DEVOLD AMT AS

First half year (HY) Financials comparison

Devold AMT			
	1HY 2008	1HY 2007	1HY 08 - 1HY 07
Total Sales	132 438	97 416	35 022
EBITDA	9 377	1 792	7 585
EBIT	4 782	-2 476	7 258
EBIT %	3,61 %	-2,54 %	6,15 %



DEVOLD AMT AS

Outlook & Strategy

Outlook

- 2008: Consolidation, productivity improvement, expanding customer base
- 2009: Further growth – wind energy & non-wind industries

Strategy

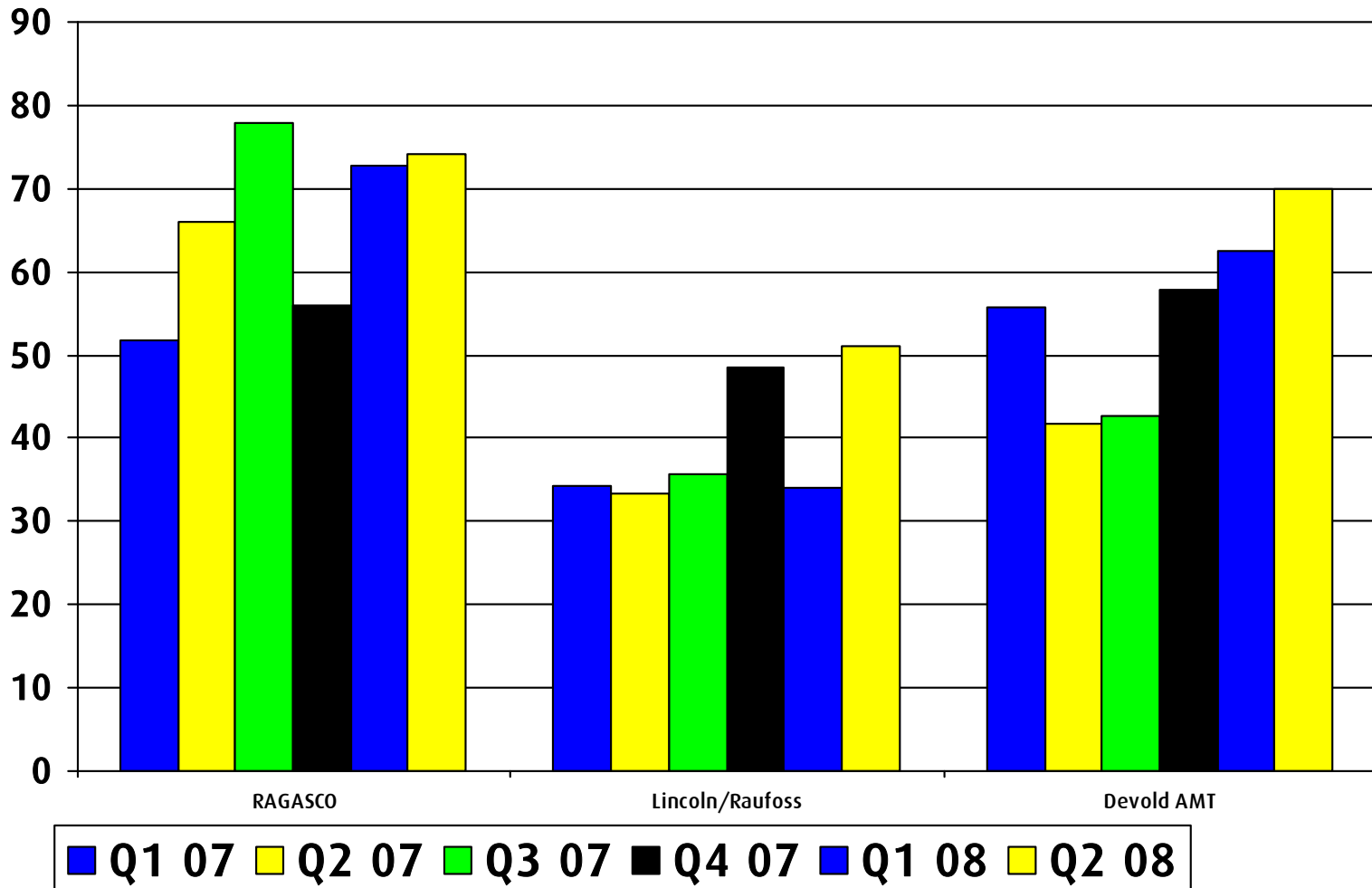
- Strengthen position as leading carbon and hybrid (Glass/Carbon) multiaxial reinforcement supplier to the wind energy industry
- Consolidate production capabilities amongst the three operating units

Q2 2008 - Group Financials

Profit and Loss Account Q2 2008

P/L Account (NOK 1 000)	2Q 2008	1Q 2008	Δ Q1 08 - Q2 08
Sales Revenue	194 547	168 037	26 510
EBITDA	23 450	19 508	3 942
EBIT	13 803	9 405	4 398
EBIT%	7,09 %	5,60 %	1,50 %
Profit before tax	7 783	-134	7 917

Turnover per Business Unit



Balance sheet as per 30.06.2008

Assets

Balance Sheet - Assets (NOK 1 000)	30.06.2008	31.03.2008	Δ Q1 08 - Q2 08
Intangible assets	100 899	102 440	-1 541
Tangible fixed assets	253 482	253 727	-245
Investments in associates *	66 025	67 761	-1 736
Other financial fixed assets	9 604	3 900	5 704
Inventories	133 554	128 641	4 913
Receivables	168 761	164 923	3 838
Bank deposits, cash and similar	6 178	5 982	196
Total Assets	738 504	727 374	11 130

* 25% of Comrod Communication ASA and 28.3% holding in Carbontech Holding AS

Balance sheet per 30.06.2008

Liabilities and Equity

Balance Sheet - Liabilities and Equity	30.06.2008	31.03.2008	△ Q1 08 - Q2 08
Paid-in capital	173 558	173 319	239
Other equity	37 561	27 727	9 834
Provisions	22 082	23 808	-1 726
Interest-bearing long-term liabilities	352 023	340 772	11 251
Interest-bearing current liabilities	13 585	39 595	-26 010
Other current liabilities	139 695	122 153	17 542
Total Liabilities and Equity	738 504	727 374	11 130

(Nok 1 000)

Cash Flow Statement as at 30.06.2008

Cash Flow Statement (Nok 1 000)	30.06.2008	31.03.2008
Profit before tax	7 649	-134
Depreciation and write-downs	19 750	10 104
Change in net working capital	-13 741	-20 032
Net cash flow from operations	13 658	-10 063
Net cash flow from investment activities	-15 713	-6 947
Net cash flow from financing activities	1 250	16 008
Net change in cash and cash equivalents	-805	-1 002
Cash and cash equivalents at start of period	6 984	6 984
Cash and cash equivalents at end of period	6 178	5 982
Available unused credit facility	34 065	8 078

Q2 2008 - Summary

Summary

- Ragasco strong sales activity LPG cylinders, production and delivery for Car CNG cylinders, better factory production levels
- High Pressure area – CNG bus market developing as expected. Strong gas hauling activity. TITAN testing/approval process key. Hydrogen activity/interest still good
- Composite Reinforcements is strengthening. Volumes are increasing. Machine moves. Expectations for broader base within the wind-power industry and for more diversification, predominantly boat building and construction

Q2 2008 - Q & A