

Kongsberg Automotive ASA Q1 2019 Report and Presentation follow attached.

Q1 2019 Highlights:

- In spite of a generally declining market, revenues grew by MEUR 18 (6.3%) YoY to MEUR 307 including positive FX effects of MEUR 5.
- We had another strong booking quarter as we won new business worth MEUR 65 in annual revenues which corresponds to MEUR 339 in expected lifetime revenues.
- Adj. EBIT improved YoY by more than 6% with margins slightly up, which represents a YoY increase by MEUR 1 to MEUR 22.
- However, the fall through of the additional revenues was limited due to:
 - Increased costs of raw materials and custom duties in Q1 2019 with a YoY effect of negative MEUR 3.
 - Unfavorable product mix effects as well as segment and market mix effects
 - Unexpected increase in Mexican labor costs of MEUR 1.
- Positive FX effects of 1 MEUR
- We had YoY 80% lower restructuring costs which improved our EBIT significantly
- Free cash flow was negative MEUR 29 primarily driven by working capital increase primarily due to seasonality which should largely be reversed in Q2.
- Cash on hand at the end of Q1 2019 of MEUR 32.
- On a non IFRS adjusted basis, the LTM adjusted gearing ratio (NIBD/Adj. EBITDA) improved from 2.4X in Q1 2018 to 2.2X in Q1 2019. After the IFRS 16 adjustments, our gearing ratio is 3.0X.

The earnings conference call including a review of the Q1 Presentation can be followed through this link starting at CET 09:00:

https://globalmeet.webcasts.com/starthere.jsp?ei=1231901&tp_key=108ad39a55

▪