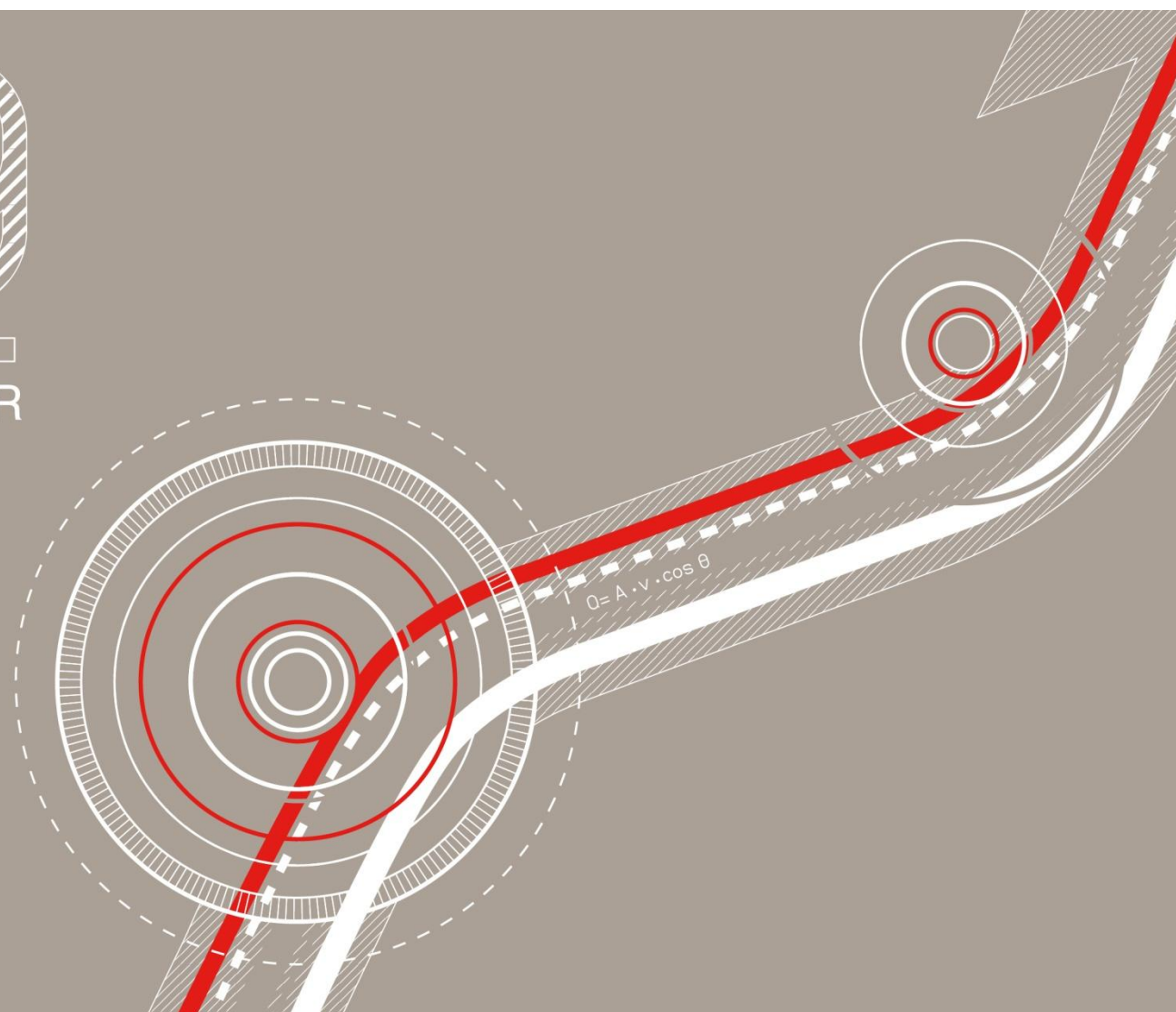


# 09



## 3RD QUARTER

THE FACTS AND NUMBERS



Presented by CEO Øyvind Isaksen & CFO Roar Østbø

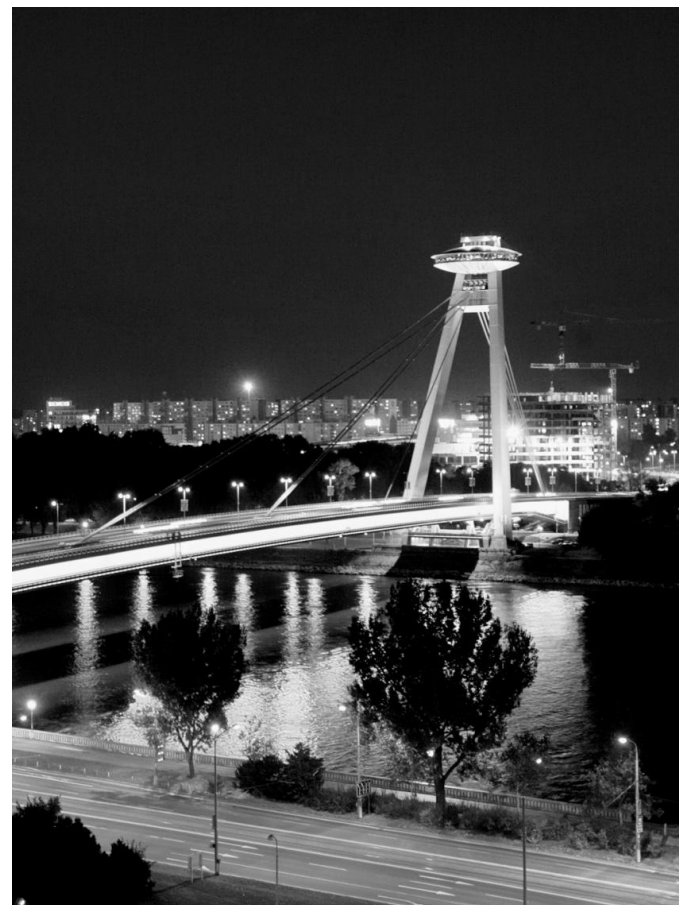
# Agenda

- Q3-09 Highlights
- Key Figures
- Vision and Strategic positioning
- Regional Market Update
- Financial Review
- Outlook
- Q&A



# Q3-09 Highlights

- All time high revenues, improved profitability, strong cash position and backlog remains high
- Impressive progress in Slovakia and Portugal
- Important orders received
  - Another MLFF contract in Portugal (26 MNOK)
  - Infrastructure award in Trondheim (26 MNOK)
  - Tag contract from RTA/Australia (15 MNOK)
  - Tag contract in Brazil (30 MNOK)
  - New frame agreement for tags in Norway
  - First change orders received in Slovakia
  - 100 MNOK in “Bread & Butter” orders



# Key Figures

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Revenues	226.6 MNOK
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Operating profit	30.5 MNOK
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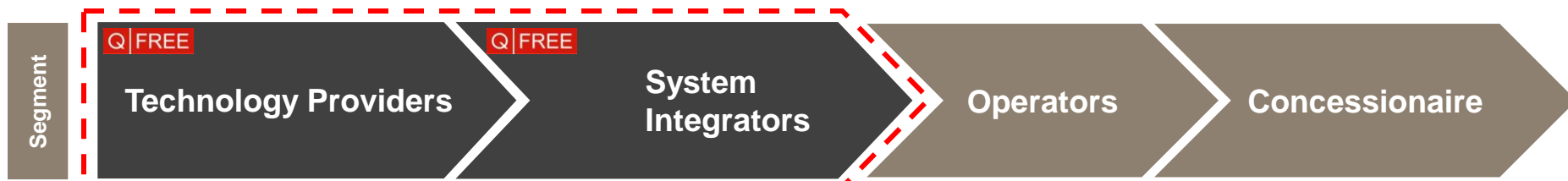
Cash flow from operations	8.0 MNOK
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Order intake	174.2 MNOK
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Order backlog	884.3 MNOK
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# Vision and Strategic positioning

*The Leading Supplier of Intelligent Transport Systems for Road User Charging & Traffic Surveillance*



*Technology independent*

- *Portfolio covering most wanted solutions (Tag – Camera – GPS)*
- *Acquisition of Dacolian and Building Capital expand competence and offering*

*Flexible with respect to role*

- *From product supplier to turn key provider*
- *Not compete with our customer such as operators and major system integrators*

*Migrate to an ITS player*

- *Q-Free will over time expand offering to include new ITS area*
- *E.g. parking access & control systems and ERI*



# Positioned for long term growth

- The main application areas within the RUC as of today are
  - Fully automated free flow toll collection
  - Truck tolling
  - Congestion charging
- Through the execution of the
  - Aenor/ Portugal project
  - SkyToll/Slovakia project
  - Stockholm project

Q-Free has the most significant and advanced projects in all these three application areas

- Excellent basis for further long term growth



# Regional Market Update – Europe, M. East & Africa

- High market activity
  - Norway, Portugal, France, the Netherlands, Sweden, Turkey, Central Europe and South Africa
  - Product sales, infrastructure projects, central system and service and maintenance activities
- Projects related to truck tolling in Europe
  - New projects may materialise
  - France, Slovenia, the Netherlands, Poland, Sweden etc.
- Portugal represents an area of high interest
  - New projects for conversion from shadow tolling identified
  - Electronic licence plate under planning
- Sweden shows new opportunities both on congestion charging and road pricing



# Regional Market Update – Asia Pacific

- Tag and infrastructure activity in Australia
- Indonesia starts to show opportunities
  - Congestion charging program planned
  - ETC tolling projects visible
  - Regulations now under implementation
- Thailand, Malaysia, Vietnam, India and Taiwan could bring opportunities in the next 12 months





# Regional Market Update – North and Latin America

- Good activity related to ALPR (software) solution in US
  - Increasing interest for video based solutions
  - Dacolian ALPR solution has a strong position
- Brazil, Chile and Columbia main areas of activity in South America
  - CGMP tag contract of 30MNOK in Q3 (part of 100 MNOK frame agreement announced in Q2)
  - New tag issuer could increase tag potential in Sao Paulo
- ERI project in Brazil still in a definition phase
  - Awaiting technical clarification
  - Timing uncertain

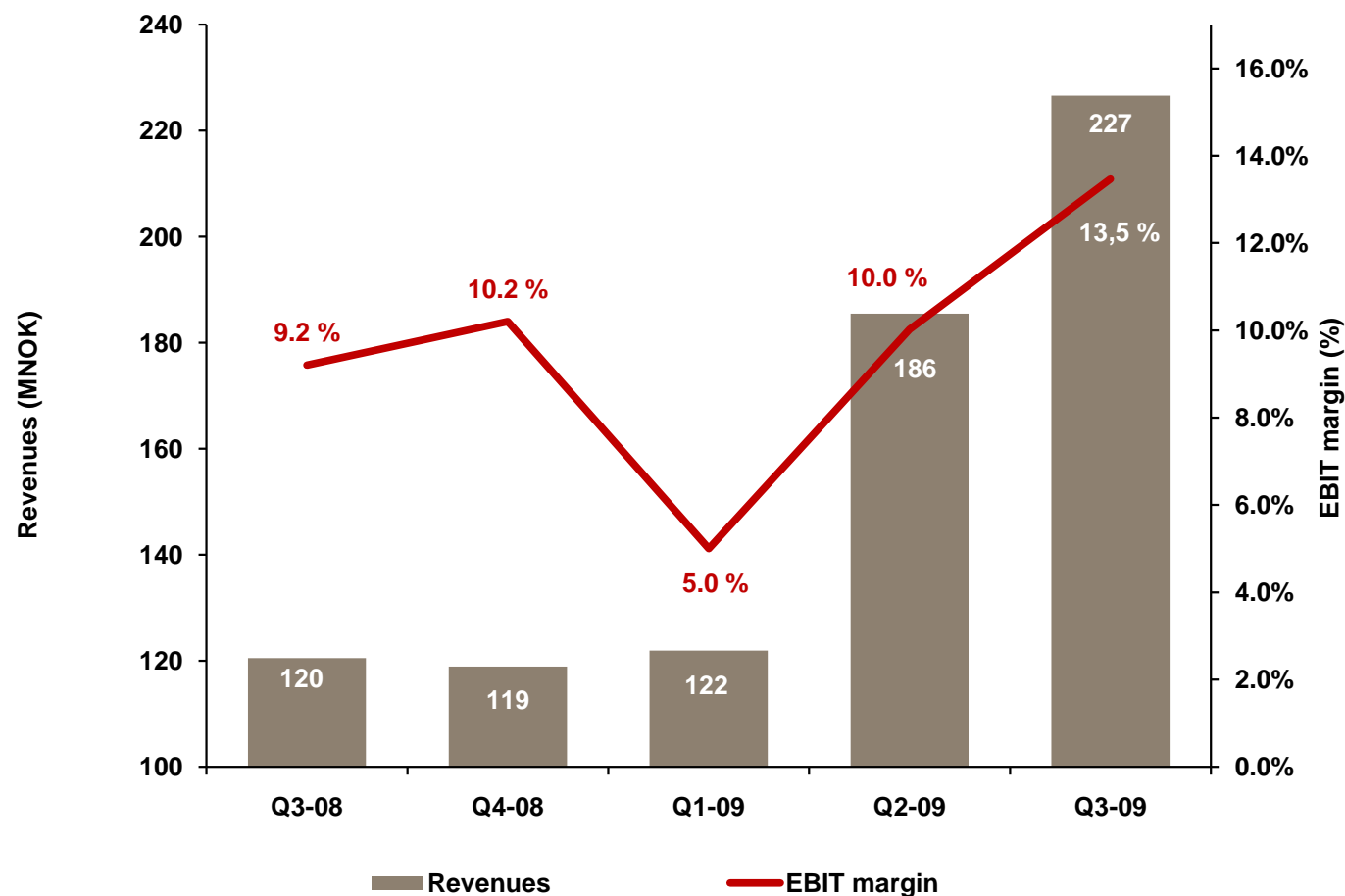




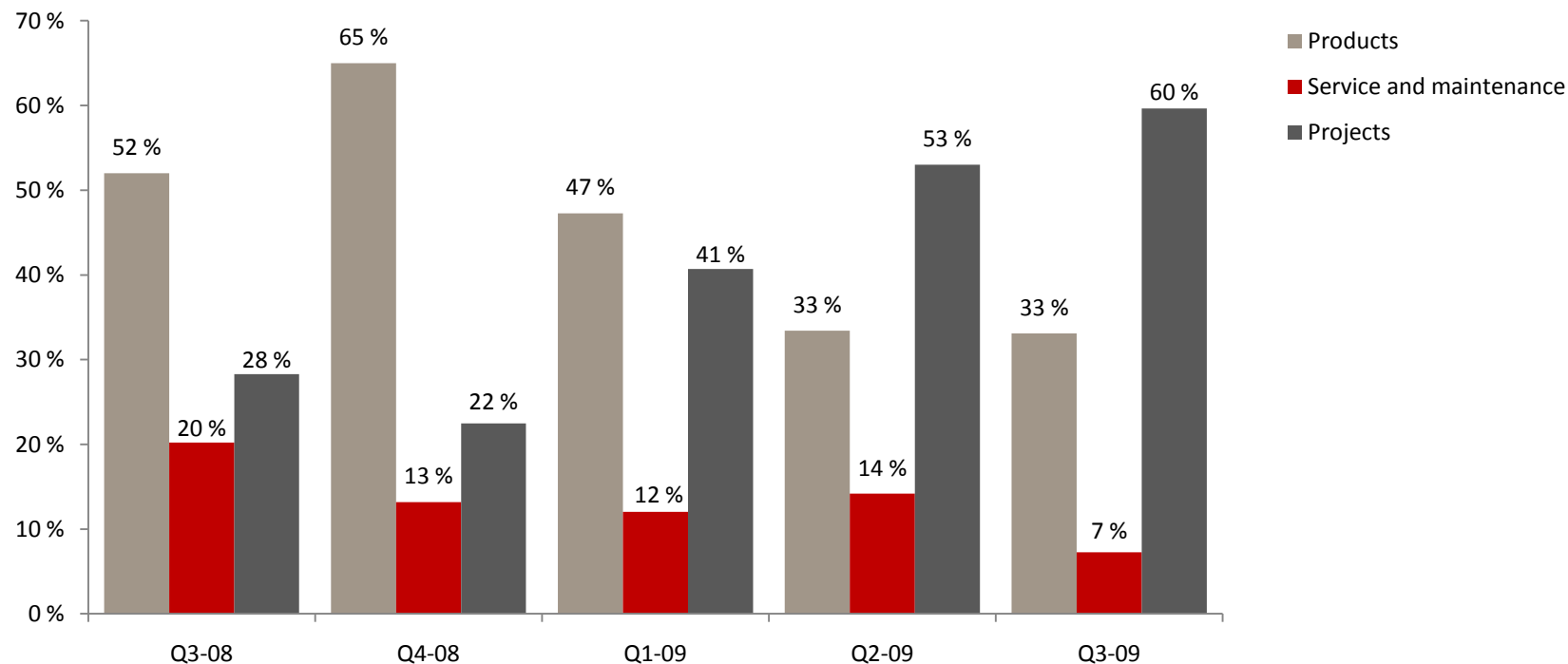
CFO Roar Østbø

# FINANCIAL REVIEW

# Revenues and EBIT-margin quarterly 2008 - 2009



# Revenues - Business areas



MNOK	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
Products	62.0	76.6	57.7	62.0	68.6
Service and maintenance	24.4	15.7	14.7	26.3	22.9
Projects	34.1	26.7	49.6	97.2	135.2
<b>TOTAL</b>	<b>120.5</b>	<b>119.0</b>	<b>121.9</b>	<b>185.5</b>	<b>226.6</b>



# Profit & Loss statement

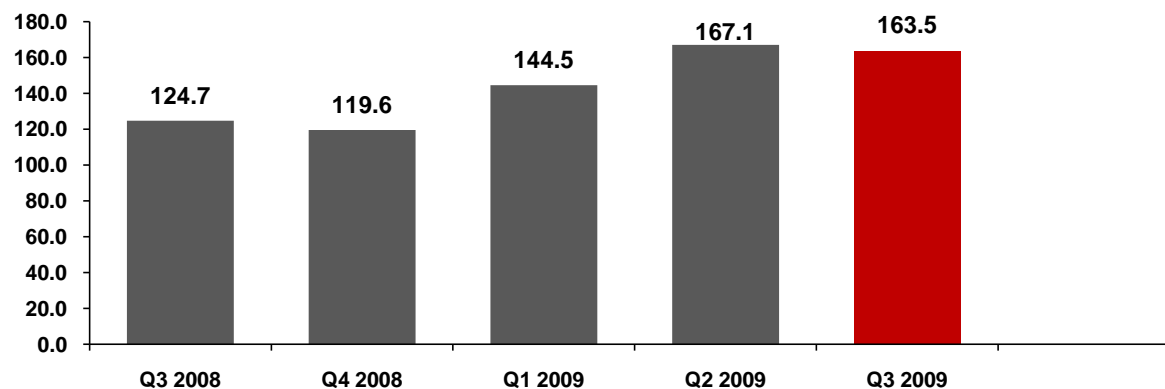
NOK 1.000	Q3 2009	Q3 2008	30/09/2009	30/09/2008	Q2 2009	31/12/2008
<b>Revenues</b>	<b>226,624</b>	120,498	534,054	390,324	185,515	509,246
Cost of goods sold	<b>90,350</b>	46,778	209,490	181,276	74,791	219,978
Payroll expenses	<b>41,348</b>	27,010	107,272	76,426	33,516	107,488
Other operating expenses	<b>57,519</b>	30,147	140,352	85,355	50,600	116,546
Total opex before depr.	<b>189,217</b>	103,935	457,114	343,057	158,906	444,012
<b>Operating profit - EBITDA</b>	<b>37,407</b>	16,563	76,940	47,267	26,609	65,234
<b>EBITDA margin</b>	<b>16.5 %</b>	13.7 %	14.4 %	12.1 %	14.3 %	12.8 %
Depreciation	<b>6,888</b>	5,470	21,686	15,118	8,013	20,950
<b>Operating profit - EBIT</b>	<b>30,519</b>	11,094	55,254	32,149	18,595	44,284
<b>EBIT margin</b>	<b>13.5 %</b>	9.2 %	10.3 %	8.2 %	10.0 %	8.7 %
Financial income	<b>15,668</b>	7,165	29,397	17,929	5,424	36,135
Financial expenses	<b>-13,062</b>	-10,297	-21,117	-18,576	-1,591	-29,501
Net financial items	<b>2,605</b>	-3,132	8,280	-647	3,833	6,634
<b>Pretax profit</b>	<b>33,125</b>	7,962	63,534	31,502	22,429	50,918
<b>Profit margin</b>	<b>14.6 %</b>	6.6 %	11.9 %	8.1 %	12.1 %	10.0 %
Tax expenses	<b>-6,403</b>	-2,118	-13,681	-7,853	-6,072	-13,912
<b>Profit after tax</b>	<b>26,722</b>	5,844	49,853	23,649	16,356	37,006
<b>Gross margin</b>	<b>60.1 %</b>	61.2 %	60.8 %	53.6 %	59.7 %	56.8 %
<b>EPS</b>	<b>0.49</b>	0.09	0.91	0.39	0.30	0.60

# Balance sheet

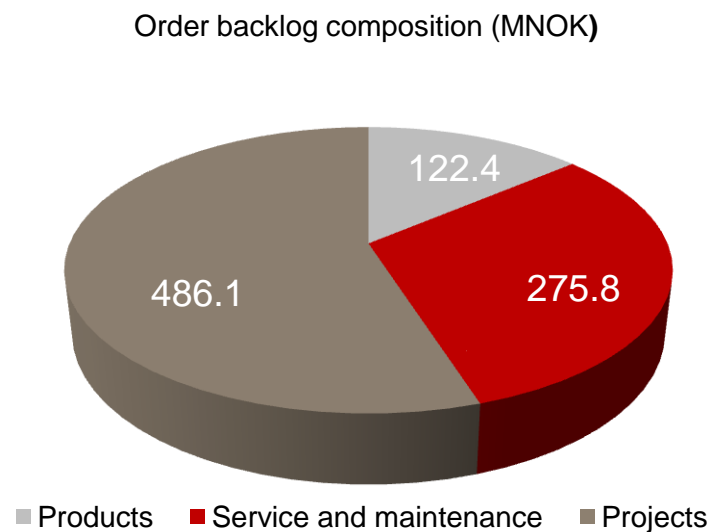
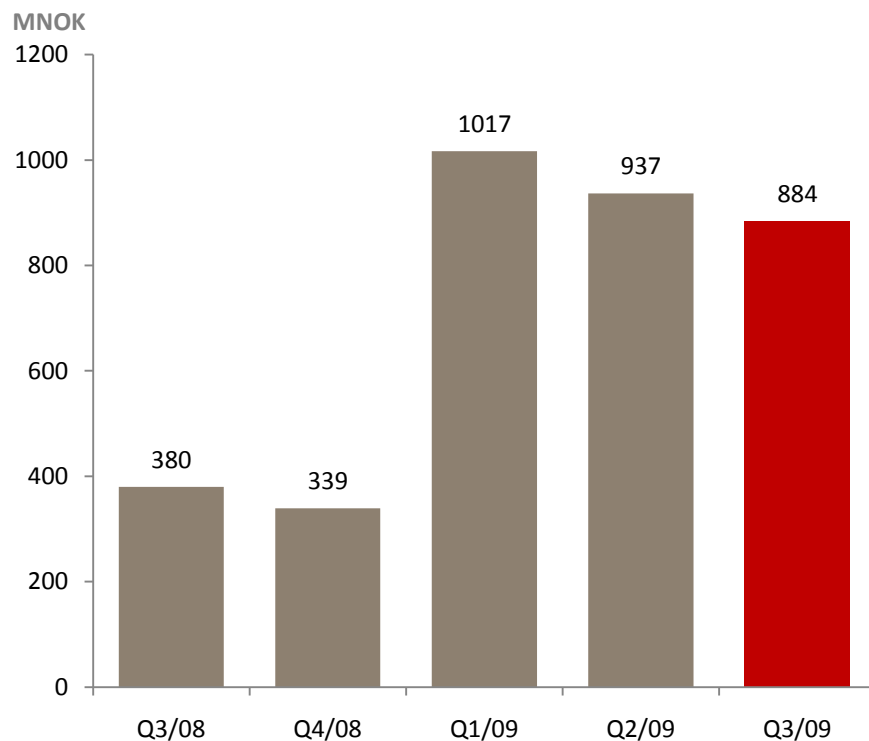
NOK 1.000	30/09/2009	30/06/2009	31/03/2009	31/12/2008	30/09/2008
Total intangible assets	140,010	137,321	129,871	128,017	122,119
Non current assets	74,276	72,699	70,906	69,180	63,365
Cash & Cash equivalents	163,471	167,084	144,506	119,617	124,655
Other current assets	200,026	183,591	172,907	191,259	164,585
<b>TOTAL ASSETS</b>	<b>577,783</b>	560,695	518,190	508,072	474,723
Total Equity	411,803	385,450	359,180	352,379	336,733
Liabilities	165,979	175,245	159,010	155,693	137,991
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>577,783</b>	560,695	518,190	508,072	474,723
<b>Equity ratio</b>	<b>71.3 %</b>	68.7 %	69.3 %	69.4 %	70.9 %

# Cash flow

NOK 1.000	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008
Net cash flow from operations	7,956	31,416	37,690	12,622	7,072
Net cash flow from investments	-11,659	-18,015	-12,142	-15,542	-44,750
Net cash flow from financing	90	9,177	-659	-2,118	-950
Net change in cash in the period	-3,613	22,578	24,889	-5,038	-38,628
Cash opening balance	167,084	144,506	119,617	124,655	163,283
Cash closing balance	163,471	167,084	144,506	119,617	124,655



# Order Backlog







CEO Øyvind Isaksen

# OUTLOOK

# Outlook

- Strong backlog
- Strong cash position
- Continuing high activity in Slovakia and Portugal
- ITS exhibition in Stockholm confirmed
  - Positive long term market outlook
  - Q-Free 's position

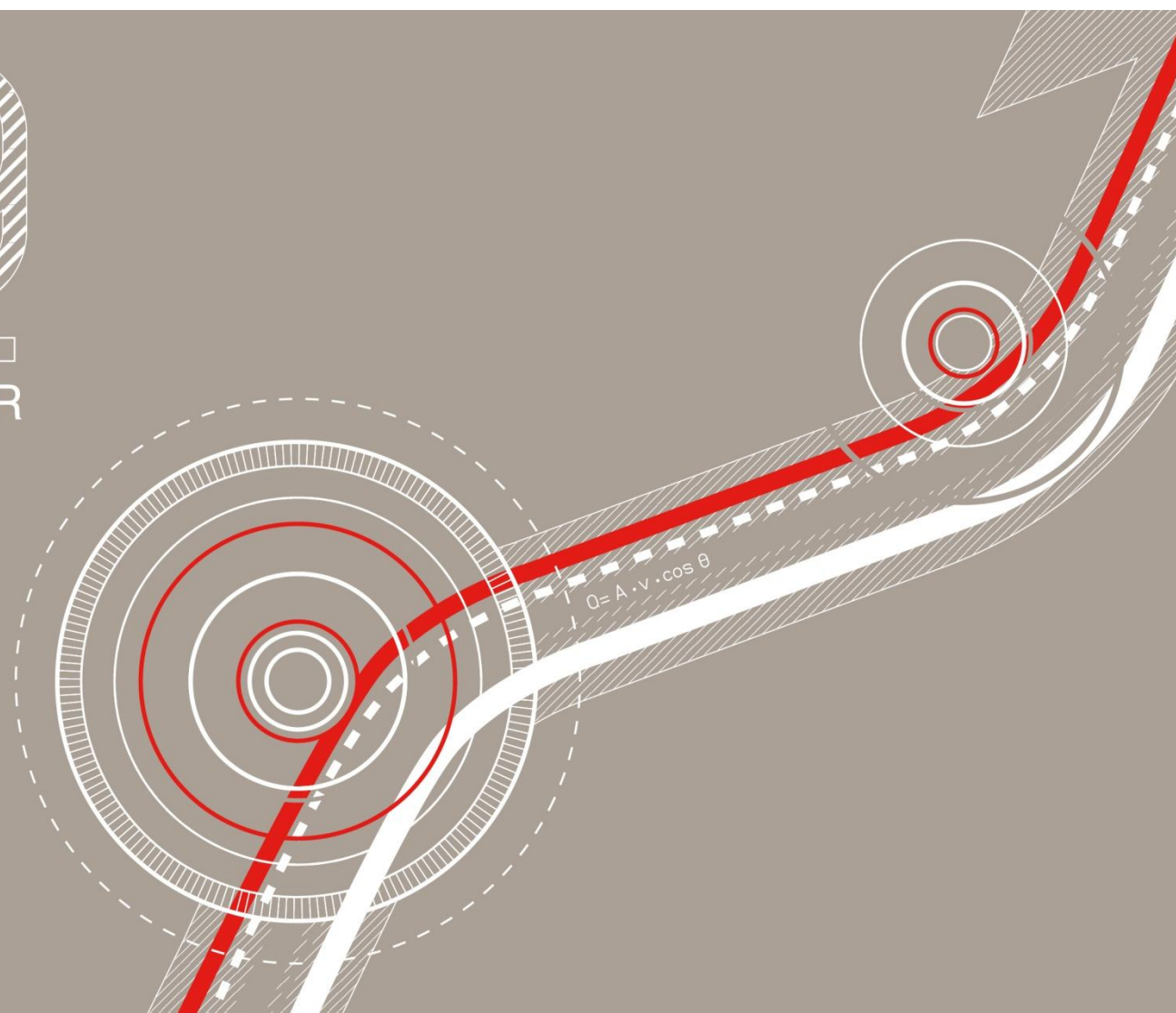


# 09



## 3RD QUARTER

THE FACTS AND NUMBERS



## Q&A



# 20 MAJOR SHAREHOLDERS



SHAREHOLDERS PER 21st OCTOBER 2009	SHAREHOLDING %
ERSTE BANK DER OESTE SPARKASSEN AG	18.21
VERDIPAPIRFOND ODIN	8.64
SKAGEN VEKST	5.97
KIKUT AS ARNE NILSEN	4.22
ANDRESEN LARS ODDGEIR	2.97
MONS HOLDING AS	2.80
REDBACK AS	2.59
BANK AUSTRIA CREDITA DEPT	2.09
DnB NOR SMB	1.87
KRAG INVEST AS	1.82
Verdipapirfondet Nordea Kapital	1.82
Verdipapirfondet Nordea Avkastning	1.65
Holberg Norge v/Holberg Fondsforvaltning	1.62
Deutsche Bank	1.36
VPF Nordea Vekst	0.98
NHO	0.97
Danske Invest Vekst Danske Fund Norge	0.94
Jarlsbergs meny as	0.92
VERDIPAPIRFONDET NORDEA SMB	0.91
Sandnes Investering	0.94
<b>SUM</b>	<b>63.26 %</b>