

+ COMPANY
Q-FREE ASA

+ REFERENCE TYPE

QUARTERLY REPORT

+ REVENUES (MNOK)
139



Q4/2010

PRESENTED BY CEO ØYVIND ISAKSEN AND CFO ROAR ØSTBØ

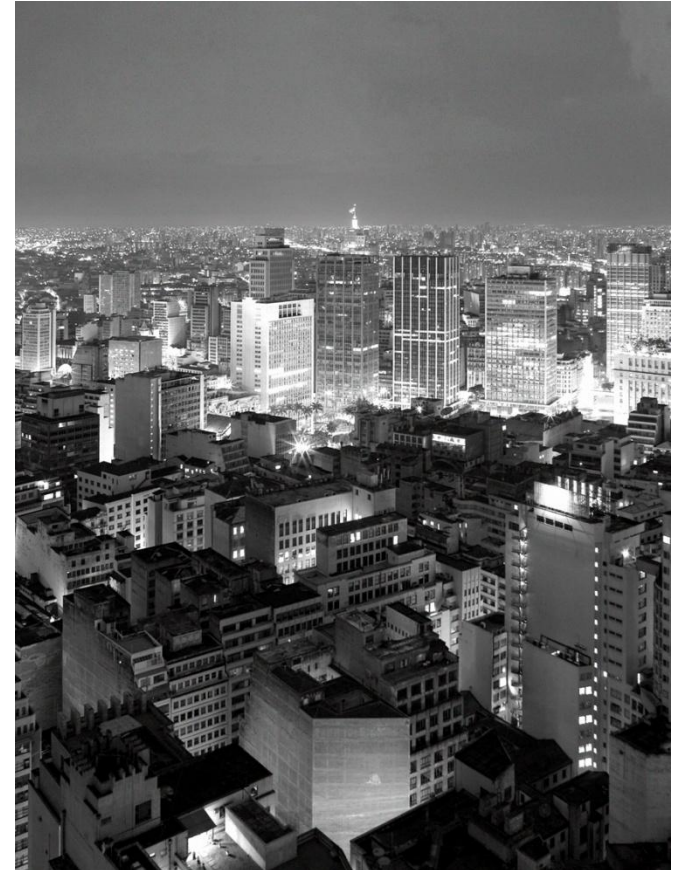


AGENDA

- Q4-10 Highlights
- Key Figures
- Regional market update
- Financial review
- Outlook
- Q&A

Q4-10 HIGHLIGHTS

- 550 MNOK orders received post Q3
- Important orders
 - 205 MNOK frame agreement in Brazil, - 51 MNOK booked
 - 57 MNOK tag contract from Autopista Central and Vespucio Norte Express in Chile
 - 29 MNOK contract from the Swedish Road Administration
 - 17 MNOK tag order from Roads and Traffic Authority (RTA) in Australia
- All time high product revenues of 117 MNOK
- Re-established profitability and positive cash flow



Sao Paulo

KEY FIGURES

Revenues	139 MNOK
Operating profit	2.5 MNOK
Order intake	248 MNOK
Order backlog	575 MNOK

MARKET UPDATE – EUROPE, M.EAST & AFRICA

- Continuing high market activity
 - Sweden, Portugal, France, Greece and South Africa
 - Product sales, infrastructure projects, central system, service and maintenance activities

- Projects related to truck tolling in Europe
 - New projects will materialise; France, Slovenia, Belgium, Denmark and others
 - Scope could comprise GNSS OBU, back office, enforcement and services
 - Each of these cases represents an opportunity of several hundred MNOK
 - Projects will probably materialise from 2011 and onwards

- Sweden – New market developing
 - Project at Arlanda airport being planned, - bid process expected to be concluded mid 2011
 - Congestion charging in Gothenburg, - bid process expected to be concluded mid 2011
 - Expect to see an increase in use of tolling in Sweden going forward

MARKET UPDATE – EUROPE, M. EAST & AFRICA, CONT.

Portugal

- 15th October 2010 the two scuts was put into operation, - both delivered by Q-Free
- New award in Q1-2011 related to conversion from shadow tolling to real tolling of 154 MNOK
- New sales opportunities for 2011 related to shadow tolling, new concessions, tags and service activity
- Major infrastructure possibility in Greece
 - Q-Free will participate in a consortium
 - Scope for Q-Free could be road side infrastructure as well as operational back office
- South Africa
 - In the race for being awarded tag contract from ETC/Sanral
 - Longer term new ETC infrastructure projects will materialise



Portugal

MARKET UPDATE – ASIA PACIFIC

- Bangkok
 - Increased ETC penetration implies an attractive tag market going forward
 - New infrastructure projects identified
- Important tag and infrastructure activity in Australia
- Indonesia may show opportunities in 2011
- Also exploring new cases in Taiwan, Malaysia and India



MARKET UPDATE – NORTH AND LATIN AMERICA

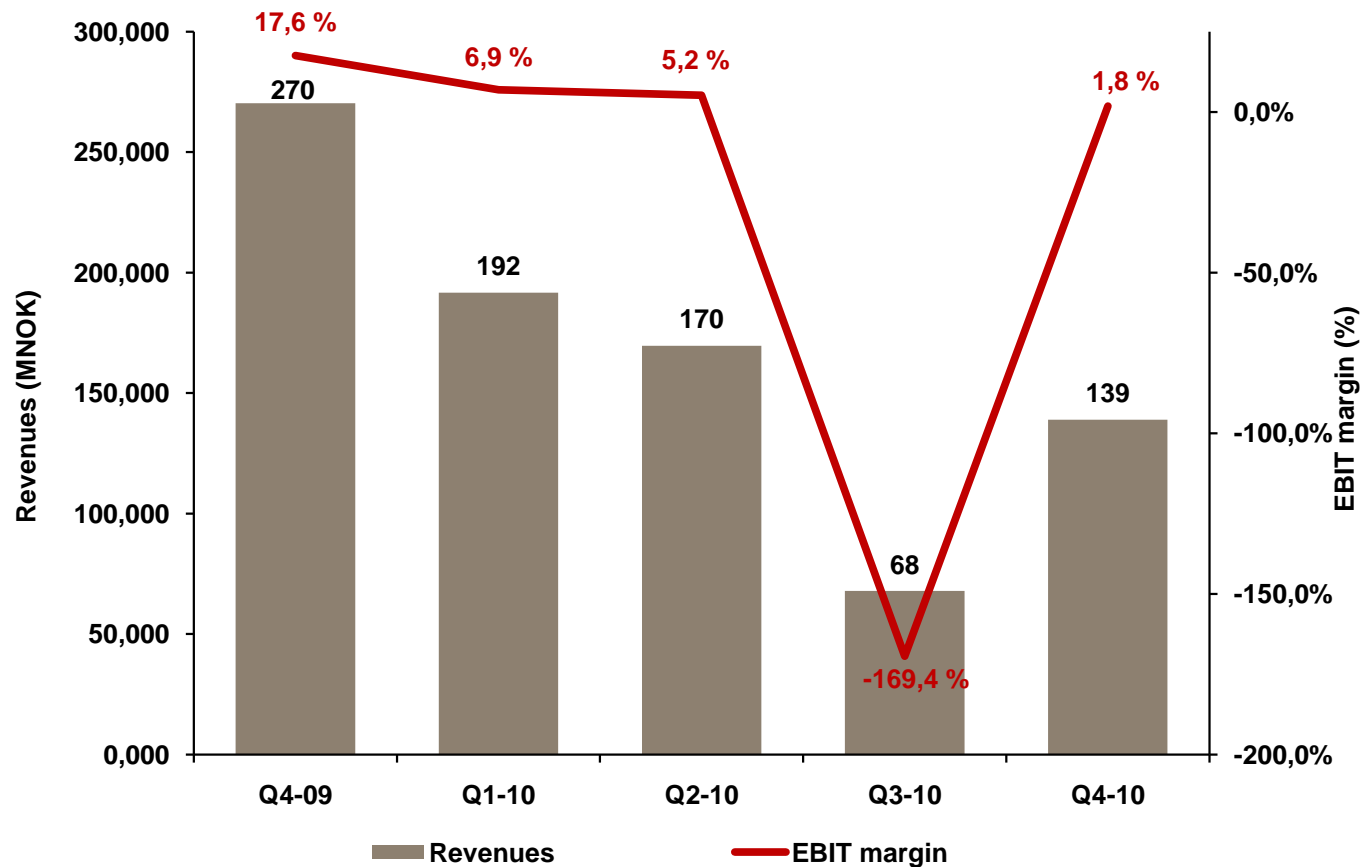
- Brazil, Chile, Columbia and Ecuador main areas of activity in South America
 - Tag demand in Brazil continues to be high
 - Important breakthrough in Chile
- Good activity related to ALPR (software) solution in US
 - High focus on video based solutions
 - The company's ALPR solution has a strong position



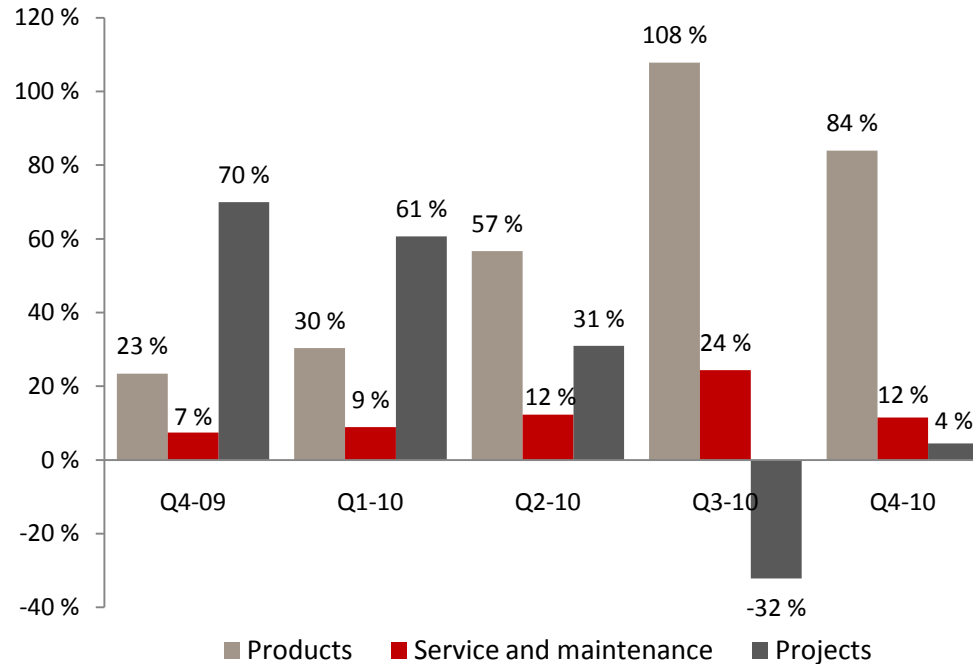
CFO ROAR ØSTBØ

FINANCIAL REVIEW Q4/10

REVENUES AND EBIT-MARGIN QUARTERLY 2009 - 2010



REVENUES - BUSINESS AREAS

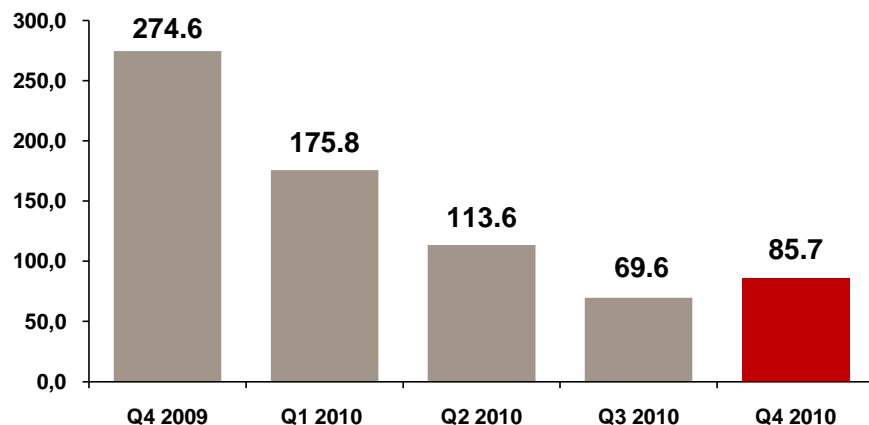


MNOK	Q4-09	Q1-10	Q2-10	Q3-10	Q4-10
Products	63,4	58,3	96,2	73,2	116,5
Service and Maintenance	20,1	17,0	20,9	16,5	16,1
Projects	186,9	116,3	52,6	-21,8	6,3
TOTAL	270,4	191,6	169,6	67,8	138,9

PROFIT & LOSS STATEMENT

NOK 1.000	Q4 2010	Q4 2009	31.12.2010	31.12.2009	Q3 2010	Q2 2010	Q1 2010
Revenues	138 906	270 349	568 044	804 403	67 846	169 647	191 646
Gross profit	76 540	176 410	299 812	500 974	1 317	94 568	127 386
Gross margin - %	55,1 %	65,3 %	52,8 %	62,3 %	1,9 %	55,7 %	66,5 %
Operating expenses	62 099	118 146	329 231	365 769	86 401	74 930	105 800
Operating profit - EBITDA	14 441	58 264	-29 419	135 205	-85 084	19 637	21 587
EBITDA margin	10,4 %	21,6 %	-5,2 %	16,8 %	-125,4 %	11,6 %	11,3 %
Depreciation, amortisation and impairment	11 913	10 775	60 954	32 461	29 879	10 813	8 349
Operating profit - EBIT	2 528	47 489	-90 373	102 743	-114 963	8 824	13 238
EBIT margin	1,8 %	17,6 %	-15,9 %	12,8 %	-169,4 %	5,2 %	6,9 %
Pretax profit	8 142	46 164	-79 593	109 698	-110 163	7 591	14 837
Profit margin	5,9 %	17,1 %	-14,0 %	13,6 %	-162,4 %	4,5 %	7,7 %
EPS	0,11	0,47	-0,94	1,41	-1,32	0,09	0,18

CASH FLOW

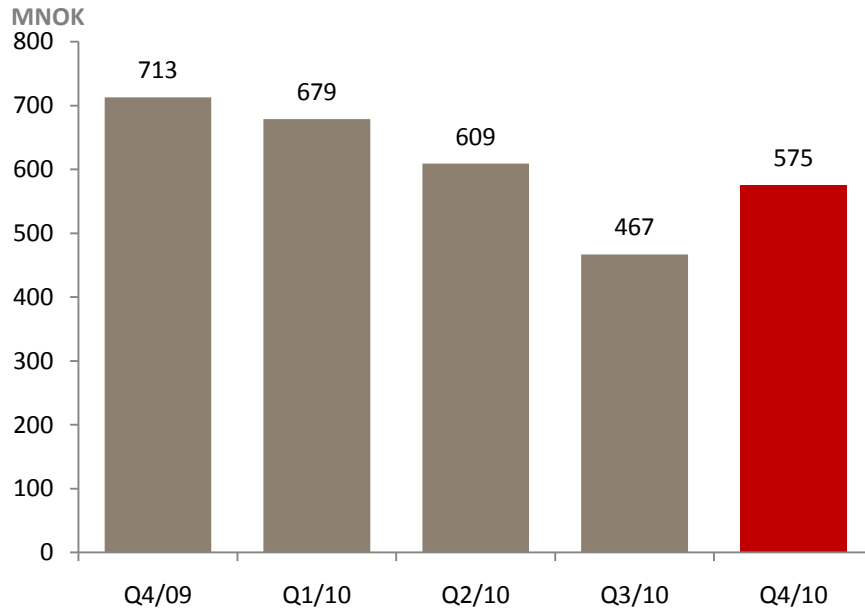


NOK 1.000	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Net cash flow from operations	34 790	-81 839	-37 756	-30 964	29 710
Net cash flow from investments	-29 265	-16 975	-24 800	-12 927	-12 294
Net cash flow from financing	105 619	36	304	-49	-1 336
Net change in cash in the period	111 144	-98 779	-62 252	-43 940	16 080
Cash opening balance	163 471	274 615	175 836	113 584	69 644
Cash closing balance	274 615	175 836	113 584	69 644	85 724

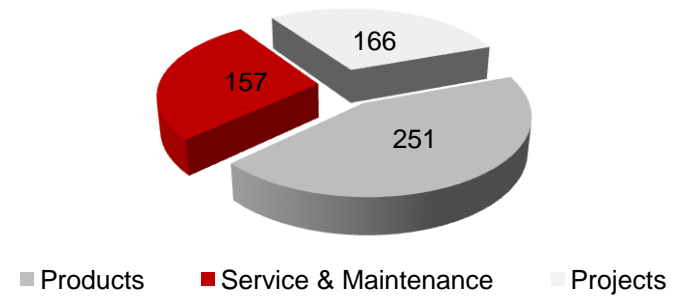
BALANCE SHEET

NOK 1.000	31.12.2010	30.09.2010	30.06.2010	31.03.2010	31.12.2009
Total intangible assets	186 897	171 083	181 544	162 865	155 860
Non current assets	71 526	76 275	84 124	82 352	77 599
Cash & Cash equivalents	85 724	69 644	113 584	175 836	274 615
Other current assets	343 568	324 616	375 260	353 091	259 460
TOTAL ASSETS	687 715	641 618	754 511	774 145	767 534
Total Equity	499 418	480 415	564 682	557 236	548 601
Liabilities	188 297	161 203	189 829	216 908	218 933
TOTAL EQUITY & LIABILITIES	687 715	641 618	754 511	774 145	767 534
Equity ratio	72,6 %	74,9 %	74,8 %	72,0 %	71,5 %

ORDER BACKLOG



BUSINESS AREAS

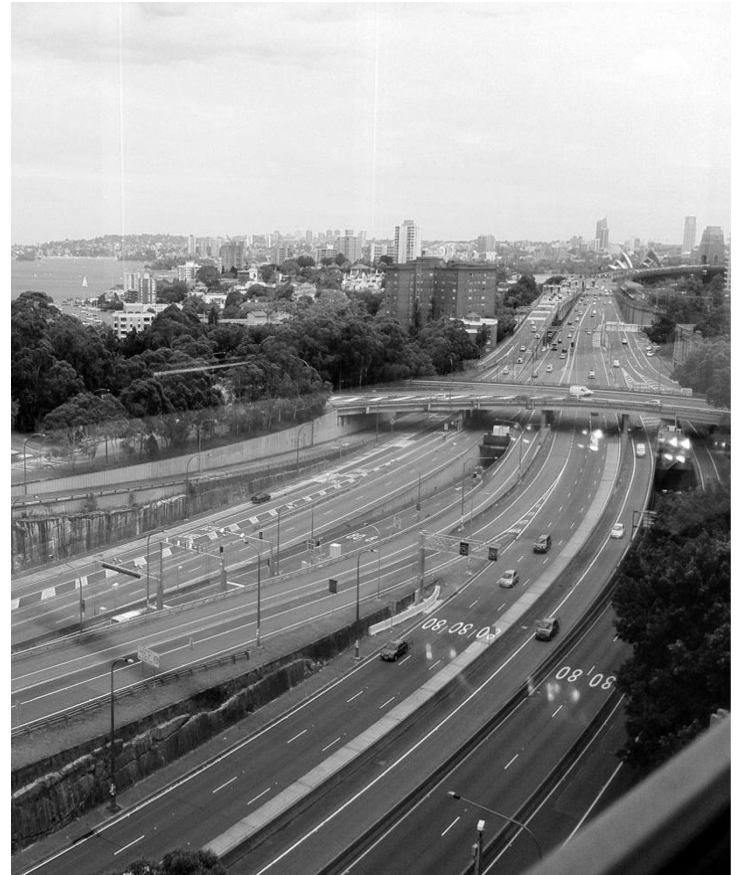


CEO Øyvind Isaksen

OUTLOOK

OUTLOOK

- Main focus in 2011 is to re-establish profitability and positive cash flow
- Good news flow expected in 2011
 - 154 MNOK award in Portugal important start
- Promising pipe line building up for 2012 and onwards
- Road user charging market represents a long term growth market
- Q-Free has a good basis for growth
 - Strong references
 - Impressive portfolio
 - Dedicated team
 - International footprint
 - Strong home market



Sydney

Q&A



20 MAJOR SHAREHOLDERS

SHAREHOLDERS 7 FEBRUARY 2011	SHAREHOLDING %
ERSTE BANK DER OESTE SPARKASSEN AG	16.49
ODIN NORGE	8.86
SKAGEN VEKST	4.81
DNB NOR SMS	3.86
JP MORGAN CHASE BANK	3.38
HOLBERG NORGE	2.89
KITUT AS	2.75
Lars Andresen	2.71
REDBACK AS	2.48
VITAL FORSIKRING	2.31
BANK AUSTRIA	1.97
SABARO INVESTMENTS	1.86
VPF NORDEA KAPITAL	1.79
MONS HOLDING AS	1.73
VPF NORDEA AVKASTNING	1.43
SANDNES INVESTERING	1.37
DEUTCHE BANK	1.24
DNB NOR NORGE	1.24
WARREN WICKLUND NORGE	1.14
VPF NORDEA SMB C/O JPMORGAN EUROPE	1.00
SUM	65.21 %