



HEXAGON  
COMPOSITES

4<sup>TH</sup>

QUARTER

2015

# FOURTH QUARTER 2015 REPORT

NOK 1 000 EXCEPT PER SHARE DATA	Q4 2015	Q4 2014	PERCENT CHANGE	31.12.2015 UNAUDITED	31.12.2014 AUDITED	PERCENT CHANGE
<b>GROUP RESULTS</b>						
Operating income	371.4	496.9	-25%	1 443.8	1 650.8	-13%
Operating profit before depreciation (EBITDA)	40.9	88.5	-54%	100.1	329.2	-70%
Operating profit (EBIT)	18.6	71.4	-74%	37.5	256.9	-85%
Profit before tax from continuing operations	14.7	63.5	-77%	0.3	237.4	-100%
<b>SEGMENT RESULTS</b>						
<b>HIGH-PRESSURE CYLINDERS CNG &amp; CHG</b>						
Operating income	265.4	349.7	-24%	1 047.4	1 098.3	-5%
EBITDA	26.8	68.7	-61%	35.8	216.3	-83%
EBIT	8.7	59.3	-85%	-13.4	183.9	-107%
<b>LOW-PRESSURE CYLINDERS LPG</b>						
Operating income	108.1	147.0	-26%	405.1	559.1	-28%
EBITDA	16.4	20.8	-21%	65.9	138.5	-52%
EBIT	12.4	11.9	4%	53.4	99.1	-46%

\* All subsequent numbers in parentheses refer to the comparative figures for the same period last year.

In the fourth quarter 2015 Hexagon Composites generated NOK 371.4 (496.9) million in operating income and made an operating profit before depreciation (EBITDA) of NOK 40.9 (88.5) million. Operating profit (EBIT) was NOK 18.6 (71.4) million and profit/loss before tax came to NOK 14.7 (63.5) million.

Hexagon Composites' financial performance improved from the third quarter. Operating results in the fourth quarter were however lower than our levels achieved in the same period last year, impacted by lower sales volumes for Mobile Pipeline™ solutions and comparatively lower sales volumes of Low-Pressure Cylinders. The heavy-duty truck and transit bus market in North America remained robust. The program of cost initiatives announced in the previous quarter were all executed within the quarter. The positive effects to profit of these initiatives while partly realized in this quarter, will be fully realized in 2016.

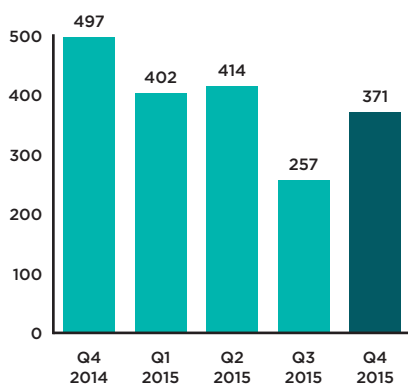
For the year 2015 Group operating income decreased to NOK 1,443.9 (1,650.8) million. Operating profit before depreciation (EBITDA) was NOK 100.1 (329.2) million.

Operating profit (EBIT) was NOK 37.5 (256.8) million. Profit before tax for continuing operations was NOK 0.3 (237.4) million.

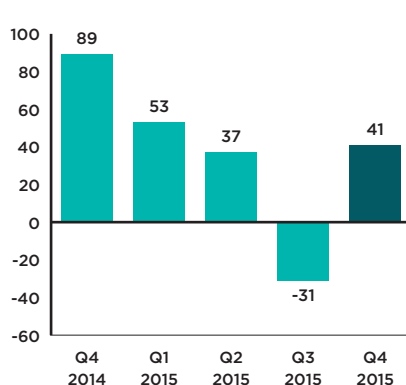
#### Key developments:

- Profitability was restored, though at lower levels than in the previous year
- All restructuring and cost initiatives completed
- Nominated by a leading international vehicle modifier to supply CNG tanks to passenger vehicles in Europe
- Completed agreed deliveries of LPG cylinders to Gasco in Saudi Arabia within the quarter
- Established a separate business unit for Hydrogen storage and transportation systems.

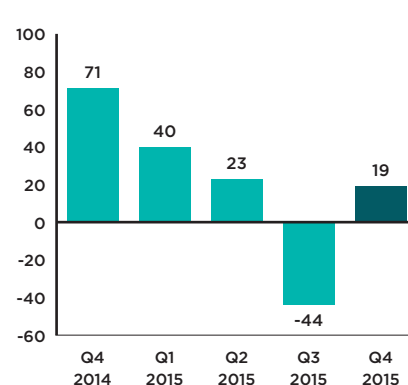
**OPERATING INCOME**  
MNOK



**EBITDA**  
MNOK



**EBIT**  
MNOK



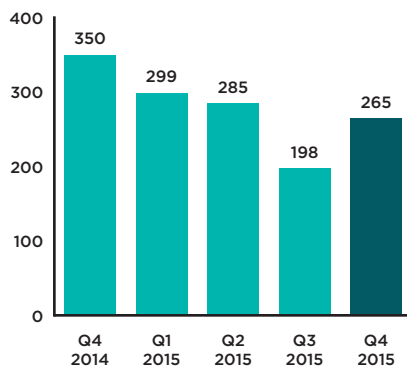
## SEGMENT RESULTS

### HIGH-PRESSURE CYLINDERS CNG AND CHG

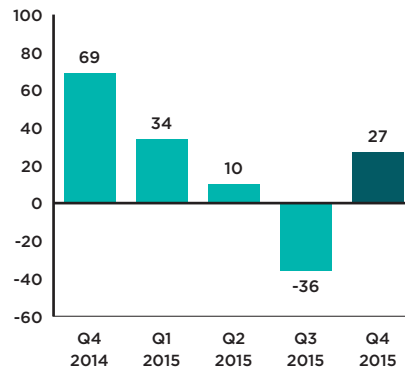
#### HEXAGON LINCOLN AND HEXAGON RAUFLOSS

Hexagon Composites is the global market leader in high-pressure composite cylinders for compressed natural gas (CNG) and compressed hydrogen gas (CHG).

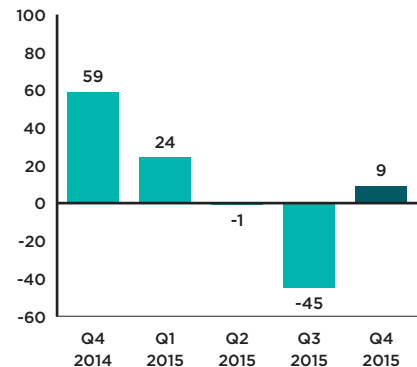
**OPERATING INCOME**  
MNOK



**EBITDA**  
MNOK



**EBIT**  
MNOK



#### Turnover and markets

Operating income for the High-Pressure Cylinders segment declined by 24% to NOK 265.4 (349.7) million in the fourth quarter of 2015 compared with the same period in 2014. Developments in operating results were primarily driven by solid sales to the heavy-duty truck and transit bus market, being offset by lower sales volumes for Mobile Pipeline™ solutions in the period. Operating results were impacted by positive currency effects from the USD. Operating income for the year 2015 amounted to NOK 1,047.4 (1,098.3).

Sales volumes grew within the North American CNG Automotive market in the fourth quarter versus the prior year quarter with improved efficiencies impacting positively to contribution margin. Order backlog continued to be at satisfactory levels. The environmental value proposition of CNG continues to stimulate demand especially within larger fleets and urban applications.

While orders for the European light-duty vehicle market remained weak in the fourth quarter, this business unit was able to report an EBITDA profit for the first time in 2015, following completion of the restructured operating model at the Raufoss, Norway site.

Sales volumes for Mobile Pipeline™ recovered somewhat from the low level of the previous quarter, but were still substantially lower than the fourth quarter of 2014, mainly due to factors impacting the North and Latin American markets. There are significantly lower investments in the oil and gas sector in North America where demand is driven by the large energy requirements of high horse power applications such as fuel for fracking installations and drilling rigs. In Latin America, general macro related uncertainties have delayed project investment decisions. These conditions persist, however new opportunities both inside and outside North America continue to be sourced and developed. For example, we are actively engaged in two projects aimed at developing the use of CNG within the US locomotive industry as an alternative to mainly diesel powered engines. In

addition, the organization will promote opportunities to reduce pollution in cities using diesel fuel aggregates to power local industries, where the environmental considerations are perhaps greater than the pure economic value proposition.

The High-Pressure Cylinders organization will begin reporting its hydrogen related operations within a separate business unit from the start of 2016. This is being done to further strengthen our capability to lead the development of a new high-growth market niche. Whilst the majority of income in this business unit in 2015 related to grants and funded development, there was approximately NOK 9 million of product sales.

Hexagon Composites is well positioned across the hydrogen value chain including tanks for fuel-cell vehicles, ground storage, transportation and backup power solutions. Our type 4 pressure cylinder technology is more suitable than steel alternatives due to its advantageous pressure-cycling fatigue properties. The Company is experiencing high development activity and expects further increased momentum throughout 2016 in this high-growth market niche.

#### Production

Capacity utilization and on-time delivery within the Hexagon Lincoln CNG Automotive business unit has been good in the quarter. Production manning has been adjusted in the Mobile Pipeline™ operations in line with the near-term demand outlook.

#### Profit/loss

EBIT in the fourth quarter for the High-Pressure Cylinders segment declined to NOK 8.7 (59.3) million mainly due to lower sales within the Mobile Pipeline™ business unit. The net effects of specific cost initiatives programs, as well as a solid combined CNG Automotive performance, helped restore segment profitability.

Despite this, the High-Pressure Cylinders segment made an operating loss (EBIT) for the year of NOK -13.4 million (183.9

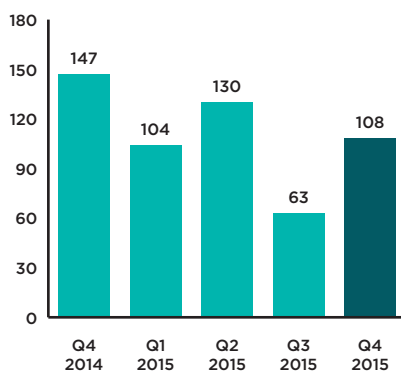
profit). This was principally driven by the weak results within Mobile Pipeline™ and recently restructured European Light-Duty Vehicles business units.

## LOW-PRESSURE CYLINDERS LPG

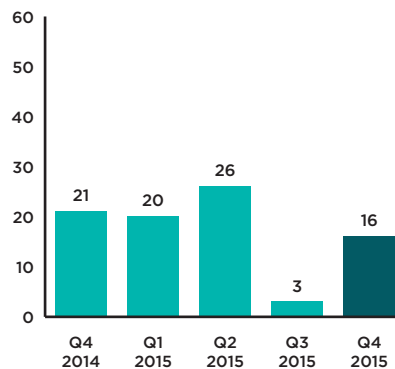
### HEXAGON RAGASCO

Hexagon Composites is the global market leader in composite cylinders for propane (LPG).

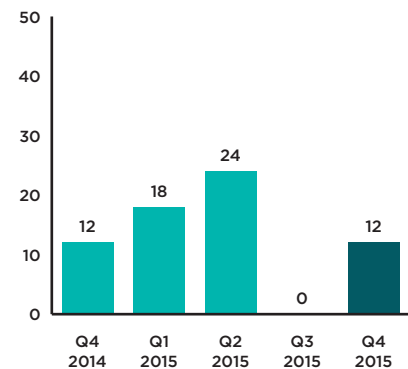
**OPERATING INCOME**  
MNOK



**EBITDA**  
MNOK



**EBIT**  
MNOK



#### Turnover and markets

Operating income for the Low-Pressure Cylinders segment declined to NOK 108.1 (147.0) million compared with the same period in 2014. The seasonally lower volumes for the fourth quarter were not avoided in 2015, compared to 2014 when one large order to the Middle East contributed to the high capacity utilization in that quarter.

Sales revenues for 2015 as a whole were NOK 405.1 (559.1) million. While the Company did not achieve the sales volumes of 2014, including two large orders delivered in that year, it still represents satisfactory underlying growth in recurring customer accounts.

There is increasing momentum in the Company's strategic efforts to take market share from steel cylinders. With a premium product which offers considerable advantages over steel cylinders in terms of weight, safety and design, the Company is optimizing the market roll-out with a more focused geographic approach. The long-term distribution agreement with Gasco in Saudi Arabia, following the successes in Qatar and Iraq in the previous year, show increasing market penetration in the Middle East. European and African market penetration continues to gain traction, whilst our product has also been introduced in new markets in the Asia-pacific region. In 2015 as a whole the Company extended its sales footprint into Italy, Taiwan, Kenya, Mauritius, Japan and Uruguay. The organization is also making in-roads into selected South-American markets which should realize additional sales in 2016.

Hexagon Ragasco has initiated several investments that will greatly enhance the Company's ability to offer unique and customized designs, dimensions and branding possibilities to its customers. Furthermore, Hexagon Ragasco is leveraging financing available through export credit agencies that will provide new opportunities to its customers. Both of these strategic measures are expected to, and already are, contributing to further sales growth in the Low-Pressure Cylinders segment.

#### Production

Production uptime was good during the quarter, balanced with optimized manning levels.

#### Profit/loss

EBIT for the Low-Pressure Cylinders segment increased to NOK 12.4 (11.9) million in the fourth quarter mainly as a result of favorable cost effects offsetting the lower volumes for the comparative quarter periods.

Operating profit (EBIT) for the year totaled NOK 53.4 million (99.1).

## THE GROUP

Hexagon Composites ASA had a net profit after tax of NOK 10.8 (40.7) million in the fourth quarter after negative foreign exchange effects recorded in other financial items of NOK 4 million.

In general, a strong USD relative to NOK has a positive impact on Group equity due to our US operations. For our European business, a strong EUR and USD relative to NOK has a positive impact on our operating results since export sales are primarily invoiced in EUR or USD while our cost base is primarily in NOK.

The cost-saving program announced in the previous quarter, having most impact in the High-Pressure Cylinders segment, has been successfully executed. While a net cost saving benefit has already been realized in the fourth quarter, the full impact will occur from 2016 onwards.

At quarter-end the statement of financial position totaled NOK 1,187.7 (1,179.6) million and the Group's equity ratio was 39.5% (41.3%).

## AFTER BALANCE SHEET DATE

There have been no significant events after the balance sheet date.

## OUTLOOK

After the disappointing third quarter results, the improvement in EBITDA from the previous quarter is well received. The Board is satisfied with the strategic direction taken for the LPG business, and expects continued market penetration in established markets as well as introducing sales to several new markets in the coming quarters. The Mobile Pipeline™ remains challenging, with low visibility in the short term, due to the oil price levels and volatility. The Board expects, however, that redirection of sales resources to new market segments and applications, in particular industrial users of diesel or oil fuelled generators causing severe local pollution, will reestablish growth also under a low oil price scenario. The CNG Automotive Heavy-Duty Vehicles segments remains robust, and the environmental benefits of running on natural gas appear to have gained more weight in many decision makers' calculations. The market prospects for CNG light duty vehicles are improving, and with a rationalized cost base this business is expected to improve significantly. The positive momentum around our Hydrogen business unit, while not currently on a scale to realize profit, will lay the path towards generating significant value in the future, and justify the continued focus on development of our products and activities in that future high-growth market niche. In addition, the Company is continuing to monitor non-organic business opportunities to support its long term growth ambitions.

Oslo, 10 February 2016

The Board of Directors of Hexagon Composites ASA

# FINANCIAL STATEMENTS GROUP

<b>INCOME STATEMENT</b>	<b>Q4 2015</b>	<b>Q4 2014</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
(NOK 1 000)	Unaudited	Unaudited	Unaudited	Audited
Operating income	371 416	496 861	1 443 873	1 650 829
Cost of materials	219 764	256 315	803 695	812 026
Payroll and social security expenses	83 280	96 179	376 630	321 407
Other operating expenses	27 496	55 841	163 428	188 245
<b>Total operating expenses before depreciation</b>	<b>330 540</b>	<b>408 335</b>	<b>1 343 753</b>	<b>1 321 678</b>
<b>Operating profit before depreciation (EBITDA)</b>	<b>40 876</b>	<b>88 526</b>	<b>100 119</b>	<b>329 151</b>
Depreciation and impairment	22 237	17 152	62 607	72 363
<b>Operating profit (EBIT)</b>	<b>18 639</b>	<b>71 374</b>	<b>37 513</b>	<b>256 788</b>
Profit/loss from investments in associates and joint ventures	-149	-6 613	-311	-9 554
Other financial items (net)	-3 804	-1 257	- 36 911	-9 815
<b>Profit/loss before tax</b>	<b>14 686</b>	<b>63 504</b>	<b>291</b>	<b>237 419</b>
Tax	- 3 865	-22 237	3 782	-77 072
<b>Profit/loss from continuing operations</b>	<b>10 821</b>	<b>41 267</b>	<b>4 073</b>	<b>160 347</b>
Profit/loss for discontinued operations	0	-530	0	4 325
<b>Profit/loss after tax</b>	<b>10 821</b>	<b>40 737</b>	<b>4 073</b>	<b>164 672</b>
Earnings per share			0.03	1.24
Diluted earnings per share			0.05	1.24
Earnings per share for continuing operations			0.03	1.21
Diluted earnings per share for continuing operations			0.05	1.21

<b>COMPREHENSIVE INCOME STATEMENT</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
(NOK 1 000)		
<b>Profit/loss after tax</b>	<b>4 073</b>	<b>164 672</b>
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		
Exchange differences arising from the translation of foreign operations	53 867	46 581
Fair value adjustments for cash flow hedging instruments	4 629	-382
Income tax effect of fair value adjustments for cash flow hedging instruments	-1 250	103
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>57 247</b>	<b>46 302</b>
OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		
Actuarial gains/losses for the period	1 628	-2 314
Income tax effect of actuarial gains/losses for the period	- 407	625
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>1 221</b>	<b>-1 689</b>
<b>Total comprehensive income, net of tax</b>	<b>62 541</b>	<b>209 285</b>

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
(NOK 1 000)	Unaudited	Audited
<b>ASSETS</b>		
Intangible assets	98 599	107 085
Tangible fixed assets	409 994	294 462
Other financial fixed assets	3 837	4 852
<b>Total non-current assets</b>	<b>512 430</b>	<b>406 399</b>
Inventories	332 358	320 468
Receivables	249 739	250 570
Bank deposits, cash and similar	93 177	202 179
<b>Total current assets</b>	<b>675 274</b>	<b>773 216</b>
<b>Total assets</b>	<b>1 187 704</b>	<b>1 179 615</b>
<b>EQUITY AND LIABILITIES</b>		
Paid-in capital	105 688	103 770
Other equity	363 959	383 338
<b>Total equity</b>	<b>469 648</b>	<b>487 109</b>
Provisions	24 540	36 571
Interest-bearing long-term liabilities	382 868	297 243
<b>Total non-current liabilities</b>	<b>407 408</b>	<b>333 815</b>
Interest-bearing short-term liabilities	10 719	0
Other current liabilities	299 929	358 691
<b>Total current liabilities</b>	<b>310 648</b>	<b>358 691</b>
<b>Total liabilities</b>	<b>718 056</b>	<b>692 506</b>
<b>Total equity and liabilities</b>	<b>1 187 704</b>	<b>1 179 615</b>

\* Net booked value from investment in Rugasco LLC TNOK 0 as at 31 December 2015 after offsetting other balance sheet items. Net booked value of the investment as at 31 December 2014 was TNOK -404, of which TNOK -10 440 classified as other current liabilities.

<b>CONDENSED CASH FLOW STATEMENT</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
(NOK 1 000)		
Profit before tax	291	237 419
Depreciation and impairment	62 607	72 363
Change in net working capital	-27 466	-133 874
<b>Net cash flow from operations</b>	<b>35 432</b>	<b>175 908</b>
Net cash flow from investment activities	-140 803	4 670
Net cash flow from financing activities	-24 589	-246 060
<b>Net change in cash and cash equivalents</b>	<b>-129 961</b>	<b>-65 482</b>
Net currency exchange differences	20 959	19 358
Cash and cash equivalents at start of period	202 179	248 303
<b>Cash and cash equivalents at end of period</b>	<b>93 177</b>	<b>202 179</b>
Available unused credit facility	601 463	390 783

\* Cash effect regarding sale of Hexagon Devold AS TNOK 115 000 in January 2014 is included in net cash flow from investment activities.

CONDENSED STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	OWN SHARES	SHARE PREMIUM	OTHER PAID IN CAPITAL	HEDGING RESERVE	OTHER EQUITY	TOTAL
(NOK 1 000)							
<b>Balance 01.01.2014</b>	<b>13 329</b>	<b>-106</b>	<b>82 955</b>	<b>7 602</b>	<b>-3 100</b>	<b>247 883</b>	<b>348 564</b>
Profit/loss after tax						164 672	164 672
Other income and expenses					-279	44 892	44 612
Dividends						-43 967	-43 967
Movement in own shares etc.		-11				-26 762	-26 773
<b>Balance 31.12.2014</b>	<b>13 329</b>	<b>-117</b>	<b>82 955</b>	<b>7 602</b>	<b>-3 379</b>	<b>386 718</b>	<b>487 109</b>
<b>Balance 01.01.2015</b>	<b>13 329</b>	<b>-117</b>	<b>82 955</b>	<b>7 602</b>	<b>-3 379</b>	<b>386 718</b>	<b>487 109</b>
Profit/loss after tax						4 073	4 073
Other income and expenses					3 379	55 089	58 468
Dividends						-81 920	-81 920
Share-based payment				1 918			1 918
<b>Balance 31.12.2015</b>	<b>13 329</b>	<b>-117</b>	<b>82 955</b>	<b>9 520</b>	<b>0</b>	<b>363 959</b>	<b>469 648</b>

**BUSINESS SEGMENT DATA**

	Q4 2015	Q4 2014	31.12.2015	31.12.2014
(NOK 1 000)				
	Unaudited	Unaudited	Unaudited	Audited
<b>HIGH-PRESSURE CYLINDERS CNG AND CHG</b>				
Operating income external customers	264 674	349 697	1 044 975	1 097 625
Internal transactions	686	52	2 375	712
<b>Total operating income</b>	<b>265 360</b>	<b>349 748</b>	<b>1 047 350</b>	<b>1 098 337</b>
Segment operating profit before depreciation (EBITDA)	26 800	68 719	35 776	216 295
Segment operating profit (EBIT)	8 723	59 295	- 13 398	183 940
Segment assets			931 194	886 975
Segment liabilities			512 995	508 060
<b>LOW-PRESSURE CYLINDERS LPG</b>				
Operating income external customers	106 742	145 034	398 898	551 082
Internal transactions	1 362	1 990	6 192	8 009
<b>Total operating income</b>	<b>108 104</b>	<b>147 024</b>	<b>405 090</b>	<b>559 092</b>
Segment operating profit before depreciation (EBITDA)	16 350	20 804	65 862	138 537
Segment operating profit (EBIT)	12 382	11 898	53 411	99 133
Segment assets			345 901	436 156
Segment liabilities			218 752	345 044



# NOTES

## NOTE 1: INTRODUCTION

The condensed consolidated interim financial statements for fourth quarter 2015, which ended 31 December 2015, comprise Hexagon Composites ASA and its subsidiaries (together referred to as "the Group").

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS), IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year which ended 31 December 2014.

The accounting principles used in the preparation of these interim accounts are the same as those applied to the consolidated financial statements for 2014. For a more detailed description of accounting principles see the consolidated financial statements for 2014.

These condensed consolidated interim financial statements were approved by the Board of Directors on 10 February 2015.

## NOTE 2: INTEREST-BEARING DEBT

Below table shows material changes in interest-bearing debt during 2015.

On the 24 April 2015 the Company settled the NOK 300 million bond loan ISIN NO 0010683717 2013/2018. The buyback premium was NOK 21 million.

The Company has secured extended financing facilities from Skandinaviska Enskilda Banken AB and DNB Bank ASA in a club deal which extended financing capacity from NOK 685 million, to NOK 1 billion on an unsecured basis. The new five year facility incorporates a revolving credit facility for up to NOK 685 million as well as a term-loan facility for up to NOK 315 million.

AMOUNTS IN NOK THOUSAND	LONG-TERM	SHORT-TERM	TOTAL INTEREST-BEARING DEBT
<b>Balance 01.01.2015</b>	<b>297 243</b>	<b>0</b>	<b>297 243</b>
Unsecured bank loans	0	0	0
Bond HEX 02	185	0	185
<b>Balance 31.03.2015</b>	<b>297 428</b>	<b>0</b>	<b>297 428</b>
Unsecured bank loans	382 320	8 711	391 031
Bond HEX 02	-297 428	0	-297 428
<b>Balance 30.06.2015</b>	<b>382 320</b>	<b>8 711</b>	<b>391 031</b>
Unsecured bank loans	272	2 355	2 628
<b>Balance 30.09.2015</b>	<b>382 592</b>	<b>11 066</b>	<b>393 659</b>
Unsecured bank loans	279	-347	-71
<b>Balance 31.12.2015</b>	<b>382 868</b>	<b>10 719</b>	<b>393 587</b>

## NOTE 3: COVENANTS

Financial covenants related to the new loan are:

- NIBD/EBITDA < 3.0 <sup>1)</sup>
- Equity ratio at least 30% <sup>2)</sup>
- Other than maintaining the above covenant requirements, there are no covenants restricting the level of dividend payment.

1) Net Interest Bearing Debt / Rolling Earnings Before Interest, Tax, Depreciation and Amortization for the last 12 months. The requirement to meet this has been waived as at 31 December 2015.

2) Total Equity / Total Assets

	31.12.2015
NIBD/EBITDA	3.0
Total Equity / Total Assets	39.5%

Accounting effects of the refinancing in the second quarter were:

- The buyback premium was NOK 21 million and is realised in the profit and loss (as a finance cost).
- The amortised cost previously recognized in the balance sheet of NOK 2.6 million was realised in the profit and loss (as a finance cost).
- The interest rate swap related to the bond loan of NOK 100 million no longer met all the criteria according to IAS 39 to be effective as a hedging instrument direct to equity after the repayment of the loan. Therefore the booked value of the hedging instrument of NOK 4.6 million (before tax effects) was reversed out of total comprehensive income and included in profit and loss (as a finance cost).

**NOTE 4: ESTIMATES**

The preparation of the interim accounts entails the use of valuations, estimates and assumptions that affect the application of the accounting policies and the amounts recognized as assets and liabilities, income and expenses. The actual results may deviate from these estimates. The material assessments underlying the application of the Group's accounting policy and the main sources of uncertainty are the same as for the consolidated accounts for 2014.

Hexagon Ragasco has reassessed the useful lifetime of their production line and concluded that the lifetime is longer than the previous depreciation rate implied. The new estimated residual lifetime affects the depreciation cost as from the beginning of 2015. Without this correction the depreciation cost YTD 31 December would have been approximately NOK 8.0 million higher. The effect for the fourth quarter is approximately NOK 0.8 million.

An impairment of NOK 7.2 million, principally related to one specific piece of equipment, was recorded as a part of the annual impairment review. The productivity of this new, innovative machine is deemed not to be as high as originally anticipated and therefore an impairment was recognized.

**NOTE 5: SHARED BASED PAYMENTS**

On 3 March 2015 Hexagon Composites ASA issued 975,000 call options to senior executives and managers in the Group.

The share options give rights to buy shares in Hexagon Composites ASA at NOK 25 per share. The options may be exercised in part or in full within three weeks following the official announcement of the financial results for the fourth quarter of 2017, first quarter of 2018 or second quarter of 2018. The fair value of the options was calculated on the grant date, based on the Black-Scholes model, and the cost is recognized over the service period. Cost associated with the share option scheme were NOK 1 918 thousand YTD 31 December. The cost in the fourth quarter were NOK 598 thousand. The fair value of all options granted is estimated to NOK 5.3 million per 31 December 2015.

**NOTE 6: EVENTS AFTER THE BALANCE SHEET DATE**

There have not been any significant events after the balance sheet date.

**KEY FIGURES GROUP**

<b>KEY FIGURES GROUP</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
EBITDA in % of operating income	6.9 %	19.9 %
EBIT in % of operating income	2.6 %	15.6 %
EBITDA (rolling last 4 quarters) / Capital Employed %	11.5 %	42.0 %
EBIT (rolling last 4 quarters) / Capital Employed %	4.3 %	32.7 %
Net working capital / Operating income (rolling last 4 quarters) %	22.6 %	20.5 %
Interest coverage I <sup>1)</sup>	1.0	10.2
Interest coverage II <sup>2)</sup>	5.9	14.3
NIBD / EBITDA (rolling last 4 quarters)	3.0	0.3
Equity ratio	39.5 %	41.3 %
Equity / Capital employed	54.1 %	62.1 %
Return on equity (annualised)	0.9 %	39.4 %
Total return (annualised)	1.8 %	23.3 %
Liquidity ratio I	2.2	2.2
Liquidity reserve <sup>3)</sup>	694 640	592 962
Liquidity reserve <sup>3)</sup> / Operating income (rolling last 4 quarters) %	48.1 %	35.9 %
Earnings per share	0.03	1.24
Diluted earnings per share	0.05	1.24
Cash flow from operations per share	0.27	1.33
Equity per share	3.52	3.65

1) (Profit before tax + interest expenses) / Interest expenses

2) Rolling Earnings Before Interest, Tax, Depreciation and Amortization the last 12 months to rolling Net Interest Costs

3) Undrawn credit facility + bank deposits and cash. Use of undrawn credit facility can be limited by financial covenants

## KEY FIGURES SEGMENTS

KEY FIGURES SEGMENTS	31.12.2015	31.12.2014
<b>HIGH-PRESSURE CYLINDERS CNG &amp; CHG</b>		
EBITDA in % of operating income	3.4 %	19.7 %
EBIT in % of operating income	-1.3 %	16.7 %
EBITDA (rolling last 4 quarters) / Capital Employed %	5.1 %	32.6 %
EBIT (rolling last 4 quarters) / Capital Employed %	-1.9 %	27.7 %
Capital employed / Operating income (rolling last 4 quarters)	0.67	0.60
<b>LOW-PRESSURE CYLINDERS LPG</b>		
EBITDA in % of operating income	16.3 %	24.8 %
EBIT in % of operating income	13.2 %	17.7 %
EBITDA (rolling last 4 quarters) / Capital Employed %	28.1 %	46.4 %
EBIT (rolling last 4 quarters) / Capital Employed %	22.8 %	33.2 %
Capital employed / Operating income (rolling last 4 quarters)	0.58	0.53

## SHAREHOLDER INFORMATION

A total of 21,133,227 (46,294,100) shares in Hexagon Composites ASA (HEX.OL) were traded on Oslo Børs (OSE) during fourth quarter 2015. The total number of shares in Hexagon Composites ASA at 31 December 2015 was 133,294,868 (par value NOK 0.10). During the quarter, the share price moved between NOK 13.10 and NOK 22.90, ending the quarter on NOK 22.90. The price at 31 December gives a market capitalization of NOK 3,052.5 million for the Company.

20 LARGEST SHAREHOLDERS PER 10 FEBRUARY 2016	NUMBER OF SHARES	SHARE OF 20 LARGEST	SHARE OF TOTAL	TYPE	COUNTRY
Flakk Holding AS	42 615 988	41.36 %	31.97 %	Ordinary	NOR
Bøckmann Holding AS	10 000 000	9.70 %	7.50 %	Ordinary	NOR
MP Pensjon PK	9 757 614	9.47 %	7.32 %	Ordinary	NOR
Odin Norge	7 329 090	7.11 %	5.50 %	Ordinary	NOR
Nødingen AS	6 940 045	6.74 %	5.21 %	Ordinary	NOR
Swedbank Robur Smabologsfond Norden	5 624 346	5.46 %	4.22 %	Ordinary	SWE
Skandinaviska Enskilda (publ) Oslofilialen	4 023 757	3.90 %	3.02 %	Ordinary	NOR
JP Morgan Chase Bank, N.A, S/A Escrow Account	2 250 832	2.18 %	1.69 %	Nominee	GBR
JP Morgan Chase Bank, NA, Handelsbanken Nordic Custody	1 976 584	1.92 %	1.48 %	Nominee	SWE
J.P. Morgan Chase Bank N.A. London, Nordea Treaty Acc	1 435 960	1.39 %	1.08 %	Nominee	GBR
Invesco Perp Eur Small Comp	1 411 469	1.37 %	1.06 %	Ordinary	BEL
TR European Growth Trust Plc HSBC Bank Plc	1 400 000	1.36 %	1.05 %	Ordinary	GBR
Societe Generale Paris	1 302 505	1.26 %	0.98 %	Ordinary	FRA
Storebrand Norge, JP Morgan Chase Europe	1 226 241	1.19 %	0.92 %	Ordinary	NOR
Hexagon Composites ASA	1 166 075	1.13 %	0.87 %	Ordinary	NOR
Verdipapirfondet DNB	1 072 248	1.04 %	0.80 %	Ordinary	NOR
Flakk Invest AS	1 000 000	0.97 %	0.75 %	Ordinary	NOR
Eika Norge	907 925	0.88 %	0.68 %	Ordinary	NOR
Verdipapirfondet Alf	827 264	0.80 %	0.62 %	Ordinary	NOR
Tore Johan Fjell	775 131	0.75 %	0.58 %	Ordinary	NOR
<b>Total 20 largest shareholders</b>	<b>103 043 074</b>	<b>100.00 %</b>	<b>77.30 %</b>		
Remaining	30 251 794		22.70 %		
<b>Total</b>	<b>133 294 868</b>		<b>100.00 %</b>		

## 4<sup>TH</sup> QUARTER 2015

### HEXAGON COMPOSITES ASA

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