



## First quarter 2012 results



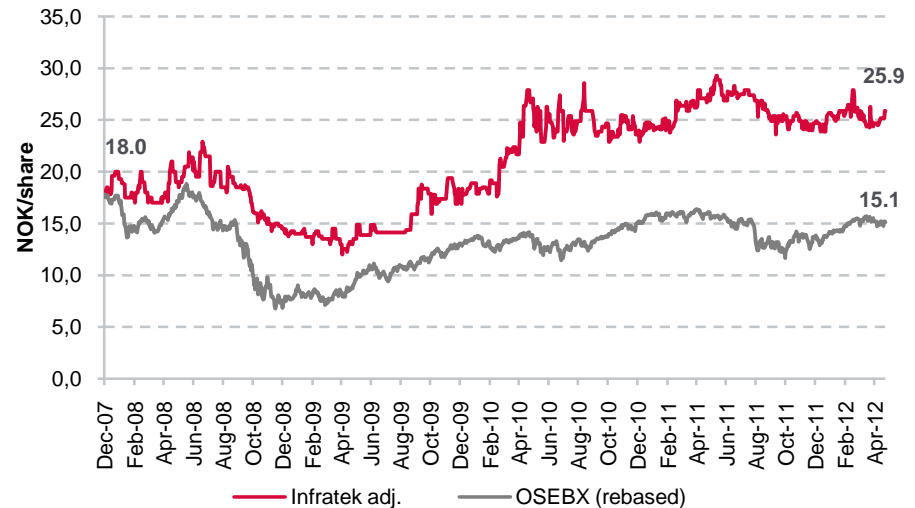
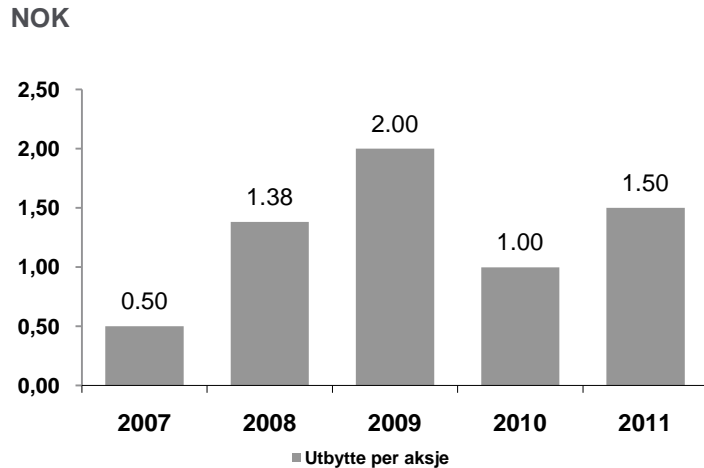
Bjørn Frogner, CEO  
**Infratek ASA**  
10 May 2012

## Key events – 1st quarter 2012



- Historically good first quarter – operating loss of NOK 2.0 million (-14.4 million)
- Operating revenues 4.3 per cent up on same period last year – a total of NOK 603 million for the quarter
- Favourable operating conditions gave improved margins within Local Infrastructure
- Positive development in order backlog for all business areas
- Cash reserves of NOK 264 million and no interest bearing debt
- Dividend for 2011 set at 1.5 per share (NOK 95.8 million)

# Share price performance and return



Source: Carnegie and Oslo Stock Exchange

- Infratek has paid out dividends of 6,38 NOK per share over a five year period (368 million)
- This represents 114 per cent of the result after tax
- The Infratek share price development has been better than the Oslo Stock Exchange benchmark every month from the listing date
- Dividends are reinvested on ex-dates.

# New operational structure in Local Infrastructure

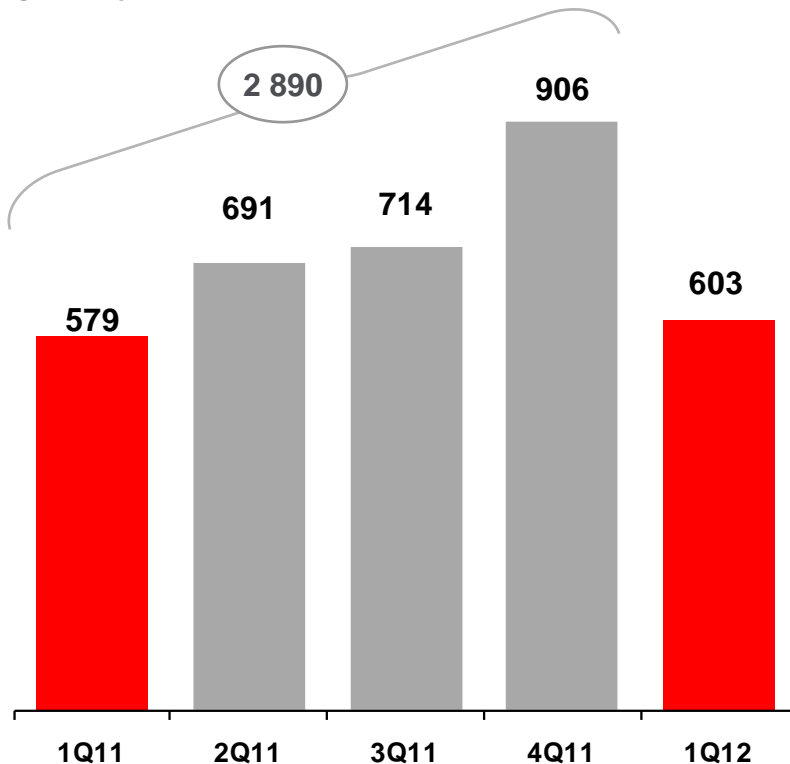
Organization based on market segments with a clear product responsibility. The responsibility for day-to-day operations will continue to be handled locally.



# Development operating revenues

## Operating revenue by quarter

NOK million

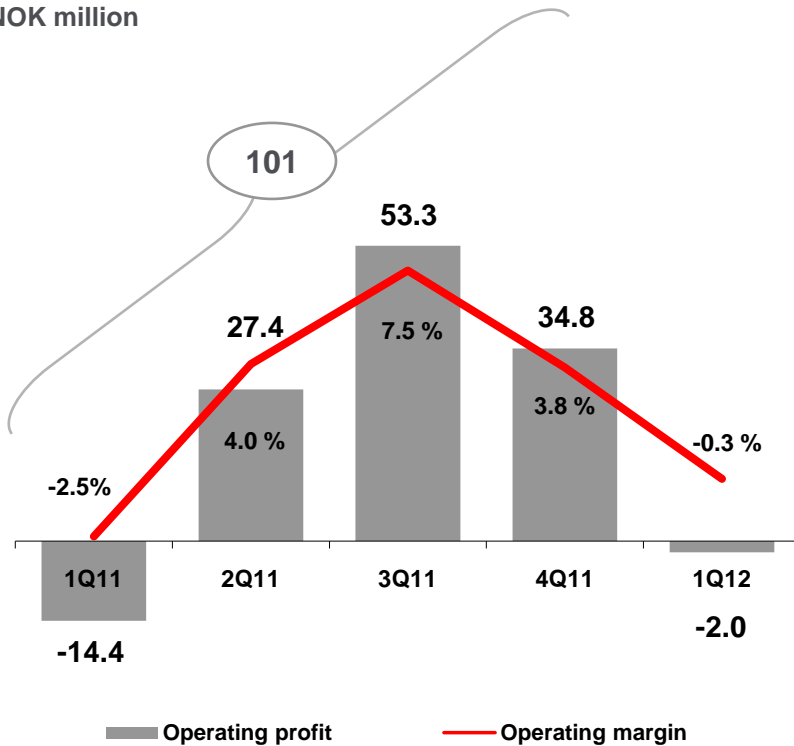


- Sales up NOK 25 million against the previous year due to favourable operating conditions throughout the winter
  - Norway up by NOK 38 million
  - Sweden on par with the previous year
  - Finland down NOK 13 million
- Rise in sales primarily attributable to Local Infrastructure

# Development operating profit

## Operating profit by quarter

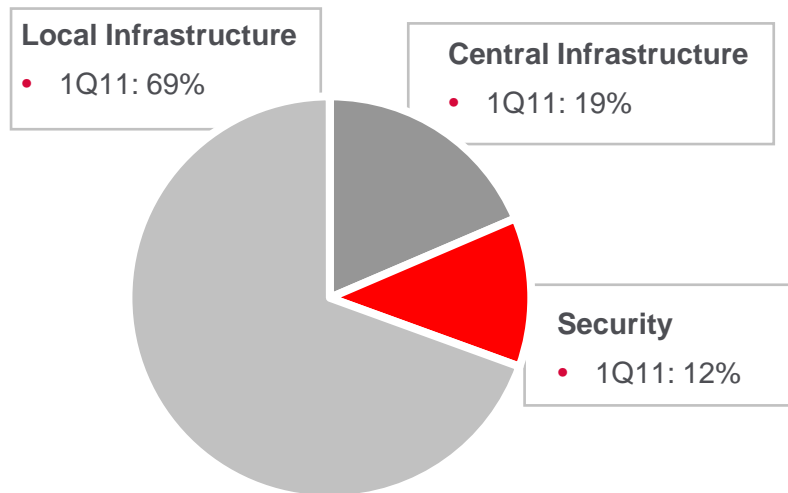
NOK million



- Result NOK 12.4 million up on corresponding prior-year period
- Results contribution up by NOK 12.9 million in Norway, by NOK 1.4 million in Sweden, but down by NOK 1.9 million in Finland
- Improved results primarily attributable to Local Infrastructure

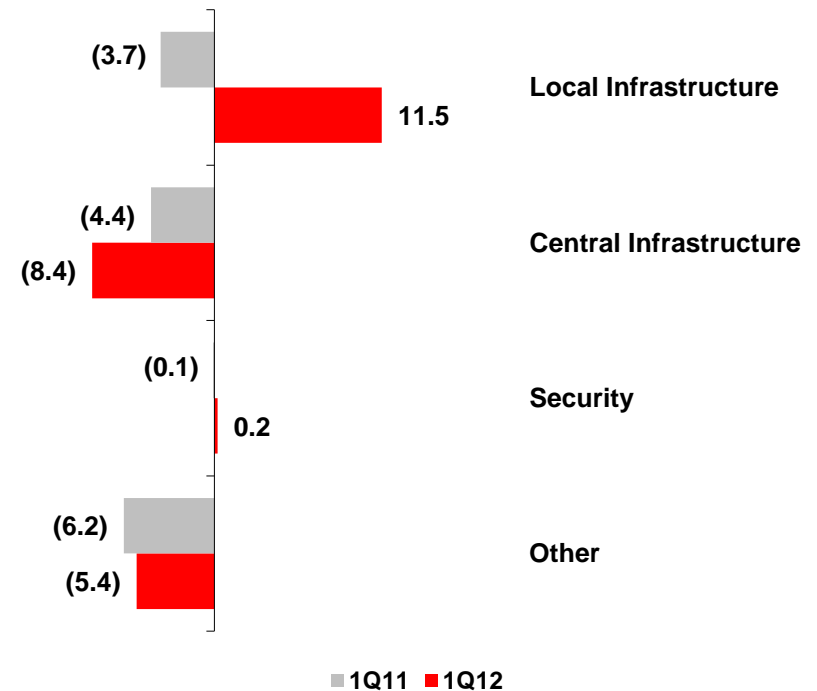
# Revenues and profit by business area

## Operating revenues



## Operating profit

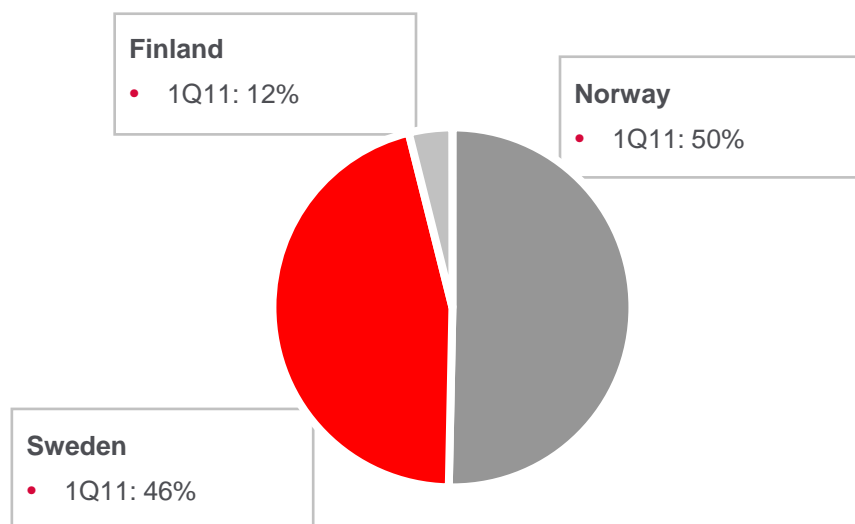
NOK millioner



Local Infrastructure is delivering solid results in a traditionally low-activity period

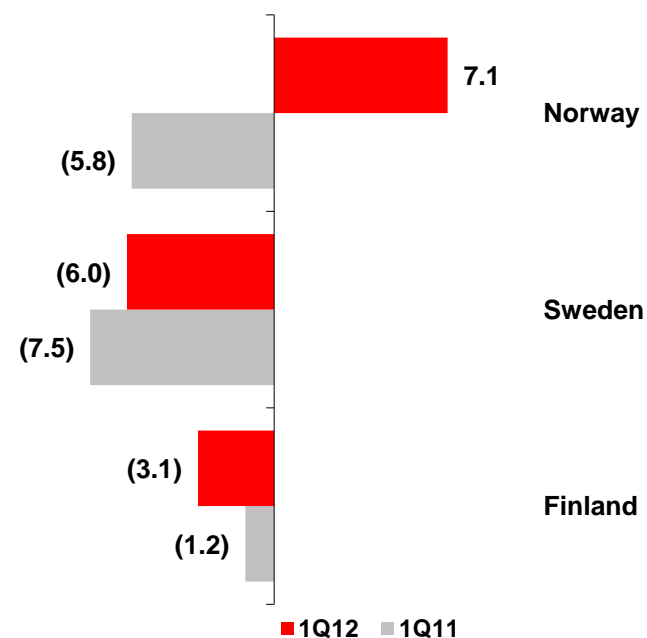
# Revenues and profit by geography

## Operating revenues



## Operating profit

NOK million



Strong profit improvement in major markets



# Balance sheet

NOK million	31.03.2012	31.03.2011	31.12.2011
Intangible assets	434.1	363.8	422.6
Fixed assets	157.6	171.7	159.6
Accounts receivables and other receivables	637.3	623.3	766.4
Cash and cash equivalents	264.1	241.1	299.6
<b>Assets</b>	<b>1 493.2</b>	<b>1 400.5</b>	<b>1 648.2</b>
Equity	469.8	611.0	484.0
Other liabilities	586.2	383.2	582.3
Long-term debt	12.2	17.0	14.6
Current liabilities	425.0	388.6	567.2
<b>Equity and liabilities</b>	<b>1 493.2</b>	<b>1 400.5</b>	<b>1 648.2</b>

- Implementation of pension corridor as of 31 December 2011 has boosted the value of intangible assets and pension liabilities, and reduced equity
- Equity ratio of 31.5 per cent

# Cash flow statement

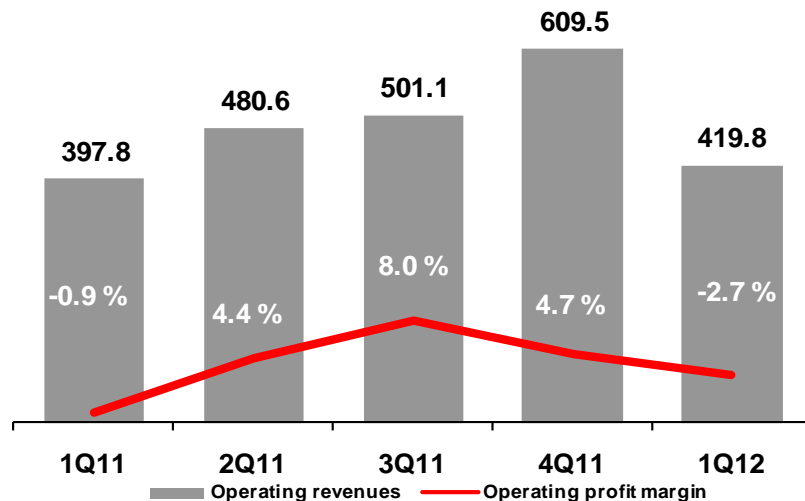
NOK million	First quarter		Year
	2012	2011	2011
Profit before tax	(3.7)	(15.4)	100.6
Items without cash flow effect	7.9	4.8	40.7
Change in net working capital	(16.9)	29.2	34.8
Net cash flow from operations	(12.7)	18.6	176.1
Investments - fixed assets	(4.2)	(16.7)	(44.9)
Investmentes - operations	(17.2)	-	(6.4)
Sales - fixed assets	-	-	4.2
Sales - operations	-	-	(2.3)
Cash flow to investments activities	(21.4)	(16.7)	(49.4)
Change interest-bearing liabilities	0.2	0.3	(3.7)
Net received/ paid interest	0.2	0.4	2.1
Dividend, equity issues and other equity changes	-	-	(63.9)
Cash flow used for financial activities	0.4	0.7	(65.5)
<b>Change in cash and cash equivalents</b>	<b>(33.6)</b>	<b>2.6</b>	<b>61.2</b>
Cash and cash equivalents at the start of period	299.6	238.5	238.5
Effect on exchange rate changes on the balance of cash held in foreign operations	(1.8)	0.5	(0.2)
<b>Cash and cash equivalents end of period</b>	<b>264.1</b>	<b>241.6</b>	<b>299.6</b>

- Solid cash holdings
- Net working capital on par with the previous year
- Net decrease in working capital against on the back of fluctuations in accounts receivable at year end
- Low operating investments compared with previous year offset by acquisition of railways company WKTS

# Local Infrastructure

NOK million	First quarter		Year
	2012	2011	2011
Operating revenues	419.8	397.8	1 989.0
Operating profit before depreciation	17.5	2.6	112.1
Operating profit	11.5	(3.7)	86.0
Operating margin	2.7%	-0.9%	4.3%

## Operating revenue and operating margin



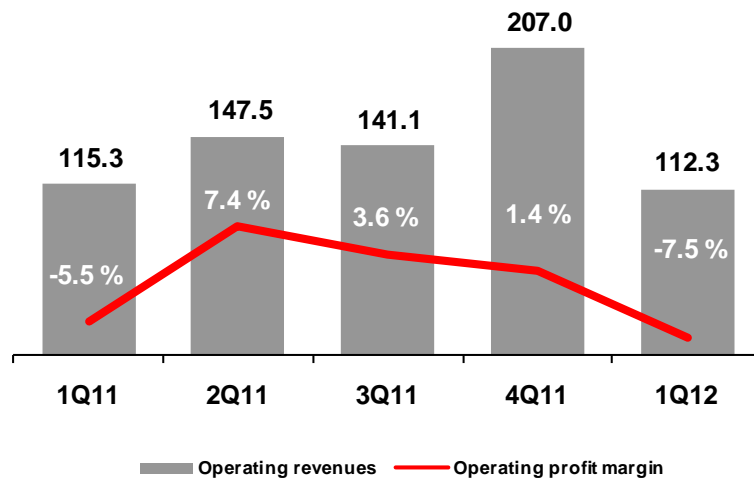
- Sales in the Norwegian business up by NOK 22 million primarily on the back of favourable operating conditions
- Operating result NOK 15.2 million up on same period last year primarily due to strong operational performance in the Norwegian business
- 55 (57) per cent of sales in the first quarter generated in Sweden, and 45 per cent (43) in Norway

# Central Infrastructure

NOK million	First quarter		Year
	2012	2011	2011
Operating revenues	112.3	115.3	610.9
Operating profit before depreciation	(7.1)	(2.7)	18.5
Operating profit	(8.4)	(4.4)	11.7
Operating margin	-7.5%	-3.8%	1.9%

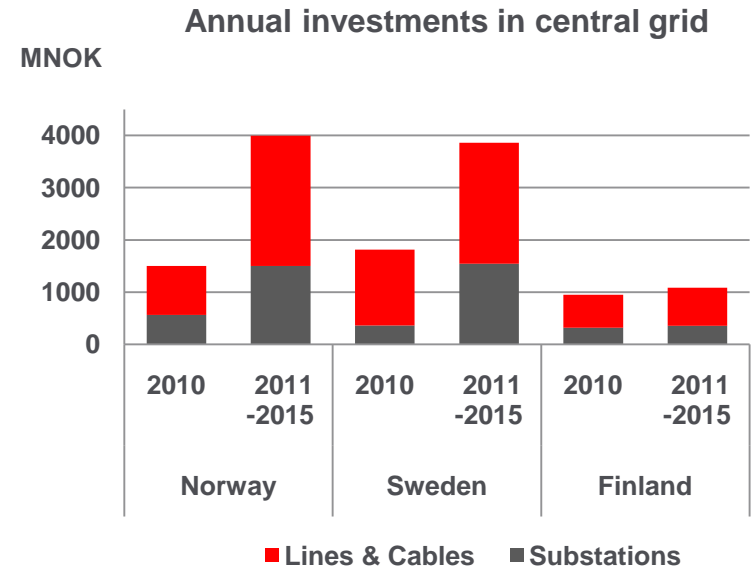
- Sales down NOK 2 million against the corresponding prior-year period with higher sales in Norway more than offset by reduced sales in Finland
- Reduction in average operating margin of 3.5 percentage points due to low activity levels in Finland and losses on some projects in Sweden
- Competence within project and general management strengthened
- 43% (33%) of sales relate to Norway, 37% (36%) to Sweden and 20% (31%) to Finland

## Operating revenue and operating margin



# Central Infrastructure

- Planned investments in the central grid currently being realised
- Investment level in the regional grid being maintained
- Infratek established as an important player with assignments for both Svenska Kraftnät and Statnett
- To meet future growth in the market, Infratek adjusts internal capacity and competence accordingly



\*Estimated investments as specified by central grid owners in the Nordic region.

# Central Infrastructure

- Infratek's growth ambitions will necessitate a significant ramping up of capacity and expertise
- The recruitment plan for the next three years has been drawn up and recruitment is progressing well
- Up to 100 new staff will be recruited over a three-year period



## NU SÖKER VI:

- Projektledare
- Elkonstruktörer
- Mekaniska konstruktörer
- Eltekniker
- Provare

Vi söker dig som gillar utmaningar, komplexa projekt och högt ställda kundkrav. Infratek erbjuder variation, rörlighet och bredd i jobbet och ger dig goda möjligheter att utvecklas i vår nordiska organisation.

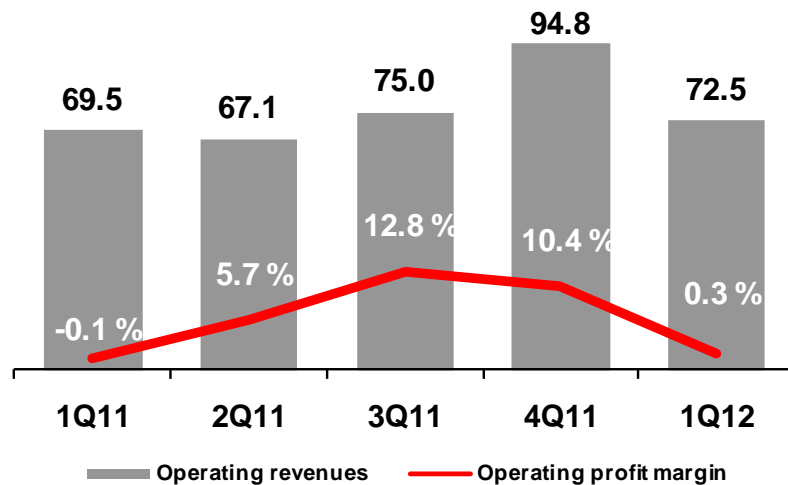
FÖR MER INFORMATION SE:  
[infratek.se/ledigajobb](http://infratek.se/ledigajobb)

NOK million	First quarter		Year
	2012	2011	2011
Operating revenues	72.5	69.5	306.5
Operating profit before depreciation	1.1	0.8	26.6
Operating profit	0.2	(0.1)	23.2
Operating margin	0.3%	-0.2%	7.6%

- Sales up by NOK 3 million and operating result up by NOK 0.3 million against the corresponding prior-year period

- Higher activities within both anti-theft systems and high security
- Re-negotiated contracts and short-term resource shortages for new contracts for delivery of DLE services depressing both sales and results contributions

## Operating revenues and operating margin

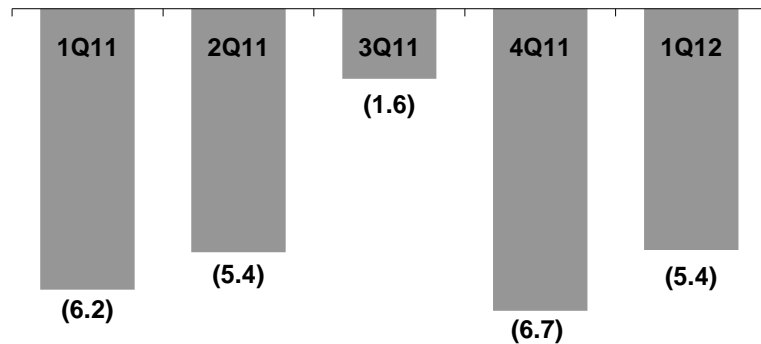


# Other

NOK million	First quarter		Year
	2012	2011	2011
Operating profit	(5.4)	(6.2)	(19.9)

- Other comprises group administration expenses and expenses relating to group-level functions
- Net Group costs NOK 0.8 million lower than in the same period last year, primarily due to the subletting of the third floor of the head office

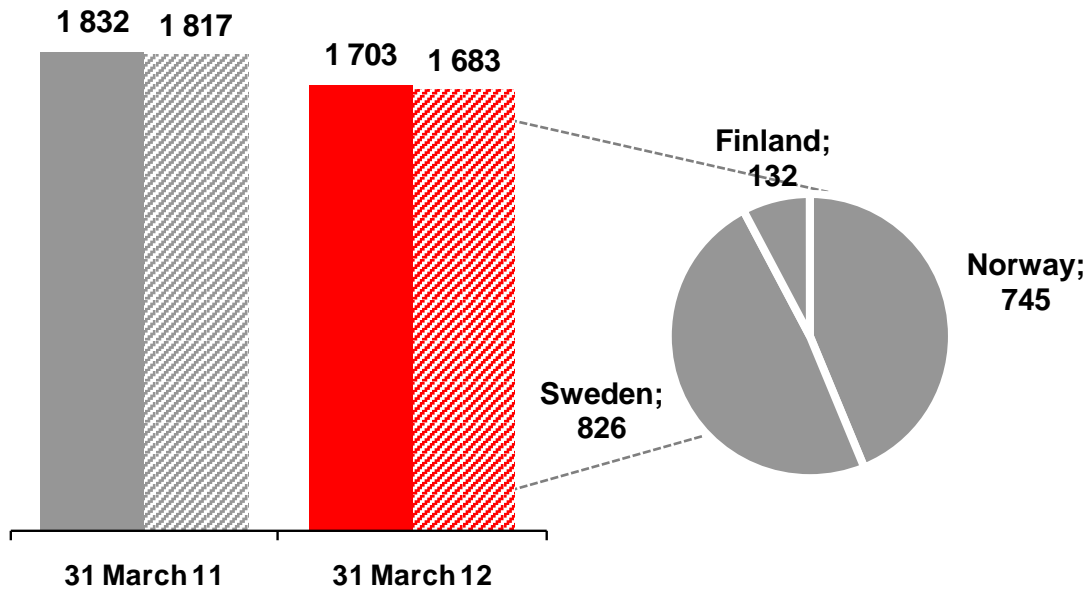
## Group overhead





# Employees

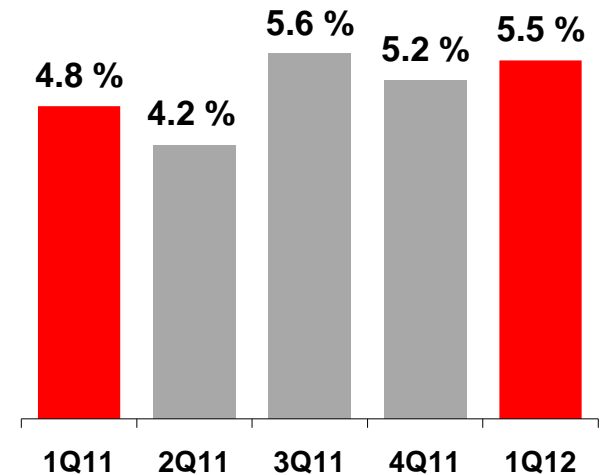
## Number of employees



■ No. of employees    ▨ No. of man-years

- Reduction in the number of employees and man-years due to staff adjustments and loss of contingency contract in Småland

## Sick leave



- Sick leave for the period came to 4.8 per cent (5.3 per cent) as a consequence of an increase in the number of long-term sick leave

# Outlook for 2012

- Improvement in overall order book for the Group
- No major contingency contracts maturing in 2012
- Nordic Fortum negotiations regarding the new contract period from 2013/14 - 2016 expected to be finalized in July
- Vattenfall's opening of the market and the accessible railway market for maintenance provides exciting growth opportunities
- Nordic platform and strong financial position providing good opportunities for organic and structural growth
- Infratek maintained as a dividend share



# Appendix

# Income statement

NOK million	First quarter		Year
	2012	2011	2011
Operating revenues	603.4	578.7	2 889.7
Purchased materials	(243.1)	(223.9)	(1 342.4)
Salaries and other personnel expenses	(262.2)	(278.0)	(1 059.8)
Depreciation	(10.0)	(10.5)	(42.9)
Other operating expenses	(90.2)	(80.7)	(343.6)
<b>Operating profit</b>	<b>(2.0)</b>	<b>(14.4)</b>	<b>101.1</b>
Financial revenues/ expenses	(1.7)	(1.0)	(0.5)
<b>Profit before tax</b>	<b>(3.7)</b>	<b>(15.4)</b>	<b>100.6</b>
Tax expense	0.6	4.2	(26.0)
Profit for the year from discontinued operations	-	-	(3.5)
<b>Profit after tax</b>	<b>(3.1)</b>	<b>(11.2)</b>	<b>71.1</b>
Majority's share of profit	(3.1)	(11.3)	71.3
Minority's share of profit	-	0.1	(0.2)

## Other comprehensive income

Conversion difference when covering foreign units	(5.1)	1.7	(0.9)
Change in estimate pensions	(8.4)	(1.7)	(197.0)
<b>Total comprehensive profit before tax</b>	<b>(13.5)</b>	<b>0.0</b>	<b>(197.9)</b>
Tax on comprehensive income	2.4	0.5	55.2
<b>Total comprehensive profit after tax</b>	<b>(11.2)</b>	<b>0.5</b>	<b>(142.8)</b>
<b>Comprehensive income after tax</b>	<b>(14.2)</b>	<b>(10.7)</b>	<b>(71.6)</b>
Majority's share of profit	(14.2)	(10.8)	(71.5)
Minority's share of profit	-	0.1	(0.2)

- Sales up by NOK 25 million (4.3 per cent) as a result of growth within Local Infrastructure
- Operating loss for the period of NOK 2 million, up NOK 12.4 million due to higher activities and improved margins on completed Local Infrastructure assignments in Norway

# Operating revenue and operating profit by geography

## Operating revenue

First quarter			Year
2011	2012	NOK million	2011
170.9	190.7	Local Infrastructure	828.8
37.7	50.4	Central Infrastructure	178.0
60.2	64.2	Security	265.6
2.3	3.3	Other / elimination	12.1
<b>271.0</b>	<b>308.6</b>	<b>Total operating revenues Norway</b>	<b>1284.6</b>
229.1	229.9	Local Infrastructure	1 168.9
41.8	42.5	Central Infrastructure	259.2
9.9	8.2	Security	40.4
0.5	0.1	Eliminations	(7.4)
<b>281.3</b>	<b>280.6</b>	<b>Total operating revenues Sweden</b>	<b>1461.1</b>
-	-	Local Infrastructure	-
35.9	23.0	Central Infrastructure	180.7
0.9	1.0	Security	5.9
(0.1)	(0.1)	Eliminations	(2.0)
<b>36.7</b>	<b>23.9</b>	<b>Total operating revenues Finland</b>	<b>184.5</b>
(10.3)	(9.7)	Eliminations	(40.5)
<b>578.7</b>	<b>603.4</b>	<b>Total operating revenues</b>	<b>2889.7</b>

## Operating profit

First quarter			Year
2011	2012	NOK million	2011
1.0	14.7	Local Infrastructure	46.7
(1.9)	(3.6)	Central Infrastructure	(1.2)
1.3	1.4	Security	25.3
(6.2)	(5.4)	Other	(19.9)
<b>(5.8)</b>	<b>7.1</b>	<b>Total operating profit Norway</b>	<b>50.9</b>
(4.8)	(3.1)	Local Infrastructure	39.3
(1.6)	(2.2)	Central Infrastructure	0.8
(1.1)	(0.6)	Security	(0.9)
<b>(7.5)</b>	<b>(6.0)</b>	<b>Total operating profit Sweden</b>	<b>39.2</b>
-	-	Local Infrastructure	-
(0.8)	(2.6)	Central Infrastructure	12.1
(0.3)	(0.5)	Security	(1.2)
<b>(1.2)</b>	<b>(3.1)</b>	<b>Total operating profit Finland</b>	<b>11.0</b>
-	-	Eliminations	-
<b>(14.4)</b>	<b>(2.0)</b>	<b>Total operating profit</b>	<b>101.1</b>

# Key figures

NOK million	First quarter		Year
	2012	2011	2011
<b>Profitability</b>			
Operating profit margin before depreciation	1.3 %	-0.7 %	5.0 %
Operating profit margin	-0.3 %	-2.5 %	3.5 %
<b>Capital matters</b>			
Equity	469.8	611.0	484.0
Total assets	1 493.2	1 400.5	1 648.2
Equity ratio	31 %	44 %	29 %
Net interest bearing debt (cash)	(252.0)	(224.0)	(285.6)
Capital expenditure - operational	4.2	16.7	38.6
<b>Shares and shareholder matters</b>			
Share price (NOK)	20.0	22.5	20.6
Number of outstanding shares <sup>1)</sup>	63 863 224	63 863 224	63 863 224
Average number of outstanding shares <sup>2)</sup>	63 863 224	63 863 224	63 863 224
Market value	1 277	1 437	1 316
Enterprise value (EV)	1 025	1 213	1 029
Earnings per share (EPS) <sup>3)</sup> (NOK)	(0.0)	(0.2)	1.1
Cash flow from operations per share (NOK)	(0.2)	0.3	2.8
Dividend per share <sup>4)</sup> (NOK)	1.50	1.00	1.00

Note: 1) Number of shares outstanding by the end of the period.

2) Weighted average number of shares outstanding during the period.

3) Based on number of shares as defined under item 2.

4) Dividend approved at the general meeting 9 May 2012.

# Shareholder structure per 31 March 2012

#	Owner	No. of shares	%-ownership
1	HAFSLUND ASA	27 652 360	43.3 %
2	FORTUM NORDIC AB	21 074 864	33.0 %
3	ODIN NORDEN	3 253 800	5.1 %
4	ORKLA ASA	2 351 044	3.7 %
5	NORDSTJERNAN AB	1 952 067	3.1 %
6	THE NORTHERN TRUST C TREATY ACCOUNT	1 595 600	2.5 %
7	SKANDINAVISKA ENSKIL A/C CLIENTS ACCOUNT	947 100	1.5 %
8	MP PENSJON PK	830 000	1.3 %
9	DNB NOR SMB VPF	573 900	0.9 %
10	VPF NORDEA AVKASTNIN C/O JPMORGAN EUROPE	312 000	0.5 %
11	VPF NORDEA KAPITAL C/O JPMORGAN EUROPE	249 850	0.4 %
12	VJ INVEST AS	240 100	0.4 %
13	TERRA TOTAL VPF	208 830	0.3 %
14	IVAR S LØGE AS	200 000	0.3 %
15	FROGNER BJØRN	183 000	0.3 %
	<b>Sum top 15</b>	<b>61 624 526</b>	<b>96.5%</b>
	<b>Other shareholders</b>	<b>2 238 698</b>	<b>3.5%</b>
	<b>Total number of shares</b>	<b>63 863 224</b>	<b>100 %</b>
	Board and management	373 500	0.6 %

# Definitions

	<b>Definition</b>
<b>Earnings per share (EPS)</b>	Profit after tax / weighted average number of shares outstanding during the period
<b>Cash flow from operations per share</b>	Cash flow from operations / weighted average number of shares outstanding during the period
<b>Operating profit margin before depreciation</b>	Operating profit before depreciation / Operating revenues
<b>Operating margin</b>	Operating profit / Operating revenues
<b>Market value</b>	Share price as of end of period * number of shares outstanding
<b>Net interest bearing debt</b>	Book value of interest bearing debt less cash and cash equivalents
<b>Enterprise value (EV)</b>	Market value of equity + net interest bearing debt
<b>Equity ratio (in %)</b>	(Book value of equity incl. minority / Total assets) * 100

# Investor information

- Further information is available on Infratek's web-site: [www.infratek.no](http://www.infratek.no)
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