Q1/2010

+ COMPANY
Q-FREE ASA

+ REFERENCE TYPE

QUARTERLY REPORT

+ REVENUES (MNOK)

191.6

THE CEO'S CORNER //

We are now well into a new year, busy chasing new market opportunities, finalising the projects awarded in 2009 and executing important R&D activity to further enhance our offering.

A lot of exiting things are happening and, as it looks now, several major projects will be awarded in 2011 and onwards. Q-Free's present position and our continuous effort to improve and broaden our portfolio will place Q-Free in an attractive position going forward. Not to underestimate the value of our strong references around the world. Having said that, 2010 will probably be a transition year in which the most important activity will be to secure our position for future awards. This will be achieved by continuing to have high customer focus, proactive market activity, enhance local setup in the market and by continuously improve our offering.

The global ITS market is expected to grow considerably over the next years and Q-Free intend to continue investing in all part of its value chain to strengthen our long term market position.

The vision of Q-Free is to be a globally preferred partner in the area of Intelligent Transport Systems, having world-wide leadership in Road User Charging and Traffic Management. This is a bold vision but achievable if we do the right things long enough.

We strongly believe that the ITS market is at an early stage. Q-Free has a unique position and giving our current plans this will be further strengthened going further.

As mentioned before not all quarters will represent a financial improvement, but the market opportunities at hand and Q-Free ability are indicating that we in a long term perspective will have many busy years ahead of us.

Thanks to all clients, employees and partners for your strong commitment to Q-Free.

Dr. Øyvind Isaksen

President & CEO

HIGHLIGHTS //

- Revenues 191.6 MNOK, 57 % growth compared to Q1-09
- Operating profit (EBIT) 13.2 MNOK, 6.9 % margin
- Profit before tax 14.8 MNOK, 7.7 % margin
- Cash position temporarily weakened, expected to improve in the coming quarters
- Order intake 157 MNOK, main contributors being;
    - Tag order in Brazil - 62 MNOK (Frame Agreement of 109 MNOK)
    - Tag order Australia - 15 MNOK
    - First order for delivery of the new tag
- Order backlog 679 MNOK

NOK 1.000	Q1 2010	Q1 2009	Q2 2009	Q3 2009	Q4 2009	31/12/2009
Revenues	191,646	121,915	185,515	226,624	270,349	804,403
Gross profit	127,386	77,565	110,725	136,274	176,410	500,974
Gross margin - %	66.5 %	63.6 %	59.7 %	60.1 %	65.3 %	62.3 %
Operating profit - EBITDA	21,587	12,924	26,609	37,407	58,264	135,205
EBITDA margin	11.3 %	10.6 %	14.3 %	16.5 %	21.6 %	16.8 %
Operating profit - EBIT	13,238	6,139	18,595	30,519	47,489	102,743
EBIT margin	6.9 %	5.0 %	10.0 %	13.5 %	17.6 %	12.8 %
Pretax profit	14,837	7,981	22,429	33,125	46,164	109,698
Profit margin	7.7 %	6.5 %	12.1 %	14.6 %	17.1 %	13.6 %
EPS	0.18	0.12	0.30	0.49	0.47	1.41

COMMENTS TO THE FINANCIAL STATEMENTS AND THE OPERATIONAL DEVELOPMENT DURING THE QUARTER //

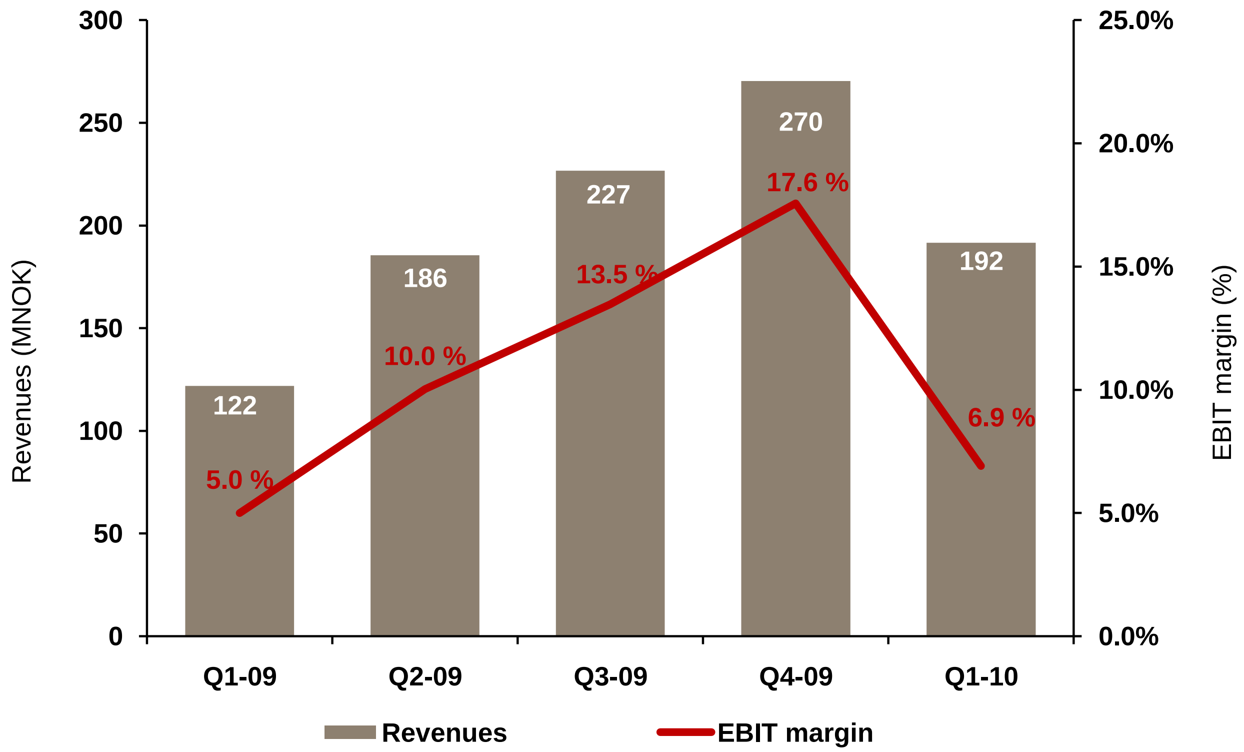
The Group generated revenues of 191.6 MNOK during the first quarter 2010 compared to 121.9 MNOK in the corresponding quarter in 2009. Revenues in the fourth quarter 2009 amounted to 270.3 MNOK. This represents a growth of 57 % from last year and a decrease of 29 % from the previous quarter. The revenues in the first quarter 2010 comprised 58.3 MNOK of product revenues, 17.0 MNOK of service and maintenance revenues and 116.3 MNOK in project deliveries.

Cost of goods sold in the first quarter 2010 amounted to 64.3 MNOK, representing a gross margin of 66.5 % in the quarter. Corresponding gross margin in the fourth quarter 2009 was 65.3 % and 63.6 % in the first quarter 2009.
The operating expenses in this quarter were 105.8 MNOK compared to 118.1 MNOK in Q4-09. This decrease is mainly due to decreased activity related to the projects in Slovakia and Portugal which is in the process of being finalised.

The Group's operating profit (EBIT) in the first quarter 2010 was 13.2 MNOK (6.9 %) compared to 6.1 MNOK (5.0%) in the corresponding quarter in 2009. The EBIT in the fourth quarter 2009 was 47.5 MNOK (17.6%). The deviation compared to the fourth quarter 2009 is mainly explained by lower revenue contribution from the larger infrastructure projects.

In the first quarter 2010 net financial items amounted to 1.6 MNOK, compared to 1.8 MNOK in the corresponding quarter in 2009 and negative 1.3 MNOK in the fourth quarter 2009.

Profit after tax in the quarter amounted to 10.6 MNOK compared to 6.7 MNOK in the corresponding quarter in 2009. In the fourth quarter 2009 profit after tax amounted to 34.3 MNOK. Earnings per share in the quarter amounted to 0.18 NOK compared to 0.12 NOK in the corresponding quarter in 2009 and 0.47 NOK in the fourth quarter 2009.



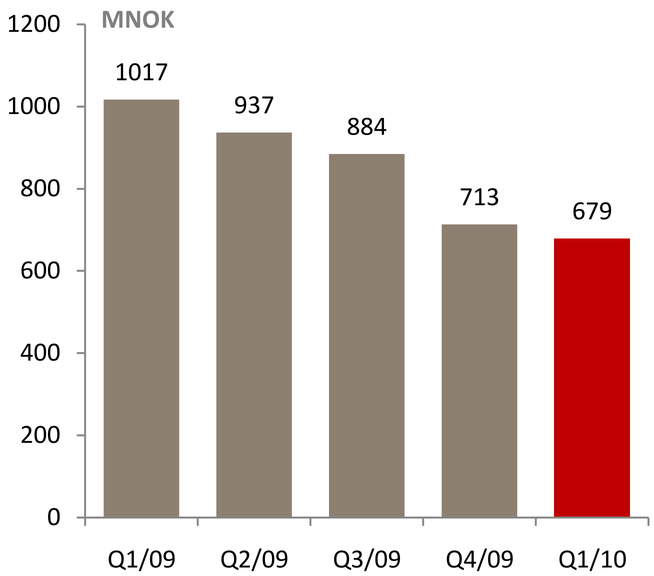
Total assets were 774.1 MNOK at the end of the quarter compared to 767.5 MNOK at the end of the fourth quarter 2009. The Group`s equity was 557.2 MNOK, representing a 72.0 % equity ratio at the end of the quarter. The Group`s cash position is decreased by 98.8 MNOK during the quarter, from 274.6 MNOK to 175.8 MNOK. Net cash flow from operations amounted to – 81.9 MNOK, the cash flow from investments was -16.9 MNOK (investments in development 10.0 MNOK, and fixed assets 6.9 MNOK). Net cash flow from financing was insignificant during the quarter. The negative cash flow from operations reflects a positive EBITDA of 21.6 MNOK but an increased working capital because of the project in Slovakia. The working capital in the Group has been changing because of the activity throughout the last quarters and relative to the last 12 months revenues it was 39.1 % in Q1-10, 42.8 % in Q4-09 and 34.1% at the end of Q3-09.

LIQUIDITY AND ORDERS //

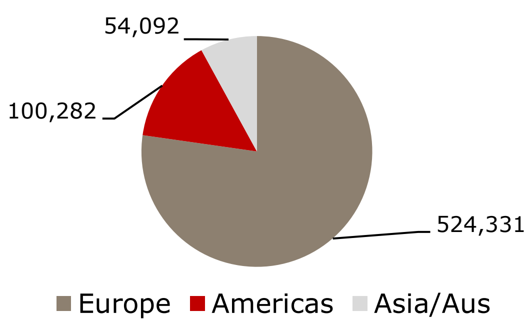
At the end of the first quarter 2010 the Group had cash funds of 175.8 MNOK compared to 144.5 MNOK in the corresponding quarter in 2009 and 274.6 MNOK at the end of the fourth quarter 2009. The liquidity ratio was 2.8 at the end of Q1-10 compared to 2.2 at the end of the corresponding quarter in 2009 and 2.8 at the end of Q4-09.

The Group's order backlog totalled 679 MNOK at the end of the first quarter compared to 713 MNOK at the end of the fourth quarter 2009. Order intake during the quarter reached 157 MNOK, this is an increase of 58 MNOK from the previous quarter. The order intake is comprised by the tag contract in Brazil of 62 MNOK, being the guaranteed volume of a frame agreement of 109 MNOK. In addition the group received a tag contract from Australia of 15 MNOK and a number of smaller contracts.

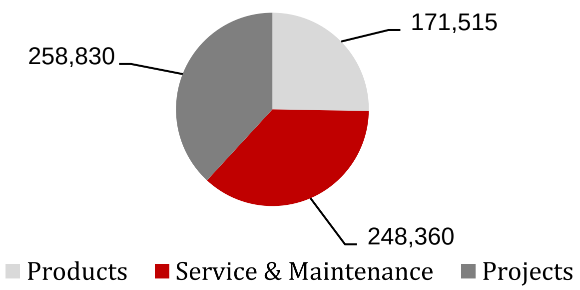
ORDER BACKLOG //



ORDER BACKLOG IN MNOK - GEOGRAPHICAL PER Q1 10//



ORDER BACKLOG IN MNOK – BUSINESS AREAS PER Q1 10//



THE MARKET //

Q-Free operates mainly in the market of Road User Charging (RUC). However, through the acquisition of Dacolian BV the company has intensified its activity within Traffic Management, delivering software components for law enforcement, parking / access control and travel time systems.

The market for RUC solutions is still at an early stage and it is expected that more countries will implement RUC systems for various applications and that existing markets will increase.

The most important market drivers for RUC solutions can be segmented as;

- financing of infrastructure
- truck tolling
- improve the efficiency of existing RUC solutions (*i.e.* converting manual operated tolling systems to fully automated systems)
- congestion management

Also new markets are starting to be visible in the area of road taxation, - namely Electronic Registration and Identification (ERI). A new regulation has been formalised for European countries and will probably set the standard in this market segment. Regulators in several countries are now in the starting phase of developing projects to implement electronic number plates to regulate and enforce annual taxation and security on the roads in a better way. This represents a huge market potential since it implies that all cars will be equipped with a tag, - this in addition to the need for road side infrastructure and central systems.

The market activity continues to be high, and the number of sales leads and its size continues to have a positive development.

A detailed look at the individual regions:

EUROPE, MIDDLE EAST //

The **European** market made up 71 % of the revenues, 36 % of the orders received during the quarter as well as 77 % of the Group's order backlog at the end of the quarter.

The market activity has been high in the region, - especially related to projects in Norway, Sweden, Portugal, France, Turkey, the Netherlands and Central Europe.

In France the company is currently addressing the nationwide truck-tolling project ECOTAXE. Q-Free is currently positioning itself as a sub supplier for different consortiums. The scope for Q-Free could be similar to what the company delivers in Slovakia. The current plan is to start operation in 2012 meaning that orders need to be placed no later than the first half of 2011.

Both Slovenia and Poland are currently planning for a Request for Quotation (RFQ) process for truck tolling and Q-Free will pursue both opportunities. It is expected that these opportunities will materialise within first half of 2011. Further, in the Czech Republic, a Congestion Charging project is being planned, as well as an extension of the existing highway truck tolling scheme to also include private cars. The timing is still uncertain but a bidding process is expected to be initiated in 2010.

The nationwide GNSS based "pay as you drive" scheme in Netherlands has been stopped due to the political situation. Most likely this project will not be restarted with initially planned scope for a long time, - if ever.

Portugal has been an area of high activity during the quarter, both when it comes to project execution and new sales opportunities. Q-Free has been awarded the only two MLFF projects related to conversion of shadow tolling concessions (SCUTs) in Portugal (Cintra and Aenor/Ascendi). The project implementation has been successful and is broadly speaking finalised. Start of operation will however be dependent of a political decision to start conversion from shadow tolling to real tolling, and is currently expected to happen late summer 2010. Recently the Portuguese government has decided to increase the number of SCUTs that will be transformed into real tolls. The next opportunities will most likely be Algarve (Cintra/Ferrovial) and A25 (Ascendi). The timing is still unclear, but most likely this will be 2011 and 2012 awards. In Portugal the government is also planning to implement a system for electronic license plates (ERI) for all vehicles, and the entity responsible for the scheme has been established. Due to changes in the political situation, the project will most likely be delayed. The situation should be clarified within the summer of 2010. The continuing conversion of SCUT's to real tolling and the ERI project represent a huge opportunities for sale of tags, and the company is already experience increased interest to deploy more tags.

The market activity in Turkey is high related to substitution of RFID cards with DSRC tags. The company's new tag is already approved for use in Turkey and several cases are currently being addressed.

In Norway there are relatively frequently deployed smaller and medium sized AutoPASS infrastructure projects, also leading to an increased tag demand and central system services. During the quarter the company was awarded a contract for building new automated tolling infrastructure in Kristiansand and 120k tags for distribution in various cities in Norway.

The market opportunities in Sweden are increasing. A new congestion charging scheme, similar to the one in Stockholm, is expected to materialise in Gothenburg. Timing is still uncertain but it is assumed that start up will be in 2013, and hence orders will be placed in the end of 2011. Also 20-30 electronic road tolling project has been defined for financing infrastructure. This means of financing has never been used in Sweden before and may imply that Sweden will become a very important market in the years to come.

Finland is considering introducing some form of congestion charging. The City of Helsinki Board has voted eight to six in favour of introducing congestion charges for the Finnish capital.

AFRICA //

Q-Free has during the quarter initiated a process to establish a local setup in South Africa. It is expected that the upcoming tag tender will be issued by Sanral during Q2/Q3. The estimated demand over a 2-3 years period is approximately 3 million tags. It is expected that three vendors will be pre-qualified, - Q-Free being one of them. The electronic tolling market in South Africa will increase over the years to come, both when it comes to new infrastructure projects and tags.

ASIA / AUSTRALIA //

The **Asian/Australian** market made up 10 % of the revenues and 18 % of the orders received during the quarter as well as 8 % of the Group's order backlog at the end of the quarter.

The Group announced one new contract in this market during the quarter, - a contract for delivering tags to Roads and Traffic Authority (RTA) in Australia valued at 15 MNOK.

The activity in the region is mainly related to Thailand, Australia and Indonesia, but new opportunities in Taiwan, Vietnam and India are also being explored.

The most mature market in the region is Australia. Cashless tolling is expanding in Australia implying increased tag demand and modernisation of existing road side infrastructure, and hence it is expected that both new tag and infrastructure opportunities will materialise during the year.

The execution of the two ongoing projects in Bangkok is progressing well and ETA has now started operating both the new manual and electronic system delivered by Q-Free. The need for efficient tolling systems in Thailand is evident, and the company expects new projects to materialise. Over time the introduction of electronic tolling systems will trigger an attractive tag market. The company was during the quarter awarded a contract to supply 50k tags of the new generation tags.

The activity in Indonesia is picking up. The company is at the moment exploring opportunities both related to congestion charging in Jakarta and other electronic tolling projects in the country.

NORTH AND LATIN AMERICA //

Customers in **North and Latin America** made up 19 % of the revenues, 46 % of the orders received during the quarter as well as 15 % of the Group's order backlog at the end of the quarter.

The Group announced one new contract in this market during the quarter, - a frame agreement for delivering tags and infrastructure to Centro Gestão Meios de Pagto (CGMP) in Brazil valued at 109 MNOK. Guaranteed order intake from this agreement is 62 MNOK.

The electronic license plate project in Brazil is showing some progress, but the solution being specified implies that there does not exists any available solution in the market and hence implementation will most likely drag out in time. Further the company is addressing projects and product sales in Chile, Columbia and Ecuador.

In **North America** the company is exploring several business opportunities through the company's ALPR solutions, *i.e.* OCR software and camera technology. The company's ALPR software has over the past two years been established as the leading solution in the market and forms a good basis for further expansion in the North America.

Video based solutions for enforcement and interoperability will become increasingly important in North America as Multi Lane Free Flow / Open Road Tolling systems, *i.e.* no barriers used and traffic flows without stopping, are being implemented. Q-Free offers the most advanced systems enabling cost effective and reliable enforcement and tolling.

GEOGRAPHICAL PRESENCE //

DEVELOPMENT //

The company has during the last couple of years invested in improving and broadening its product portfolio. This has been carried out by organic development and through acquisitions.

There is currently ongoing an extensive internal development activity to further strengthen the portfolio. This comprises development of new road side solutions, such as new improved camera solution, new MLFF system design for improved cost/design and reduced deployment time and new DSRC reader supplementing the company's state of the art DSRC portfolio. Also a GNSS (GPS based tolling) tag concept, new generic back office solutions as well as technology enabling car-to-car and car-to-roadside infrastructure communication for improved road safety is under development. During the quarter many important milestones have been achieved and the technical risk has been reduced significantly.

ORGANISATION //

Q-Free has communicated that the organisation is being prepared for international growth. To achieve this we have invested in all parts of the value chain, restructured and expanded the sales organisation, strengthened the R&D activity, broadened the portfolio and implemented a world-class operation capability. All these initiatives will be continued going forward. As mentioned above there is ongoing several important development projects which will be important to stay ahead of competition. Also during the quarter we have strengthened the sales organisation by employing a dedicated person responsible for enhancing product sales, improved the setup in Portugal by employing new country manager and also started a process to establish a Q-Free entity in South Africa.

STRATEGY AND OUTLOOK //

The vision of Q-Free is to be a globally preferred partner in the area of Intelligent Transport Systems having world-wide leadership in Road User Charging and Traffic Management.

Q-Free's ultimate and long term goal is to be a preferred provider independent of technology and solution the customers are looking for.

The global ITS market is expected to grow considerably over the next years and Q-Free's market position is continuously strengthening. Our strategic positioning has been well received by existing and new customers and partners.

From the above regional market report it is clear that 2010 will be an important year to position the company for many bigger infrastructure projects going forward. Some of them may conclude in late 2010 but the majority most likely in 2011 and 2012. This implies that 2010 revenue will mainly comprise of backlog, new small/medium sized projects, such as AutoPASS deployments in Norway, and not at least product sales such as tags and software licences. As such 2010 is expected to be a transition year, and the most important activity in 2010 will be to secure the company's position for the upcoming infrastructure projects securing the basis for a long term growth of the company.

RISK SITUATION //

An international technology Group such as Q-Free is destined to be exposed to a number of different risks. Political risk related to the time involved from sales lead are identified to contract is awarded and implementation of projects is particularly significant to Q-Free's operations, as RUC projects are usually always directly or indirectly subject to a governmental concession. The fact that road concessions are being privatised in the most developed RUC markets may reduce the political risk in the long term.

Other risks:

CURRENCY RISK //

Q-Free has considerable foreign currency exposure since it earns between 70-85 % of its revenues abroad. Q-Free also buys a substantial share of its needed equipment and services abroad and runs businesses outside Norway. This mitigates the Group's net foreign currency exposure by 30-50 %. The Group's most important trading currencies except for NOK are USD and EUR. Q-Free's policy is to limit currency risk while actively assessing various currencies' importance as competitive parameters. The Group strategy is to combine estimated future sales and purchases and hedge the net cash flow in the foreign currency by using forward / future contracts.

CREDIT RISK //

The Group is only conducting business with parties with an acceptable credit record. To the extent the credit rate is questionable, payment guarantees, letter of credit or advance payments will be considered. The Group has no significant credit risk linked to an individual contracting party or several other contracting parties that can be regarded as a group due to similarities in the credit risk. The Group has guidelines for ensuring that sales are only made to customers that have not experienced any significant credit problems, and that outstanding amounts do not exceed given credit limits. The Group has not provided any guarantees for third parties' liabilities. The Group is exposed to risk involved in customers not having the ability to fulfil their financial obligations. However, this risk is considered to be low since the Group's customers are major IT companies, public authorities, larger foreign road operators and key road concessionaires in Norway and abroad. This is documented by a historically low bad debt ratio on accounts receivables. When Q-Free enters a new market, the credit risk will be assessed in each individual case and appropriate actions like utilising letter of credits and other similar tools, will be used in order to reduce credit risk.

INTEREST RATE RISKS //

Since the Group has no significant amount of interest bearing debt the interest risk is immaterial. However if the Group will enter any significant interest bearing debt contracts, the group emphasises predictability at all times when changes in the interest level have a significant influence on the consolidated profit and will take actions to hedge this risk.

LIQUIDITY RISK //

The Q-Free ASA Group's strategy is to have sufficient cash, cash equivalents or credit facilities at any time to be able to finance its operations and investments over the next three years as required in the company's strategy plan for the same period. Surplus liquidity is either deposited in banks or invested in money market funds, with the purpose of obtaining an acceptable return on invested capital combined with a low risk.

TECHNOLOGY RISK //

The Group is exposed to quality problems both due to the quality of own work and the quality of deliveries from subcontractors. Furthermore, continuous technology advances can affect the competitive situation of Q-Free. Q-Free mitigates this risk by systematic quality control of subcontractors, own technology and product development, by continuously seeking competence needed to integrate various technologies into our solutions, and finally by making provisions for possible faulty deliveries.

PROJECT RISK //

Q-Free's revenues normally include a substantial element of large-scale project deliveries that place significant demands on implementation know-how. Q-Free is in possession of a unique competence in this field, and the development of plans to handle project risks that may arise is an important element of the Group's know-how in this respect.

DECLARATION BY THE BOARD OF DIRECTORS //

The interim report has been prepared in accordance with IAS 34 “Interim Financial Reporting” and in compliance with IFRS standards.

We consider the accounting policies applied to be appropriate. Accordingly, the interim report give a true and fair view of the Group’s assets, liabilities and financial position as of 31st of March 2010 and of the results of the Group’s operations and cash funds for the first quarter of 2010.

The Group uses the same accounting principles in the preparation of its interim reports as for its annual consolidated financials.

Trondheim, 28 April 2010.

The Board of Directors of Q-Free ASA

For more information – visit our website

www.q-free.com

The interim consolidated income statement per 30.03.2009 (Unaudited):

- Profit and Loss statement
- Interim consolidated statement of comprehensive income
- Revenue specification
- Balance sheet
- Statement for changes in equity
- Cash Flow Statement
- Key figures

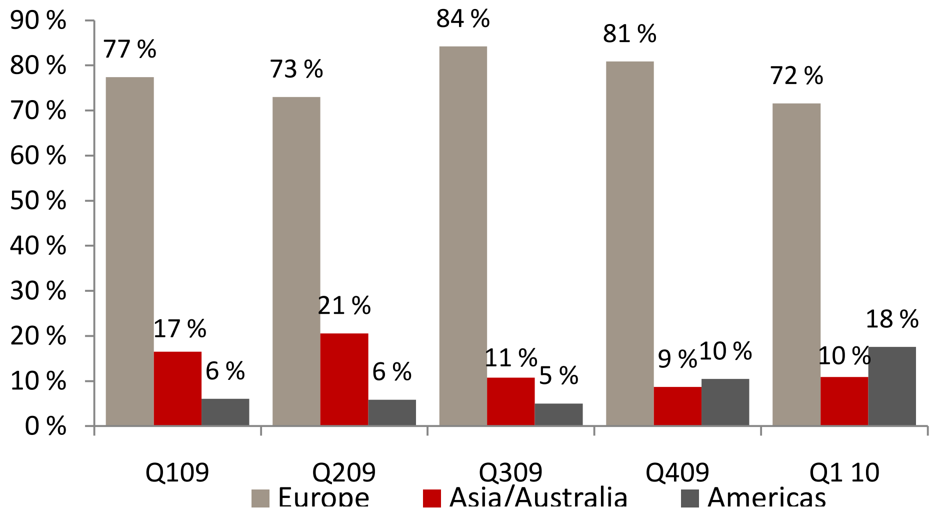
PROFIT AND LOSS STATEMENT //

NOK 1.000	Q1 2010	Q1 2009	Q2 2009	Q3 2009	Q4 2009	31/12/2009
Revenues	**191,646**	121,915	185,515	226,624	270,349	**804,403**
Cost of goods sold	**64,259**	44,350	74,791	90,350	93,939	**303,429**
Payroll expenses	**39,167**	32,408	33,516	41,348	46,441	**153,712**
Other operating expenses	**66,632**	32,233	50,600	57,519	71,705	**212,057**
Total operating expenses	**170,059**	108,991	158,906	189,217	212,084	**669,198**
EBITDA	**21,587**	12,924	26,609	37,407	58,264	**135,205**
Depreciation, amortisation and impairment	**8,349**	6,785	8,013	6,888	10,775	**32,461**
EBIT	**13,238**	6,139	18,595	30,519	47,489	**102,743**
Financial income	**3,908**	8,305	5,424	15,668	3,933	**33,330**
Financial expenses	**-2,309**	-6,463	-1,591	-13,062	-5,258	**-26,375**
Net financial items	**1,599**	1,842	3,833	2,605	-1,325	**6,955**
Profit before tax	**14,837**	7,981	22,429	33,125	46,164	**109,698**
Tax expenses	**-4,204**	-1,206	-6,072	-6,403	-17,868	**-31,549**
Profit for the period	**10,632**	6,775	16,356	26,722	28,296	**78,149**
Attributal to :						
Minority interests	**-234**	461	454	-288	-788	**-160**
Equity holders of the parent	**10,867**	6,314	15,902	27,010	29,084	**78,310**
Profit	**10,632**	6,775	16,356	26,722	28,296	**78,150**
Number of employees	302	270	280	306	298	**298**
Gross margin	**66.5 %**	63.6 %	59.7 %	60.1 %	65.3 %	**62.3 %**
EBITDA margin	**11.3 %**	10.6 %	14.3 %	16.5 %	21.6 %	**16.8 %**
EBIT margin	**6.9 %**	5.0 %	10.0 %	13.5 %	17.6 %	**12.8 %**
Profit margin	**7.7 %**	6.5 %	12.1 %	14.6 %	17.1 %	**13.6 %**
EPS	**0.18**	0.12	0.30	0.49	0.47	**1.41**
EPS, diluted	**0.17**	0.12	0.30	0.48	0.46	**1.39**

Q FREE

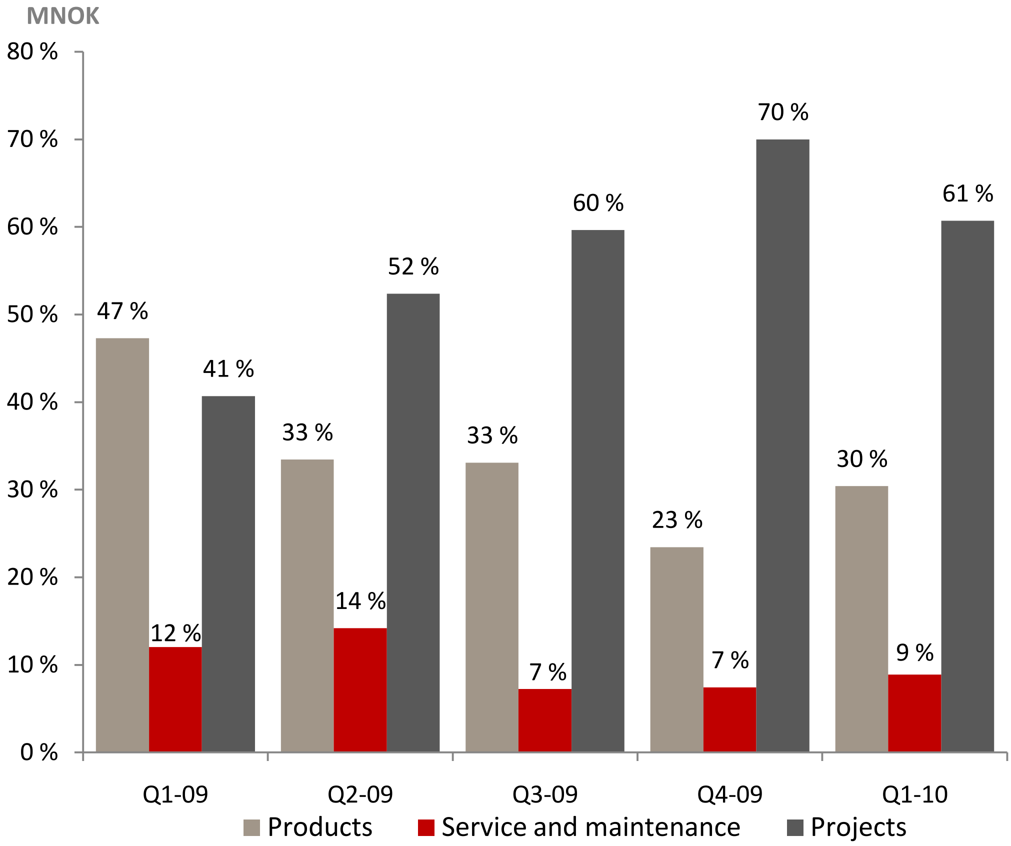
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME //

NOK 1.000	Q1 2010	Q1 2009	Q2 2009	Q3 2009	Q4 2009	31/12/2009
Profit for the period	**10,632**	6,775	16,356	26,722	28,296	**78,150**
Calculation differences	**-1,998**	26	86	-375	1,656	**1,393**
Total comprehensive income for the period	**8,634**	6,801	16,442	26,348	29,952	**79,543**
Attributal to :						
Minority interests	**-234**	461	454	-288	-788	**-160**
Equity holders of the parent	**8,869**	6,340	15,988	26,635	30,740	**79,703**
Total comprehensive income for the period	**8,634**	6,801	16,442	26,348	29,952	**79,542**



MNOK	Q1-09	Q2-09	Q3-09	Q4-09	Q1-10
Europe	94.4	136.5	190.8	218.6	142.9
Asia/Australia	20.1	38.1	24.4	23.5	21.7
Americas	7.4	10.9	11.4	28.3	35.1
TOTAL	**121.9**	**185.5**	**226.6**	**270.3**	**199.6**

REVENUE SPECIFICATION- BUSINESS AREAS //



MNOK	Q1-09	Q2-09	Q3-09	Q4-09	Q1-10
Products	57.7	62.0	75.0	63.4	58.3
Service and maintenance	14.7	26.3	16.5	20.1	17.0
Projects	49.6	97.2	135.2	186.9	116.3
TOTAL	**121.9**	**185.5**	**226.6**	**270.4**	**191.6**

BALANCE SHEET, ASSETS //

NOK 1.000	31/03/2010	31/12/2009	30/09/2009	30/06/2009	31/03/2009
Development	128,577	121,572	110,496	107,808	103,849
Goodwill	34,288	34,288	29,513	29,513	26,022
Total intangible assets	**162,865**	**155,860**	**140,010**	**137,321**	**129,871**
Machinery, fixtures and fittings	73,214	71,874	70,637	67,671	65,806
Total fixed assets	**73,214**	**71,874**	**70,637**	**67,671**	**65,806**
Shares	4,123	4,103	2,278	2,278	2,277
Pension funds	3,132	0	0	698	1,227
Other long term receivables	1,882	1,621	1,361	2,052	1,596
Total financial fixed assets	**9,138**	**5,725**	**3,639**	**5,027**	**5,100**
Total fixed assets	**245,217**	**233,459**	**214,286**	**210,020**	**200,777**
Inventories	45,001	40,328	42,780	50,961	48,811
Total inventories	**45,001**	**40,328**	**42,780**	**50,961**	**48,811**
Accounts receivables	126,789	125,144	60,998	90,780	70,389
Work in progress	154,012	64,699	68,264	19,736	24,584
Other receivables	27,289	29,288	27,984	22,114	29,123
Total receivables	**308,090**	**219,131**	**157,247**	**132,630**	**124,096**
Cash	**175,836**	**274,615**	**163,471**	**167,084**	**144,506**
Total current assets	**528,927**	**534,075**	**363,497**	**350,676**	**317,413**
Total assets	**774,145**	**767,534**	**577,783**	**560,695**	**518,190**

BALANCE SHEET, EQUITY AND LIABILITIES //

NOK 1.000	31/03/2010	31/12/2009	30/09/2009	30/06/2009	31/03/2009	31/12/2008
Subscribed share capital	22,821	22,821	20,883	20,875	20,511	20,511
Share premium reserve	283,946	283,946	180,888	180,864	171,399	171,399
Other paid in capital	10,348	10,348	7,809	7,809	7,809	7,809
Total paid in capital	**317,115**	**317,115**	**209,579**	**209,547**	**199,719**	**199,719**
Other equity	219,504	210,635	180,585	153,976	137,989	131,649
Total retained equity	**219,504**	**210,635**	**180,585**	**153,976**	**137,989**	**131,649**
Minority interests	**20,617**	**20,851**	**21,639**	**21,927**	**21,472**	**21,011**
Total equity	**557,236**	**548,601**	**411,803**	**385,450**	**359,180**	**352,379**
Pension liabilities	2,178	1,466	1,920	745	653	733
Deferred tax	33,256	27,121	21,862	12,217	8,683	10,749
Total liabilities	**35,434**	**28,587**	**23,782**	**12,962**	**9,336**	**11,482**
Debt to financial institutions	1,214	1,412	1,609	1,807	2,004	2,202
Total long term debt	**1,214**	**1,412**	**1,609**	**1,807**	**2,004**	**2,202**
Accounts payable	74,258	105,411	70,517	86,251	49,433	58,613
Tax payable	2,307	4,959	2,536	1,195	2,668	4,246
Public duties payable	4,692	13,653	3,032	4,555	3,120	3,571
Advance payments customers	5,393	5,415	6,672	8,572	29,237	5,550
Other short term debt	93,610	59,496	57,832	59,903	63,212	70,029
Total short term debt	**180,261**	**188,934**	**140,588**	**160,476**	**147,670**	**142,010**
Total liabilities	**216,908**	**218,933**	**165,979**	**175,245**	**159,010**	**155,693**
Total equity and liabilities	**774,145**	**767,534**	**577,783**	**560,695**	**518,190**	**508,072**

STATEMENT OF CHANGES IN EQUITY, 2010 //

NOK 1.000	Sub-scribed share capital	Share premeium reserves	Other paid in Capital	Other equity	Foreign currency translation reserve	Total	Minority interests	Total equity
	Equity attributal to equity holders of the parent							
Equity per 31.12.09	22,821	283,946	10,348	210,847	-211	527,751	20,851	548,601
Total comprehensive income for the period				10,867	-1,998	8,869	-234	8,635
Equity per 31.03.09	**22,821**	**283,946**	**10,348**	**221,714**	**-2,209**	**536,620**	**20,617**	**557,236**

CASH FLOW STATEMENT //

NOK 1.000	31/03/2010	31/12/2009	30/09/2009	30/06/2009	31/03/2009
Net cash flow from operations	**-81,839**	**111,852**	**77,062**	**69,106**	**37,690**
Net cash flow from investments	**-16,975**	**-71,081**	**-41,816**	**-30,157**	**-12,142**
Net cash flow from financing	**36**	**114,227**	**8,608**	**8,518**	**-659**
Net change in cash in the period	**-98,779**	**154,998**	**43,854**	**47,467**	**24,889**
Cash opening balance	274,615	119,617	119,617	119,617	119,617
Cash closing balance	**175,836**	**274,615**	**163,471**	**167,084**	**144,506**

NOK 1.000	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Net cash flow from operations	**-81,839**	**34,790**	**7,956**	**31,416**	**37,690**
Net cash flow from investments	**-16,975**	**-29,265**	**-11,659**	**-18,015**	**-12,142**
Net cash flow from financing	**36**	**105,619**	**90**	**9,177**	**-659**
Net change in cash in the period	**-98,779**	**111,144**	**-3,613**	**22,578**	**24,889**
Cash opening balance	274,615	163,471	167,084	144,506	119,617
Cash closing balance	**175,836**	**274,615**	**163,471**	**167,084**	**144,506**

KEY FIGURES //

	31/03/2010	31/03/2009	30/06/2009	30/09/2009	31/12/2009
Operating profit / EBIT per share	0.22 %	0.11	0.34	1.01	1.74
Operating margin	6.9 %	5.0 %	10.0 %	13.5 %	12.8 %
EPS	0.18	0.12	0.42	0.91	1.41
EPS, diluted	0.17	0.12	0.42	0.89	1.39
Cash flow per share	-1.4	0.7	1.3	1.4	1.9
Equity per share	9.30	6.53	7.02	7.50	9.29
Equity ratio	72.0 %	69.4 %	68.7 %	71.3 %	71.2 %
Liquidity ratio	2.9	2.2	2.2	2.6	2.8
Average number of shares	60,054,092	53,976,213	54,934,492	54,954,092	54,954,092
Average number of shares diluted	60,929,092	53,976,213	54,934,492	55,744,092	55,894,092

	Q1 2010	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Operating profit / EBIT per share	0.22	0.11	0.34	0.56	0.81
Operating margin	6.9 %	5.0 %	10.0 %	13.5 %	17.6 %
EPS	0.18	0.12	0.30	0.49	0.47
EPS, diluted	0.17	0.12	0.30	0.48	0.46
Cash flow per share	-1.36	0.70	0.57	0.14	0.63
Average number of shares	60,054,092	53,976,213	53,976,213	53,976,213	54,954,092
Average number of shares diluted	60,929,092	53,976,213	53,976,213	53,976,213	55,894,092

KEY INFORMATION //

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BOARD OF DIRECTORS //

Ole Jørgen Fredriksen,	Chairman of the Board
Christian Albech	Board member
Torild Skogsholm	Board member
Mimi Berdal	Board member
Jan Pihl Grimnes	Board member
Sissel Lillevik Larsen	Employee elected board member
Anders Hagen	Employee elected board member

MANAGEMENT //

Øyvind Isaksen,	President & CEO
Roar Østbø,	CFO
Jos Nijhuis,	General Manager Dacolian Bv
Per Fredrik Ecker,	VP Sales
Marianne Sandal,	VP Operations
Henrik Stoltenberg	VP M&A
Hans Christian Bolstad,	VP R&D
Steinar Furan,	VP Business Development
Stein-Tore Nybrodahl,	HR Manager

INVESTOR RELATIONS //

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