

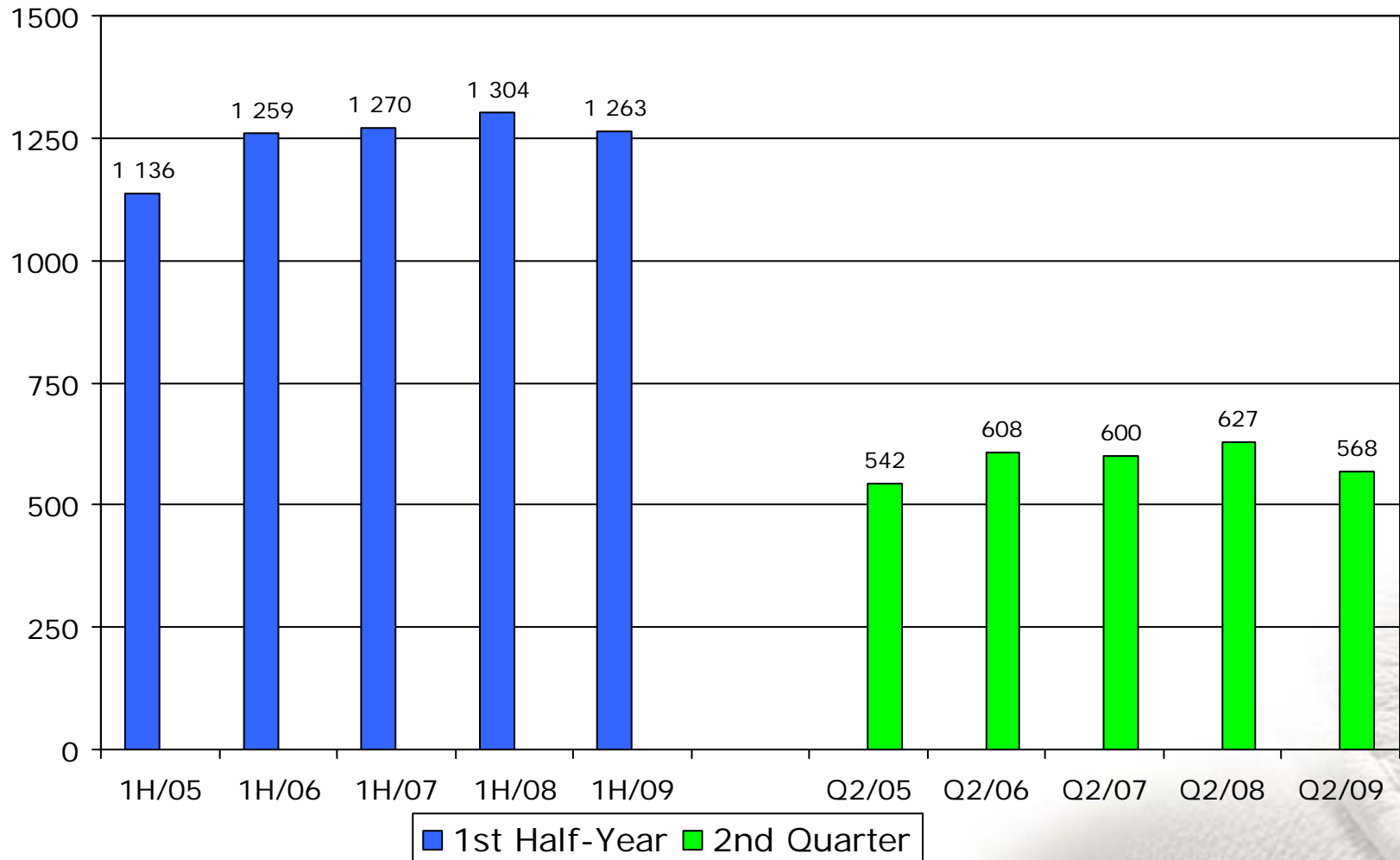
# EKORNES ASA

## 1<sup>st</sup> HALF-YEAR 2009

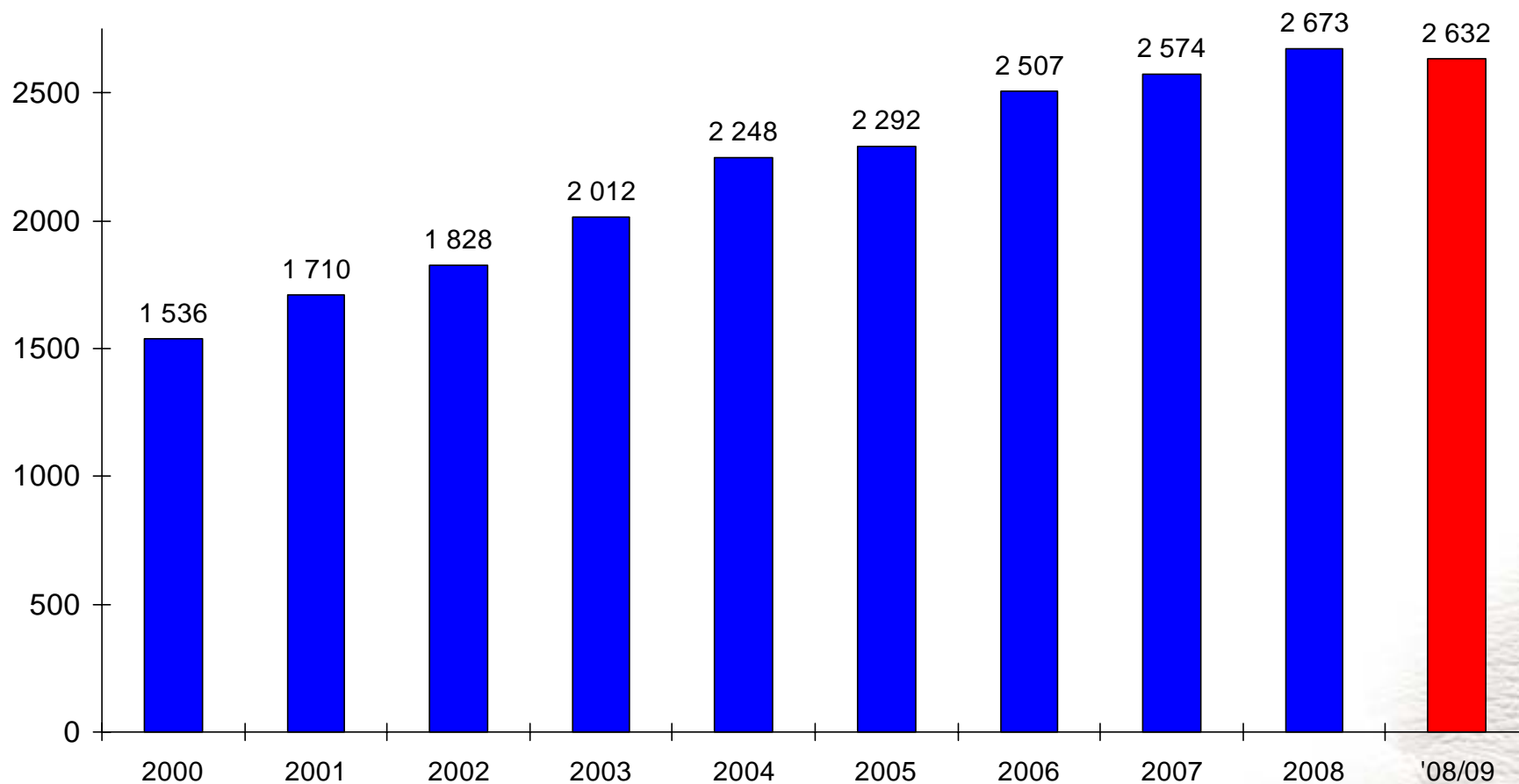
## Ekornes Q2 - Headlines:

- Solid figures – despite downturn and downsizing of capacity
- EBIT MNOK 187.7 (H1/08: MNOK 206.7)
- EBT MNOK 171.3 (H1/08: MNOK 201.8). Currency effects (MNOK -15.4 compared to MNOK -6.9 in Q1/08)
- Operating revenue only slightly down (-3.1%). Affected by reduced capacity, but positive currency effects. Down 9.3% using fixed exchange rates
- In general, market still challenging and uncertain. However some signs to improvement
- Order income slightly up, however down 1.2% using fixed exchange rates
  - Strong growth in Central Europe (+10%) – despite a weak market
  - Norway up 26% - mainly due to higher sales of mattresses and chairs
  - Decline in order income in most other markets
- Production capacity – Stressless® seats down 16%. Seven days of production less in 2009. Seats per day in H1 down (1,515 seats/1,707 seats). Capacity build up through Q3 – target 1,570 seats by end Q3
- Svane® – improved distribution in Norway as from June – revenues up 21.4%
- Good order income 2009. Order book building up. Full capacity utilisation expected also in Q3 (However, still at a lower level than 2008)

# Development in Operating Revenue:

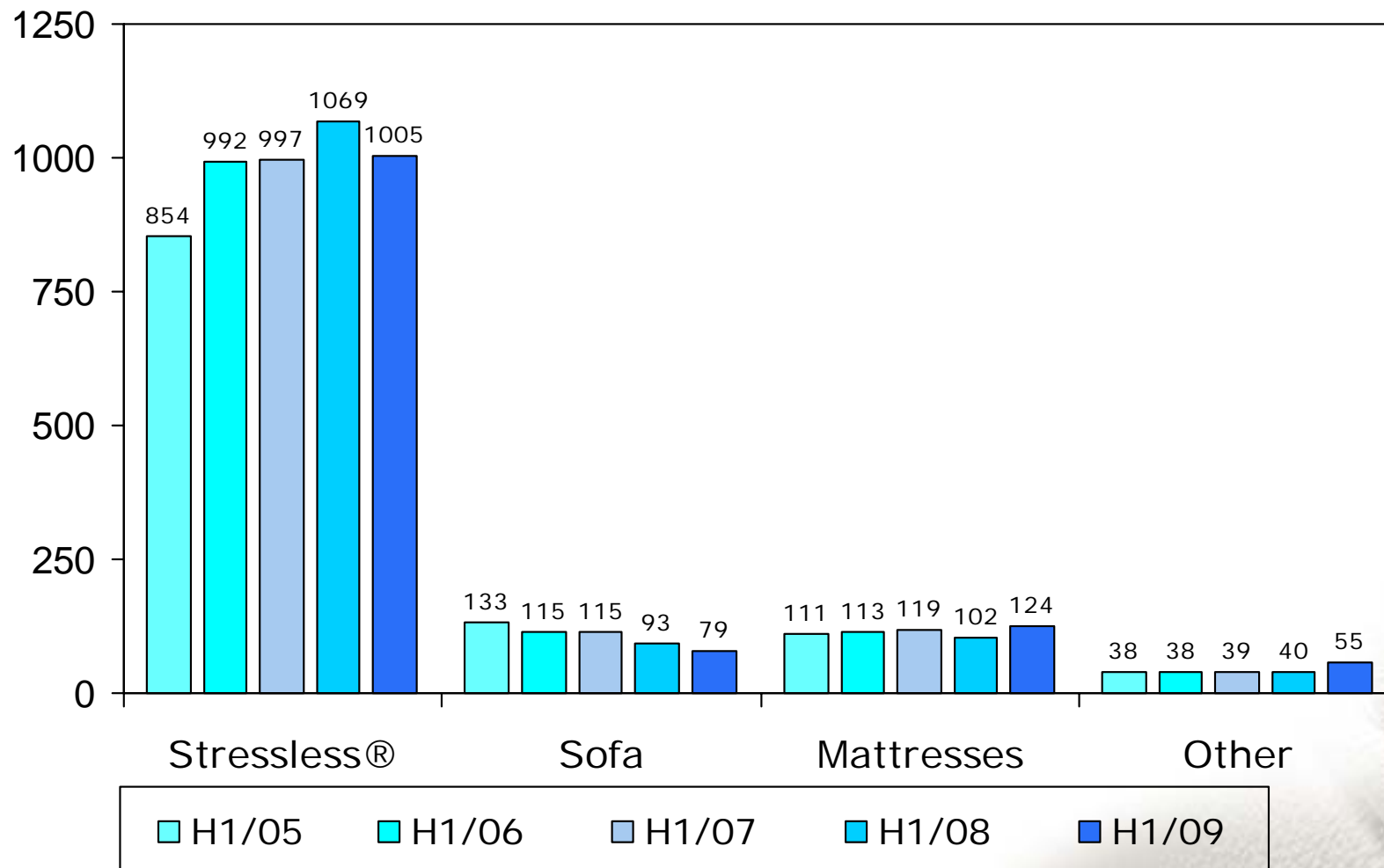


## Development in Operating Revenue



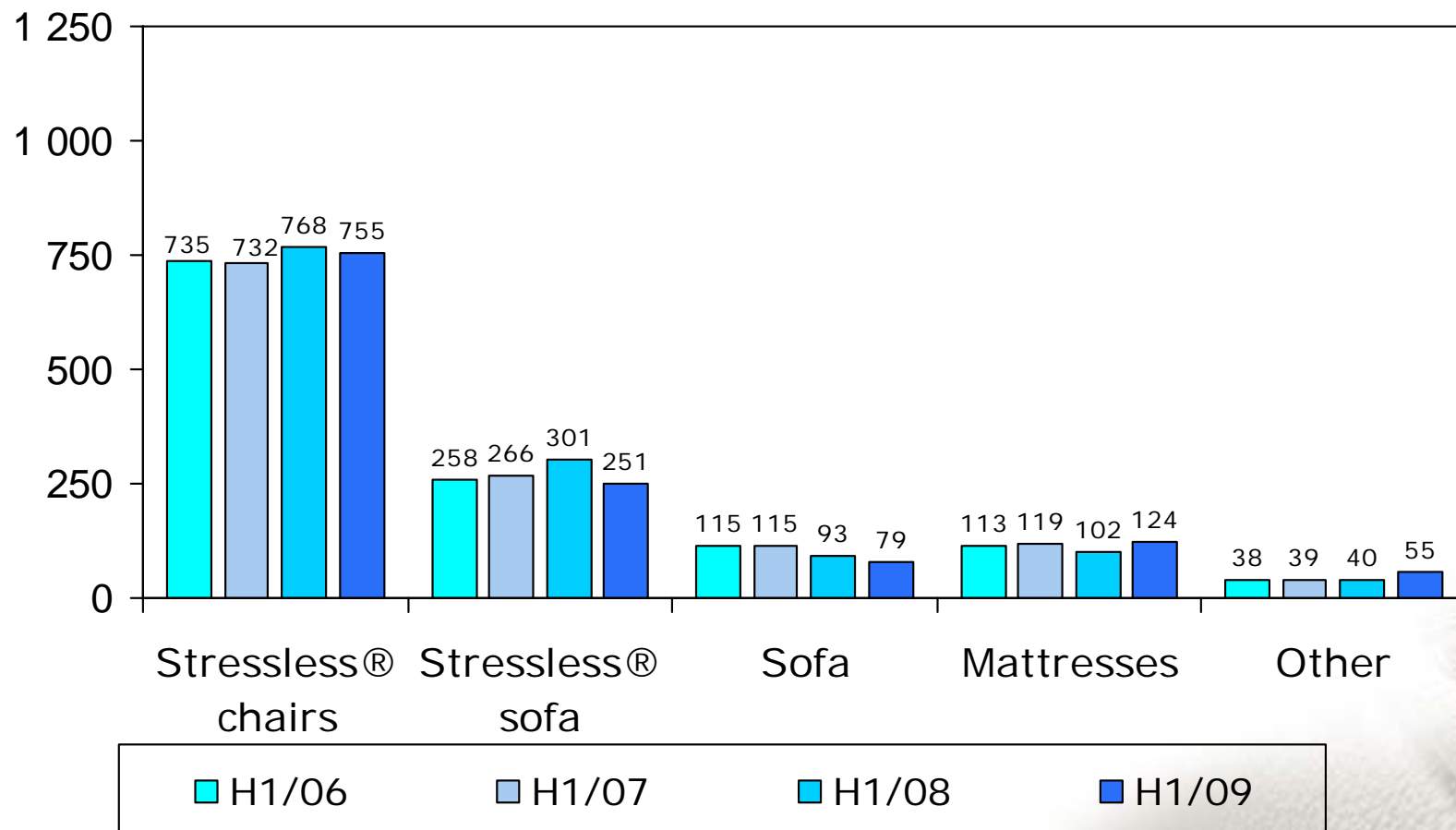
# Distribution of turnover by product area

(mill.NOK):

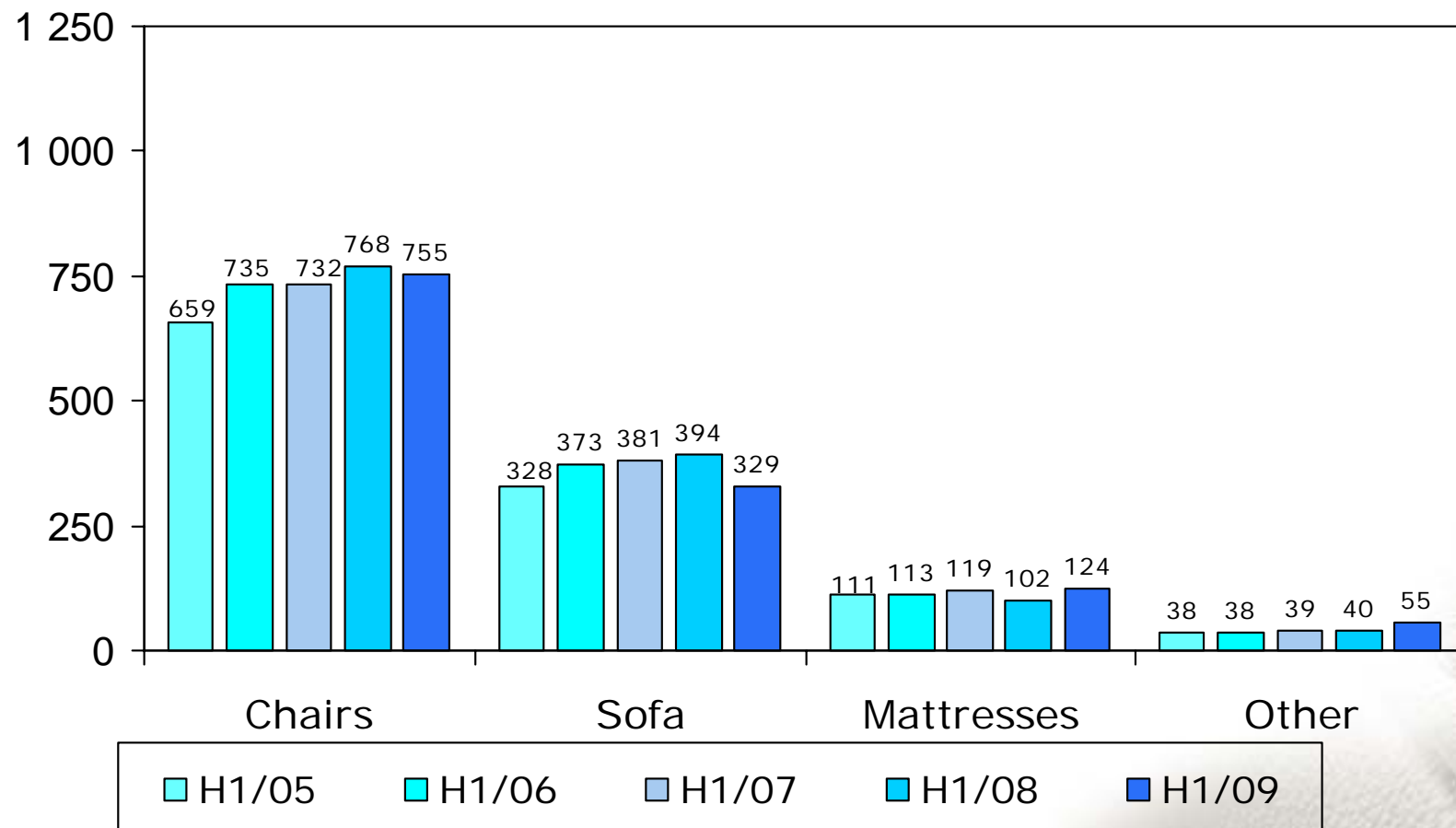


# Distribution of turnover product area

Stressless®: (Mill. NOK)

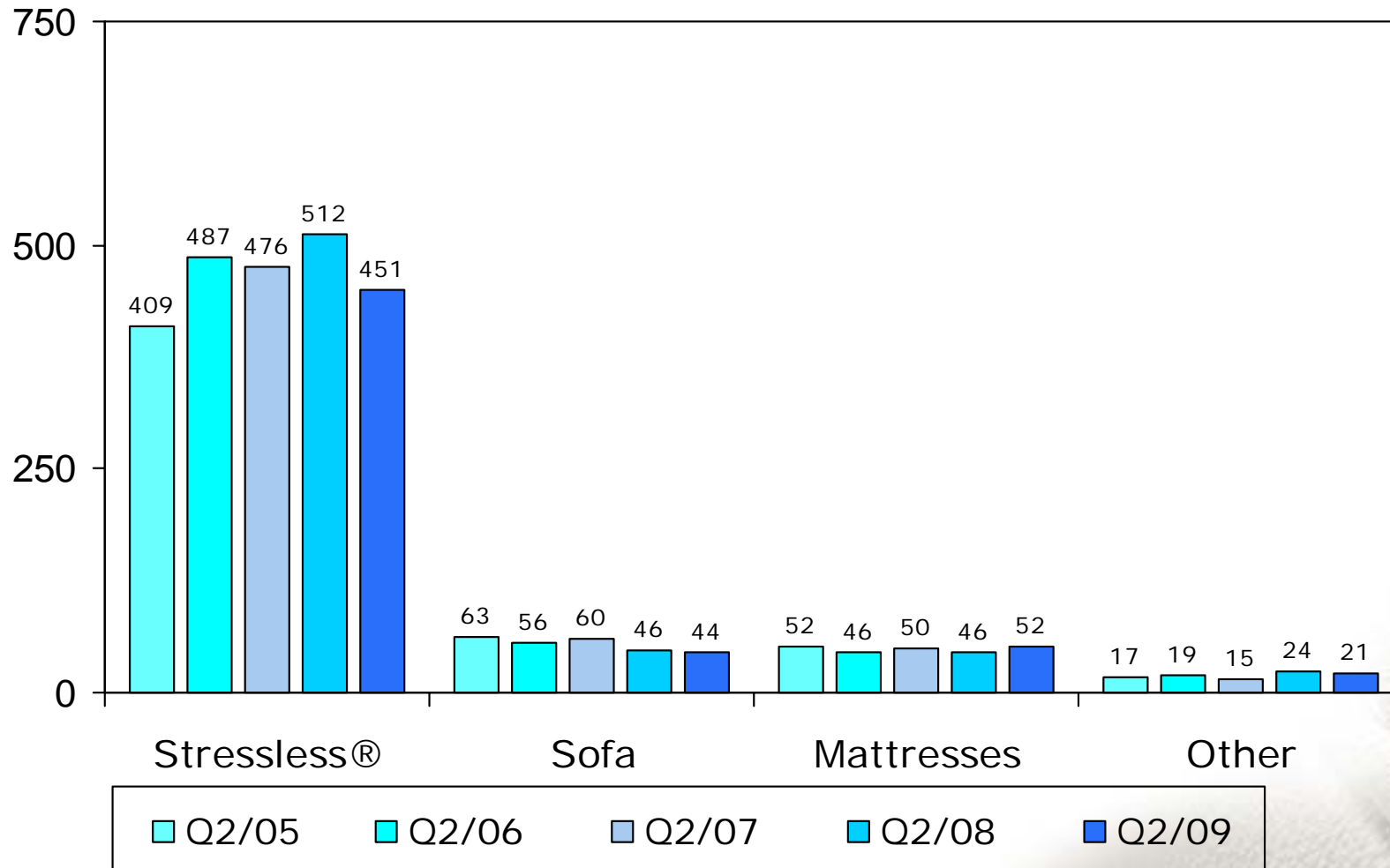


## Operating revenue by product area (Mill. NOK)



# Distribution of turnover product area

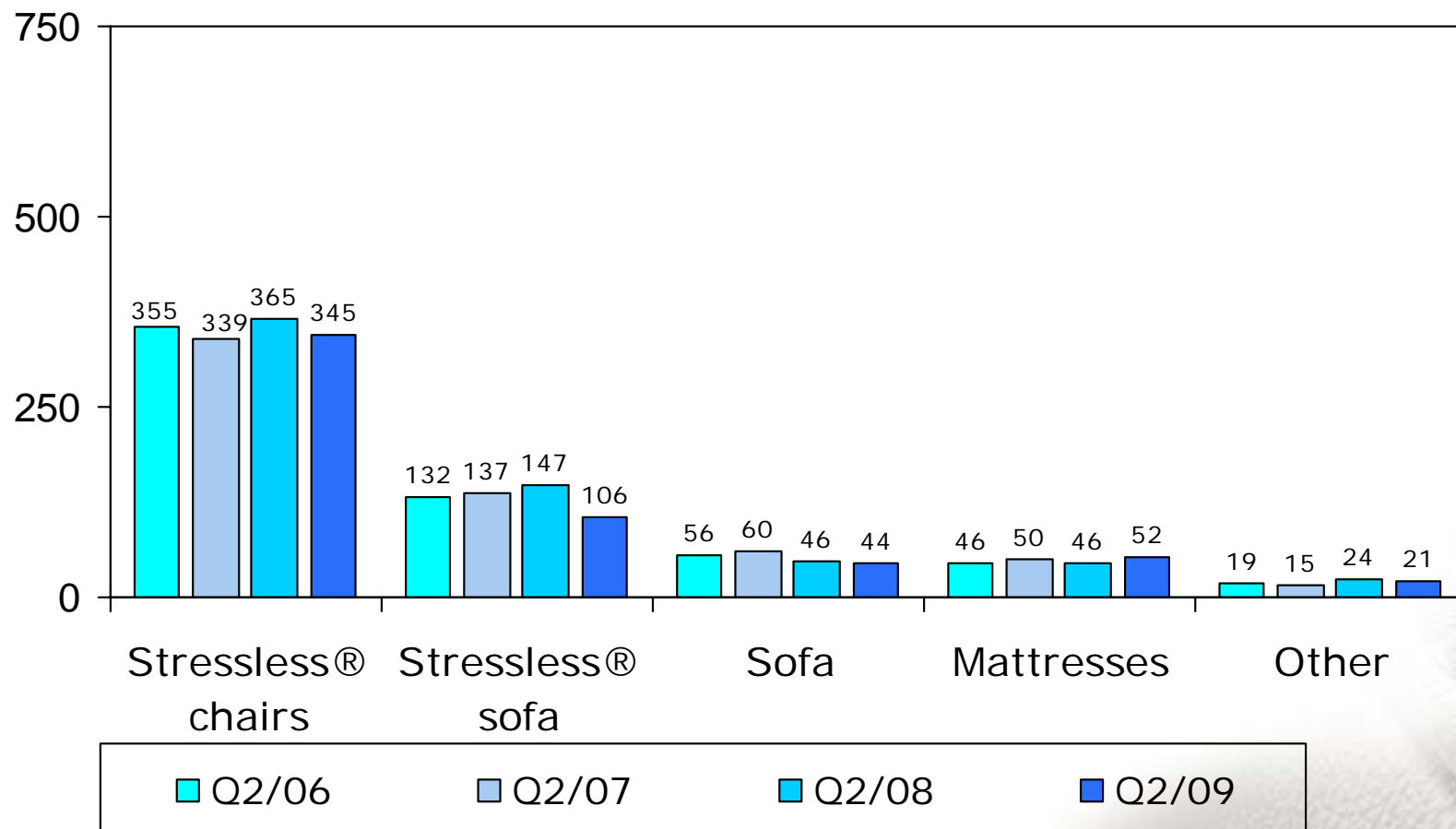
Stressless®: (Mill. NOK)



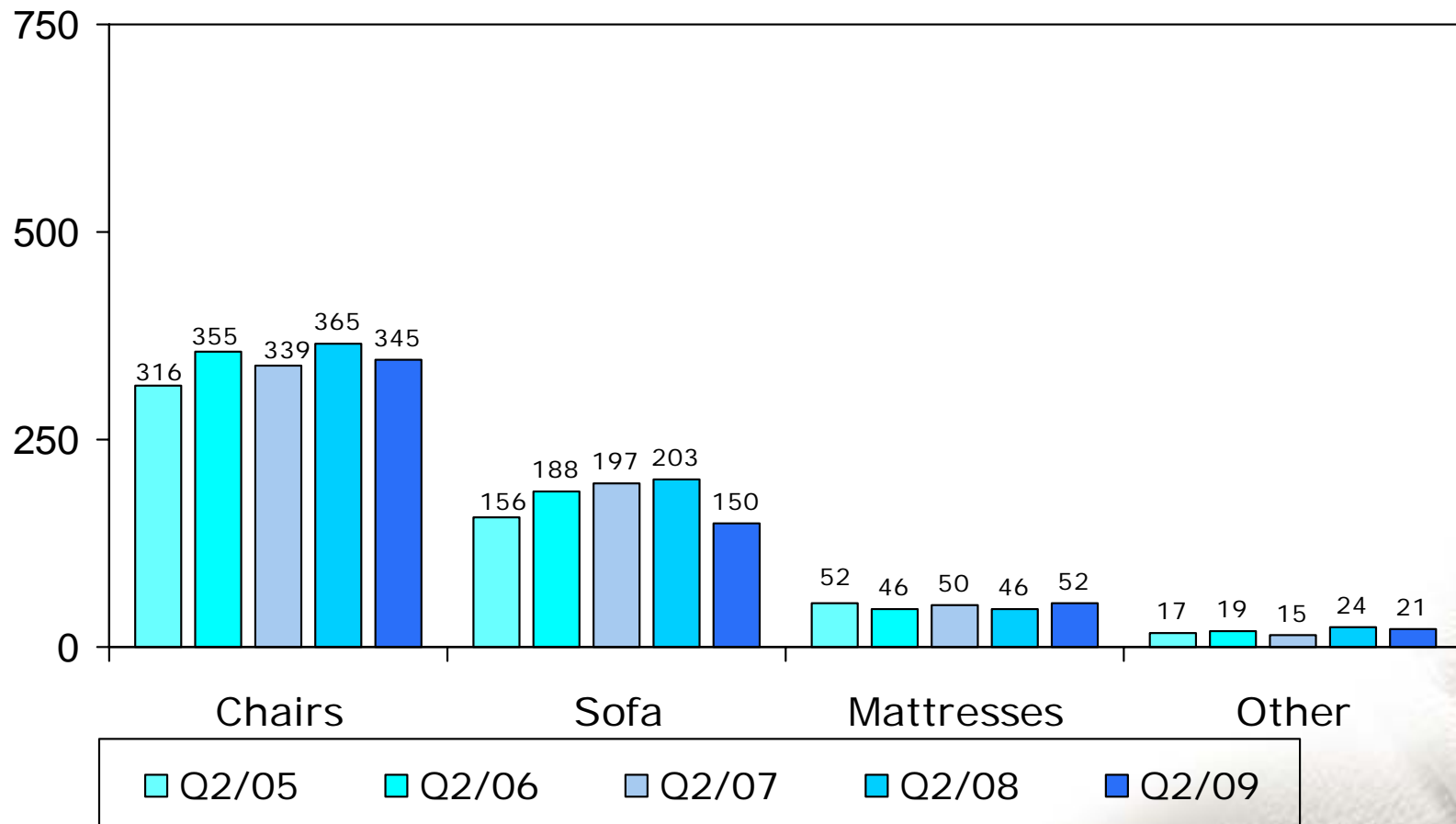


# Distribution of turnover product area

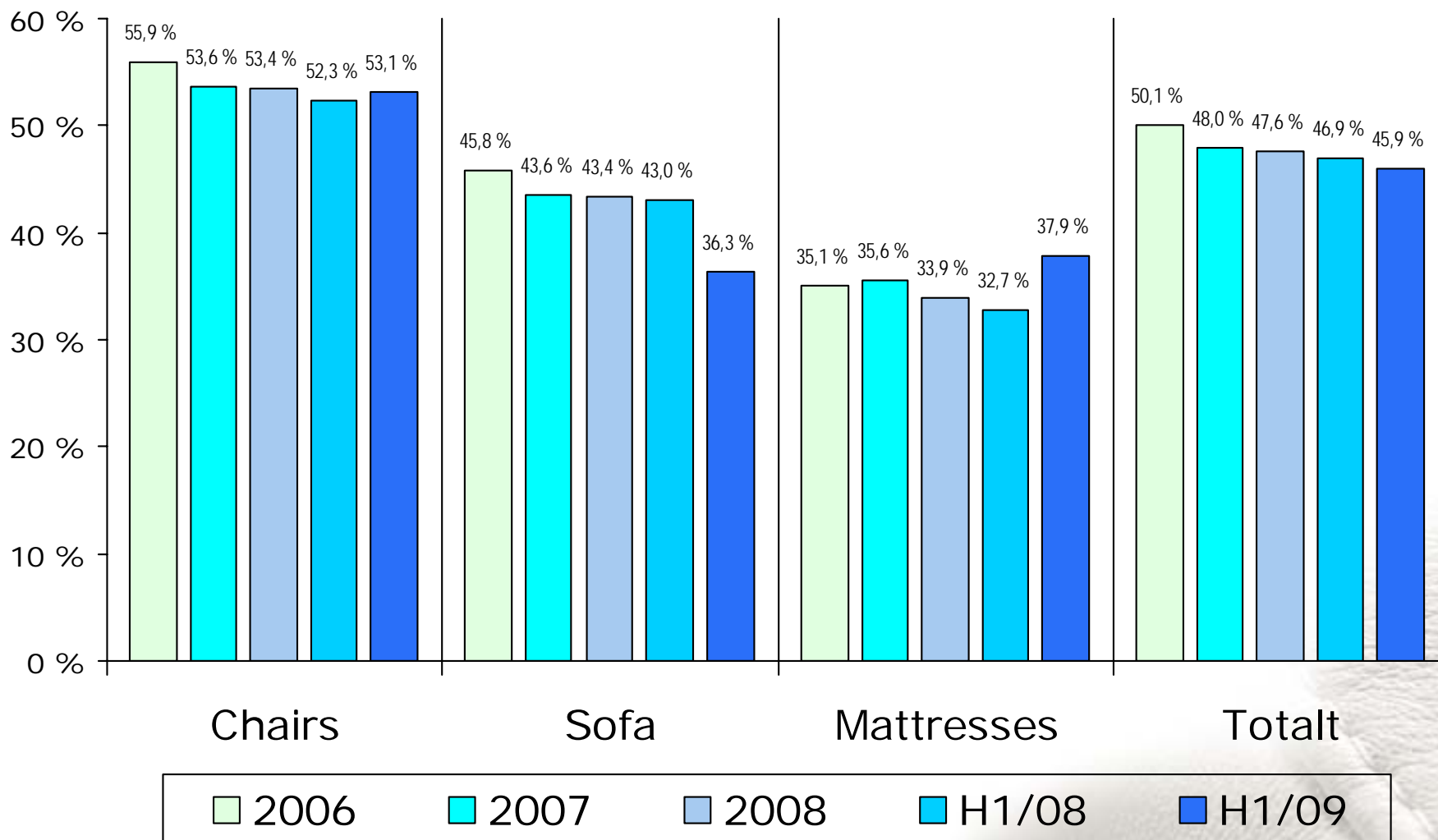
Stressless®: (Mill. NOK)



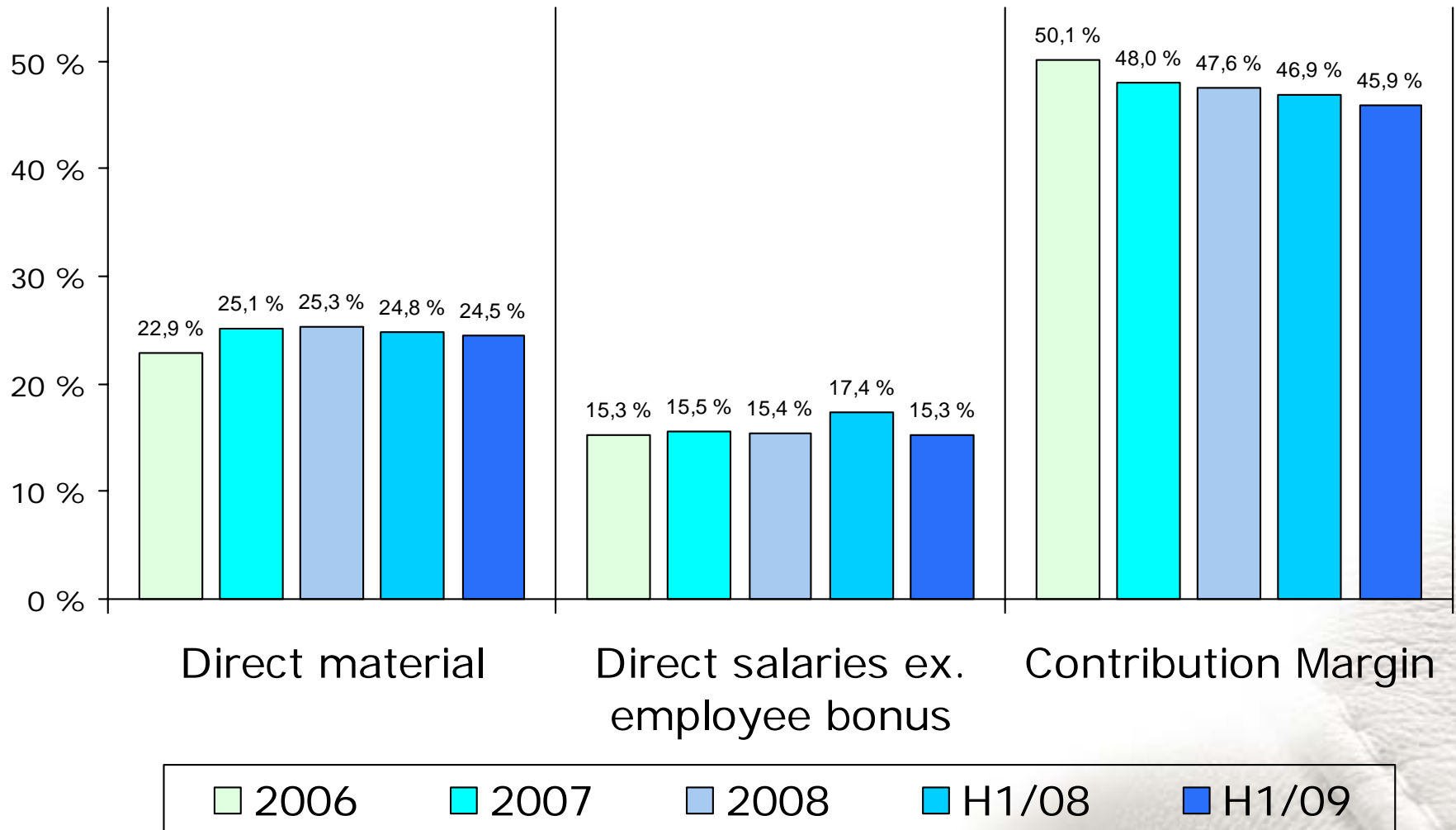
## Operating revenue by product area (Mill. NOK)



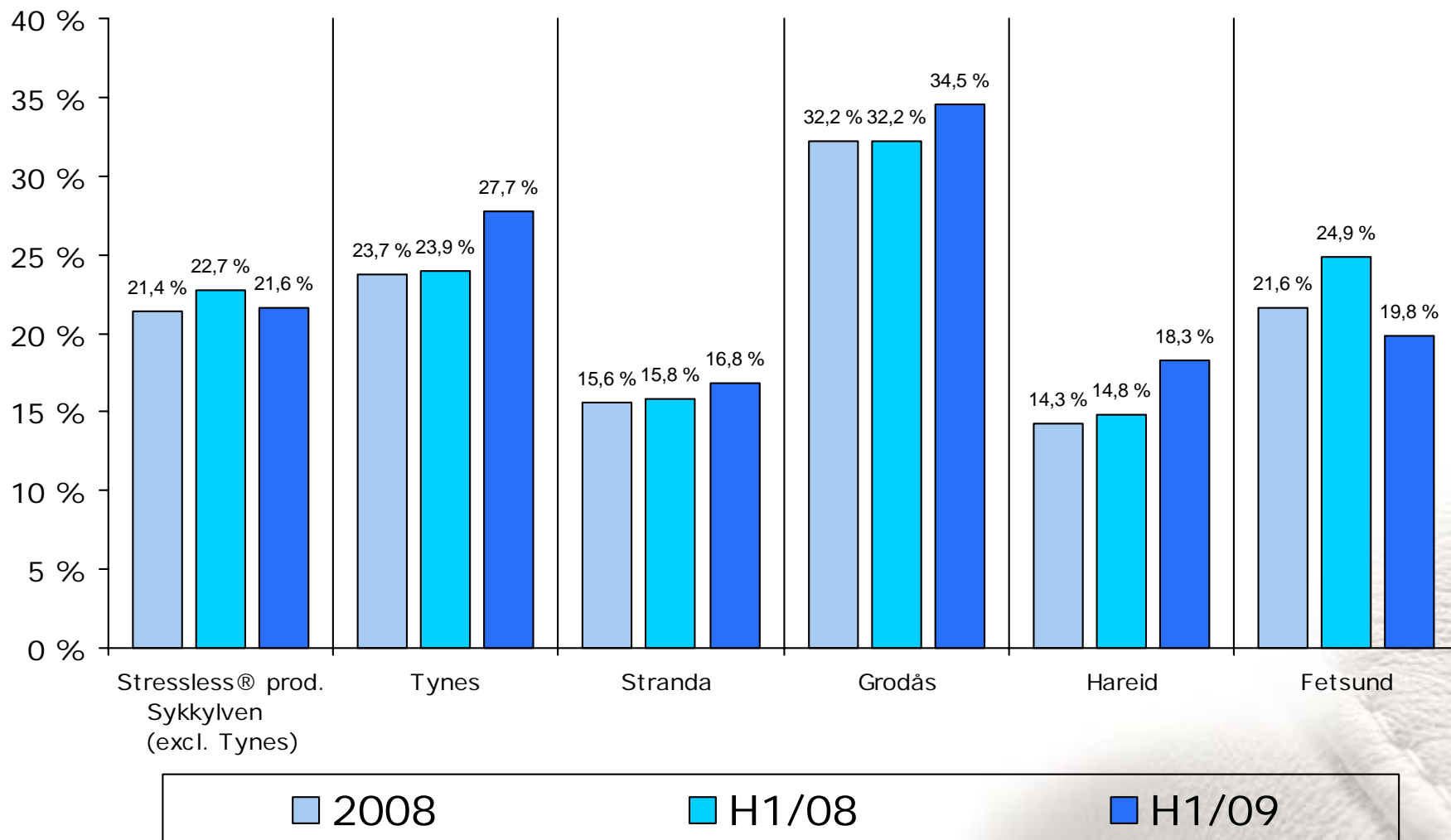
## Contribution margin by product area



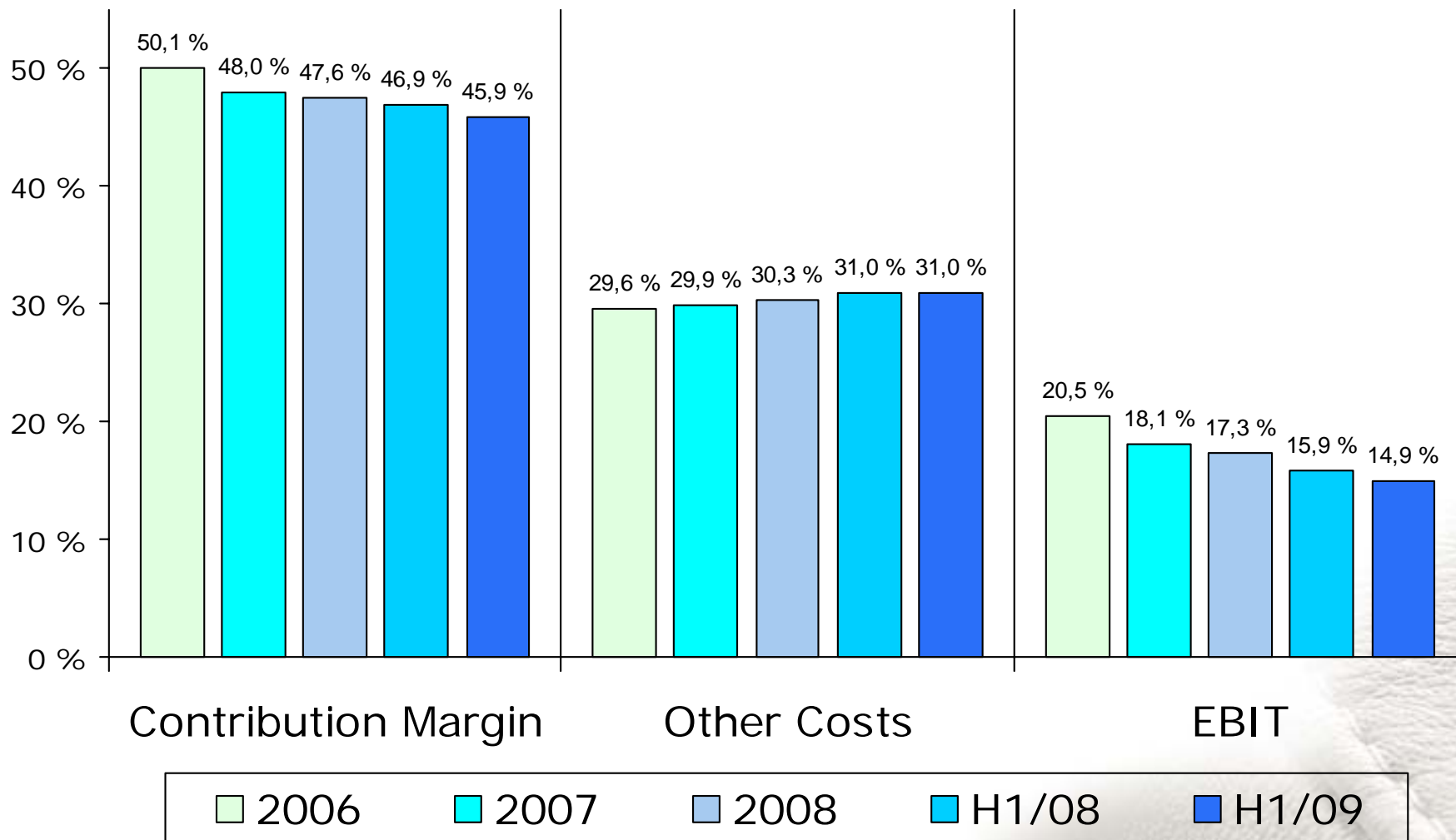
## Development in direct costs



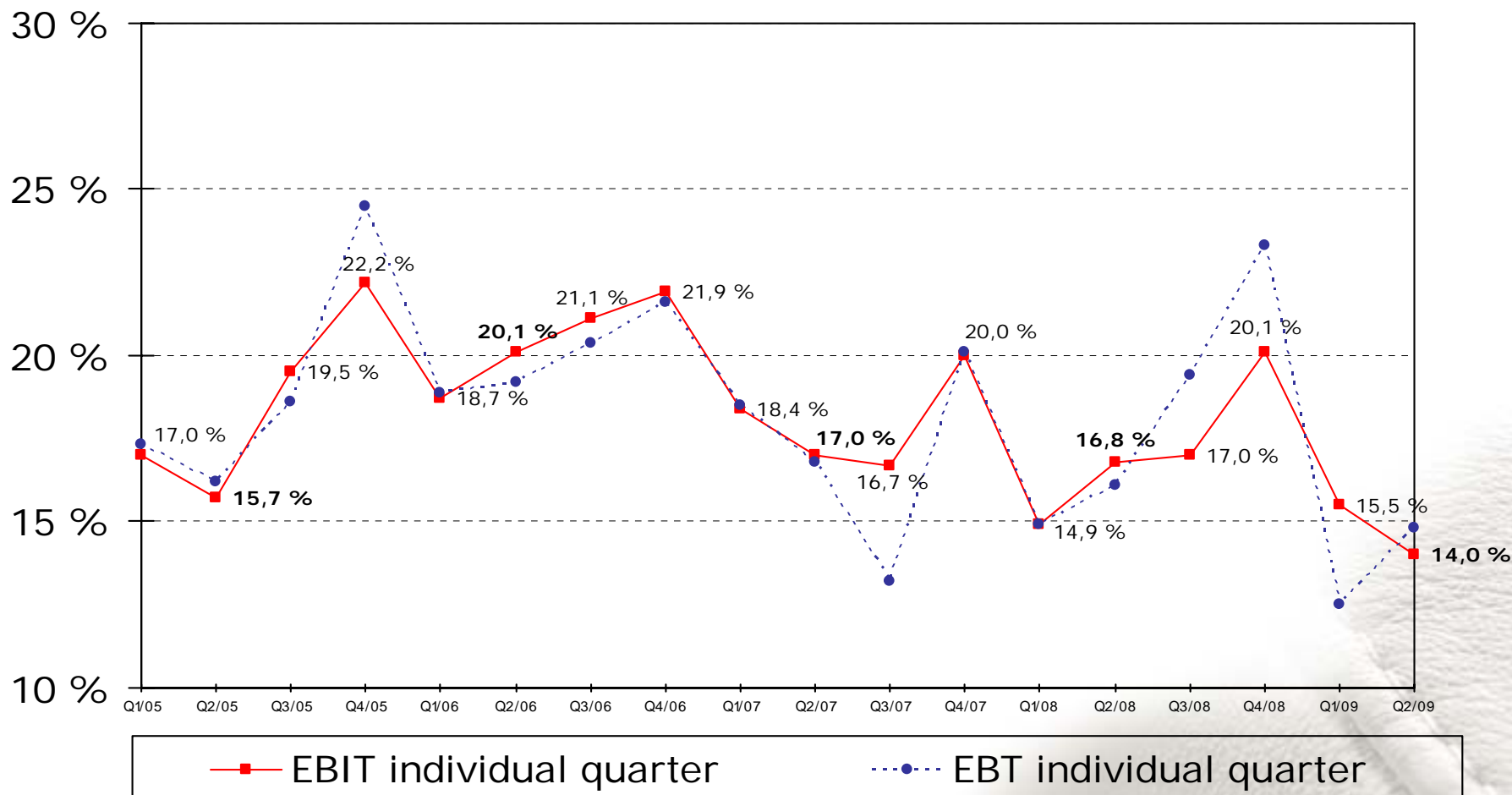
## Development in direct salaries at the factories (Based on factory revenues, year-end bonus not included)



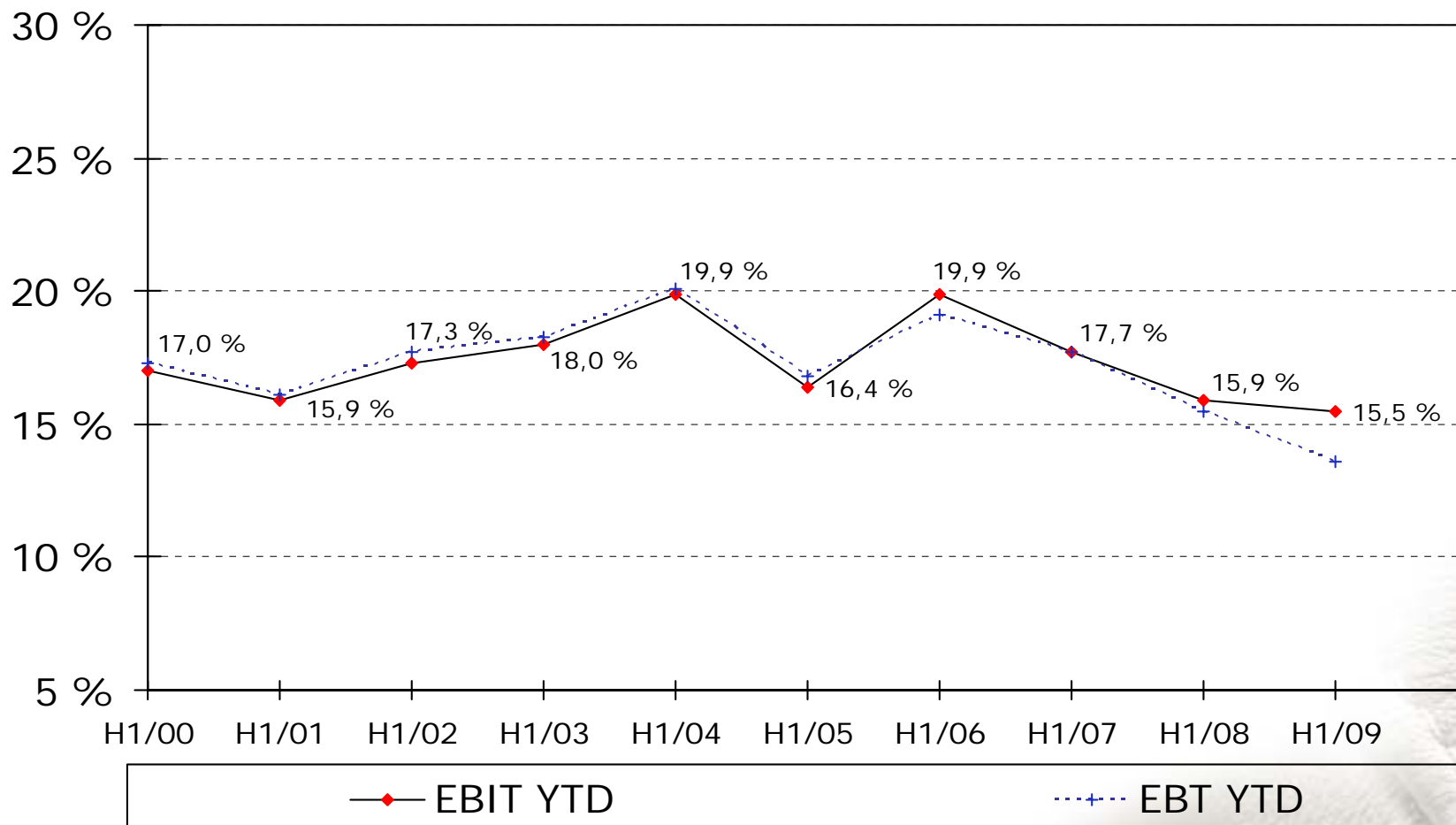
## Contribution and operating margin (EBIT)



## Development in Operating result (EBIT) and Pre-tax margin (EBT):

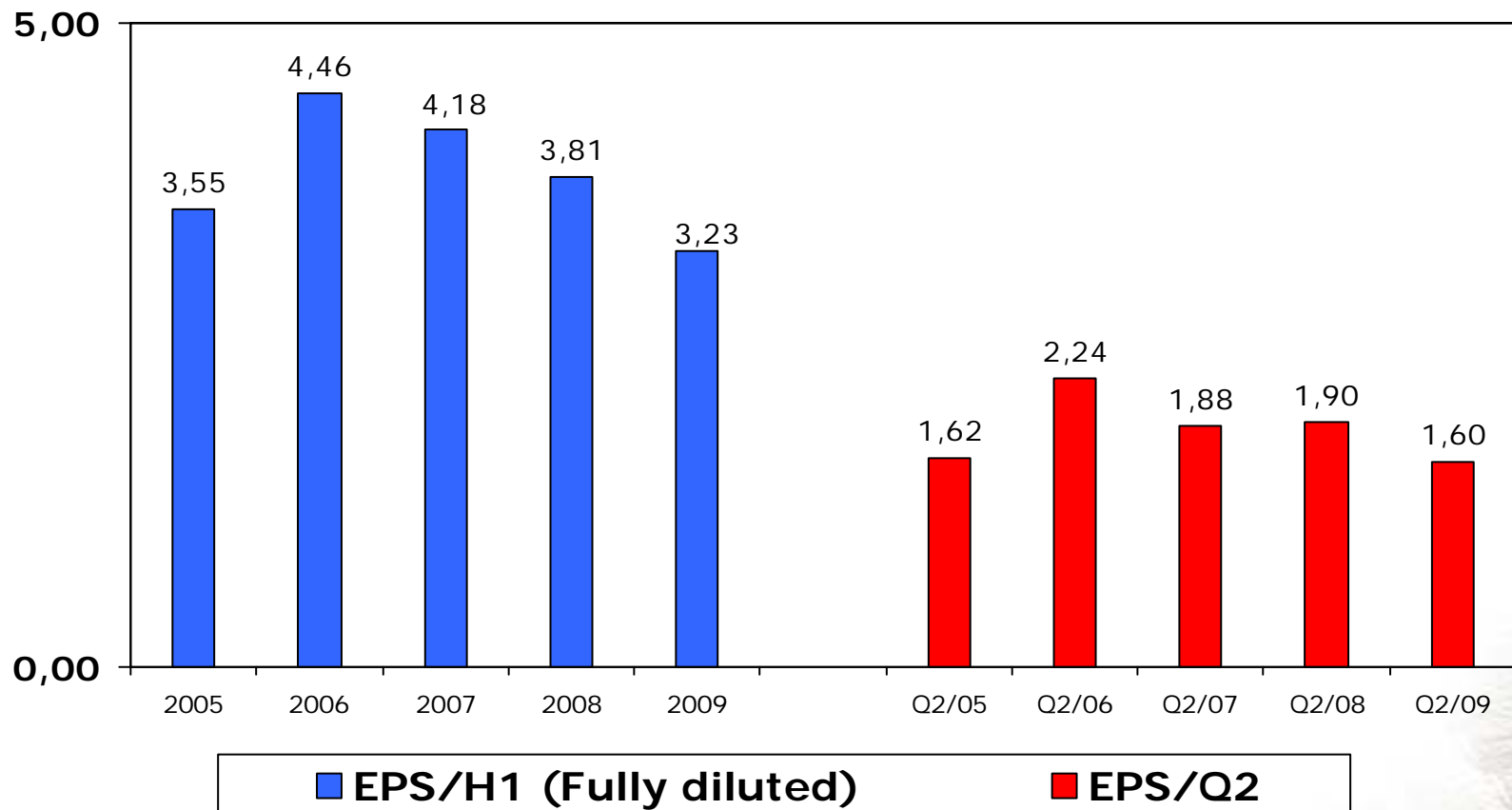


## Development in Operating result (EBIT) and Pre-tax margin (EBT):





## Development EPS fully diluted (Figures in NOK)



**Income Statement** (mill. NOK)

	<b>H1/09</b>		<b>H1/08</b>		<b>Changes</b>
<b>Operating revenues</b>	<b>1,263.1</b>	<b>100.0%</b>	<b>1,303.9</b>	<b>100.0%</b>	<b>-3.1%</b>
Materials	309.8	24.5%	322.9	24.8%	-4.1%
Salaries and social costs	358.5	28.4%	389.2	29.8%	-7.9%
Other operating expenses	352.6	27.9%	333.7	25.6%	5.7%
Depreciation	54.5	4.3%	51.4	3.9%	5.9%
<b>Total operating costs</b>	<b>1,075.4</b>	<b>85.1%</b>	<b>1,097.2</b>	<b>84.1%</b>	<b>-2.0%</b>
<b>Operating result</b>	<b>187.7</b>	<b>14.9%</b>	<b>206.7</b>	<b>15.9%</b>	<b>-9.2%</b>
Net financial income/expenses	-1.0	-0.1%	2.0	0.1%	
Profit/loss currency exchange	-15.4	-1.2%	-6.9	-0.5%	
<b>Ordinary result before taxes</b>	<b>171.3</b>	<b>13.6%</b>	<b>201.8</b>	<b>15.5%</b>	<b>-15.1%</b>
Calculated taxes ordinary result	-52.2	-4.2%	-61.5	-4.7%	-15.1%
<b>Ordinary result after taxes</b>	<b>119.1</b>	<b>9.4%</b>	<b>140.3</b>	<b>10.8%</b>	<b>-15.1%</b>
<b>EPS</b>	<b>3.23</b>		<b>3.81</b>		

**Income Statement** (mill. NOK)

	<b>Q2/09</b>		<b>Q2/08</b>		<b>Changes</b>
<b>Operating revenues</b>	<b>567.8</b>	<b>100.0%</b>	<b>627.4</b>	<b>100.0%</b>	<b>-9.5%</b>
Materials	122.4	21.6%	147.1	23.4%	-16.8%
Salaries and social costs	181.9	32.0%	193.1	30.8%	-5.8%
Other operating expenses	156.6	27.6%	155.9	24.9%	0.4%
Depreciation	27.2	4.8%	25.6	4.1%	6.3%
<b>Total operating costs</b>	<b>488.1</b>	<b>86.0%</b>	<b>521.7</b>	<b>83.2%</b>	<b>-6.4%</b>
<b>Operating result</b>	<b>79.7</b>	<b>14.0%</b>	<b>105.7</b>	<b>16.8%</b>	<b>-24.5%</b>
Net financial income/expenses	-0.8	-0.1%	0.9	0.2%	
Profit/loss currency exchange	5.1	0.9%	-5.9	-0.9%	
<b>Ordinary result before taxes</b>	<b>84.0</b>	<b>14.8%</b>	<b>100.7</b>	<b>16.1%</b>	<b>-16.5%</b>
Calculated taxes ordinary result	-25.1	-4.4%	-30.7	-4.9%	-18.2%
<b>Ordinary result after taxes</b>	<b>58.9</b>	<b>10.4%</b>	<b>70.0</b>	<b>11.2%</b>	<b>-15.9%</b>
<b>EPS</b>	<b>1.60</b>		<b>1.90</b>		

**Income Statement 1 July- 30 June**(mill. NOK)

	<b>2009</b>		<b>2008</b>		<b>Changes</b>
<b>Operating revenues</b>	<b>2,632.4</b>	<b>100.0%</b>	<b>2,607.5</b>	<b>100.0%</b>	<b>1.0%</b>
Materials	663.3	25.2%	679.1	26.0%	-2.3%
Salaries and social costs	646.2	24.5%	717.5	27.5%	-9.9%
Other operating expenses	756.1	28.7%	665.1	25.5%	13.7%
Depreciation	123.0	4.7%	99.3	3.8%	23.8%
<b>Total operating costs</b>	<b>2,188.6</b>	<b>83.1%</b>	<b>2,161.0</b>	<b>82.9%</b>	<b>1.3%</b>
<b>Operating result</b>	<b>443.8</b>	<b>16.9%</b>	<b>446.5</b>	<b>17.1%</b>	<b>-0.6%</b>
Net financial income/expenses	-3.8	-0.2%	1.0	0.0%	
Profit/loss currency exchange	26.5	1.0%	-26.5	-1.0%	
<b>Ordinary result before taxes</b>	<b>466.5</b>	<b>17.7%</b>	<b>421.0</b>	<b>16.1%</b>	<b>10.8%</b>
Calculated taxes ordinary result	-140.1	5.3%	-124.8	-4.7%	12.3%
<b>Ordinary result after taxes</b>	<b>326.4</b>	<b>12.4%</b>	<b>296.2</b>	<b>11.4%</b>	<b>10.2%</b>
<b>EPS</b>	<b>8.86</b>		<b>8.04</b>		

**Balance Sheet (mill. NOK)**

	H1/09	Q1/09	CHANGES
<b>Total Long Term Assets</b>	<b>982.2</b>	<b>978.0</b>	<b>4.2</b>
Inventories	256.0	246.9	9.1
Trade Debtors	371.9	431.5	-59.6
Other Current Assets	36.2	35.2	1.0
Value of forward contracts	-	-	
Cash and Bank Deposits	36.4	183.6	-147.2
<b>Total Current Assets</b>	<b>700.5</b>	<b>897.2</b>	<b>-196.7</b>
<b>TOTAL ASSETS</b>	<b>1,682.7</b>	<b>1,875.2</b>	<b>-192.5</b>
<b>Total Equity</b>	<b>1,243.9</b>	<b>1,323.8</b>	<b>-79.9</b>
Provisions, commitments, deferred tax	29.2	28.6	0.6
Trade Creditors	98.5	116.3	-17.8
Taxes, VAT and national insurance	84.8	105.4	-20.6
Value of forward contracts	74.9	63.4	11.5
Short Term Liabilities - bank	-	26.9	-26.9
Other current liabilities	151.4	210.8	-59.4
<b>Total Liabilities</b>	<b>438.8</b>	<b>551.4</b>	<b>-112.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,682.7</b>	<b>1,875.2</b>	<b>-192.5</b>

# Balance Sheet (mill. NOK)

2. kvartal  
2<sup>nd</sup> Quarter **2009**

	H1/09	H1/08	CHANGES
<b>Total Long Term Assets</b>	<b>982.2</b>	<b>946.6</b>	<b>3.8%</b>
Inventories	256.0	275.1	-6.9%
Trade Debtors	371.9	406.5	-8.5%
Other Current Assets	36.2	26.4	37.1%
Value of forward contracts	-	72.7	
Cash and Bank Deposits	36.4	-	
<b>Total Current Assets</b>	<b>700.5</b>	<b>780.7</b>	<b>-10.3%</b>
<b>TOTAL ASSETS</b>	<b>1,682.7</b>	<b>1,727.3</b>	<b>-2.6%</b>
<b>Total Equity</b>	<b>1,243.9</b>	<b>1,118.6</b>	<b>11.2%</b>
Provisions and Commitments	29.2	36.6	-20.2%
Bank Liabilities (interest)		170.0	
Trade Creditors	98.5	102.9	-4.3%
Taxes, VAT and national insurance	84.8	98.8	-14.2%
Value of forward contracts	74.9		
Other current liabilities	151.4	200.4	-24.5%
<b>Total Liabilities</b>	<b>438.8</b>	<b>608.7</b>	<b>-27.9%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,682.7</b>	<b>1,727.3</b>	<b>-2.6%</b>

# EQUITY

	H1/09	H1/08	2008
<b>Result after taxes and before other comprehensive income</b>	<b>119.1</b>	<b>140.3</b>	<b>347.6</b>
<b>Other comprehensive income:</b>			
Actuarial gains on defined benefit plans			-4.8
Change in deferred tax – pensions			1.3
Change in value cash-flow hedging	222.1	-14.7	-384.0
Change in deferred tax – cash flow hedging	-62.2	4.1	107.5
Translation differences	4.4	-0.3	11.5
Translation differences – net financing subsidiaries	-19.6		48.9
Change in deferred tax – net financing subsidiaries	5.5		-13.7
<b>Total other comprehensive income</b>	<b>150.2</b>	<b>-10.9</b>	<b>-233.3</b>
<b>Total comprehensive income</b>	<b>269.3</b>	<b>129.4</b>	<b>114.3</b>
<b>Equity at the beginning of the period</b>	<b>1,103.5</b>	<b>1,265.4</b>	<b>1,265.4</b>
Total comprehensive income	269.3	129.4	114.3
Dividend paid out	-128.9	-276.2	-276.2
<b>Equity at the end of the period</b>	<b>1,243.9</b>	<b>1,118.6</b>	<b>1,103.5</b>

## Development in cash-flow and bank deposits (Mill.NOK)

	H1/09	H1/08	2008	2007
<b>Net cash flow from:</b>				
Operating activities	103.8	10.5	405.3	331,6
Investing activities	-45.9	-97.0	-188.1	-186.7
Financing activities	-170.7	-253.6	-276.2	-261.2
<b>Net change in cash and cash equivalents</b>	<b>-112.8</b>	<b>-340.1</b>	<b>-59.0</b>	<b>-116.4</b>
Cash and cash equivalents at the beginning of period	149.2	208.2	208.2	324.6
<b>Cash and cash equivalents at the end of period</b>	<b>36.4</b>	<b>-131.9</b>	<b>149.2</b>	<b>208.2</b>

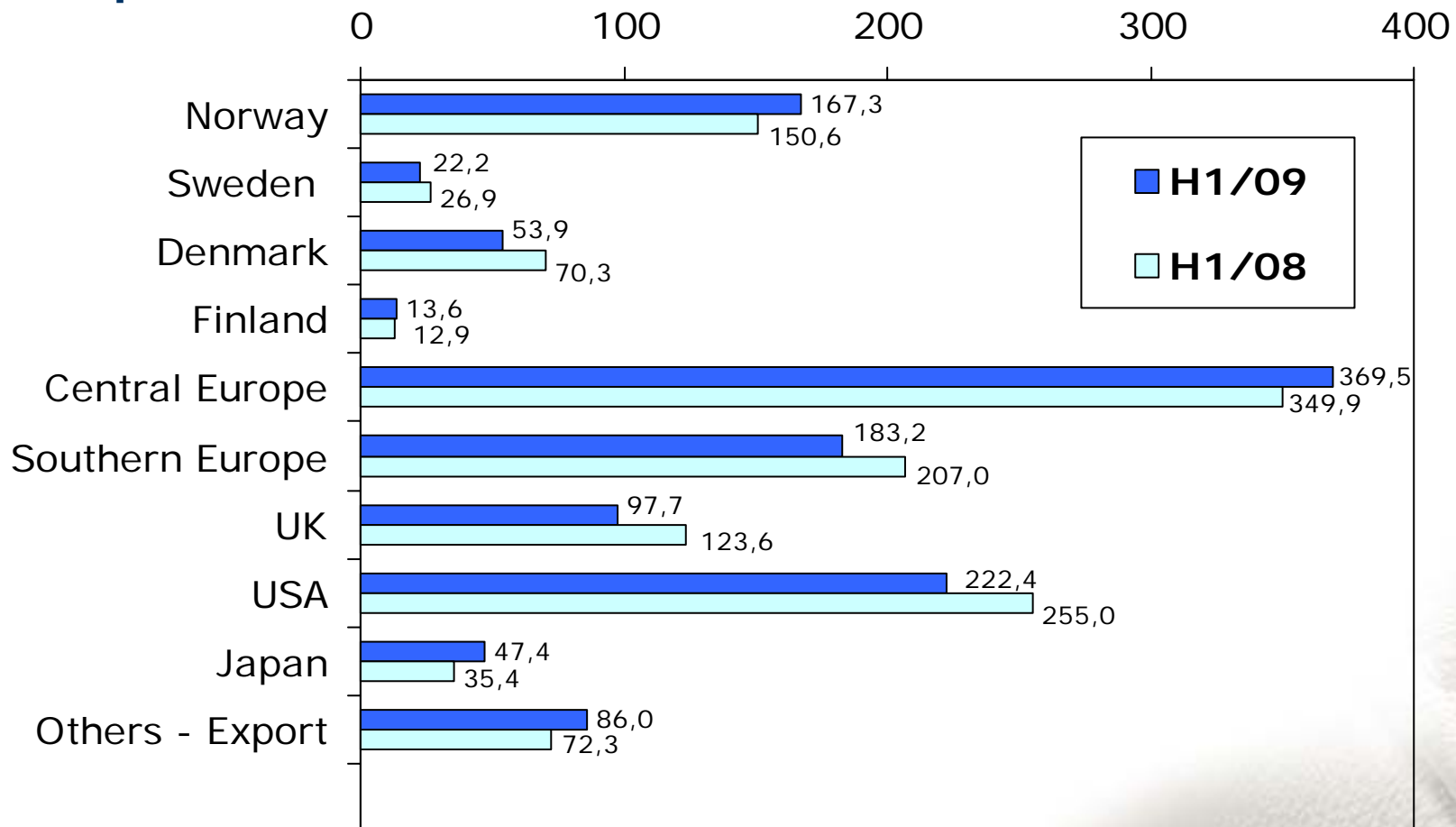


## Development in Total Capital, Net-working Capital and Equity (mill. NOK)

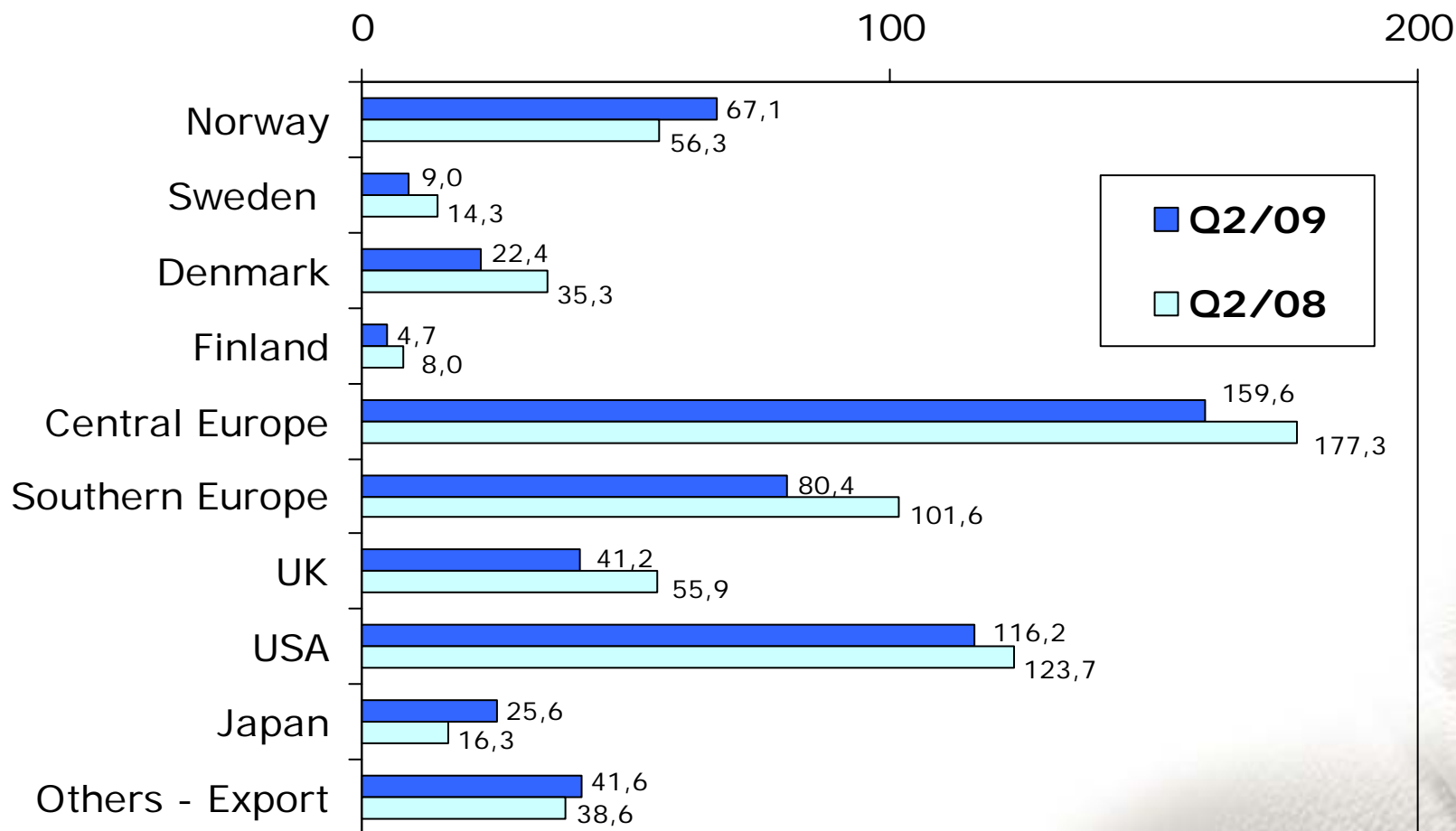
	H1/09	H1/08	2008	2007
Total capital	1,682.7	1,727.3	1,919.8	1,815.6
Net-working capital*	290.9	174.0	381.7	315.0
Equity	1,243.9	1,118.6	1,103.5	1,265.4
Equity ratio	73.9%	64.8%	57.5%	69.7%

\*Not included the market value of forward contracts.

# Development in Operating Revenue per market (million NOK)



## Operating revenue per market (Mill. NOK)



**Operating revenue per market (Mill. NOK)**

	<b>Changes 08 – 09</b>	<b>H1/09</b>	<b>H1/08</b>	<b>H1/07</b>	<b>H1/06</b>
Norway	11.1%	167.3	150.6	184.8	180.4
Sweden	-17.5%	22.1	26.9	34.6	31.7
Denmark	-23.3%	53.9	70.3	64.5	57.7
Finland	5.0%	13.6	12.9	18.7	19.2
Central - Europe	5.6%	369.5	349.9	297.3	319.4
Southern - Europe	-11.5%	183.2	207.0	203.1	181.7
UK	-21.0%	97.7	123.6	125.2	116.0
USA	-12.8%	222.4	255.0	252.4	278.6
Japan	33.8%	47.4	35.4	41.8	36.6
Others - Export	18.9%	86.0	72.3	47.5	37.9
<b>Total</b>	<b>-3.1%</b>	<b>1,263.1</b>	<b>1,303.9</b>	<b>1,269.9</b>	<b>1,259.2</b>

## Coming events:

- 10 November 2009: Announcement of Q3/09 result
- 11 November 2009: Presentation of Q3/09 result

# Questions?

## Largest shareholders (30.06.2009)

1.	Nordstjernan AB	SWE	11.73%
2.	Folketrygdfondet	NOR	9.71%
3.	State Street Bank	USA	8.77%
4.	JP Morgan Chase Bank	GBR	6.78%
5.	Orkla ASA	NOR	5.14%
6.	Skandinaviska Enskilda	SWE	4.58%
7.	Pareto Aksje Norge	NOR	4.56%
8.	Handelsbanken Helsinki	FIN	3.37%
9.	Berit Ekornes Unhjem	NOR	2.89%
10.	Oslo Pensjonsforsikring	NOR	2.88%

Other shareholders approx. 2,726 39.59%

Proportion: Norwegian shareholders 48.2%  
Foreign shareholders 51.8%

## Board of Directors

## Group Management IR-Contacts

- Olav Kjell Holtan - Chairman
- Kjersti Kleven – Vice Chairman
- Gry Hege Sølsnes
- Stian Ekornes
- Nora Förisdal Larssen

### Employee Representatives:

- Arnstein Johannesen
- Tone Helen Hanken
- Edvin Haugen

- CEO: Øyvind Tørlen  
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