KONGSBERG DEFENCE & AEROSPACE

EIRIK LIE, President Kongsberg Defence & Aerospace

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KEY TAKEAWAYS

• Very strong positions within our core product areas
• Increased worldwide demand within these areas
• Will materialize in solid order intake both short- and long term
AGENDA

• KONGSBERG DEFENCE & AEROSPACE

• LONG TERM POSITIONS & HIGHLIGHTS
A joint defence business paves the way for continued growth and securing jobs in the long-term.
WHY MERGE OUR TWO DEFENCE BUSINESSES?

• To ensure long term growth and profitability

• Many opportunities in the defence market, experiencing increased competition

• Strengthen and coordinate better sales and marketing, product development and production

• Coordinated approach towards authorities and governments, customers and partners

• Expected to give 100MNOK in annual cost savings from 2018.
KDA JOINT ORGANIZATION

Distributed responsibility, but well coordinated

KDA shall have a distributed responsibility, but well coordinated

COLLABORATION

Internally across divisional borders, with KM and KDI, Partners and Customers

Strengthen the focus on core capabilities and products in each division

INTEGRATED DEFENCE SYSTEMS
  System: Land, Sea, Air

MISSILE SYSTEMS

AEROSTRUCTURES

SPACE & SURVEILLANCE

DEFENCE COMMUNICATIONS

PROTECH SYSTEMS

PATRIA
AGENDA

• KONGSBERG DEFENCE & AEROSPACE

• LONG TERM POSITIONS & HIGHLIGHTS
LONG-TERM POSITIONS

LONG-TERM STRATEGY SECURES FOUNDATION FOR THE FUTURE

- Kongsberg Satellite Services Global Presence
- JSM offered and supported as standard F-35 weapon
- F-35 manufacturing partner for 30-40 years
- Teaming Agreement with Raytheon Air Defence
- NSM selected as standard missile for German Navy

- Helicopter MRO agreements
- MCT-30 contracted in US Stryker Brigade
- tkMS partner providing Submarine Combat System
- Portfolio matches priorities in NORWAY
- 49.9% of PATRIA
KONGSBERG SATELLITE SERVICES (KSAT) GLOBAL PRESENCE

- #1 position in the world for Satellite Operations
- Unique geographical position through Svalbard and Troll
- Largest global network of ground stations with polar and extensive Mid-Latitude presence
- Strong value proposition by supply of near real time, multi-mission, Earth Observation data
- One Web contract positions KSAT in “New Space”
F-35 MANUFACTURING
PARTNER FOR 30-40 YEARS

- Advanced, High end manufacturing
- Single source provider of composite and titanium parts
- F-35 production line estimated to more than 3500 aircraft
- Full Rate Production will be 160 aircrafts/year
- Excellent performance with Delivery on time, Zero defects
- Opportunities for increased scope for well performing suppliers
JSM OFFERED AND SUPPORTED AS STANDARD F-35 WEAPON

- Only long range precision strike missile being integrated on F-35
- On track with missile development and flight testing
- Cooperation with Australia for development of dual mode sensor
- Significant market potential with an increasing base of F-35 customers
TEAMING AGREEMENT WITH RAYTHEON AIR DEFENCE

- 20 years Teaming Agreement with Raytheon
- NASAMS is the most sold Air Defence system in NATO
- NASAMS deployed in Washington DC since 2005
- NASAMS is unique with its network architecture, high firepower and dual-use of effector
- Increased demand for this fundamental defence capability
- Downselected in Australia
- Signed contract with Lithuania
NSM SELECTED AS STANDARD MISSILE FOR GERMAN NAVY

- Most advanced long-range surface launched strike missile
- Operational in Norway and Poland, integrated on Gowind class for Malaysia
- Selected as the Harpoon replacement by German Navy
- Teaming agreement with Raytheon
- In competition to be the US Navy Over-The-Horizon missile for the LCS class
- NSM is selected by US Army for test firing in a coastal defence role
HELICOPTER MRO AGREEMENTS

- 30 years MRO experience with helicopter dynamic components
- Future growth through agreements with Leonardo covering more than 100 helicopter
- New agreement signed covering Sea King support through 2020 with 3 year option
- New Multi Purpose Test Facility for gear boxes operational in 2018
MCT-30 CONTRACTED IN US STRYKER BRIGADE

- Selected by US Army to provide increased lethality on the Stryker vehicle
- Only operational remote controlled medium caliber turret to be deployed
- US Army will deploy first brigade of Strykers to Europe in early 2018 with increased lethality
- Strong position as the market moves towards remotely controlled weapon systems
tkMS PARTNER PROVIDING SUBMARINE COMBAT SYSTEM

- Exclusive supplier of Submarine Combat Systems for all future tkMS submarines
- Joint Venture Company established between KDA, tkMS and Atlas Elektronik; kta naval systems
- Providing Next Generation Combat Systems technology for the next decades
- A long-term potential
PORTFOLIO MATCHES PRIORITIES IN NORWAY

- Our products match Norwegian short- and long-term budget
- Increased demand for ground based air defence
- Increased demand for long-range precision strike weapon systems
- Need for new capabilities will create new products and technology shifts & innovation
- Support, maintenance and services
- Focus on industrial co-operation and offset
49.9% OF PATRIA

- Enhancing KONGSBERG’s Northern Europe strategy
- Increased focus on MRO and sustainment
- Patria is a complete strategic partner to Finnish Armed forces and expanding outside Finland
- Expansion opportunities in Norway together with KONGSBERG
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WORLD CLASS
THROUGH PEOPLE, TECHNOLOGY AND DEDICATION