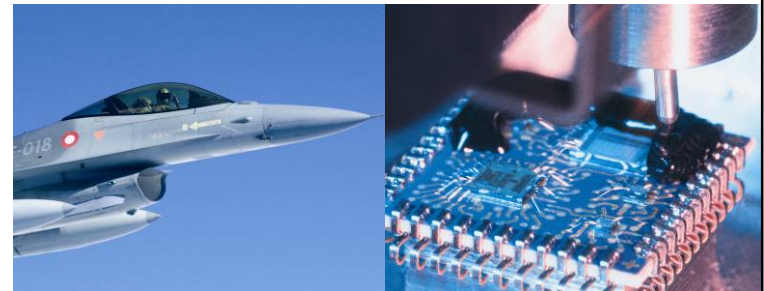


Presentation Q1 2008

29 April 2008

Jørgen Bredeesen, CEO

Erling Svela, CFO



Stable profit and strong order intake

Revenue growth of 1.9%

- Fewer manufacturing days than in Q1 2007
- Higher activity in Lithuania

Stable profit before tax

- MNOK 16.2 (MNOK 15.7)

Order intake increased by 10%

Increased gross margin to 39.8% (37.7%)

Cash flow better than 2007 (less seasonally negative)

Financial statements **Q1** 2008

Good and stable performance

Revenue grew 1.9%, to MNOK 495.1 (MNOK 485.7)

Improved gross margin 39.8% (37.7%)

Increased labour content (product mix)

EBITDA MNOK 30.5 (MNOK 28.9)

EBIT MNOK 21.6 (MNOK 21.4)

- Higher depreciation reflecting investments

Net financial items MNOK 5.5 (MNOK 5.8)

Profit before tax MNOK 16.2 (MNOK 15.7)

Profit/(loss) statement

(Figures in NOK 1 000)

	Q1 2008	Q1 2007	31.12.2007
Revenue	495 076	485 691	1 937 780
Cost of materials	297 999	302 453	1 195 561
Gross profit margin	39.8%	37.7%	38.3%
Payroll expenses	134 382	126 174	496 199
Other operational expenses	32 205	28 205	129 028
Operating profit before depreciation and impairments (EBITDA)	30 490	28 860	116 992
Depreciation and impairments	8 859	7 460	32 553
Operating profit (EBIT)	21 631	21 400	84 439
Net financial items	(5 472)	(5 708)	(20 990)
Profit before tax	16 159	15 692	63 449
Tax	1 603	899	(985)
Profit after tax	14 556	14 793	64 434
Earnings per share	0.08	0.09	0.37
Diluted earnings per share	0.08	0.09	0.37

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Higher activity – increased balance sheet

Total balance sheet MNOK 979.6 (MNOK 907.7)

- Reflecting higher activity level

Stable inventory MNOK 304.0 (MNOK 298.9)

- Inventory turns (rolling annual) 6.8

Available liquidity MNOK 84.2 (MNOK 47.3)

Equity MNOK 262.5 (MNOK 185.7)

- Equity ratio 26.8% (21.9%)

Assets

(Figures in NOK 1 000)

	Q1 2008	Q1 2007	31.12.2007
ASSETS			
Goodwill	25 514	19 123	25 514
Tangible fixed assets	148 811	126 236	144 345
Investment in shares	37	41	37
Deferred tax assets	25 000	20 000	25 000
Other receivables	1 827	2 748	1 899
Total fixed assets	201 189	168 148	196 795
Inventory	304 007	298 910	266 257
Accounts receivable and other receivables	424 842	393 566	417 205
Cash and cash equivalents	49 542	47 116	119 866
Total current assets	778 390	739 592	803 328
Total assets	979 579	907 740	1 000 123

Investments in machinery and equipment continue

Deferred tax assets adjusted at yearend 2007

Inventory stable (preparing for Q2), annual rolling 6.8 turns

Available cash improved because of less overdraft (on liability side)

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Equity and liabilities

(Figures in NOK 1 000)	Q1 2008	Q1 2007	31.12.2007
LIABILITIES AND EQUITY			
Equity	262 521	198 974	246 997
Total equity	262 521	198 974	246 997
Loans	32 345	31 373	34 246
Pension commitments	21 745	22 827	21 938
Other provisions	-	4 639	-
Total long-term liabilities	54 090	58 839	56 184
Accounts payable and other current liabilities	361 254	354 958	348 522
Loans	301 031	293 320	347 399
Other provisions	684	1 649	1 021
Total current liabilities	662 968	649 927	696 942
Total liabilities and equity	979 579	907 740	1 000 123

Equity increased MNOK 63.5 (since Q1 2007) because of operational profit

Adequate equity ratio at 26.8% (21.9%)

Less overdraft

Cash flow

(Figures in NOK 1 000)

	Q1 2008	Q1 2007	31.12.2007
Net cash flow from operational activities	(60 891)	(68 636)	78 462
Net cash flow from investment activities	(13 325)	(10 173)	(57 178)
Net cash flow from financing activities	(1 830)	(5 285)	1 674
Change in cash and bank credit	(76 046)	(84 094)	22 958
Cash and bank credit opening balance	28 164	5 206	5 206
Cash and bank credit closing balance	(47 882)	(78 888)	28 164

Cash flow improved versus Q1 2007 (seasonally negative)

Available liquidity increased to MNOK 84.2 (MNOK 47.3)

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Business area reporting

Microelectronics business has blended with the EMS business at large

Kitron's Electronic Manufacturing Services:

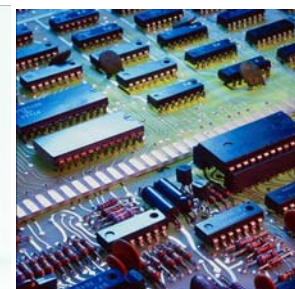
- Products at variable degree of completion:
Electronics – box-build – high-level assembly (HLA)
- Manufacturing techniques as appropriate:
Conventional printed circuit boards and microelectronics technology, automatic/manual, etc
- Sourcing
- Related services
e.g. cable harness manufacturing, components analysis and resilience testing
- Full value chain from development to aftermarket services:



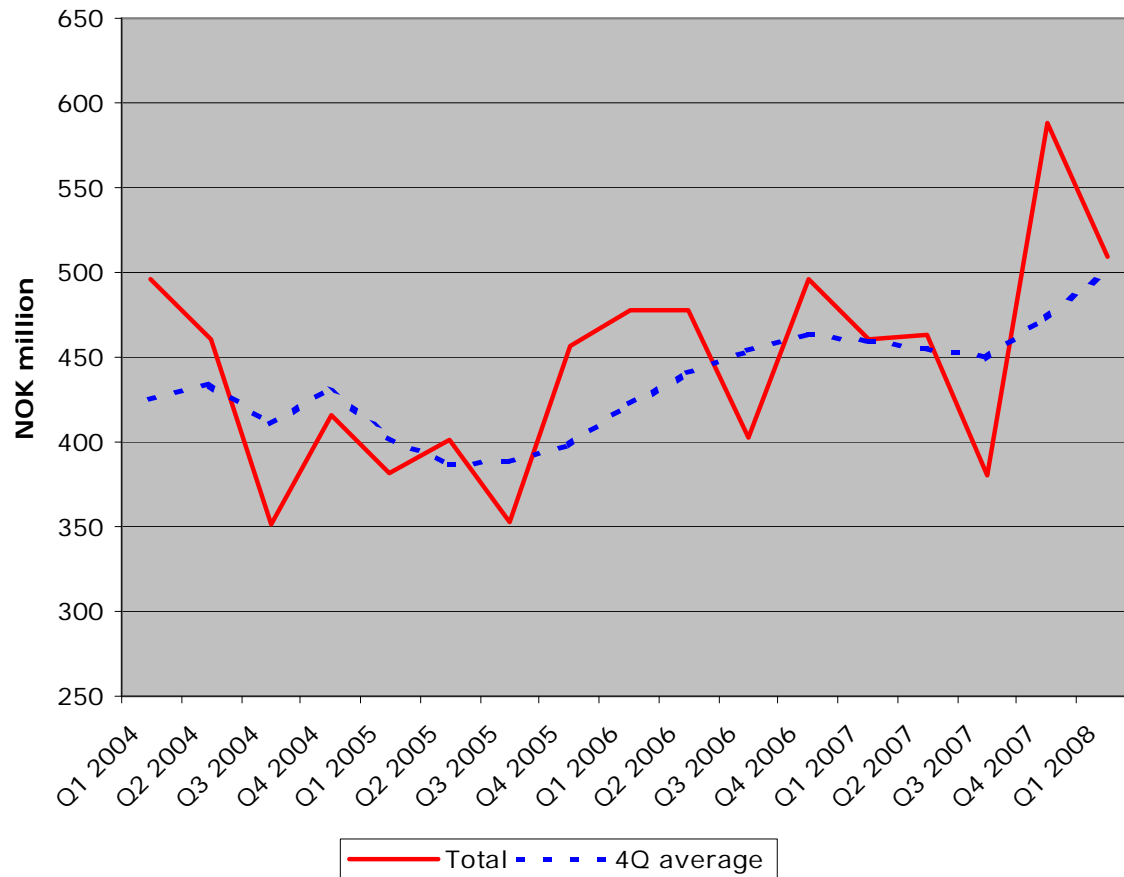
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Market development

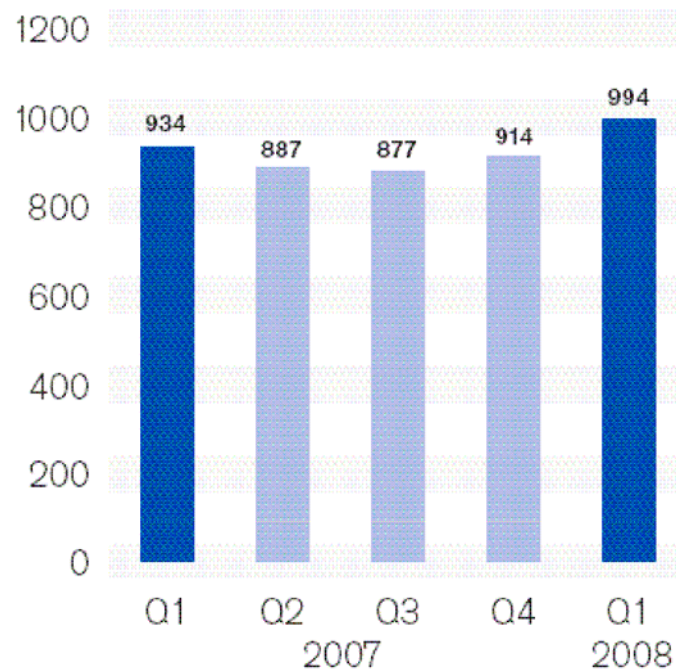


Order intake variable, last two quarters suggesting a higher level



Increased order backlog

ORDER BACKLOG Group
NOK million



Order backlog includes

- All firm orders
- Four months' customer forecast
- Frame agreements etc not counted in

Order backlog per segment

ORDER BACKLOG BUSINESS AREAS

NOK million	Data/ Telecom	Defence/ Marine	Medical equipment	Industry	Total
Norway	143.1	288.8	127.7	135.4	694.9
Sweden	31.1	50.4	83.6	28.5	193.6
Lithuania	14.2	36.1	37.7	20.6	105.8
Total	188.5	375.3	245.9	184.6	994.3

Market segments

Data/Telecom

- Strong growth 2006 to 2007, now showing a weaker trend
- Adding capacity to satisfy shorter delivery times to attract additional orders

Defence/Marine

- Favourable development in 2007 continues into 2008
- Promising outlook, particularly for Kitron Arendal and Kitron Kaunas

Medical equipment

- Improved order situation, segment expected to continue its growth

Industry

- Order intake was more than doubled from Q1 2007 and may indicate recovery

Outlook

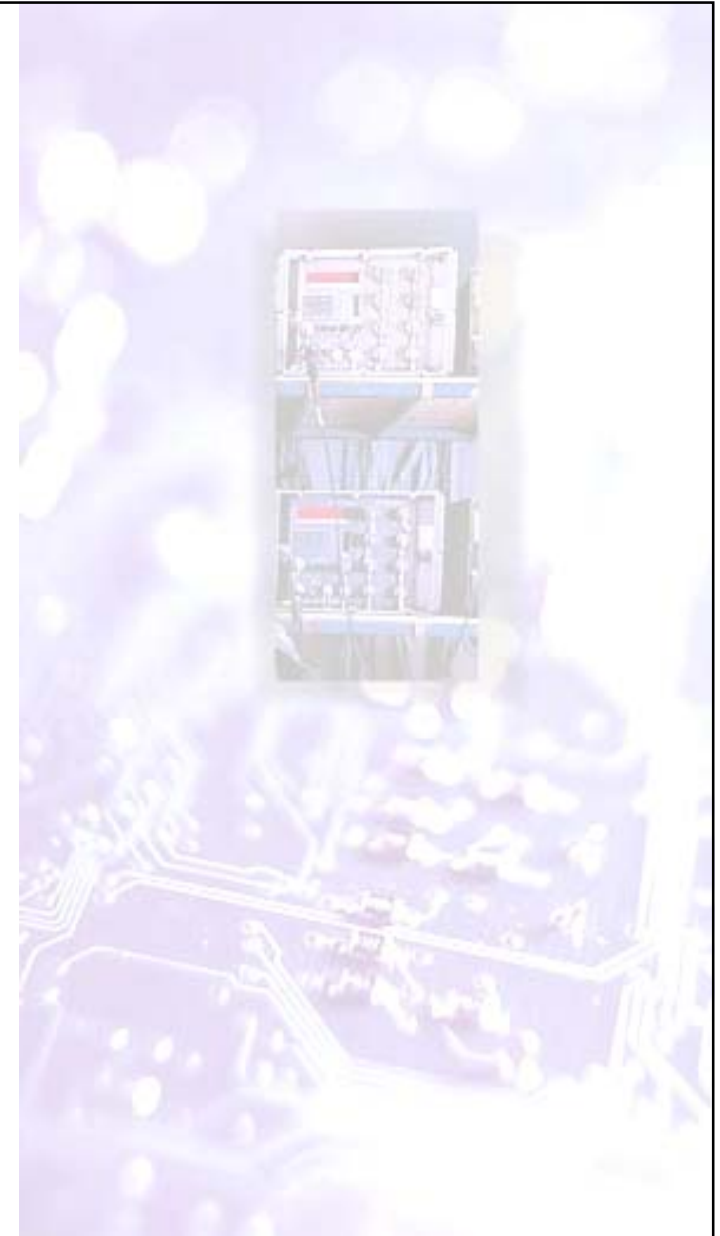


Expanding capacity

Market growth expected to continue
Growth ambition of 10% annual organic growth

Continuously driving for productivity increases
Machinery upgrades on same level as 2007

Pressure on margins expected to be
compensated by higher productivity



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Nordic EMS industry

Variable results and lower share prices suggesting restructuring opportunities

Kitron has a strategic ambition to take a proactive and leading role:

- Build organizational capability
- Do tactical acquisitions (e.g. EDC's Lithuanian subsidiary in 2007)
- Initiate strategic mergers or acquisitions to become a major Nordic player
- Follow our global customers
- Prepare for a role in the Northern European market



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Questions, comments?

