

Presentation of Luxo's 2nd Quarter 2008 Results

Drammensveien 175, Oslo, August 12th 2008



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What is Luxo?

- For more than 70 years Luxo has designed innovative ergonomic lighting products and concepts, aiming to provide optimum lighting conditions considering individual needs.
- Light influence people. The right lighting solution creates a comfortable, flexible and stimulating ambiance in a working environment.
- Our key strategic focal point is integrated lighting solutions, ensuring energy efficiency and design awareness in a market keen to invest in quality and low carbon footprint.

Summary points, Q2 08

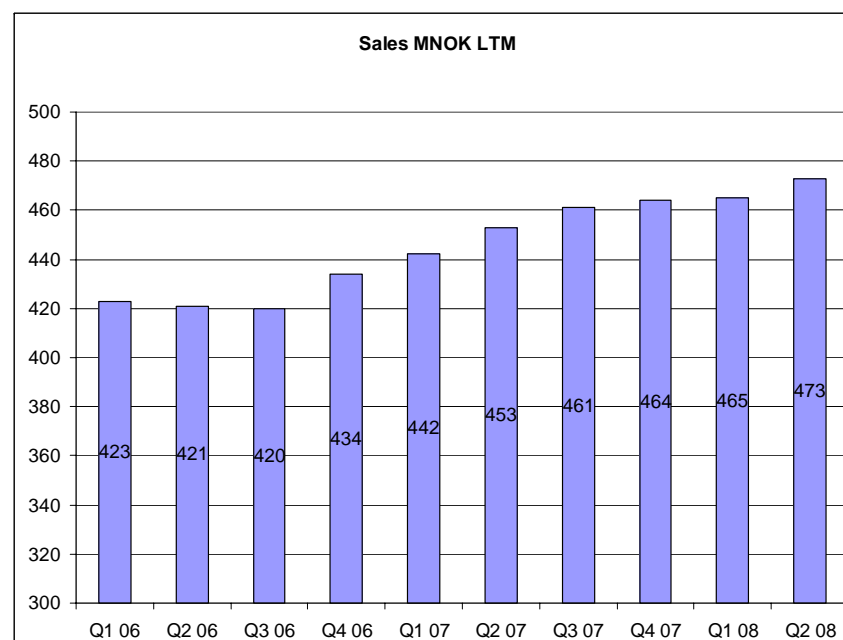
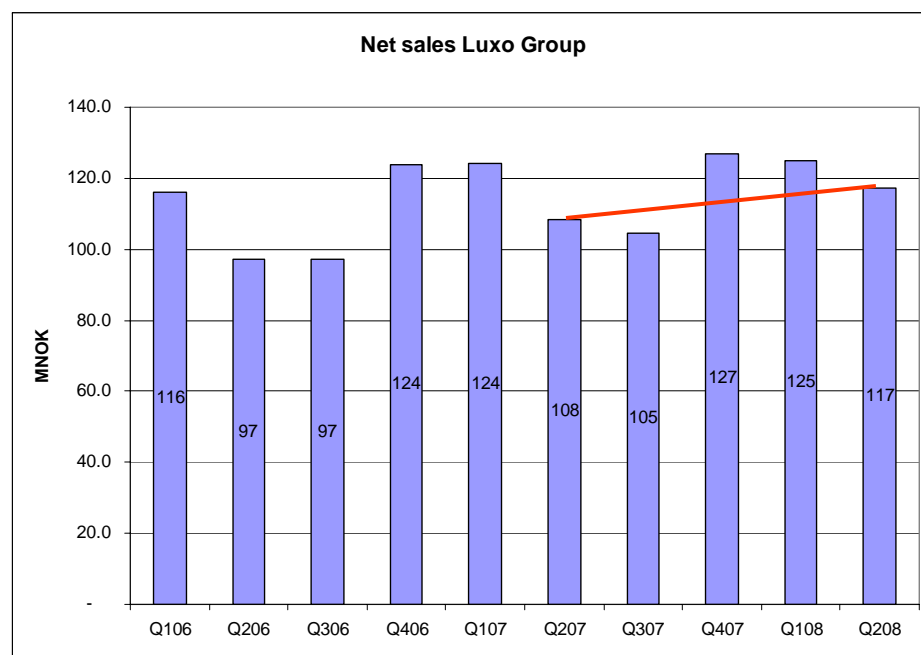
- Underlying growth of 14,4% proves that the company delivers on its goal to achieve growth significantly above market growth.
- The launch of the task light Ninety™ has been a success and the product has immediately established itself as the company's best-seller. During Q2, it has won several major awards, including 'Best of NeoCon Gold award' and 'Grand Prize award for energy efficiency' at the World's largest show for contract furnishings.
- The company has accepted an offer for a 5-year refinancing package with a new bank at improved terms. The refinancing will be completed during Q3.

Adjusted statements

Svelux Iluminacao Lda, a partly owned sub-subsubsidiary located in Portugal has been sold and the transaction entered in the accounts from 01.01.2008. The Luxo Group owned 60% of this company.

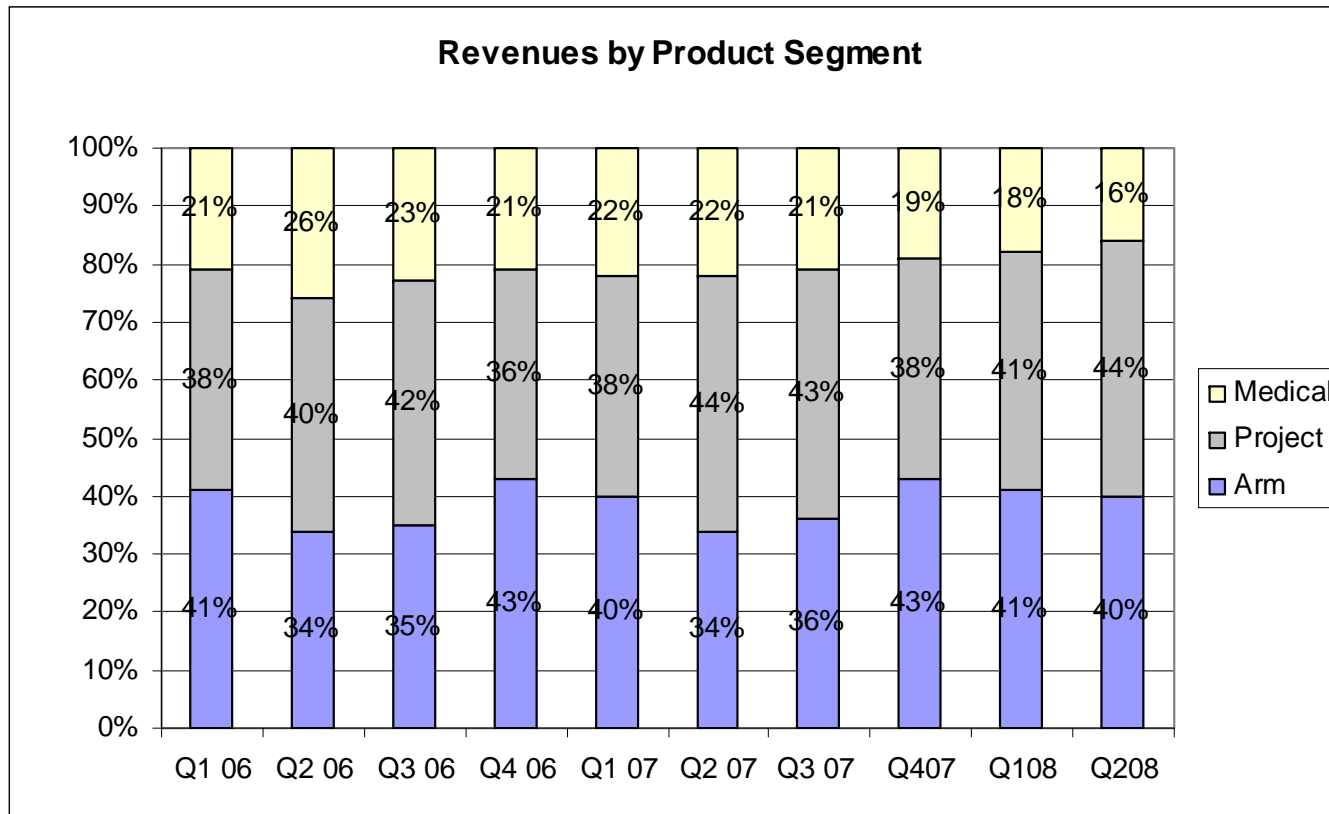
All comparable figures in this presentation have been adjusted to exclude Svelux Iluminacao Lda.

2nd quarter sales-development



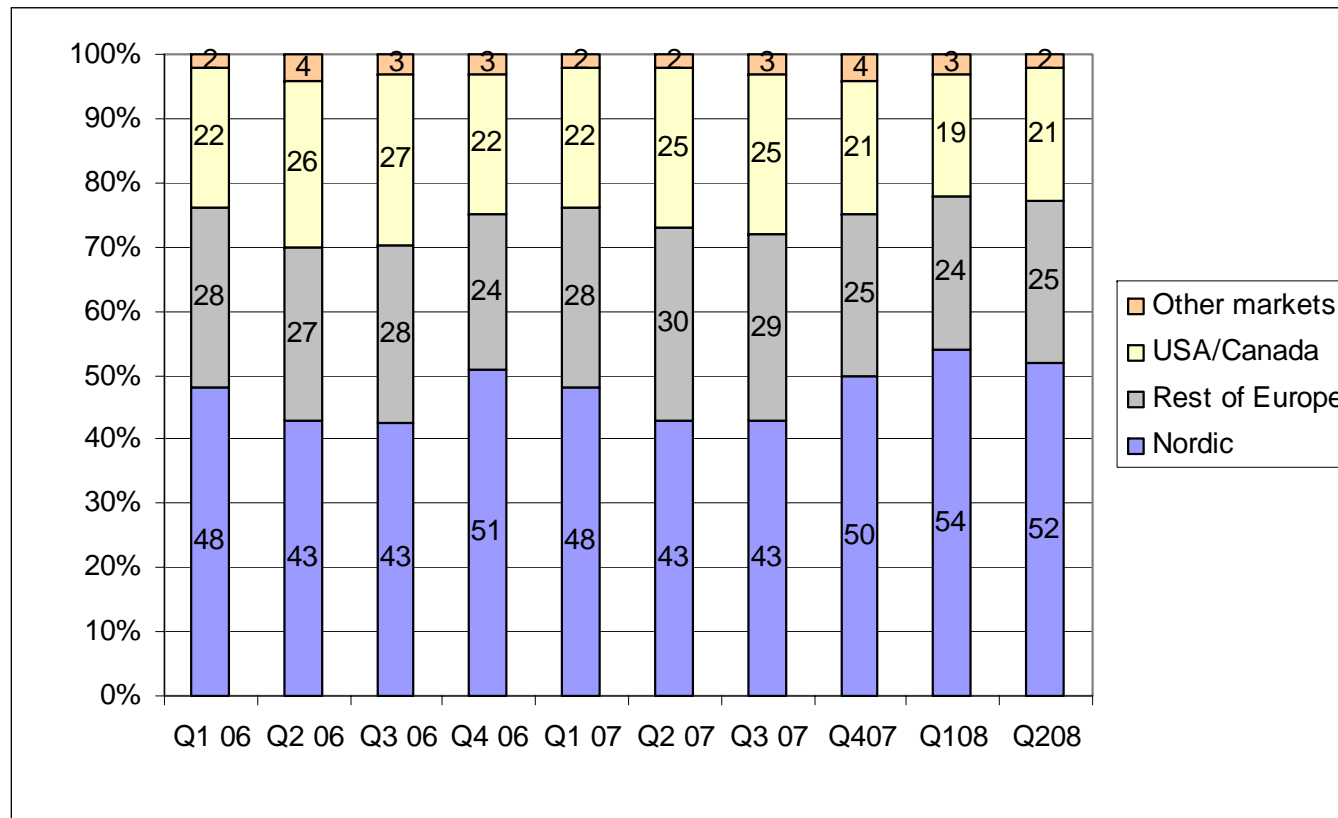
- Sales growth 8,2% vs. Q2 07
- Underlying sales growth, currency neutral, was 14,4%

Revenues by Product Segment



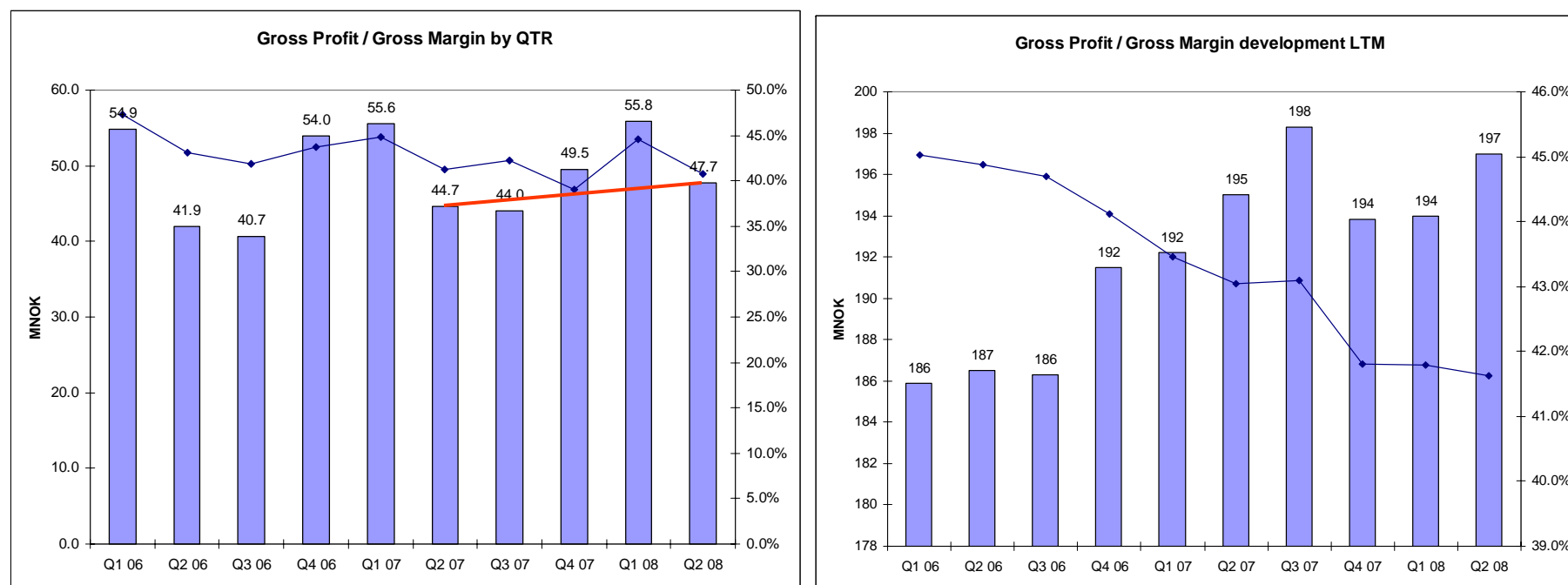
- As compared to 2nd Quarter 07, we observe relative growth in the Project and Arm-based segments, and a relative decline in Medical segment

Revenues by Geographical Segment



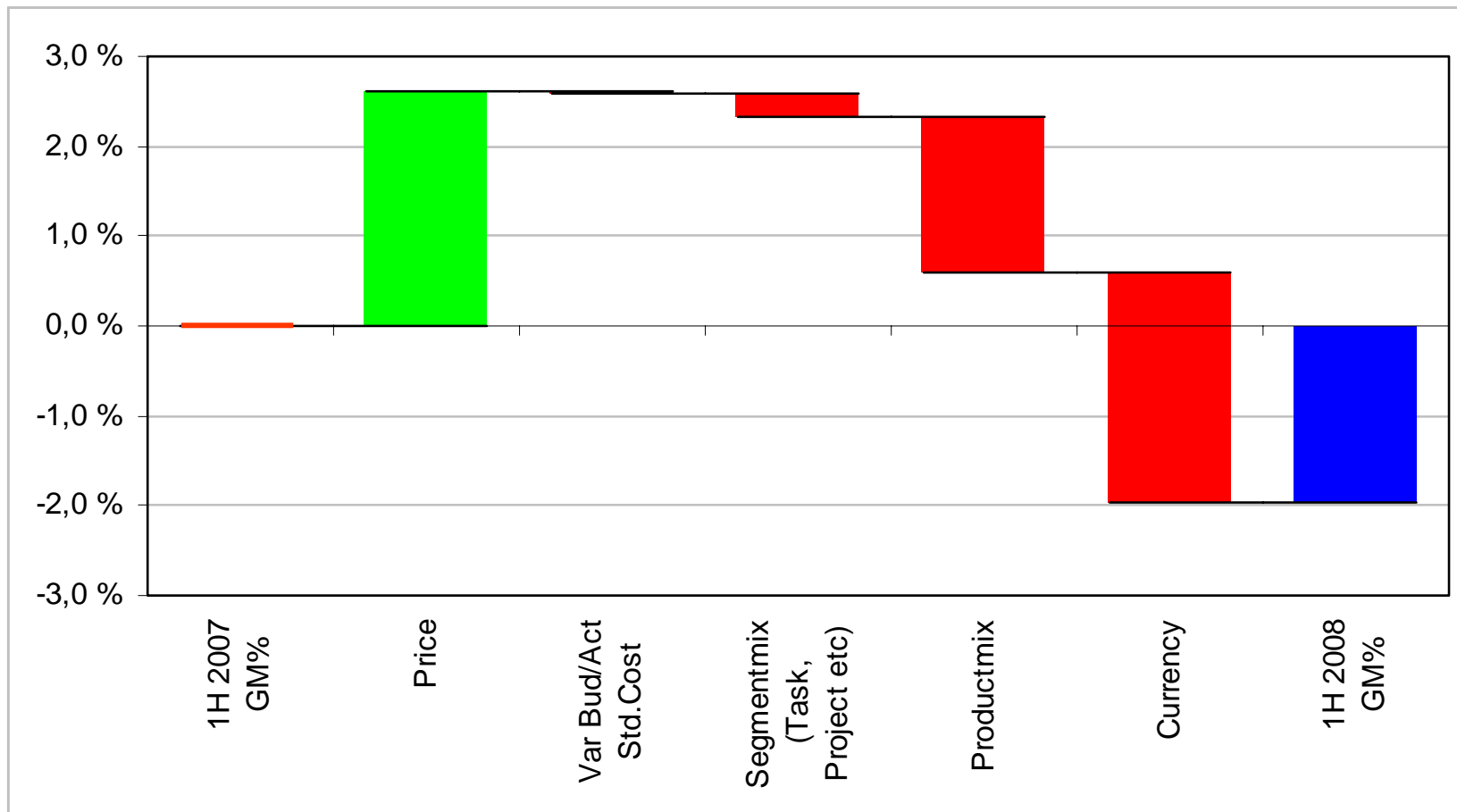
- As compared to 2nd Quarter 07, we observe the highest relative growth in the Nordic Region, and a negative relative development in USA/Canada and Rest of Europe, strongly influenced by currency developments

Gross margin development

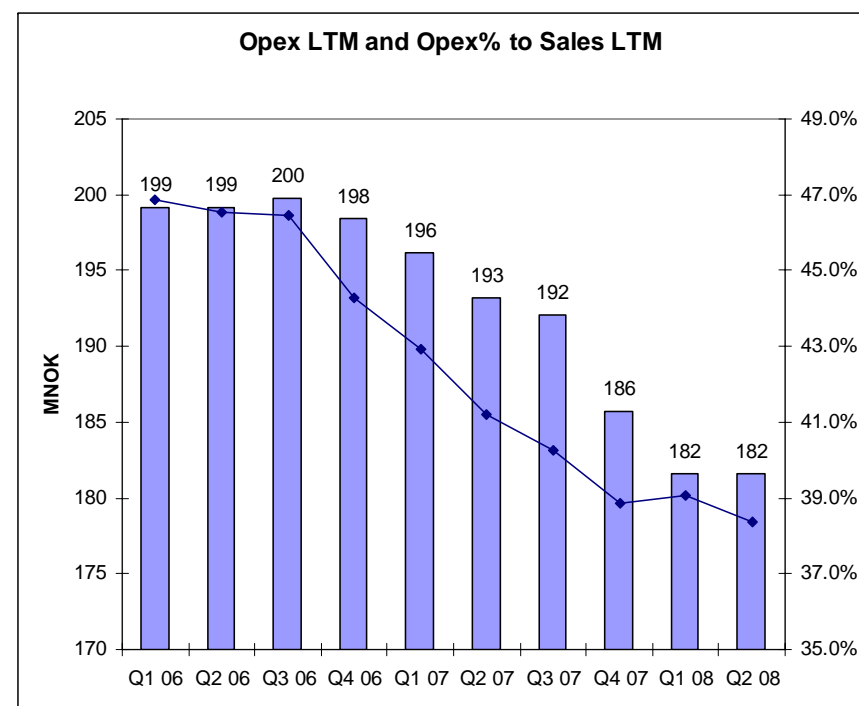
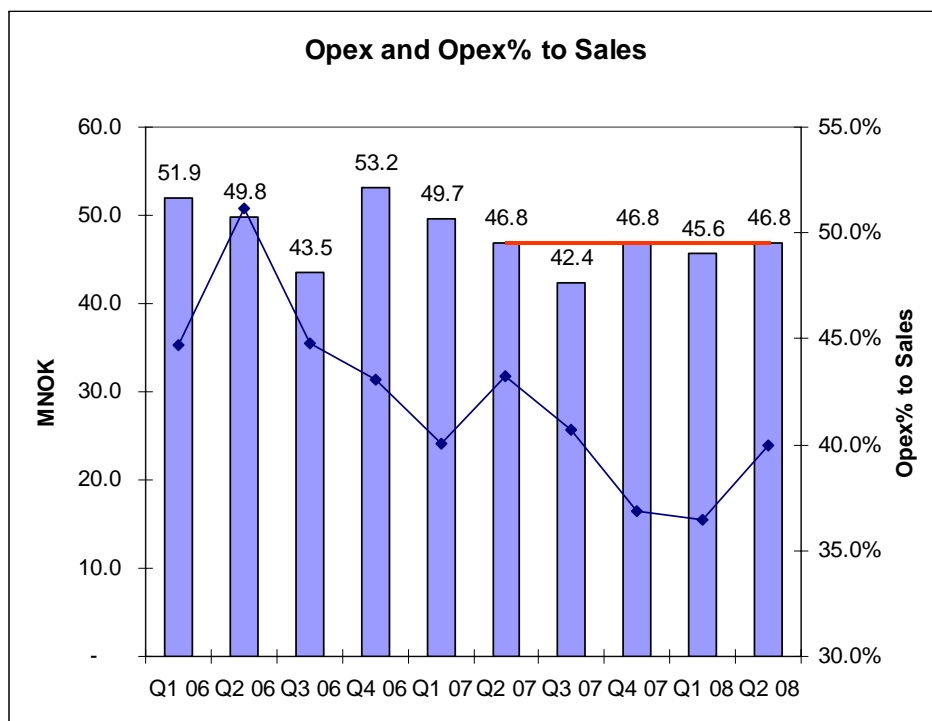


- Gross Profit grew by 6,7% to 47,7 MNOK.
- Negative gross margin trend is halted, underlying currency neutral GM development is now positive.

Gross margin: change factors

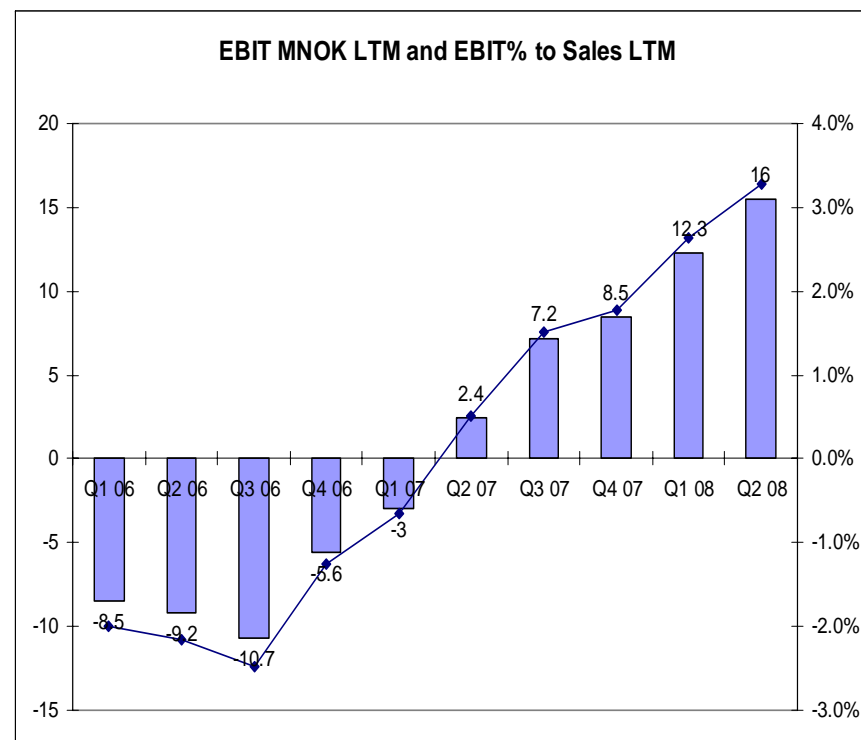
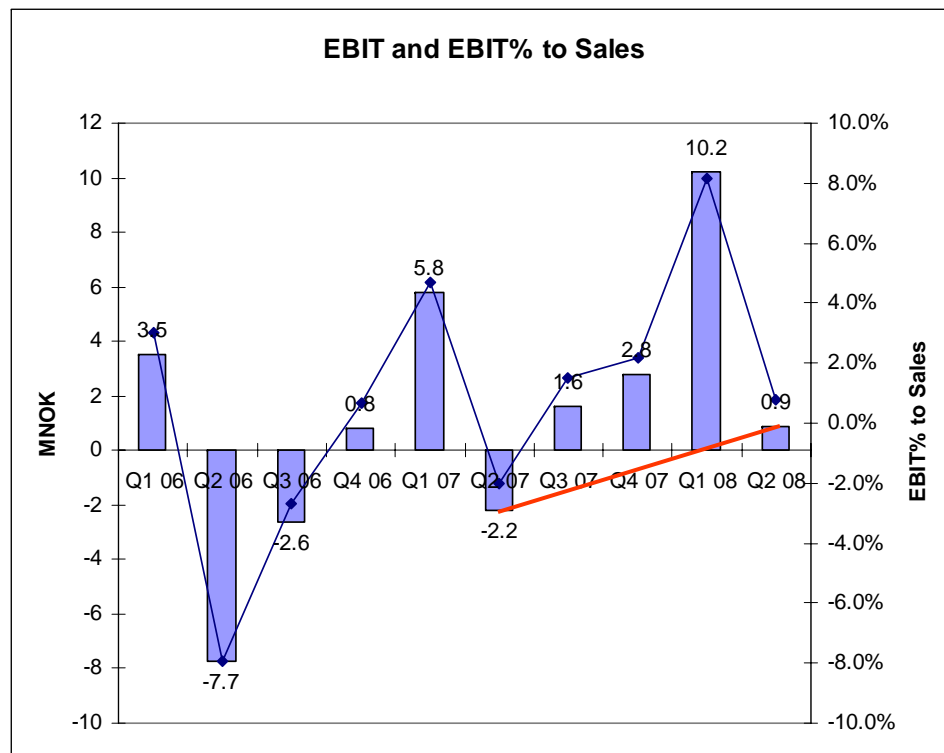


Opex-development



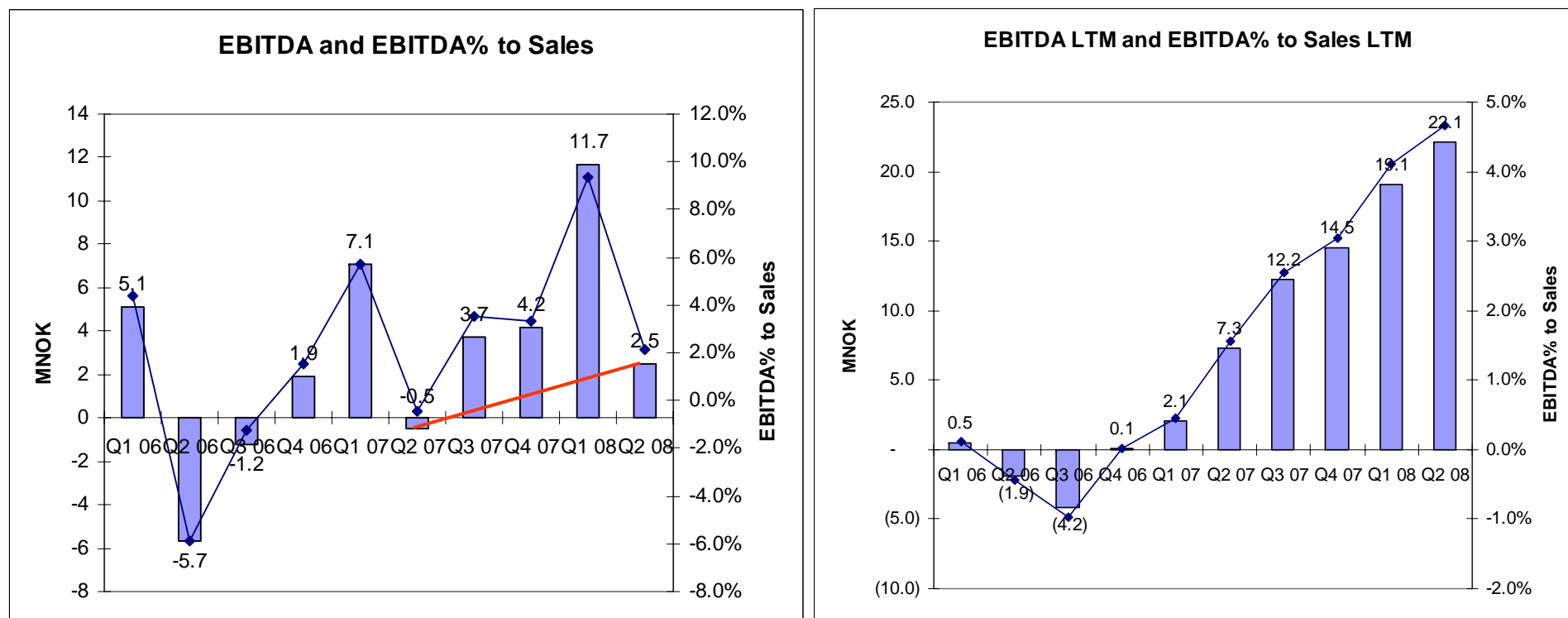
- Efforts to improve productivity in indirect functions continue to yield results, and Opex last twelve months is 38,4% of sales.
- Opex as compared to Q207 shows a flat development. However, development was helped by currency-effects, and the underlying currency-neutral development is +5%. These planned increases are primarily in sales & marketing.

EBIT - development



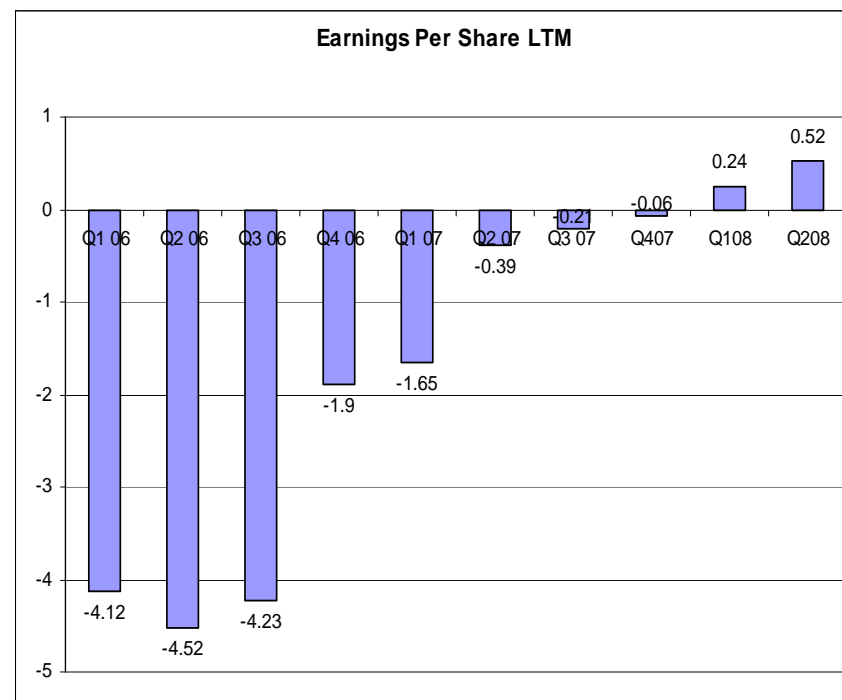
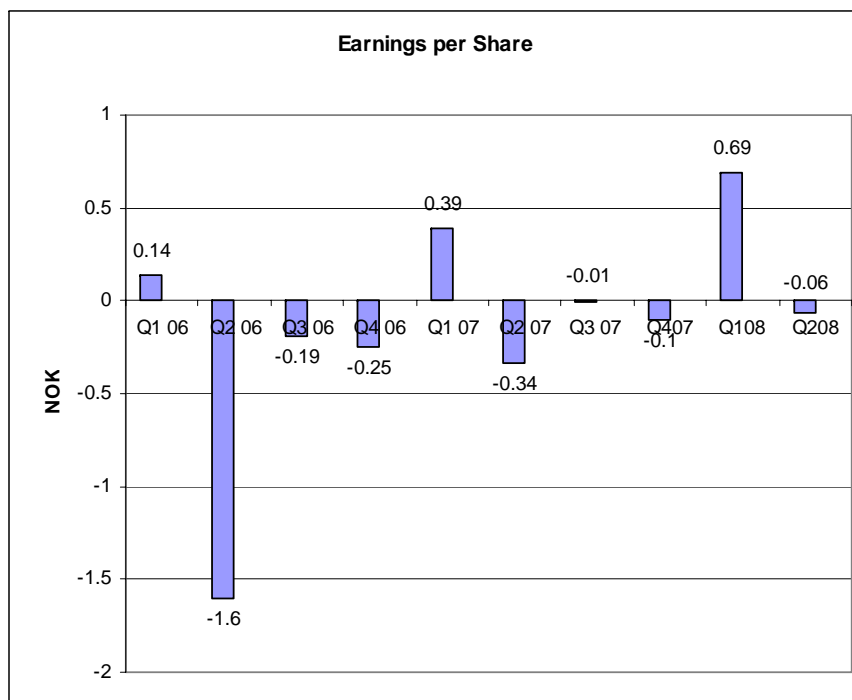
- EBIT continues to develop favorably as a result of underlying sales-growth, margin- and cost control.

EBITDA - development



- As the investment activity is fairly constant, EBITDA closely track the positive development of EBIT. Last twelve month's EBITDA is 22,1 MNOK, and 4,7% of LTM sales.

Earnings per Share



Income Statement

Income Statement	2Q/2008	2Q/2007	Jan – June 2008	Jan – June 2007	Jan – Dec 2007
Mill. NOK					
Operating revenues	117,1	108,2	242,1	232,5	463,9
Cost of goods sold	69,4	63,5	138,6	132,3	270,2
Gross Margin	47,7	44,7	103,5	100,2	193,7
Product develop expenses	1,7	2,6	3,5	5,	8,9
Logistics- and assembling expenses	3,1	3,4	5,9	6,9	12,8
Sales- and marketing expenses	27,1	25,3	53,2	51,3	101,1
Administration and other expenses	14,9	15,5	29,7	33,2	62,2
Other gains	0,0	0,0	0,0	0,1	0,7
Total operating expenses	46,8	46,9	92,4	96,6	185,8
Operating result	0,9	-2,2	11,1	3,6	8,0
Net financial income and expenses	-1,7	-2,5	-3,2	-3,5	-8,5
Result before tax	-0,8	-4,7	7,9	0,2	-0,5
Tax	0,0	0,0	0,0	-0,1	0,9
Result after tax	-0,8	-4,7	7,9	0,2	0,3
Result per share	-0,06	-0,37	0,63	0,02	0,03
EBITDA	2,5	-0,9	14,2	6,2	14,0

Balance Sheet

Balance sheet	Pr. 30.06 2008	Pr. 30.06 2007	Pr. 31.12 2007
Mill. NOK			
Intangible fixed assets	49,7	45,7	47,6
Tangible fixed assets	43,7	38,8	43,8
Total long-term asset	93,4	84,5	91,4
Inventories	66,4	62,1	68,1
Receivables	68,1	67,9	75,5
Cash and bank deposit	17,9	20,5	17,3
Total current assets	152,5	150,5	160,9
Total assets	245,9	235,0	252,3
Paid-in equity	91,8	91,8	91,8
Retained earnings	12,6	2,3	2,4
Total equity	104,4	94,1	94,2
Provisions	20,9	25,0	21,0
Long-term liabilities	51,2	53,7	51,2
Current liabilities	69,4	62,2	86,0
Total liabilities	141,5	140,9	158,1
Total liabilities and equity	245,9	235,0	252,3

Equity

	Pr. 30.06 2008	Pr. 30.06 2007	Pr. 31.12 2007
Equity at the beginning of the period	97,0	97,9	97,9
Net profit after tax	7,9	0,7	0,8
Hedging reserve	0,5	-	0,9
Sale of minority share	-1,1	-	-
Currency	0,1	-1,8	-3,5
Other movements	-	-	0,9
Equity at the end of the period	104,4	96,8	97,0

Cash-flow 2nd Quarter

MNOK	2. quarter 2008	2. quarter 2007	Year 2007
Net cash flow from:			
Operating activities	1,8	-1,6	7,1
Investing activities	-1,9	-1,0	-10,8
Financing activities	-2,5	-3,3	-7,2
Net change in cash and bank deposit	-2,6	-5,9	-10,9
Cash at beginning of period	20,5	26,4	28,2
Cash at end of period	17,9	20,5	17,3

Through the primary lending institution, DNBNor, the company has access to an additional credit facility of MNOK 10.

10 largest shareholders of Luxo

Shareholder	Holding	Share in %
Krefting AS	2 025 000	16,1 %
Callidus Invest AS	1 323 908	10,5 %
Lene Invest AS	1 159 207	9,2 %
Truls AS	800 000	6,4 %
Krogsrud Invest AS	714 116	5,7 %
Anchor Secondary 3H	687 800	5,5 %
Johs Hansens Rederi	683 000	5,4 %
Verdipapirfondet Dan Danske Fund Norge	557 000	4,4 %
Loligo AS	550 000	4,4 %
Verdipapirfondet Nor v/ Nordea Fondene AS	524 500	4,2 %



Market development and Outlook 2008

- The company expects continued favourable market conditions for 2008, albeit at a lower growth-rate than 2007.
- Lighting products are implemented at the very end of the construction phase, Luxo will therefore achieve sales from projects that were initiated in 2006 and 2007.
- The company expects its major markets to develop at a rate between 2 and 4 percent in 2008
- The company had a satisfactory development during the first half of 2008. A continued positive development is expected throughout 2008.

Financial Calendar

- 5th November: Publication of the Third Quarter Result

The right light



Questions?



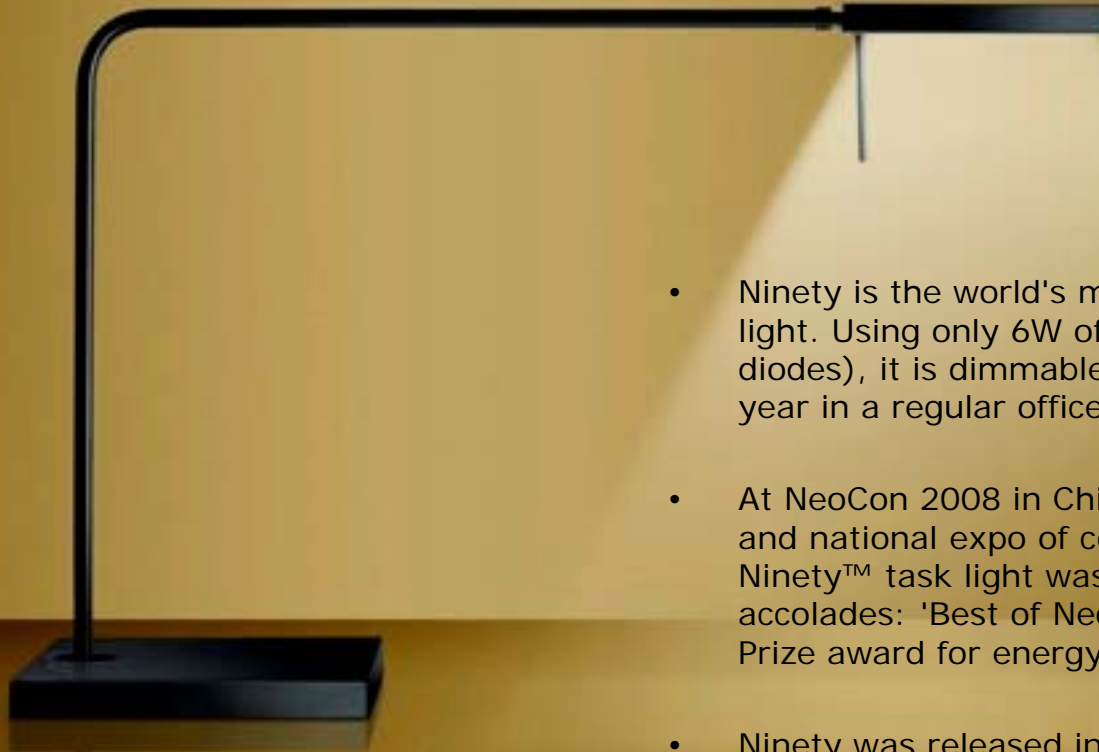
Thank you
for your attention!

More information: www.luxo.com

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Ninety™



- Ninety is the world's most energy efficient task light. Using only 6W of LEDs (Light emitting diodes), it is dimmable and designed to last for 25 year in a regular office environment.
- At NeoCon 2008 in Chicago, the World's Trade Fair and national expo of contract furnishings, Luxo's Ninety™ task light was honoured with two major accolades: 'Best of NeoCon Gold award' and 'Grand Prize award for energy efficiency'.
- Ninety was released in Q1-08 and has already become our best-seller in the task light segment, making way for our further developments within the LED driven segments.

More information: www.luxo.com