



Tecnomen Lifetree Corporation Interim Report 1-6/2009

12.8.2009

Jarmo Niemi

President and CEO

Tecnotree Highlights

Tecnotree India consolidated from 6th of May 2009

M€	1-6/2009	4-6/2009
Net sales	26.5 (37.3)	15.0 (22.2)
Ebit	-3.2 (3.2)	-1.5 (3.6)
Net result	-4.6 (2.3)	-2.8 (3.5)
Order intake	38.3 (45.0)	24.8 (30.5)
Order book	21.5 (25.1)	21.5 (25.1)
Cash flow after investments (w/o net payment of Lifetree acquisition)	0.9 (2.1)	0.5 (3.6)
Net cash flow	-18.5 (-2.0)	-18.9 (3.6)
Cash	32.8 (15.5)	
Equity ratio	68.4 (82.5%)	
Net gearing	-16.3 (-20.4%)	

Tecnotree Business Units

VAS

- Net sales were 11.0 M€ (23.3)
- BU EBIT was -2.1 M€ (6.1)
- Maintenance revenue 5.5 M€
- eZoner sales stopped
- NGM deliveries for three new customers in MEA
- NGM expansions in APAC and LA
- Average project size decreased

BSS/OSS

- Net sales were 15,5 M€ (14,0)
- BU EBIT was 0.5 M€ (-1.6)
- Maintenance revenue 4.7 M€
- Lifetree sales 2.9 M€ / EBIT 0.5 M€
- Pre Paid demand in Latin America slowed down
- Good project completion and cash flow levels

Consolidated Income Statement

Tecnotree India consolidated from 6 May 2009

EUR Million	4-6/2009	4-6/2008	Change %
Net sales	15.0	22.2	-32.6
Other operating income	0.0	0.0	
Materials and services	-3.4	-4.5	-24.2
Employee benefit expenses	-6.2	-6.4	-3.8
Other operating expenses	-5.2	-6.2	-16.0
Depreciation	-1.7	-1.4	24.2
Operating result	-1.5	3.6	
% of net sales	-10.0	16.3	
Financial income and expenses	-0.3	0.2	
Result after financial income and expenses	-1.8	3.9	
Income taxes	-1.1	-0.3	220.6
Result for the period	-2.8	3.5	

Consolidated Income Statement

Tecnotree India consolidated from 6 May 2009

EUR Million	1-6/2009	1-6/2008	Change %
Net sales	26.5	37.3	-28.9
Other operating income	0.0	0.0	
Materials and services	-5.4	-8.9	-39.1
Employee benefit expenses	-11.7	-11.9	-1.6
Other operating expenses	-9.5	-10.6	-10.2
Depreciation	-3.1	-2.7	14.4
Operating result	-3.2	3.2	
% of net sales	-12.1	8.6	
Financial income and expenses	0.0	0.3	
Result after financial income and expenses	-3.2	3.5	
Income taxes	-1.4	-1.2	15.4
Result for the period	-4.6	2.3	

Consolidated Income Statement

(Pro forma, Tecnotree India included Apr-Jun of both years)

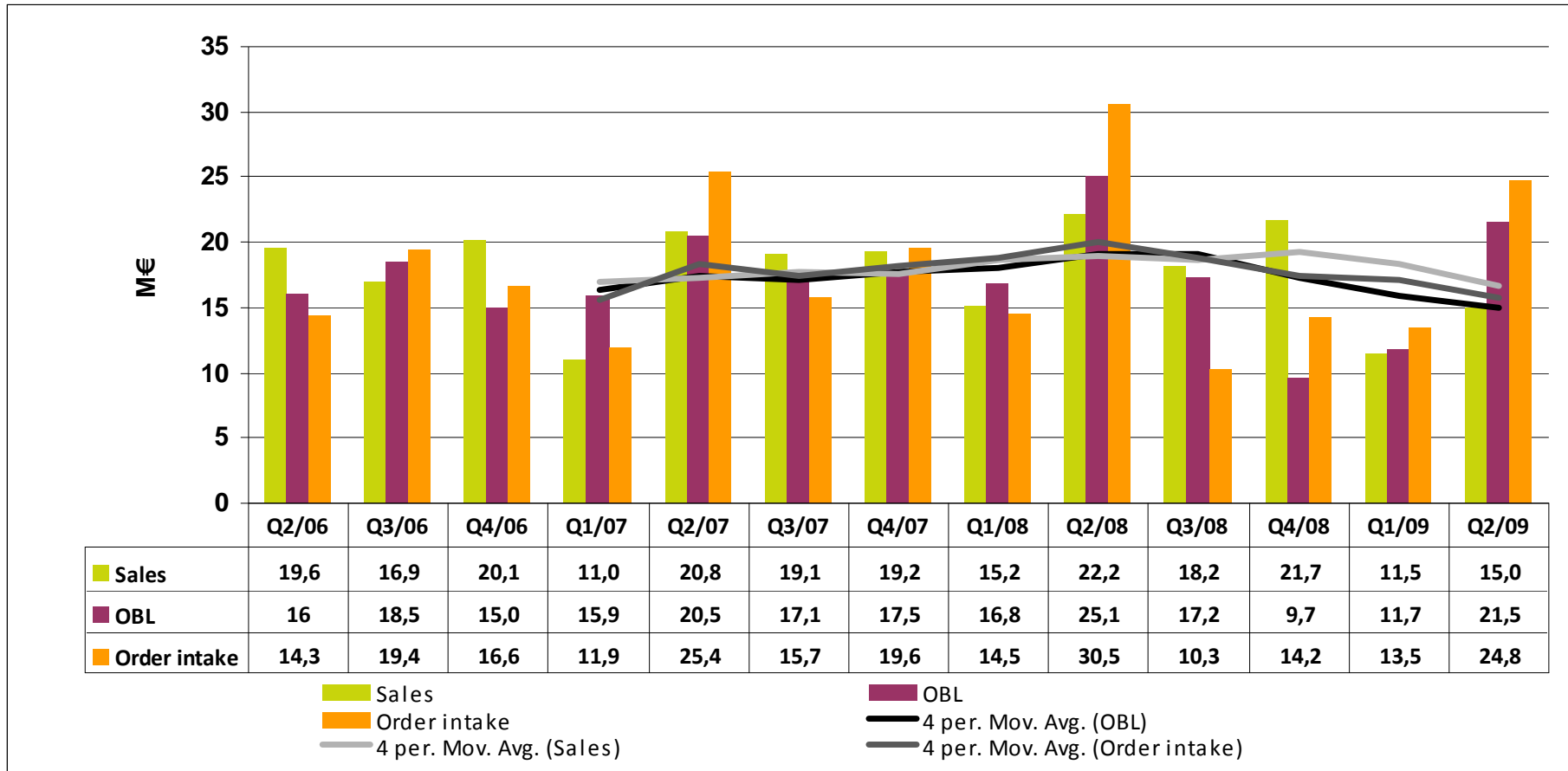
EUR Million	4-6/2009	4-6/2008	Change %
Net sales	16.2	25.7	-36.9
Other operating income	0.0	0.4	
Materials and services	-3.6	-5.1	-29.0
Employee benefit expenses	-6.6	-7.2	-8.7
Other operating expenses	-5.5	-6.9	-19.7
Depreciation	-1.8	-1.4	25.6
Operating result	-1.4	5.4	
% of net sales	-8%	21%	
Financial income and expenses	-0.3	0.3	
Result after financial income and expenses	-1.7	5.6	
Income taxes	-1.1	-0.4	198.6
Result for the period	-2.8	5.3	

Consolidated Income Statement

(Pro forma, Tecnotree India included Jan-Jun of both years)

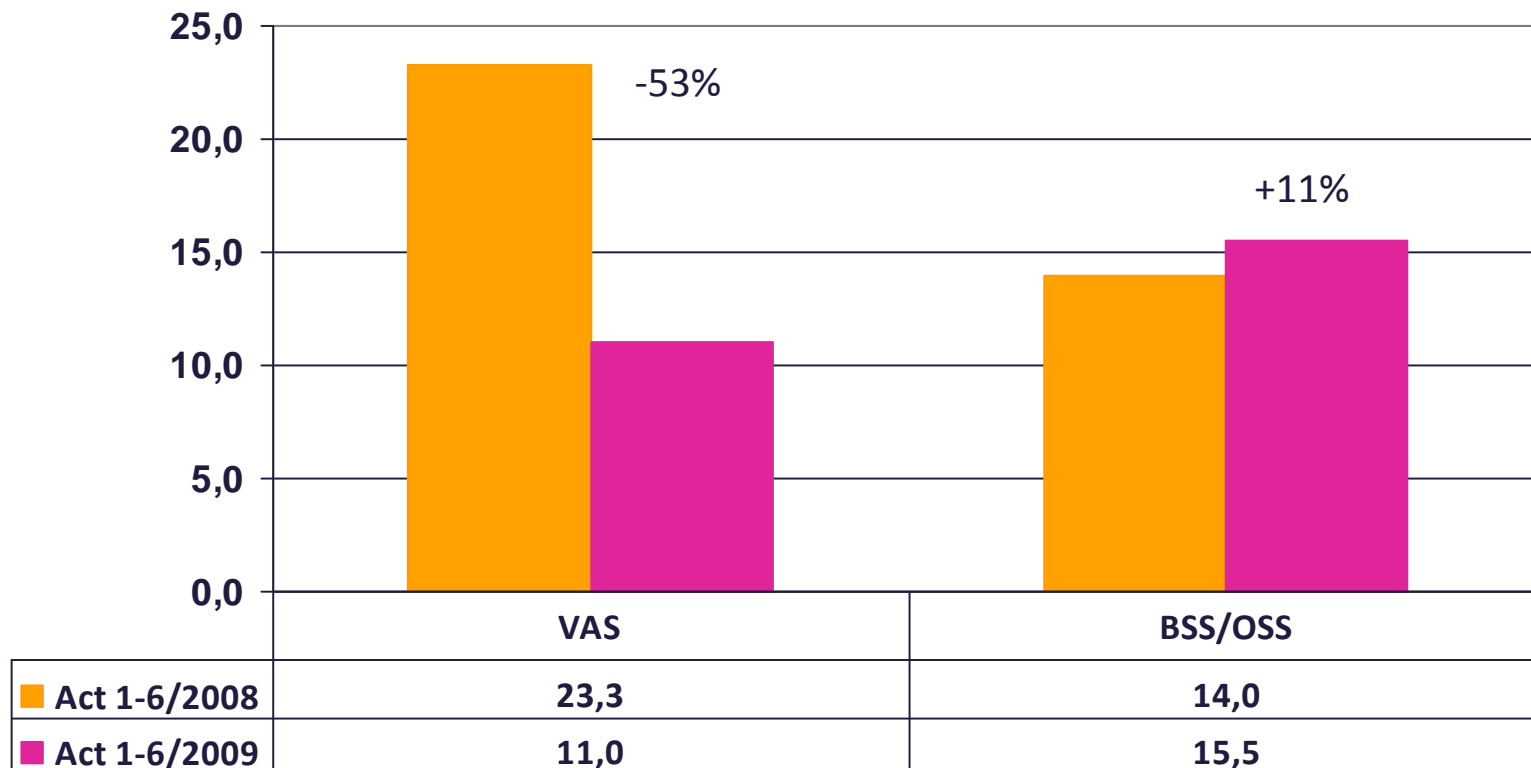
EUR Million	1-6/2009	1-6/2008	Change %
Net sales	31.5	44.4	-29.0
Other operating income	0.2	0.5	-66.0
Materials and services	-6.9	-10.3	-32.7
Employee benefit expenses	-13.7	-13.7	0.0
Other operating expenses	-10.8	-11.9	-9.1
Depreciation	-3.4	-2.9	16.7
Operating result	-3.1	6.1	
% of net sales	-10%	-14%	
Financial income and expenses	0.2	0.3	-46.5
Result after financial income and expenses	-2.9	6.4	
Income taxes	-1.4	-1.2	14.7
Result for the period	-4.3	5.2	

Sales and Orders by Quarter



Net Sales by Business Unit

VAS 42 % (62 %), BSS/OSS 58 % (38 %) of Net Sales



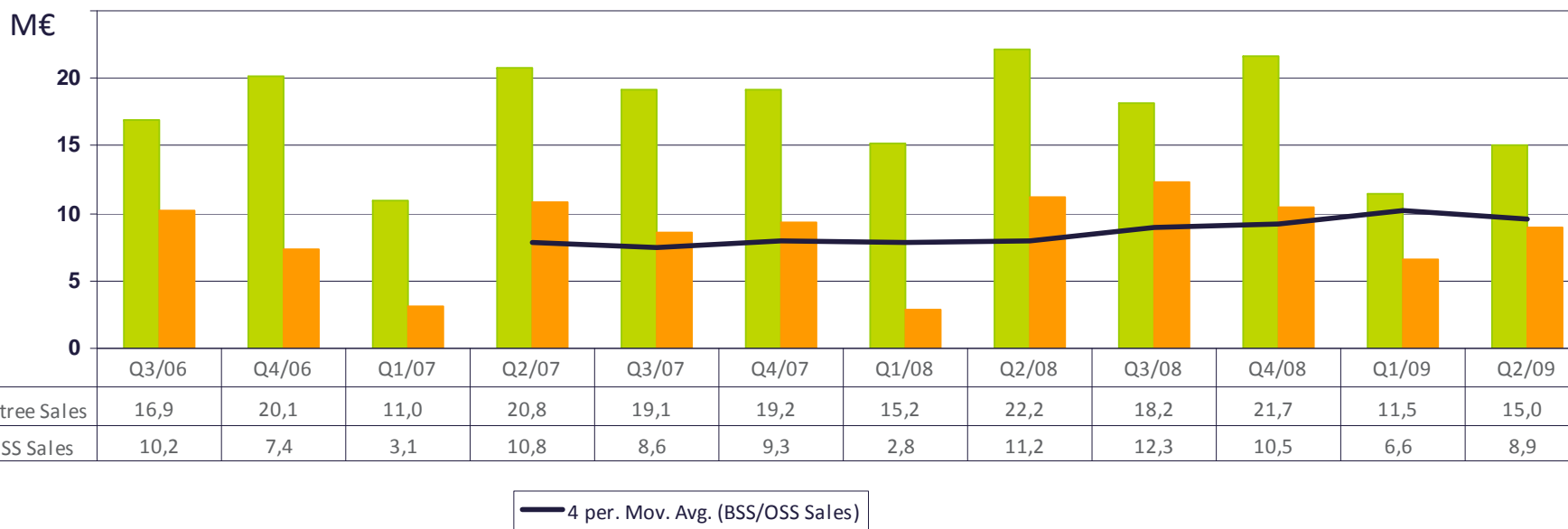
Sales by Business Unit

VAS



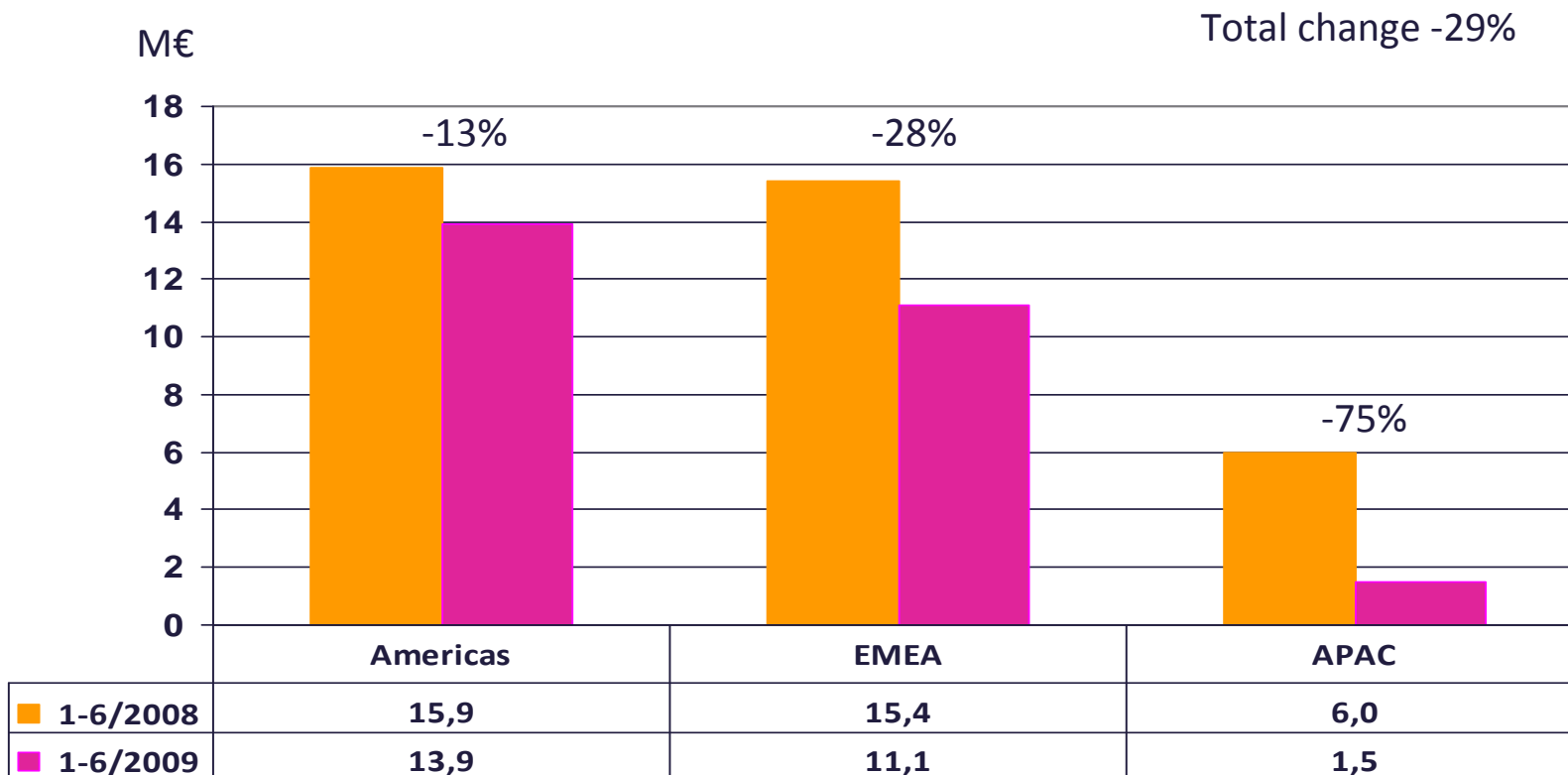
Sales by Business Unit

BSS/OSS



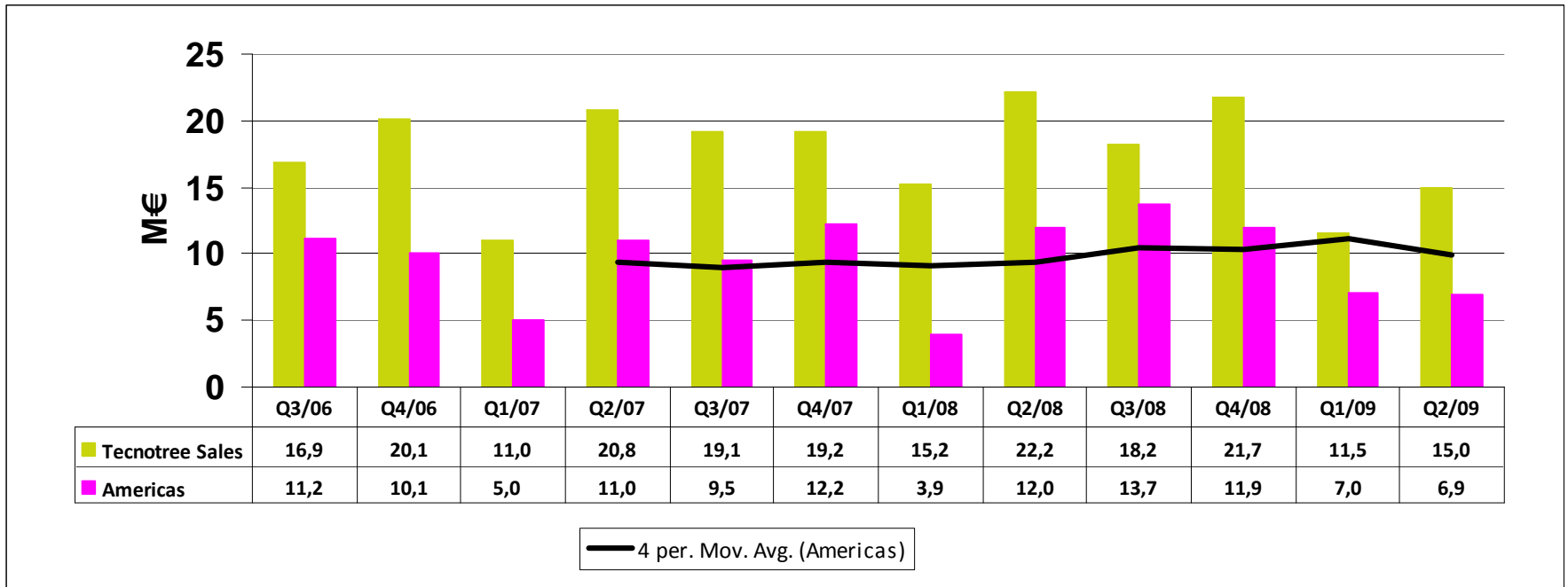
Net Sales by Area

Americas 52,5% (42,6%), EMEA 41,9% (41,3%), APAC 5,6% (16,1%)



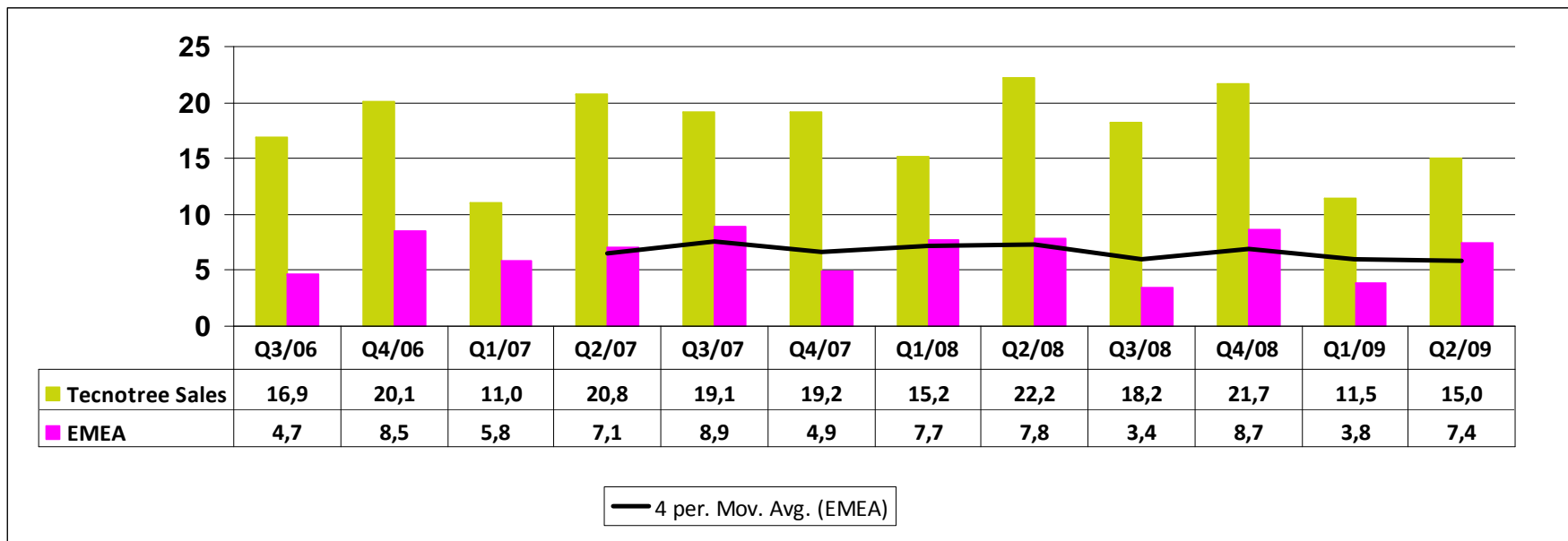
Sales by Area

Americas



Sales by Area

EMEA

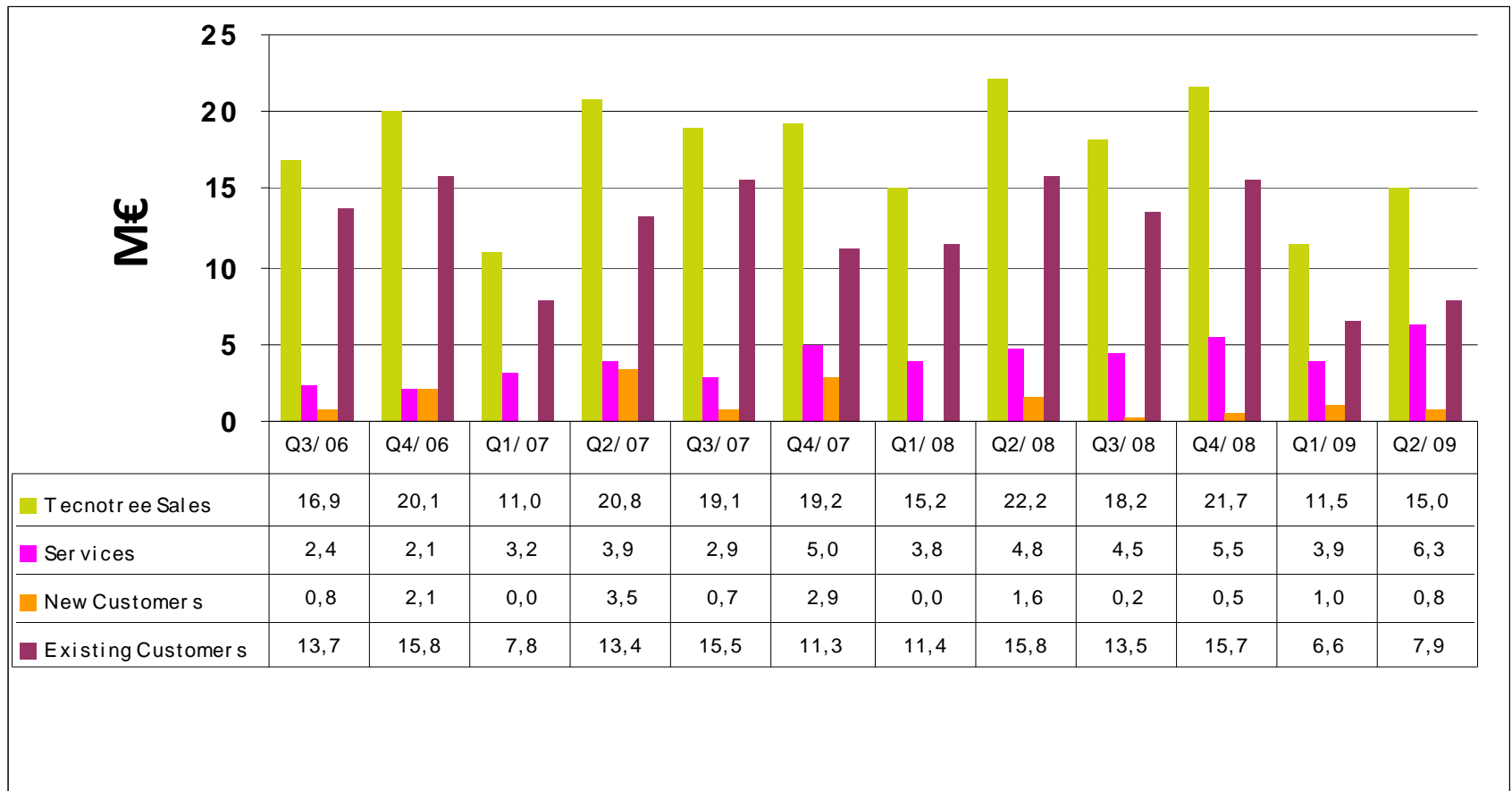


Sales by Area

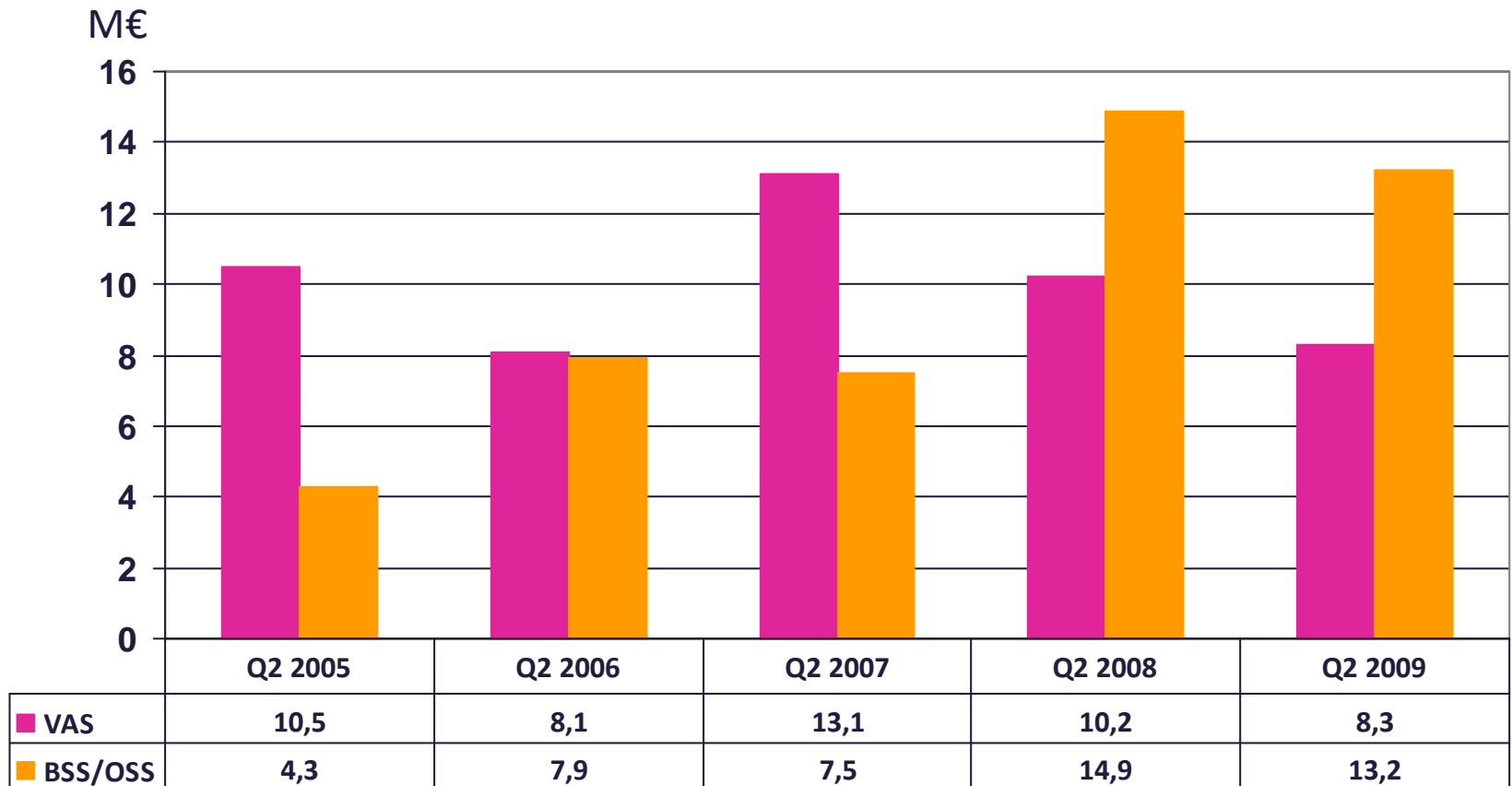
APAC



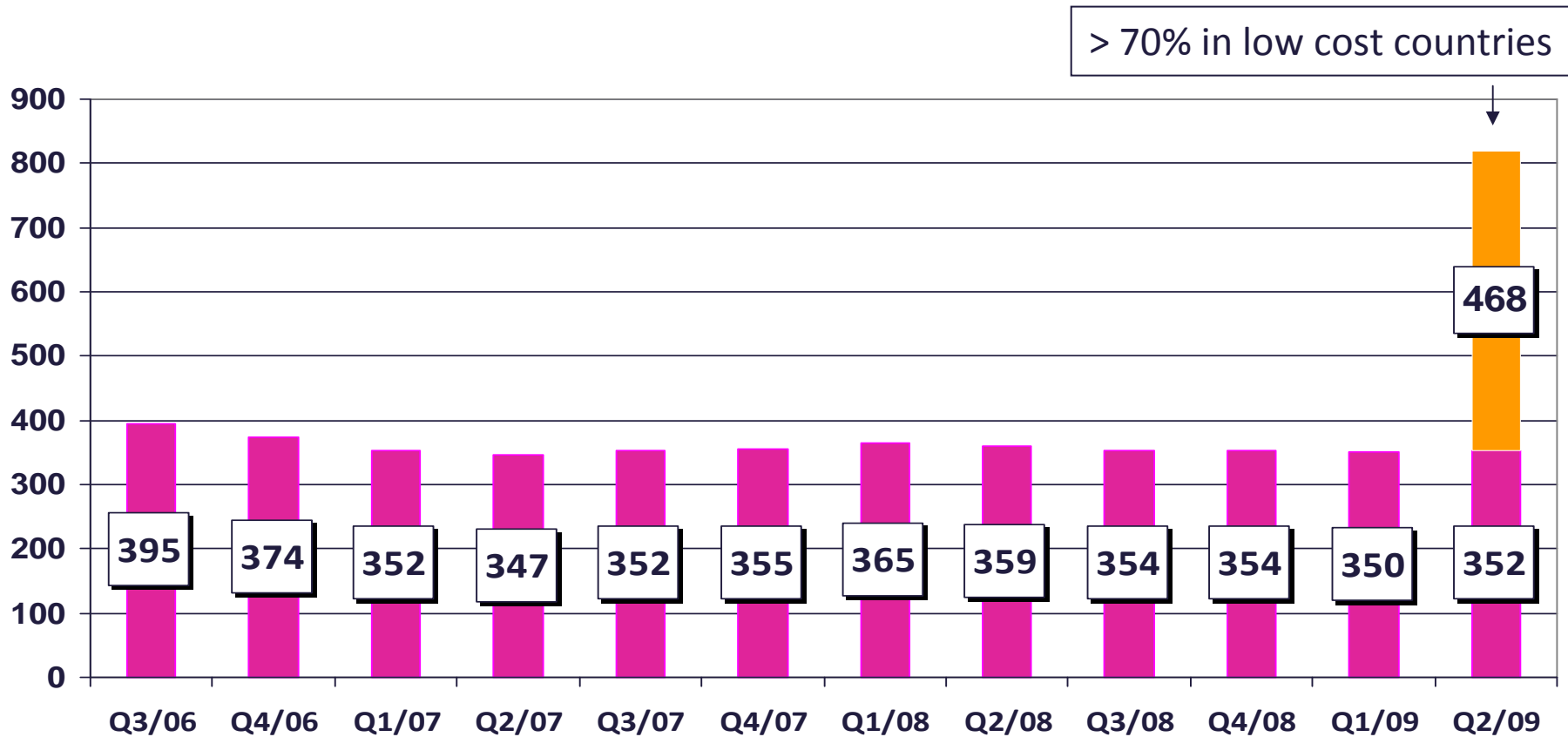
Sales Distribution



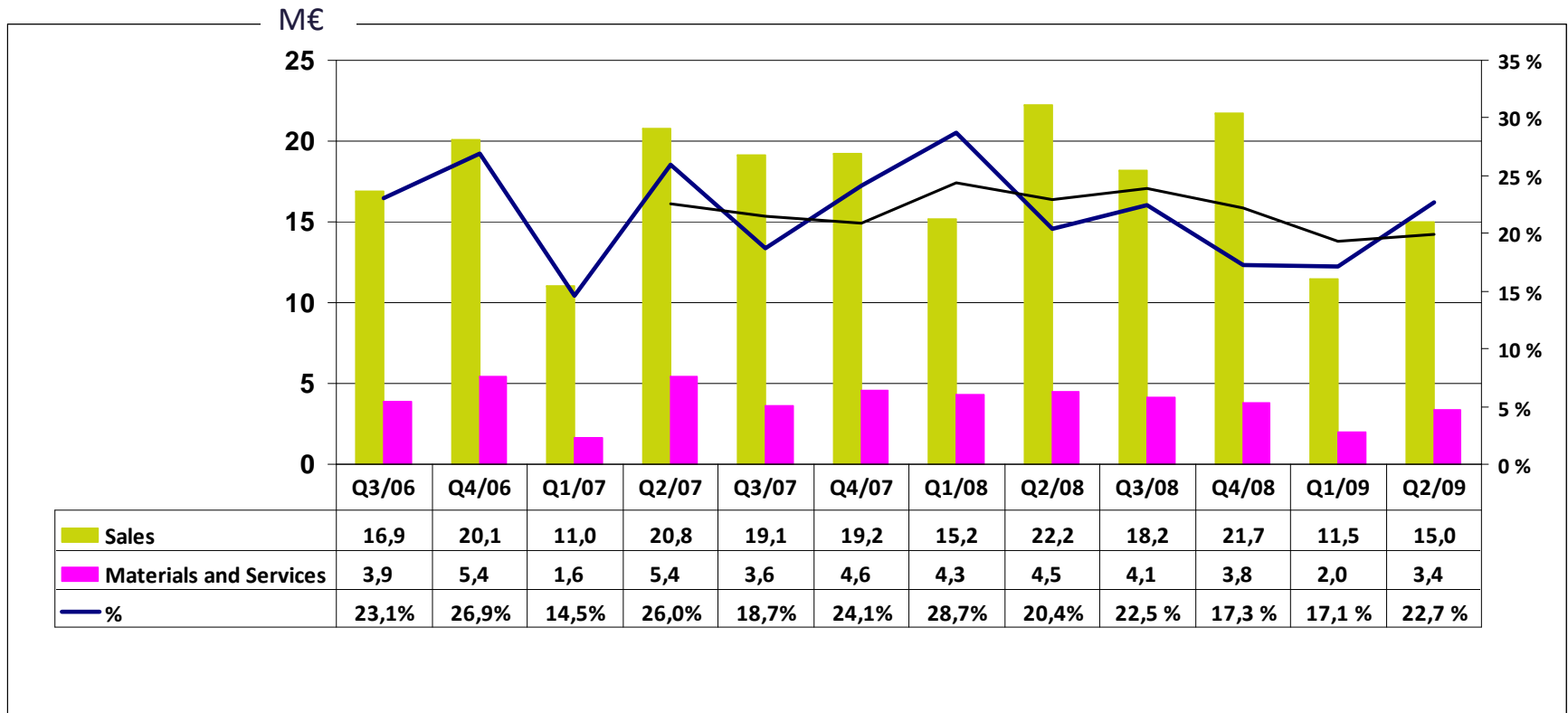
Orderbook by Product Line



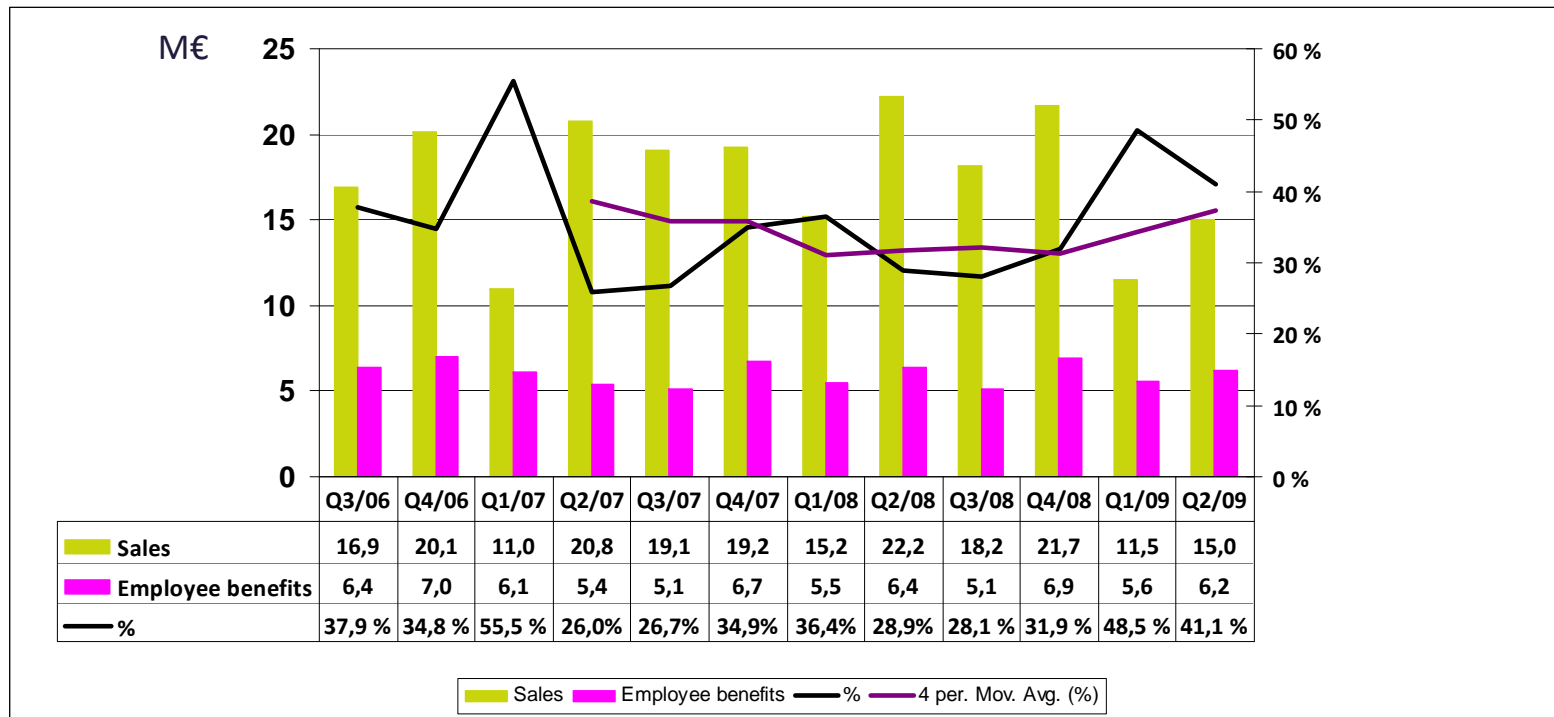
Number of Personnel



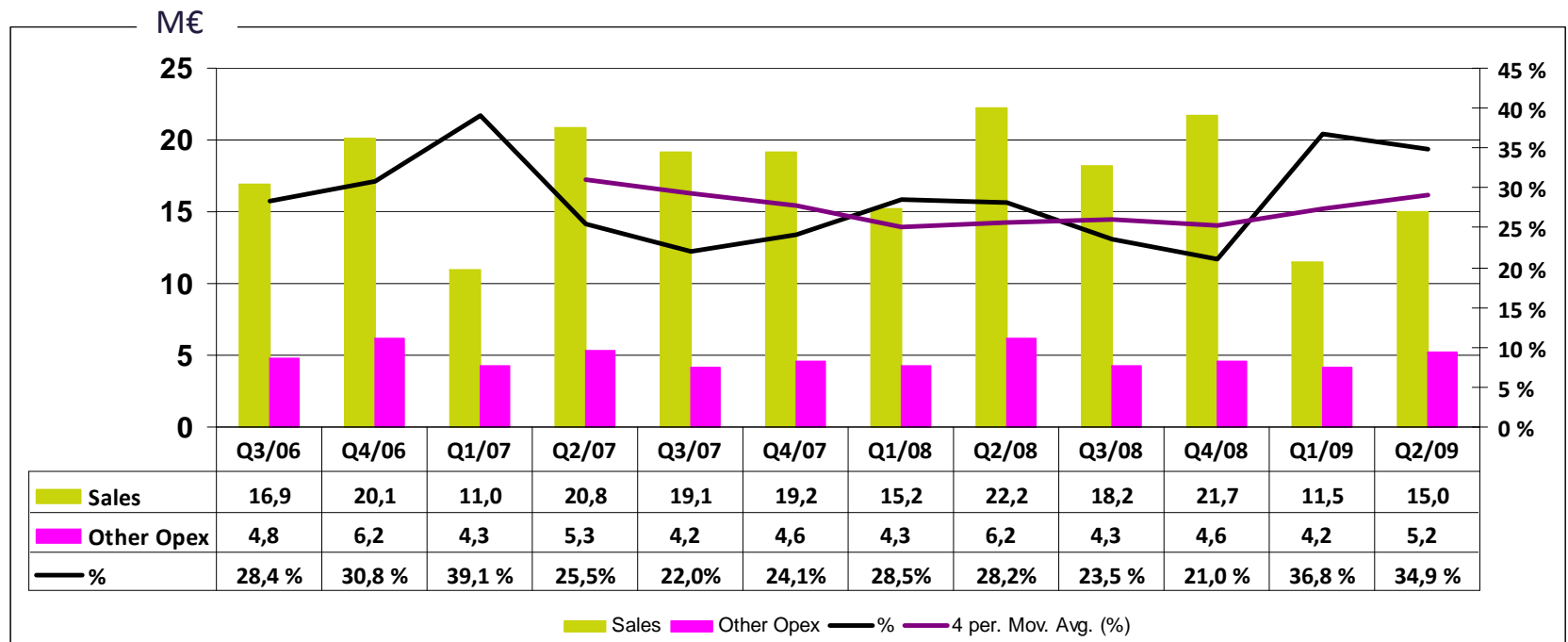
Materials and Services



Employee Benefits



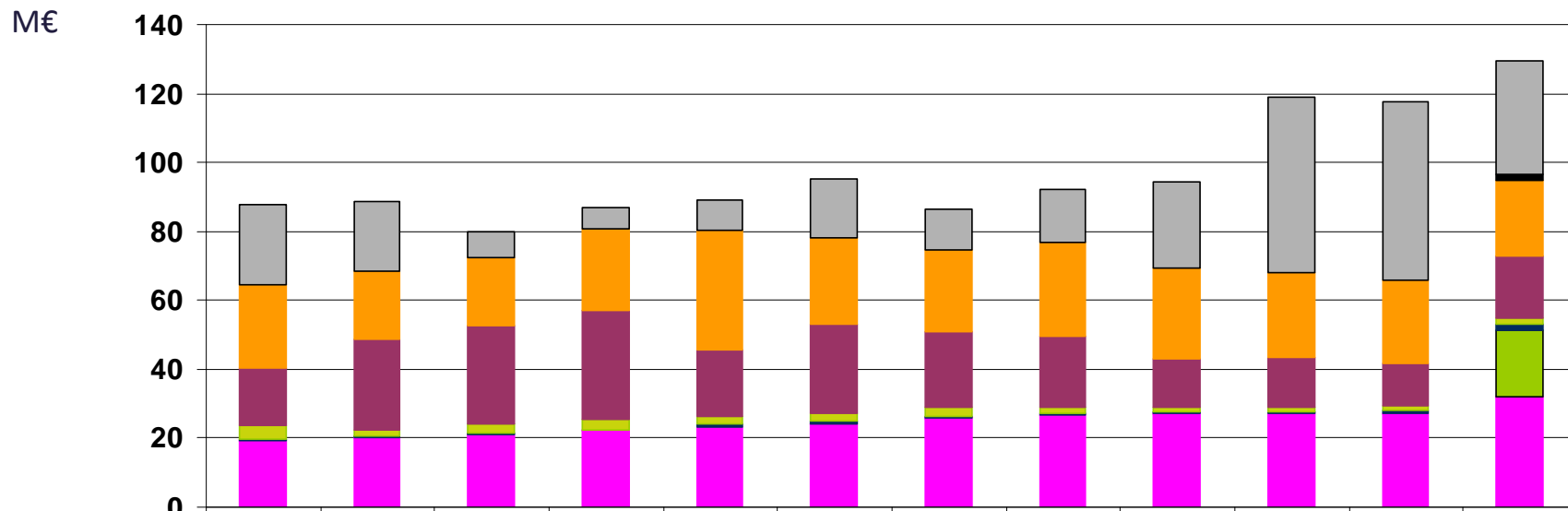
Other Operating Expenses



Consolidated Balance Sheet

EUR Million	30.6.2009	30.6.2008	Change %
Non-current assets			
Fixed assets	32.1	25.9	25.4
Consolidated goodwill	19.2	0.7	
Other non-current assets	1.8	0.5	
Current assets			
Inventories	1.6	1.8	-11.1
Trade receivables	18.1	20.5	-11.7
Other receivables	22.2	27.4	-19.0
Investments	1.6	-	
Cash and cash equivalents	32.8	15.5	112.3
Total assets	129.4	92.4	40.0

Assets by Quarter

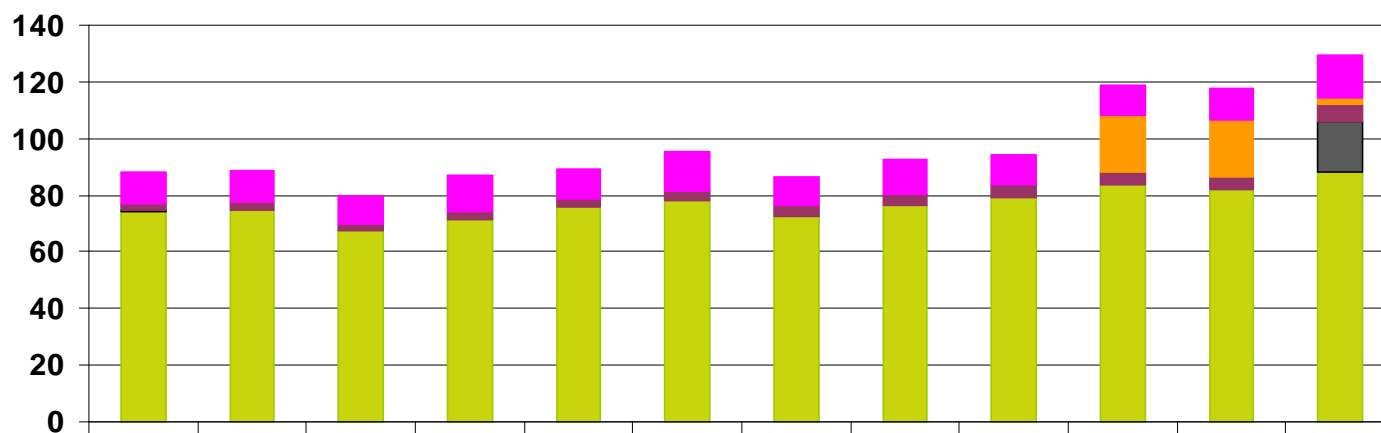


Consolidated Balance Sheet

EUR Million	30.6.2009	30.6.2008	Change %
Shareholders' equity	87.9	76.2	15.4
Interest-bearing liabilities	17.8	0.0	
Deferred tax liabilities	6.1	4.2	52.4
Other non-current liabilities	0.3		
Current liabilities			
Interest-bearing liabilities	2.3	-	
Non-interest-bearing liabilities	15.1	12.0	25.8
Equity and liabilities	129.4	92.4	40.0

Equity and Liabilities by Quarter

M€



	Q3/06	Q4/06	Q1/07	Q2/07	Q3/07	Q4/07	Q1/08	Q2/08	Q3/08	Q4/08	Q1/09	Q2/09
■ Current non-interest bearing	11,1	11,4	9,7	12,7	10,4	13,8	10,0	12,0	10,8	10,8	11,0	15,1
■ Current interest bearing	-	-	-	-	-	-	-	-	-	20,0	20,0	2,3
■ Deferred tax	2,3	2,6	2,4	3,0	3,2	3,4	3,9	4,2	4,4	4,5	4,6	6,1
□ Long term non-interest bearing	0,1	0,1	0,1	0,1	0,1	-	-	-	-	-	-	0,3
■ Long term Interest bearing	-	-	-	-	-	-	-	-	-	-	-	17,8
■ Provisions	-	-	-	-	-	-	-	-	-	-	-	-
■ Shareholders' equity	74,4	74,6	67,5	71,2	75,6	78,0	72,6	76,2	79,1	83,5	81,9	87,9

Prospects for 2009

The whole year net sales are estimated to be lower than last year and, in line with this, the operating profit is expected to be negative.

The integration of Tecnomen and Lifetree is going according to plan and the acquisition is expected to create considerable synergy benefits which will have their full impact in the next few years.

Variations between quarterly figures are expected to be considerable.