



# Tecnotree Corporation Interim Report Q1/2012

April 27, 2012



# Tecnotree Group in Brief

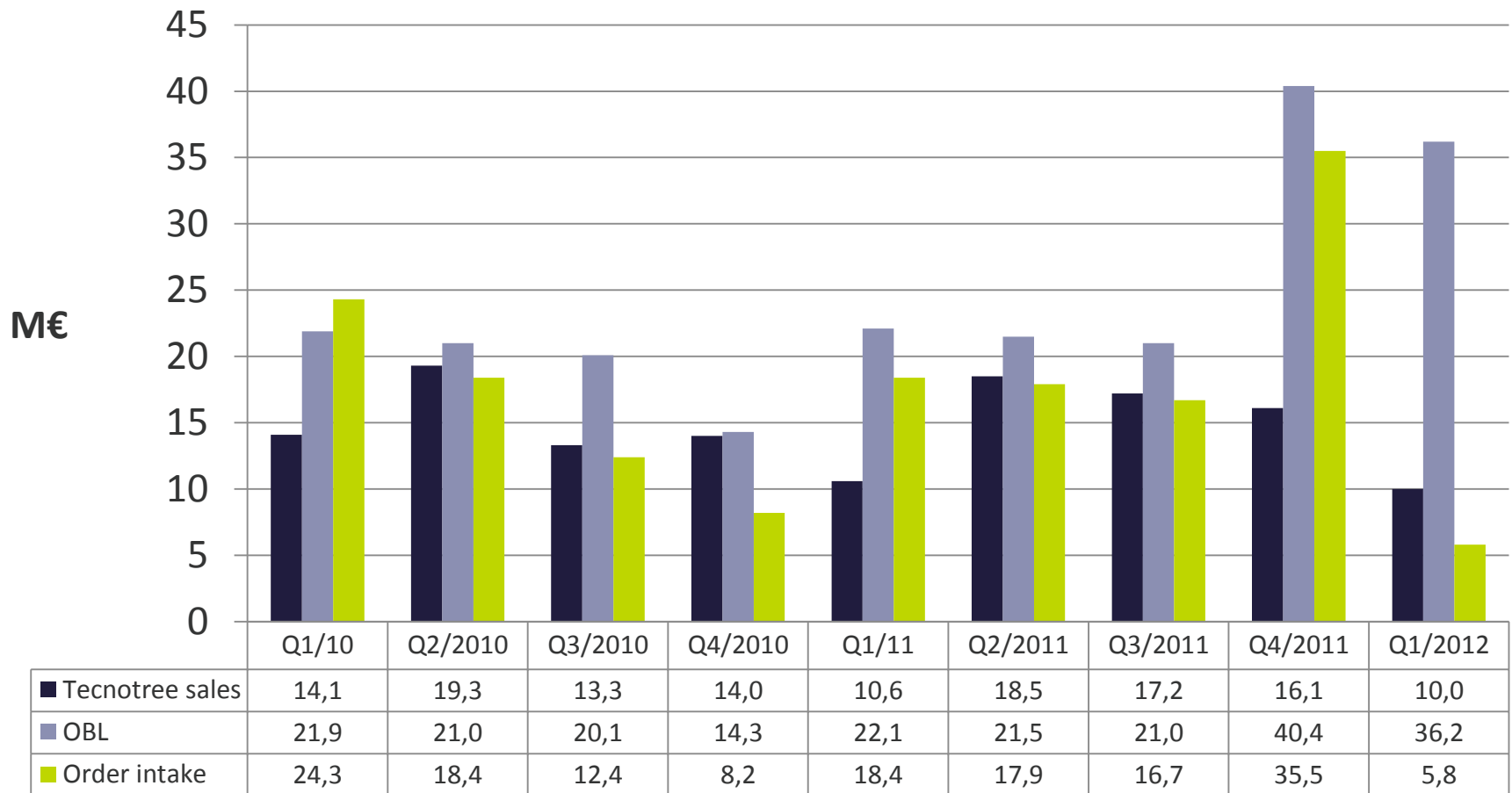
## Highlights for Q1 / 2012 (comparisons to Q1 2011)

- High order backlog of 36.2 M€ plus a new order worth 18 MEUR received in April (22.1 M€ in Q1 2011)
  - New record for order backlog
  - 30.5 MUSD order received from Latin America in December 2011
  - 24 MUSD (18 MEUR) order in April 2012
  - These orders are evidence of the implementation of the new strategy of Tecnotree
  
- Net sales in Q1 were 10.0 M€ (10.6 M€)
  - The 30.5 MUSD project started but only 1.4 MUSD of revenue was recognized in Q1
  - Q1 is typically a low revenue and order quarter for Tecnotree
    - ◆ Due to investment budget practices, some big customers start making orders only in from Q2 onwards
  
- Tecnotree maintains its prospects for 2012
  - Higher net sales than in 2011
  - Positive adjusted operating result
  - Improved cash flow after investments

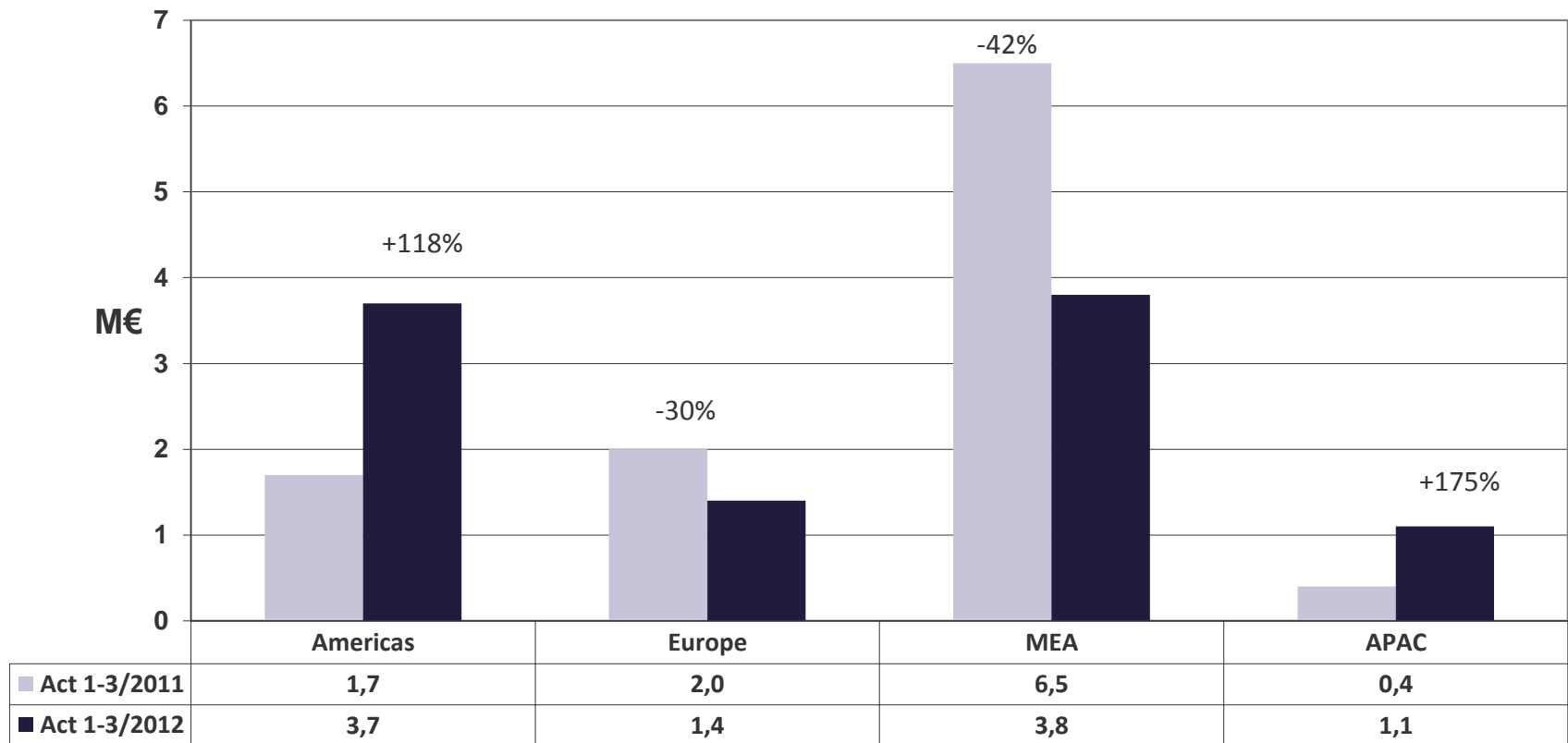
# Financial Highlights

M€	1-3/2012	1-3/2011
Net sales	10.0	10.6
Adjusted operating result	-5.8	-4.9
EBIT BEFORE R&D CAPITALISATION & AMORTISATION AND ONE-TIME COSTS		
Ebit	-7.2	-8.3
Net result	-8.8	-8.1
Order intake	5.8	18.4
Cash flow after investments	0.3	-6.7
Net Cash Flow	-0.7	-3.7
Cash	6.0	12.8
Equity Ratio	48.6	61.3
Net Gearing	50.9	13.7

# Sales and Orders



# Net Sales by Area



Americas **+118%** – Europe **-30%** – MEA **-42%** – APAC **+175%**

# Adjusted Income Statement

EUR Million	1-3/2012	1-3/2011	Change %
Net sales	10.0	10.6	-5.5
Other operating income	0.0	0.0	
<i>Total revenue</i>	10.0	10.6	-5.5
<i>Adjusted operating expenses *)</i>	-15.8	-15.5	2.0
<b>Adjusted operating result</b>	-5.8	-4.9	18.1
- Net impact of R&D capitalizations	-1.4	-1.8	-18.8
- One-time costs		-1.6	
Operating result	-7.2	-8.3	12.5

\*) Operating expenses less the net impact of the R&D capitalisations and one-time costs

# Consolidated Balance Sheet

EUR Million	31.3.2012	31.3.2011	Change %
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	14.1	22.3	-36.5
Consolidated goodwill	19.4	20.6	-5.9
Other non-current assets	1.8	3.2	-43.0
<b>CURRENT ASSETS</b>			
Inventories	0.6	1.1	-44.7
Trade Receivables	18.1	19.4	-6.8
Other Receivables	26.3	19.7	33.4
Investments	0.0	1.5	
Cash and Cash Equivalents	6.0	12.8	-53.1
<b>TOTAL ASSETS</b>	<b>86.3</b>	<b>100.6</b>	<b>-14.2</b>

# Consolidated Balance Sheet

EUR Million	31.3.2012	31.3.2011	Change %
<b>SHAREHOLDER'S EQUITY</b>	41.3	61.2	-32.6
Interest-bearing liabilities	12.2	14.5	-15.6
Deferred tax liabilities	3.3	2.8	15.6
Other non-current liabilities	0.4	0.4	-6.4
<b>CURRENT LIABILITIES</b>			
Interest-bearing liabilities	14.8	8.2	80.1
Non-interest-bearing liabilities	14.3	13.4	7.1
<b>EQUITY AND LIABILITIES</b>	86.3	100.6	-14.2



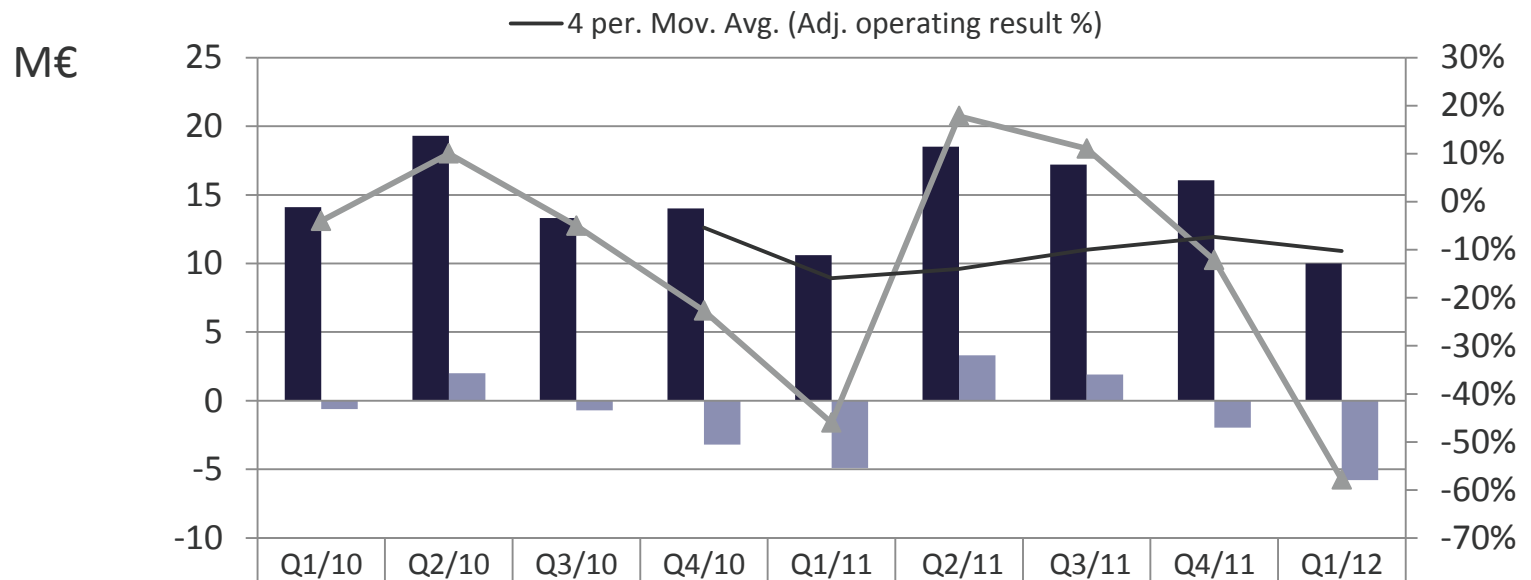
# Prospects for 2012

- Tecnotree estimates that net sales and the operating result in 2012 will be better than in 2011.
- The adjusted operating result is estimated to be positive.
- Variations in the quarterly figures will be considerable.
- The cash flow after investments is also expected to improve compared to 2011.
- The adjusted operating result is the operating result before R&D capitalization, amortization of this and one-time costs.

# ADDITIONAL FINANCIAL INFORMATION FOR INVESTORS



# Sales and Adjusted Operating Result



■ Sales	14,1	19,3	13,3	14,0	10,6	18,5	17,2	16,1	10,0
■ Adj. operating result	-0,6	2,0	-0,7	-3,2	-4,9	3,3	1,9	-2,0	-5,8
▲ Adj. operating result %	-4%	10%	-5%	-23%	-46%	18%	11%	-12%	-58%

Impairment for receivables from a customer owned by the government of Libya				-0,9	-1,0	-0,1	-0,5	-2,8	-
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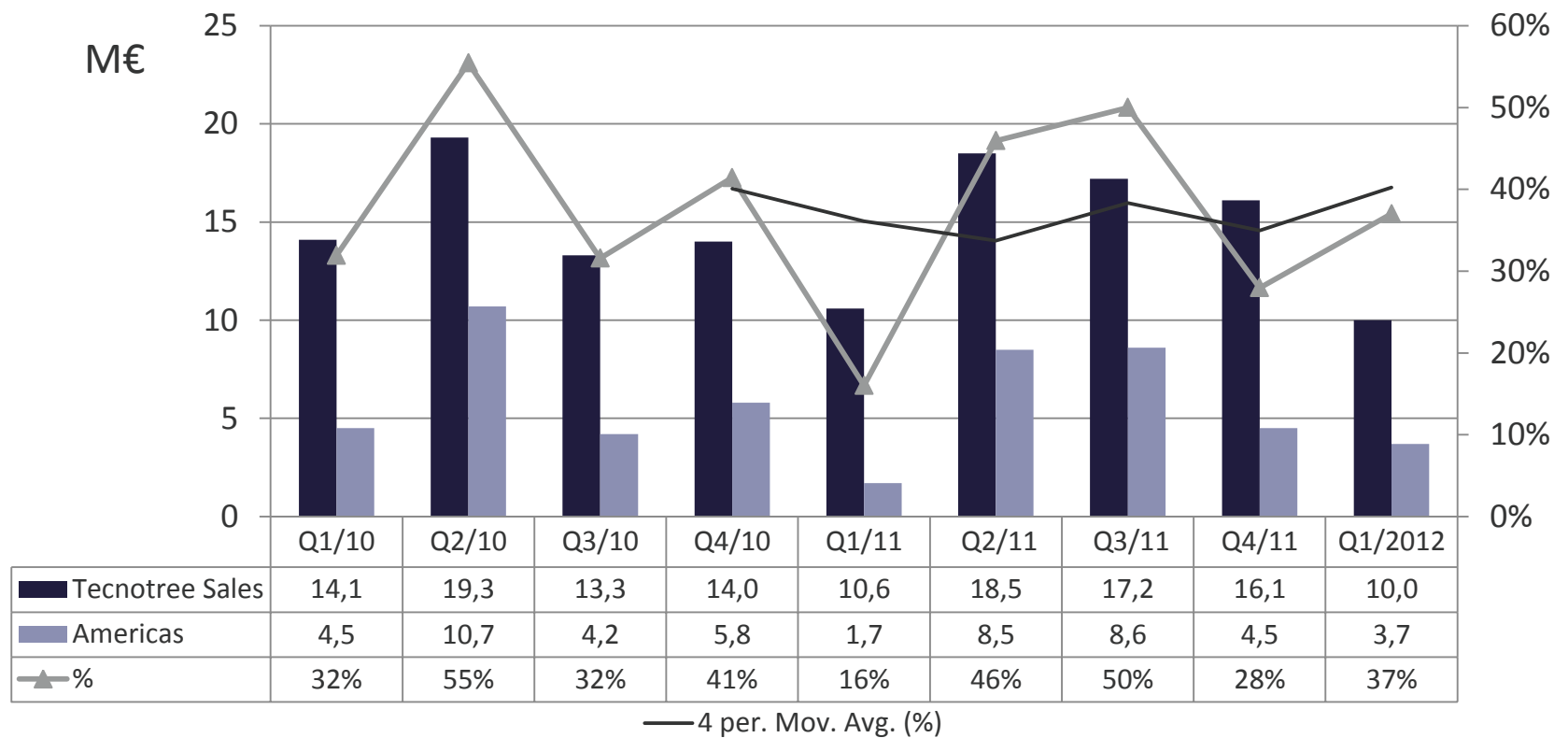
Adjusted operating result = Ebit before R&D capitalisation & amortisation and one-time costs

# Consolidated Income Statement

EUR Million	1-3/2012	1-3/2011	Change %
Net sales	10.0	10.6	-5.5
Other operating income	0.0	0.0	
Materials and services	-1.9	-1.7	12.2
Employee benefit expenses	-7.8	-8.4	-8.1
Depreciation	-2.0	-2.6	-23.9
Other operating expenses	-5.6	-6.1	-8.5
Operating result	-7.2	-8.3	12.5
Financial income and expenses	-0.7	0.5	
Result after financial income and expenses	-8.0	-7.8	-1.8
Income taxes	-0.9	-0.2	
Result for the period	-8.8	-8.1	-9.6

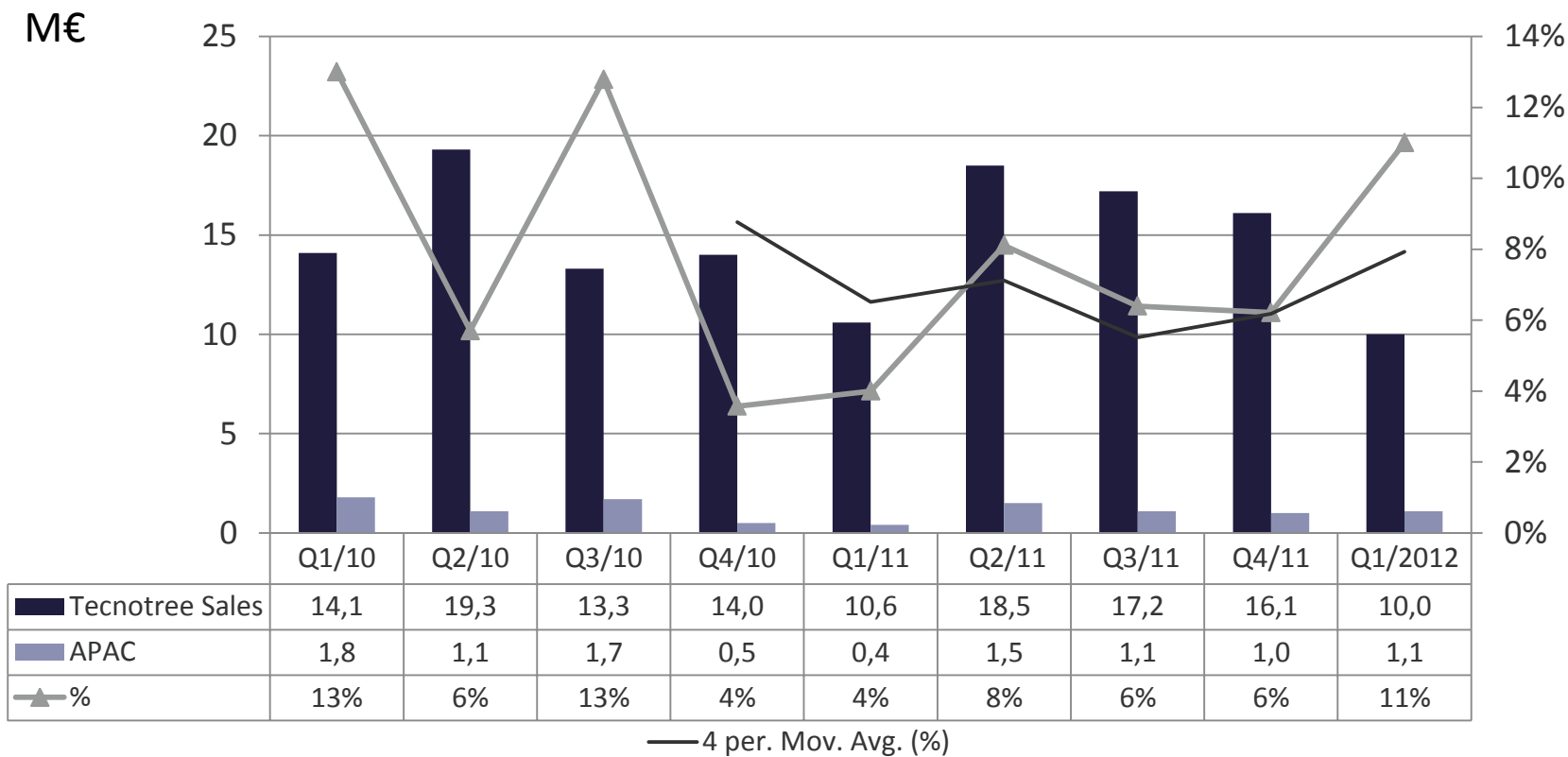
# Sales by Area

## Americas



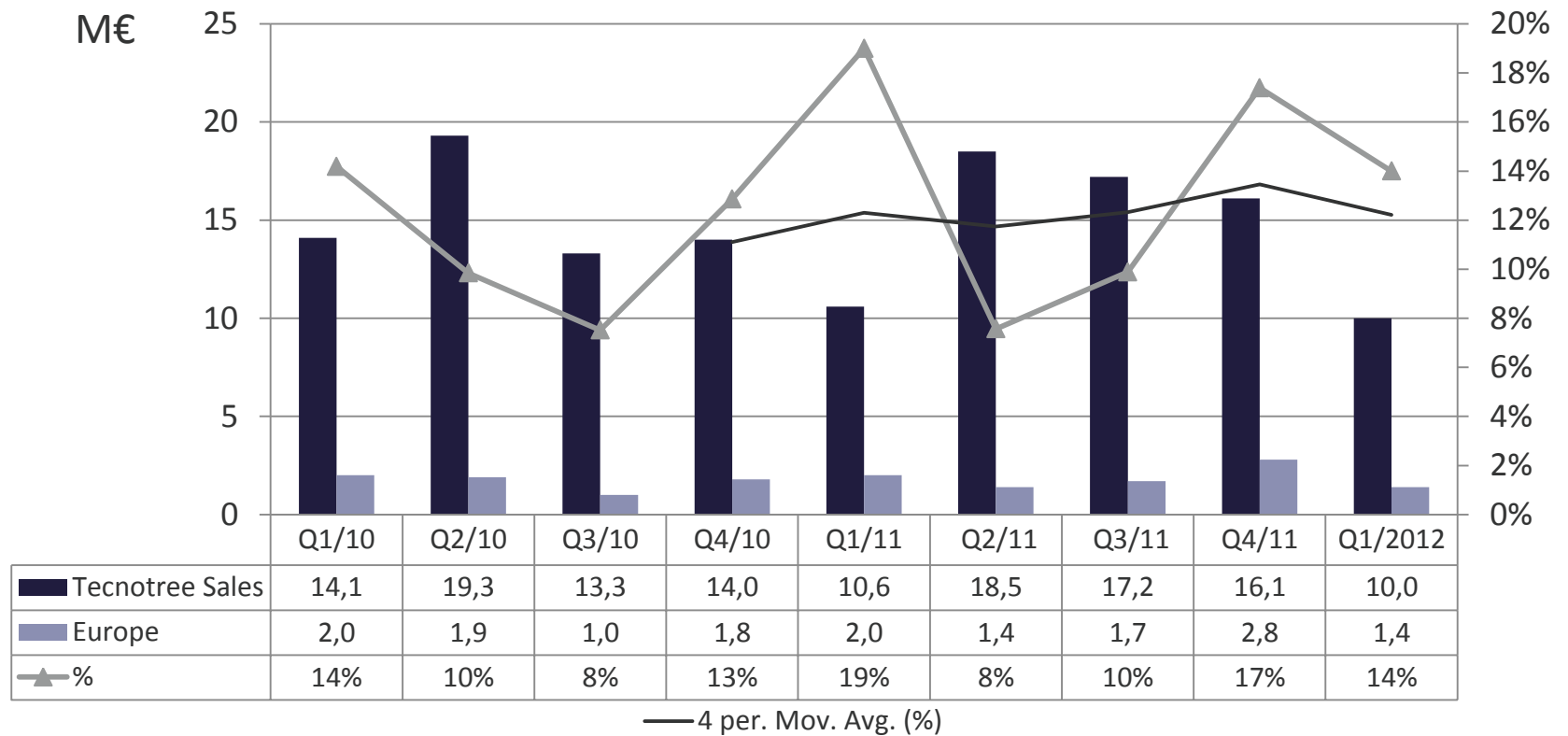
# Sales by Area

## APAC



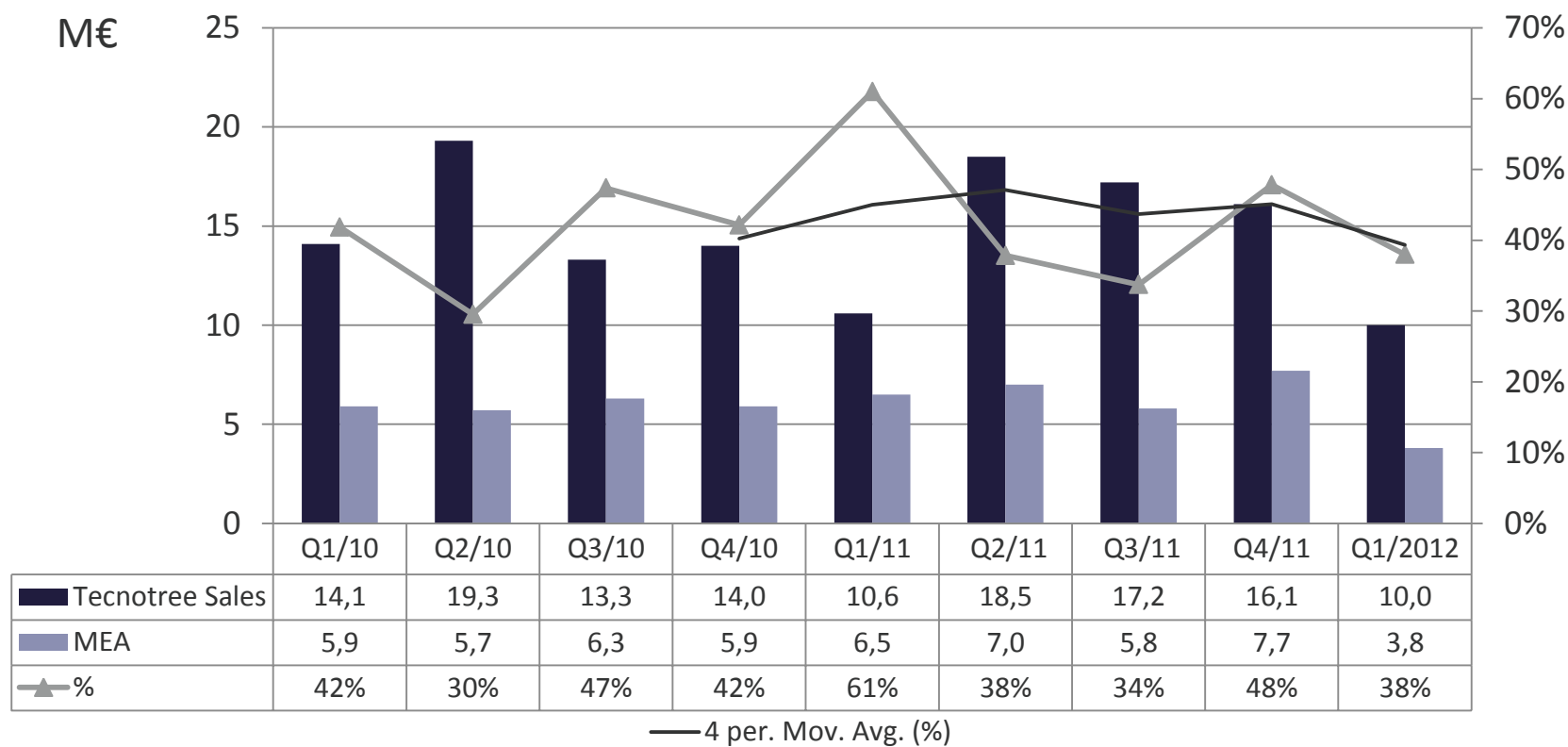
# Sales by Area

## Europe



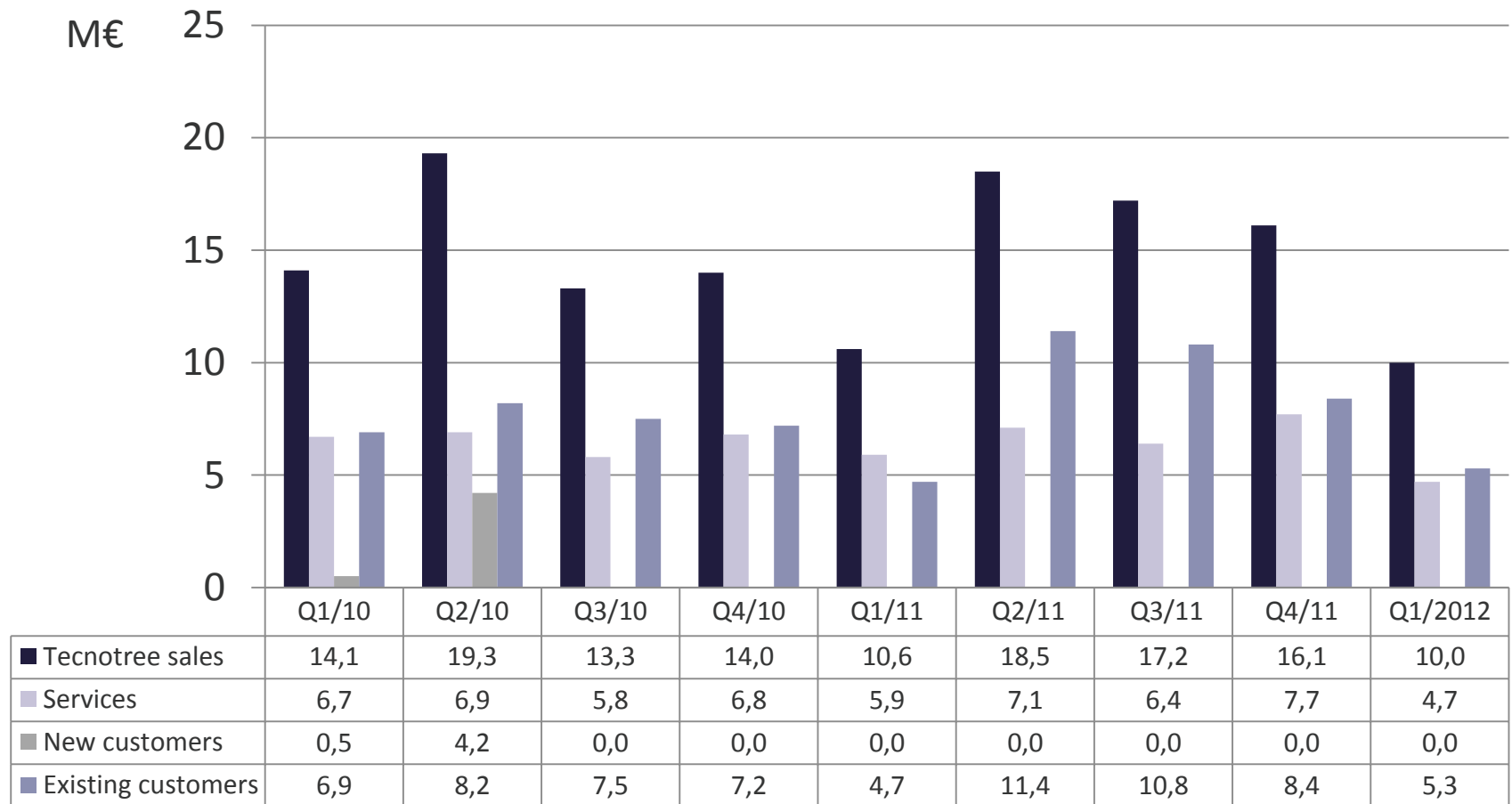
# Sales by Area

## MEA

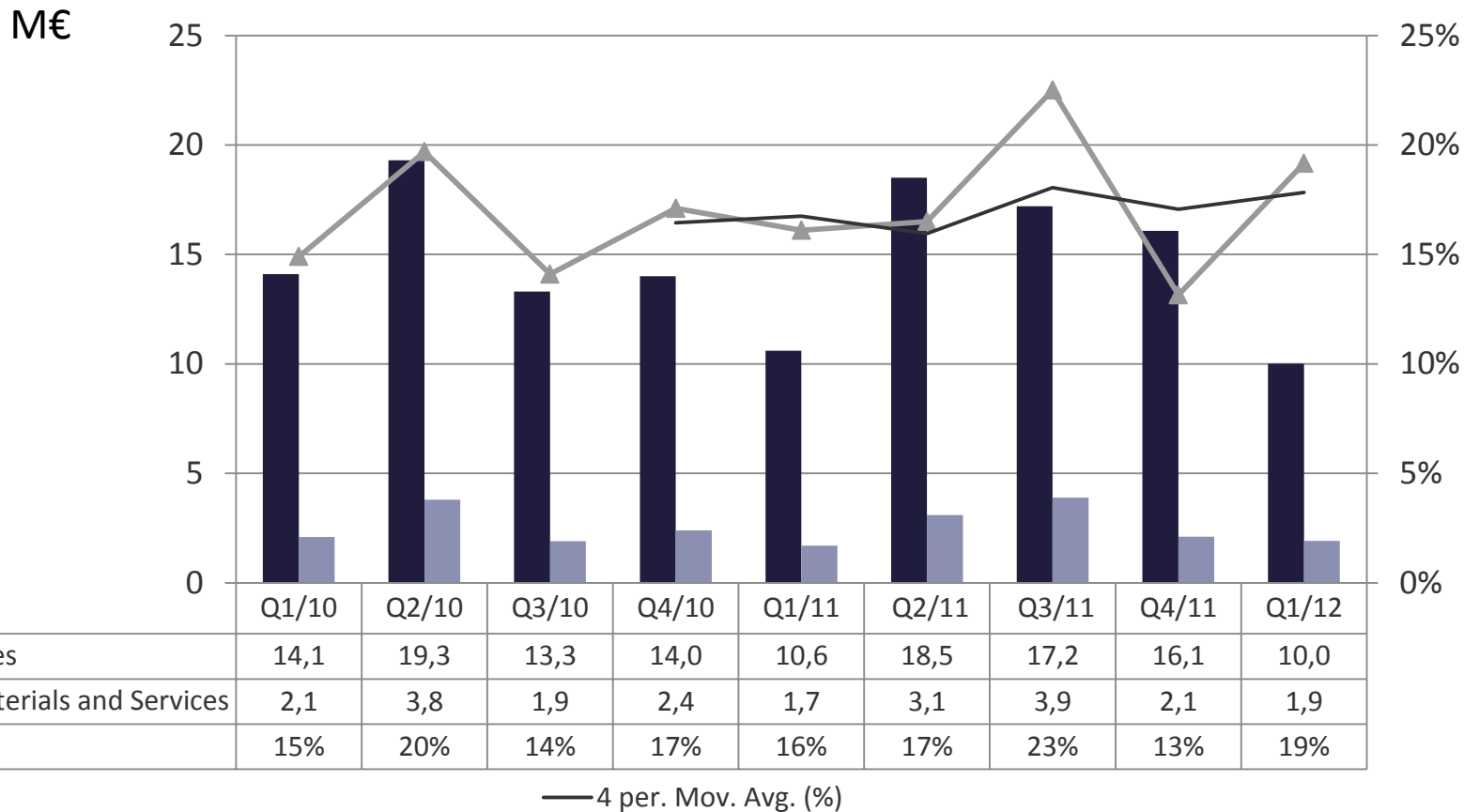




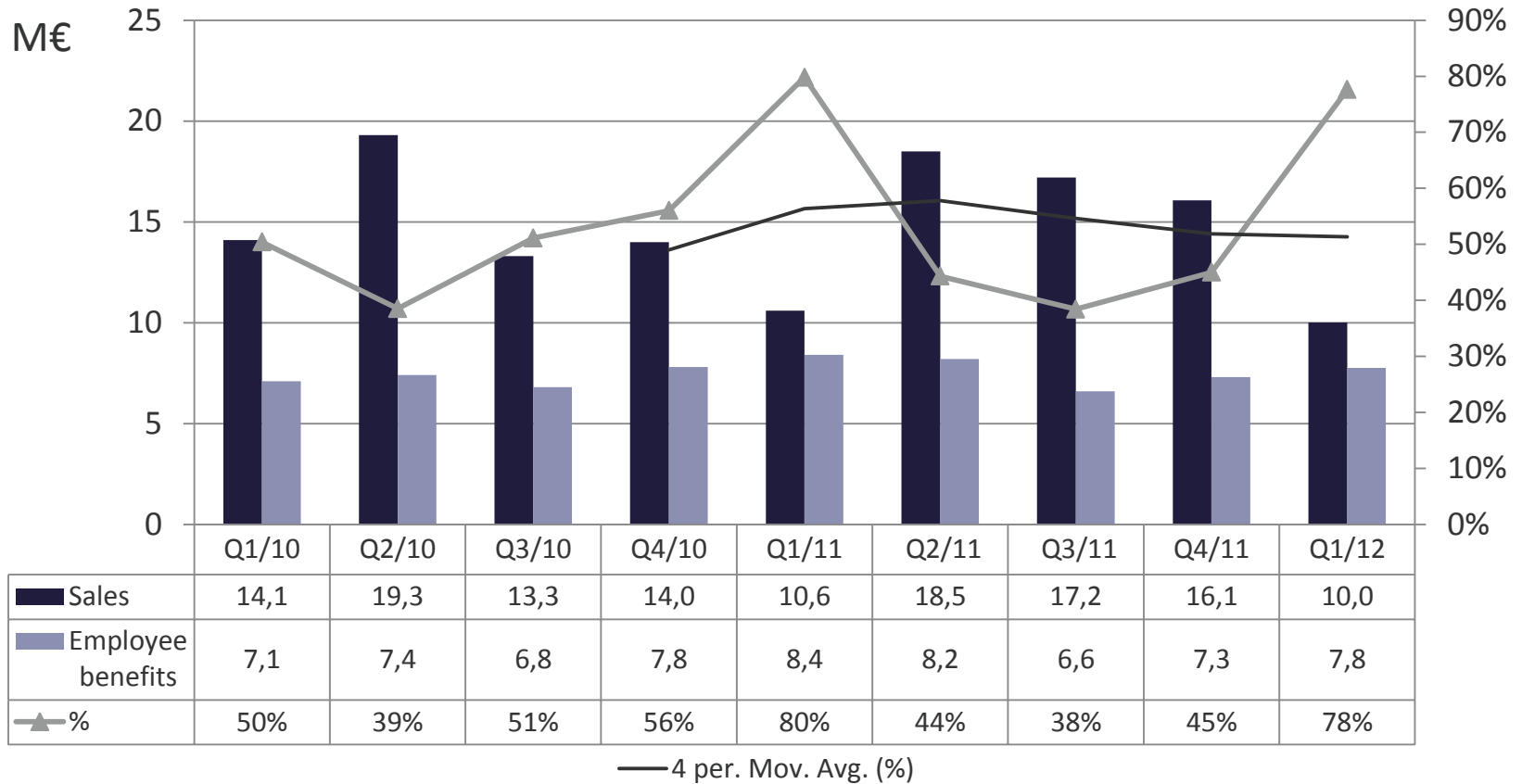
# Sales Distribution



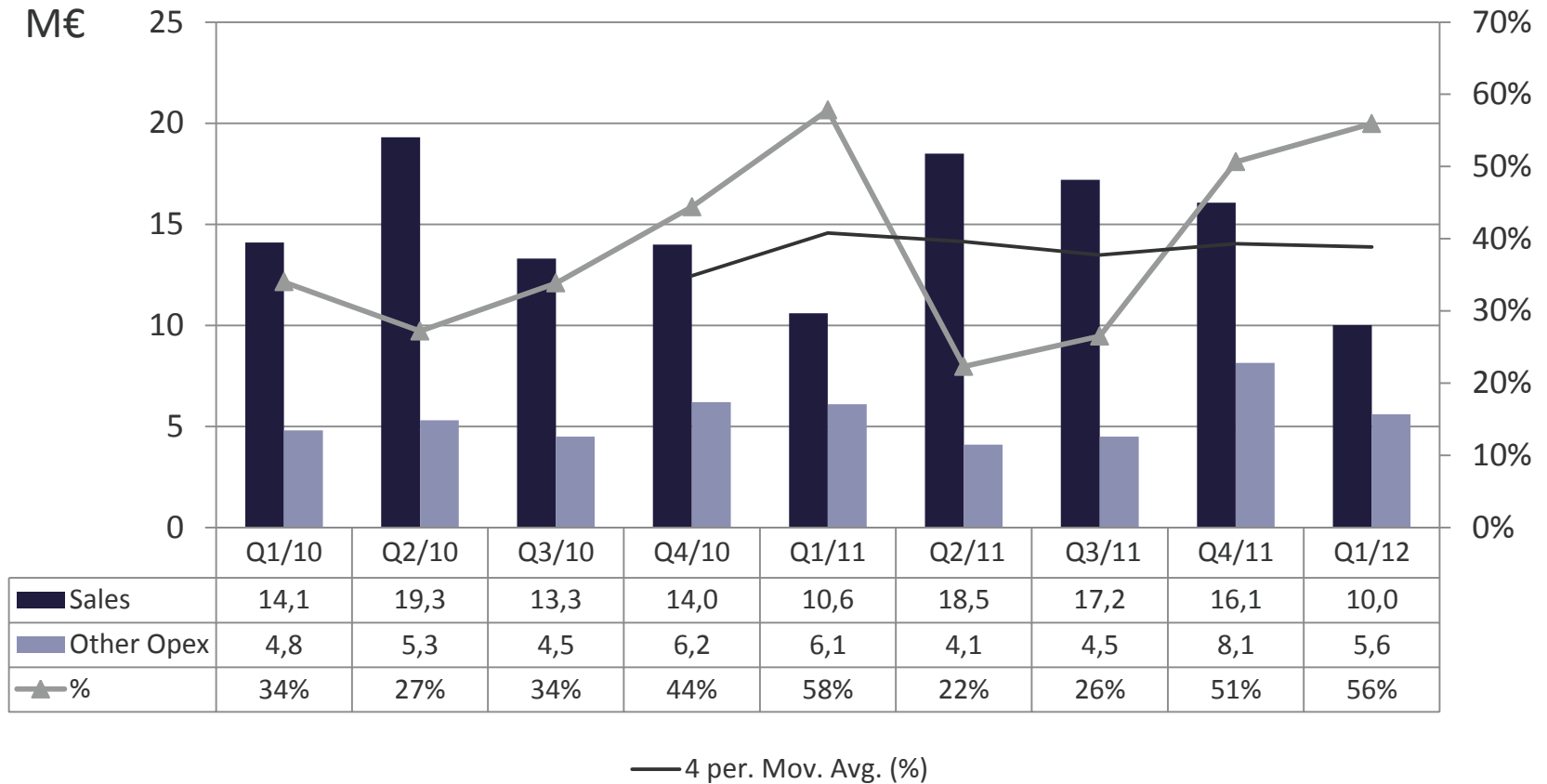
# Materials and Services



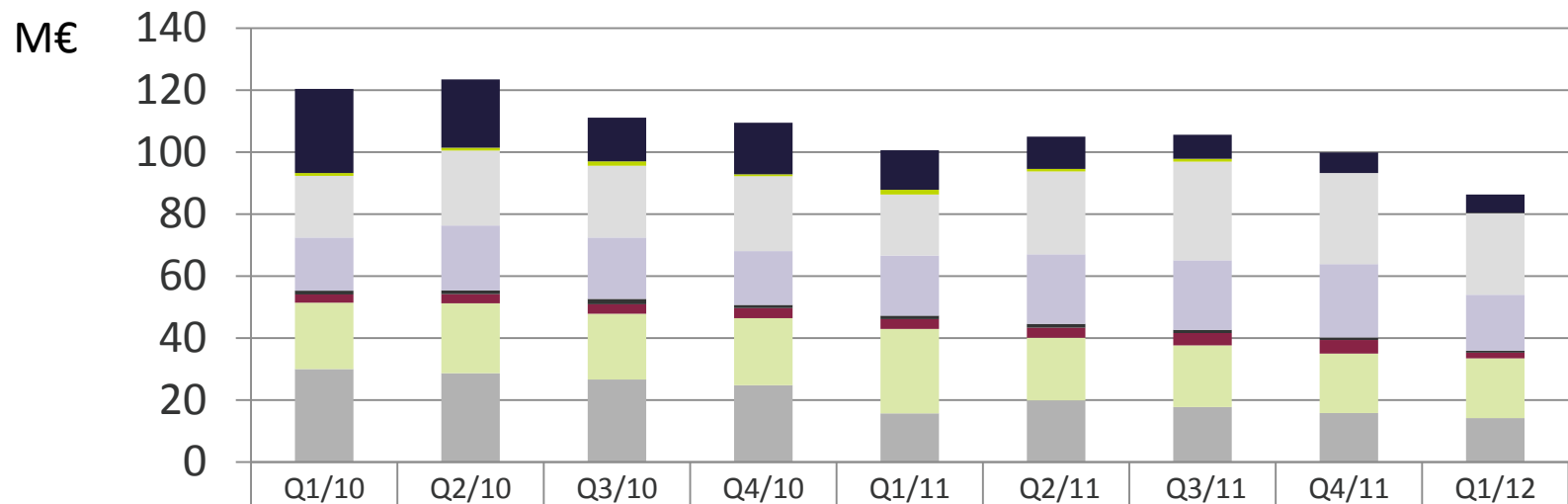
# Employee Benefits



# Other Operating Expenses

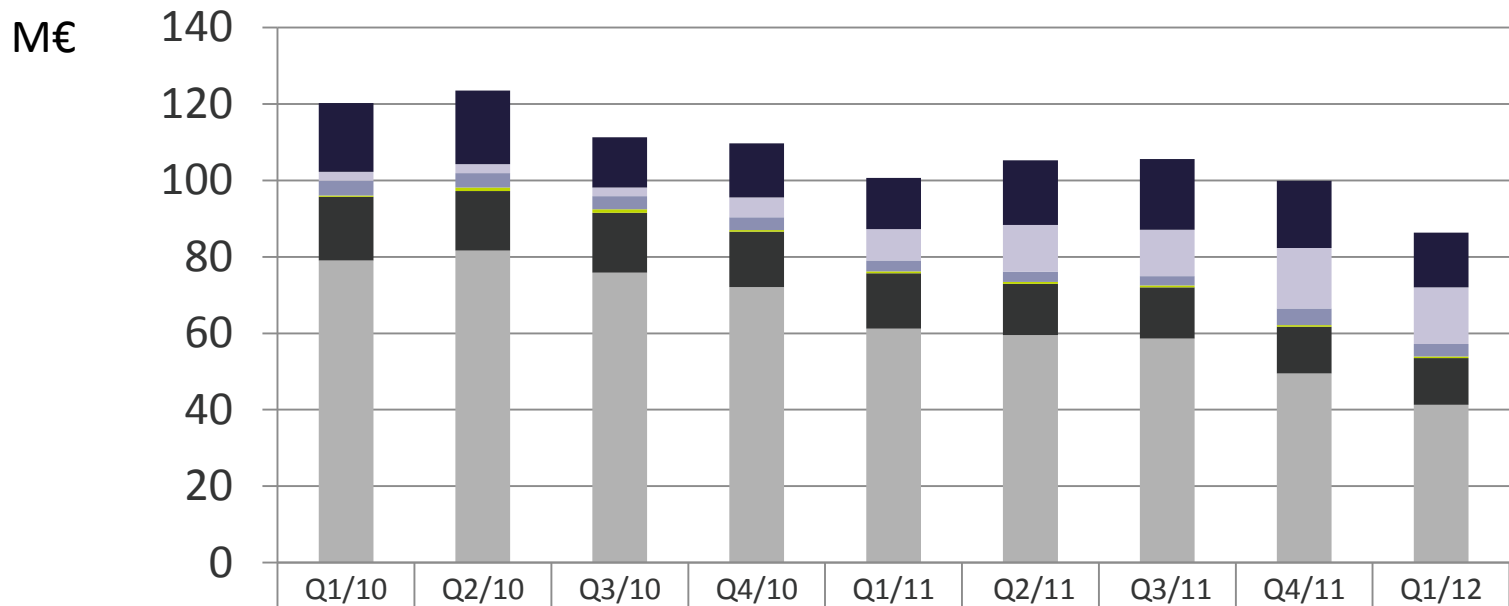


# Assets by Quarter



	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12
■ Cash	27,2	22,0	14,1	16,7	12,8	10,4	7,8	6,7	6,0
■ Investments	0,9	0,9	1,4	0,6	1,5	0,9	0,9	0,0	0,0
■ Other rec. (mainly WIP)	19,9	24,2	23,2	24,2	19,7	26,7	31,8	29,3	26,3
■ Trade receivables	17,1	20,9	19,8	17,3	19,4	22,4	22,5	23,7	18,1
■ Inventories	1,2	1,2	1,7	1,0	1,1	1,2	1,0	0,8	0,6
■ Other long term	2,7	3,0	3,1	3,3	3,2	3,3	4,0	4,4	1,8
■ Consolidated goodwill	21,4	22,5	21,2	21,6	27,2	20,2	19,8	19,2	19,4
■ Fixed assets	30,0	28,7	26,6	24,8	15,7	19,9	17,8	15,8	14,1

# Equity and Liabilities by Quarter



■ Current non-interest bearing	18,0	19,3	13,2	14,2	13,4	16,9	18,5	17,6	14,3
■ Current interest bearing	2,3	2,3	2,2	5,2	8,2	12,2	12,2	15,8	14,8
■ Deferred tax	3,9	3,8	3,5	3,3	2,8	2,7	2,4	4,4	3,3
■ Long term non-interest bearing	0,3	0,9	0,9	0,4	0,5	0,5	0,5	0,4	0,4
■ Long term Interest bearing	16,7	15,6	15,6	14,5	14,5	13,4	13,4	12,2	12,2
■ Shareholders' equity	79,0	81,6	75,9	72,1	61,2	59,5	58,6	49,5	41,3



# TECNOTREE

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