

# *Tecnotree Corporation* **Financial Report 2015**

31 March 2016



# Summary of the Report

	Q4 2015	Q4 2014	1-12 2015	1-12 2014
Net sales	24.6	24.4	76.5	74.0
Orders received	17.7	23.9	64.3	81.3
Order backlog			26.8	38.9
EBIT	6.4	4.7	11.7	3.3
Adjusted net income	3.9	0.5	0.6	-6.4
Net income	3.3	0.5	0.2	-9.3
Cash flow after investments	3.0	2.7	4.9	-1.8

## Q4 2015

- Record net sales and operating result for one quarter
- MEA & APAC net sales 5.1 MEUR higher than in Q4 2014 due to smooth deliveries of projects
- Deadline for the debt restructuring plan postponed till 31 March 2016

## Year 2015

- No more revenue recognised for the two big projects in Latin America in 2015, compared with 6.3 MEUR in 2014. One project is completed and 14.1 MEUR worth receivables for the other one.
- Increase in the sale of new products
- 4.0 MEUR decrease in the cost of materials and services

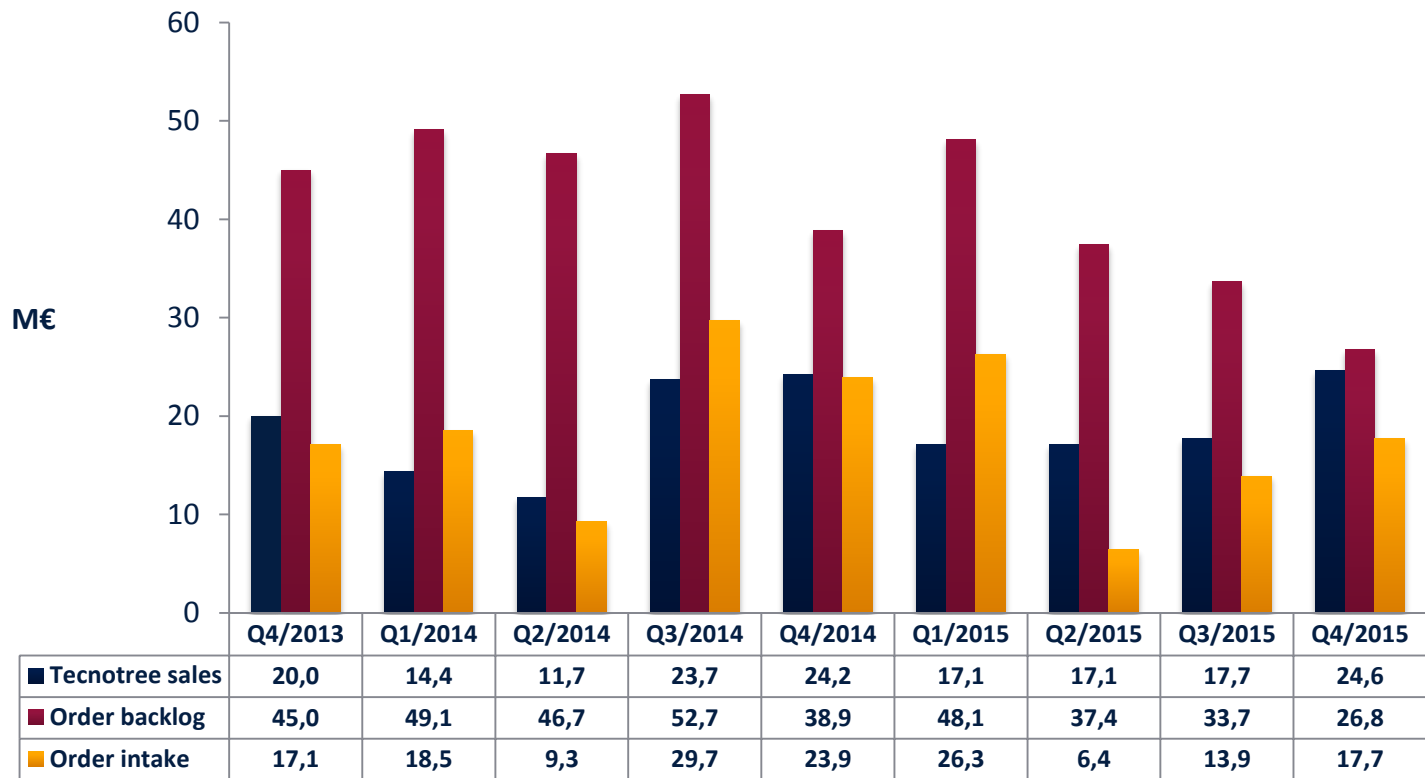
# Adjusted Income Statement

M€	10-12 2015	10-12 2014	1-12 2015	1-12 2014
Net sales	24.6	24.2	76.5	74.0
Other operating income	0.0	0.0	0.1	0.1
Total revenue	24.6	24.2	76.6	74.1
Adjusted operating expenses*	-18.2	-19.1	-64.6	-70.4
Adjusted operating result	6.4	5.1	12.0	3.7
- One-time costs		-0.4	-0.3	-0.4
Operating Result	6.4	4.7	11.7	3.3
- Financial items excluding exchange rate gains and losses	-0.3	-0.7	-3.5	-2.8
- Income taxes	-2.1	-3.5	-7.6	-6.9
Adjusted net income	3.9	0.5	0.6	-6.4
+/- Exchange rate gains and losses in financial items**	-0.6	0.0	-0.3	-2.9
Net income	3.3	0.5	0.2	-9.3

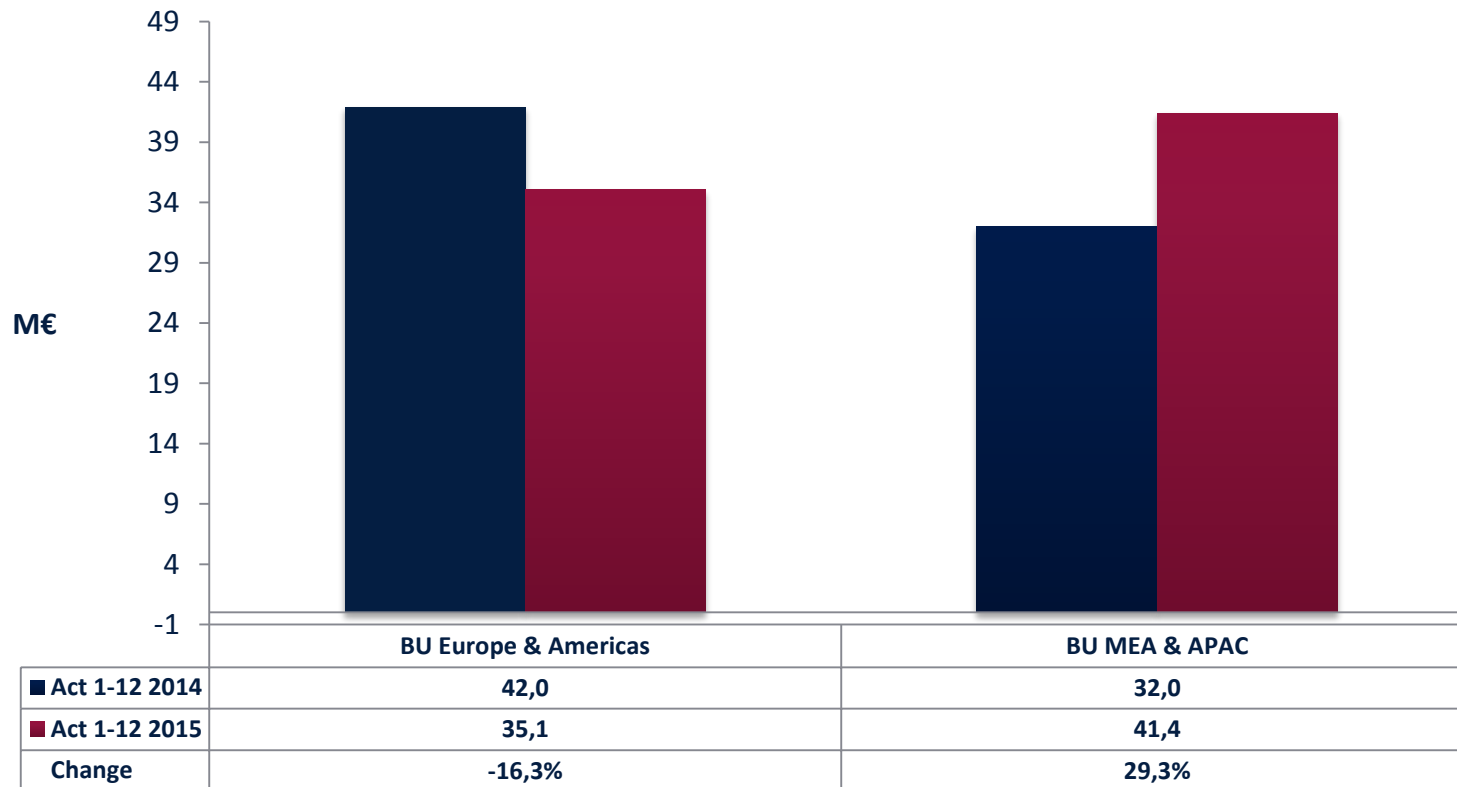
\* Operating expenses less one-time costs

\*\* Mainly for receivables by subsidiaries from the parent company without cash flow impact

# Sales and Orders



# Net Sales by Business Units



# Order Book by Sales Area



# Consolidated *Income Statement*

M€	1-12 2015	1-12 2014	Change %
Net sales	76.5	74.0	3.4
Other operating income	0.1	0.1	-22.3
Materials and services	-7.9	-11.9	-33.6
Employee benefit expenses	-33.5	-33.6	-0.2
Depreciation	-1.0	-1.1	-8.1
Other operating expenses	-22.5	-24.4	-7.4
<b>Operating result</b>	<b>11.7</b>	<b>3.3</b>	
Financial income and expenses	-3.8	-5.7	-32.1
<b>Result after financial income and expenses</b>	<b>7.8</b>	<b>-2.4</b>	
Income taxes	-7.6	-6.9	9.7
<b>Result for the period</b>	<b>0.2</b>	<b>-9.3</b>	<b>102.5</b>

# Consolidated **Balance Sheet**

M€	31.12.2015	31.12.2014	Change %
Non-current assets			
Fixed assets	4.3	4.2	3.0
Consolidated goodwill	17.5	16.6	5.3
Other non-current assets	1.9	2.0	-6.4
Current assets			
Inventories	0.5	0.5	1.4
Trade receivables	12.1	15.2	-20.5
Other receivables	31.9	33.8	-5.8
Investments		0.1	
Cash and cash equivalents	6.4	2.5	153.6
<b>Total assets</b>	<b>74.6</b>	<b>75.0</b>	<b>-0.5</b>



# Consolidated **Balance Sheet**

M€	31.12.2015	31.12.2014	Change %
Shareholder's Equity	17.8	16.9	5.4
Non-current Liabilities			
Interest-bearing liabilities	0.5		
Deferred tax liabilities		3.4	
Other non-current liabilities	1.8	1.2	44.5
Current Liabilities			
Interest-bearing liabilities	31.8	31.8	0.2
Non-interest-bearing liabilities	22.8	21.7	5.0
Equity and Liabilities	74.6	75.0	-0.5

# Restructuring Debt

Based on the proposal of the Administrator on 30 March 2016

MEUR	Balance	Cut of debt	To be paid	To be paid by funds received for pledged receivables		To be paid by funds received for sale of property		2019	2020	Balance
				By 30.6.2016	By 31.12.2016	2017	2018			
Interest-bearing debt	1.1.2016									
Secured	25,8	0,0	25,8	-6,0	-6,9	-6,0	-2,9	-4,0		0,0
Unsecured	6,5	-3,2	3,2		-0,2	-0,3	-0,5	-0,6	-1,6	0,0
<b>Total</b>	<b>32,3</b>	<b>-3,2</b>	<b>29,0</b>	<b>-6,0</b>	<b>-7,1</b>	<b>-6,3</b>	<b>-3,4</b>	<b>-4,6</b>	<b>-1,6</b>	<b>0,0</b>
Non interest-bearing debt	4,9	-2,4	2,5		-0,1	-0,2	-0,6	-0,5	-1,1	0,0
<b>Grand total</b>	<b>37,2</b>	<b>-5,6</b>	<b>31,5</b>	<b>-6,0</b>	<b>-7,2</b>	<b>-6,5</b>	<b>-4,0</b>	<b>-5,1</b>	<b>-2,7</b>	<b>0,0</b>
Interest rates:										
Interest-bearing secured debt	6 months' Euribor + 2 %									
Other debt	No interest									

Includes 0.5 MEUR accrued interest

To be paid by funds received for pledged receivables

To be paid by funds received for sale of property

# Prospects for **2016**

The operative performance of the company has improved. Tecnotree believes that the filing of its draft debt restructuring plan in early 2016, along with its continued focus on cost, product renewal and better serving its customers will give the company a solid base to continue to improve both its operating efficiency and addressable revenue opportunities.



However, Tecnotree does not provide an annual outlook for 2016 due to several uncertainty factors having impact on customer investments. These uncertainty factors relate to a strengthening dollar as well as the softening macroeconomic environment and political instability in some of its key markets in Latin America, the Middle East and Africa.

As in previous years, variations in the quarterly figures are estimated to be considerable.



*Thank you*

**TECNOTREE**

*Powering the digital marketplace*