



# **Tecnotree Corporation Financial Statements 1-12/2010**

2 Feb, 2011



# Tecnotree Group in Brief

## 1-12 Highlights (comparisons to 1-12/2009)

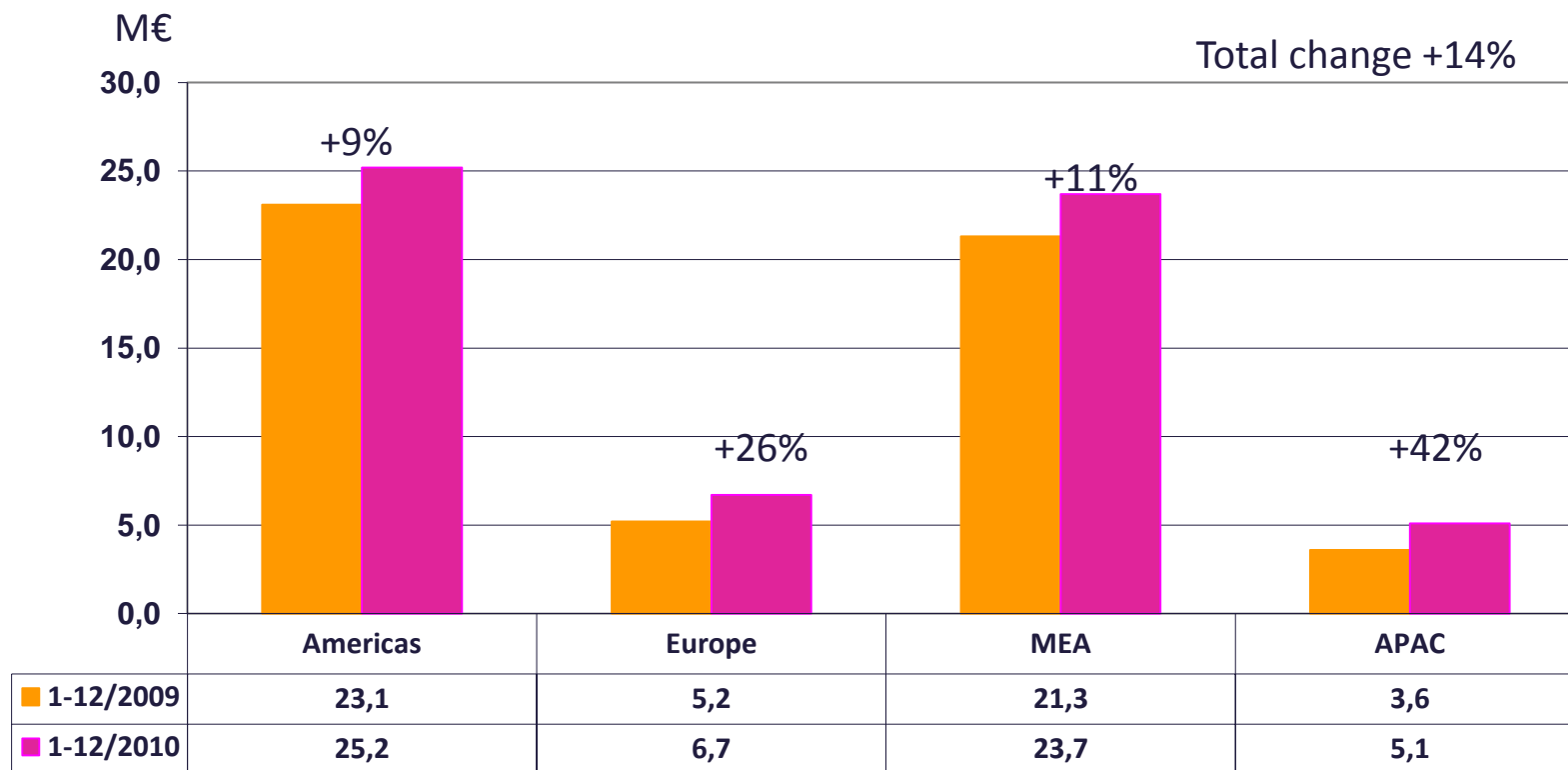
- Positive development continued
  - Net sales were 60.7 M€ (53.3)
  - Adjusted operating result was -2.5 M€ (-8.8)
  - Order book at the end of period was 14.3 M€ (11.7)
  - Increasing maintenance revenue 26.2 M€ (23.6)
- Despite of improved profitability, our results fall below target
- Operators' investment sentiment has normalized
- Benefits from wider product offering, increased development resources, solution-based business model and enhanced cost structure
- New management, strategy updated
- New customers acquired in L-A, APAC and Africa

# Financial Highlights

M€		1-12/2010	10-12/2010
Net sales		60.7(53.2)	14.0(13.5)
Adjusted operating result	Ebit before R&D capitalisation & amortisation and one-time costs	-2.5(-8.8)	-3.2(-2.0)
Ebit		-8.1(-15.0)	-4.9(-8.5)
Net result		-11.0(-16.2)	-5.3(-7.2)
Order intake		63.3(57.8)	12.5(8.1)
Order book		14.3(11.7)	
Cash flow after investments	Excluding acquisitions	-10.6(-4.8)	0.5(-4.0)
Net cash flow		-9.8(-26.0)	2.5(-5.3)
Cash		16.7(25.7)	
Equity ratio		66.4(65.7)	
Net gearing		3.3(-10.8)	

# Net Sales by Area

Americas 42%(43%), Europe 11%(10%), MEA 39%(40%), APAC 8% (7%)



# Consolidated Balance Sheet

EUR Million	31.12.2010	31.12.2009	Change %
Shareholders' equity	72.1	77.1	-6.4
Interest-bearing liabilities	14.5	16.7	-12.9
Deferred tax liabilities	3.3	4.0	-17.2
Other non-current liabilities	0.4	0.3	35.8
Current liabilities			
Interest-bearing liabilities	5.2	2.3	131.4
Non-interest-bearing liabilities	14.2	18.1	-21.5
Equity and liabilities	109.7	118.4	-7.4

# Consolidated Balance Sheet

EUR Million	31.12.2010	31.12.2009	Change %
Non-current assets			
Fixed assets	24.8	31.3	-20.8
Consolidated goodwill	21.6	19.6	10.3
Other non-current assets	3.3	2.4	33.3
Current assets			
Inventories	1.0	1.3	-23.1
Trade receivables	17.3	19.3	-10.4
Other receivables	24.2	17.2	4.1
Investments	0.6	1.6	-62.5
Cash and cash equivalents	16.7	25.7	-35.0
<b>Total assets</b>	<b>109.7</b>	<b>118.4</b>	<b>-7.4</b>

# Prospects for 2011

Tecnotree is formulating its new strategy which will be communicated in the near future. The prospects will be informed later on.

Variations between the quarterly figures are expected to continue to be considerable.

# **Additional Financial Information for Investors**





# Consolidated Income Statement

EUR Million	10-12/2010	10-12/2009	Change %
Net sales	14.0	13.5	3.3
Other operating income	0.0	0.0	-95.1
Materials and services	-2.4	-3.0	-19.9
Employee benefit expenses	-7.8	-10.1	-22.5
Depreciation	-2.4	-1.7	40.1
Other operating expenses	-6.2	-7.2	-14.2
Operating result	-4.9	-8.5	42.4
% of net sales	-13.7	-62.9	
Financial income and expenses	-0.3	-0.0	-475.5
Result after financial income and expenses	-5.2	-8.6	39.6
Income taxes	-0.1	1.3	111.0
Result for the period	-5.3	-7.2	26.4

# Adjusted Income Statement

EUR Million	10-12/2010	10-12/2009	Difference
Net sales	14.0	13.5	0.5
Other operating income	0.0	0.0	0.0
<i>A) Total revenue</i>	<i>14.0</i>	<i>13.5</i>	<i>0.5</i>
- Materials and services	-2.4	-3.0	0.6
- Other operating expenses and Depr.	-16.5	-19.1	2.6
+ Net impact of R&D capitalizations	1.7	0.5	1.2
+ One-time costs	-	6.0	-6.0
<i>B) Adjusted operating expenses</i>	<i>-17.2</i>	<i>-15.6</i>	<i>-1.6</i>
<b>C (A+B) Adjusted operating result</b>	<b>-3.2</b>	<b>-2.0</b>	<b>-1.2</b>
- Net impact of R&D capitalizations	-1.7	-0.5	-1.2
- One-time costs	-	-6.0	6.0
Operating result	-4.9	-8.5	3.6

# Consolidated Income Statement

Tecnotree India consolidated from 6 May 2009

EUR Million	1-12/2010	1-12/2009	Change %
Net sales	60.7	53.3	14.0
Other operating income	0.0	0.3	-86.3
Materials and services	-10.1	-10.7	-5.1
Employee benefit expenses	-29.1	-29.2	-0.2
Depreciation	-8.7	-6.9	27.6
Other operating expenses	-20.8	-21.8	-4.6
Operating result	-8.1	-15.0	46.1
% of net sales	-13.3	-28.1	
Financial income and expenses	-1.4	-0.5	-250.0
Result after financial income and expenses	-9.4	-15.9	39.0
Income taxes	-1.6	-0.8	103.4
Result for the period	-11.0	-16.2	32.3

# Adjusted Income Statement

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

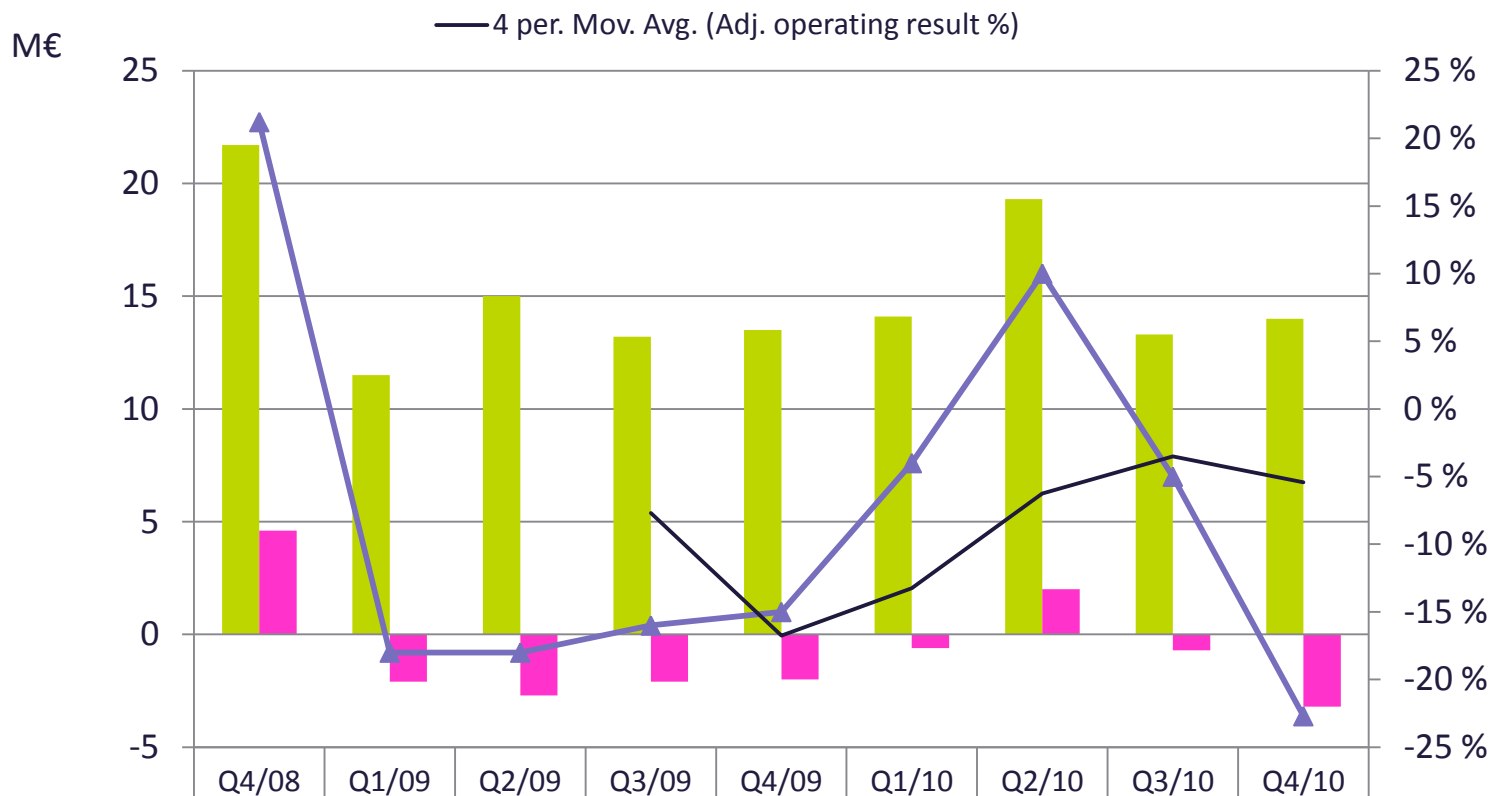
EUR Million	1-12/2010	1-12/2009	Difference
Net sales	60.7	58.2	2.5
Other operating income	0.0	0.4	-0.4
<b>A) Total revenue</b>	<b>60.7</b>	<b>58.6</b>	<b>2.1</b>
- Materials and services	-10.1	-12.2	2.1
- Other operating expenses and Depr.	-58.7	-61.3	2.6
+ Net impact of R&D capitalizations	5.5	-0.8	6.4
+ One-time costs	-	7.0	-7.0
<b>B) Adjusted operating expenses</b>	<b>-63.3</b>	<b>-67.3</b>	<b>4.0</b>
<b>C (A+B) Adjusted operating result</b>	<b>-2.5</b>	<b>-8.7</b>	<b>6.2</b>
- Net impact of R&D capitalizations	-5.5	0.8	-6.4
- One-time costs	-	-7.0	7.0
Operating result	-8.1	-14.8	6.7

# Consolidated Income Statement

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

EUR Million	1-12/2010	1-12/2009	Change %
Net sales	60.7	58.2	4.3
Other operating income	0.0	0.4	
Materials and services	-10.1	-12.2	-16.8
Employee benefit expenses	-29.1	-31.1	-6.3
Depreciation	-8.7	-7.1	23.7
Other operating expenses	-20.8	-23.2	-10.2
Operating result	-8.1	-14.8	45.7
% of net sales	-13.3	-25.5	
Financial income and expenses	-1.4	-0.3	
Result after financial income and expenses	-9.4	-15.2	38.0
Income taxes	-1.6	-0.8	104.1
Result for the period	-11.0	-16.0	31.2

# Sales and Operative Ebit



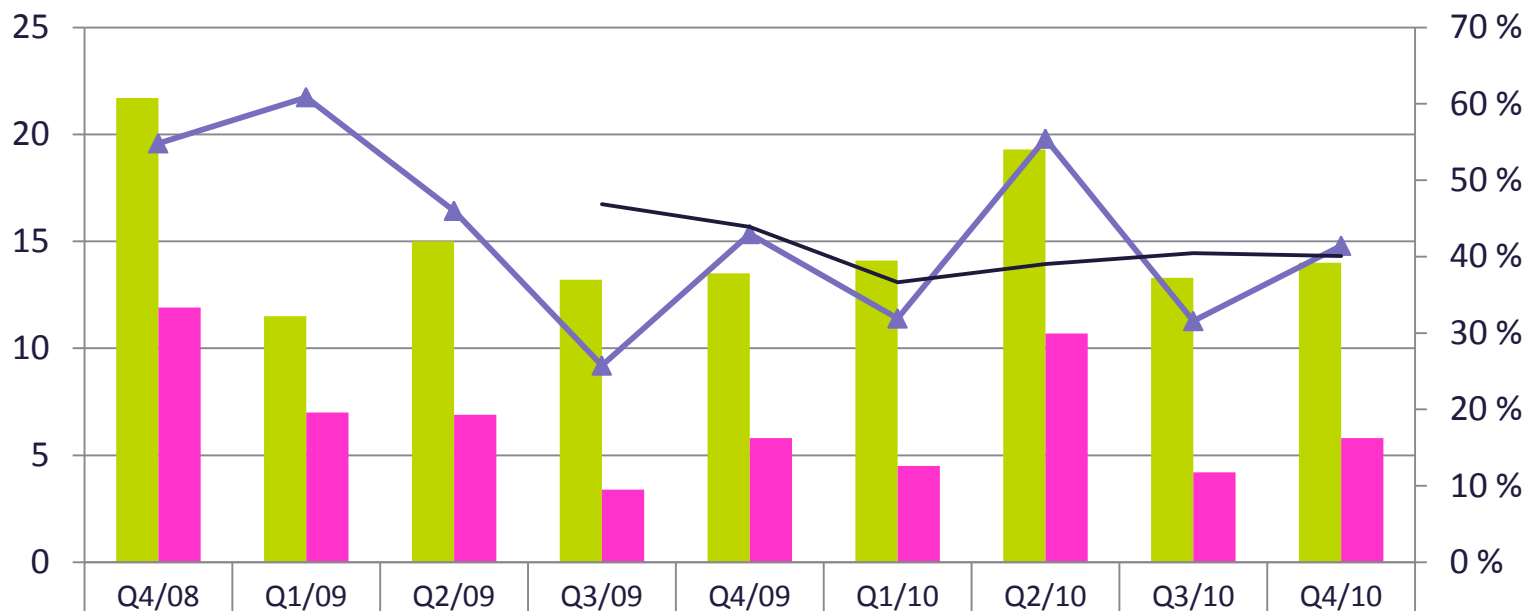
■ Sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
■ Adj. operating result	4,6	-2,1	-2,7	-2,1	-2,0	-0,6	2,0	-0,7	-3,2
▲ Adj. operating result %	21 %	-18 %	-18 %	-16 %	-15 %	-4 %	10 %	-5 %	-23 %




Adjusted operating result = Ebit before R&D capitalisation & amortisation and one-time costs

# Sales by Area

## Americas

M€

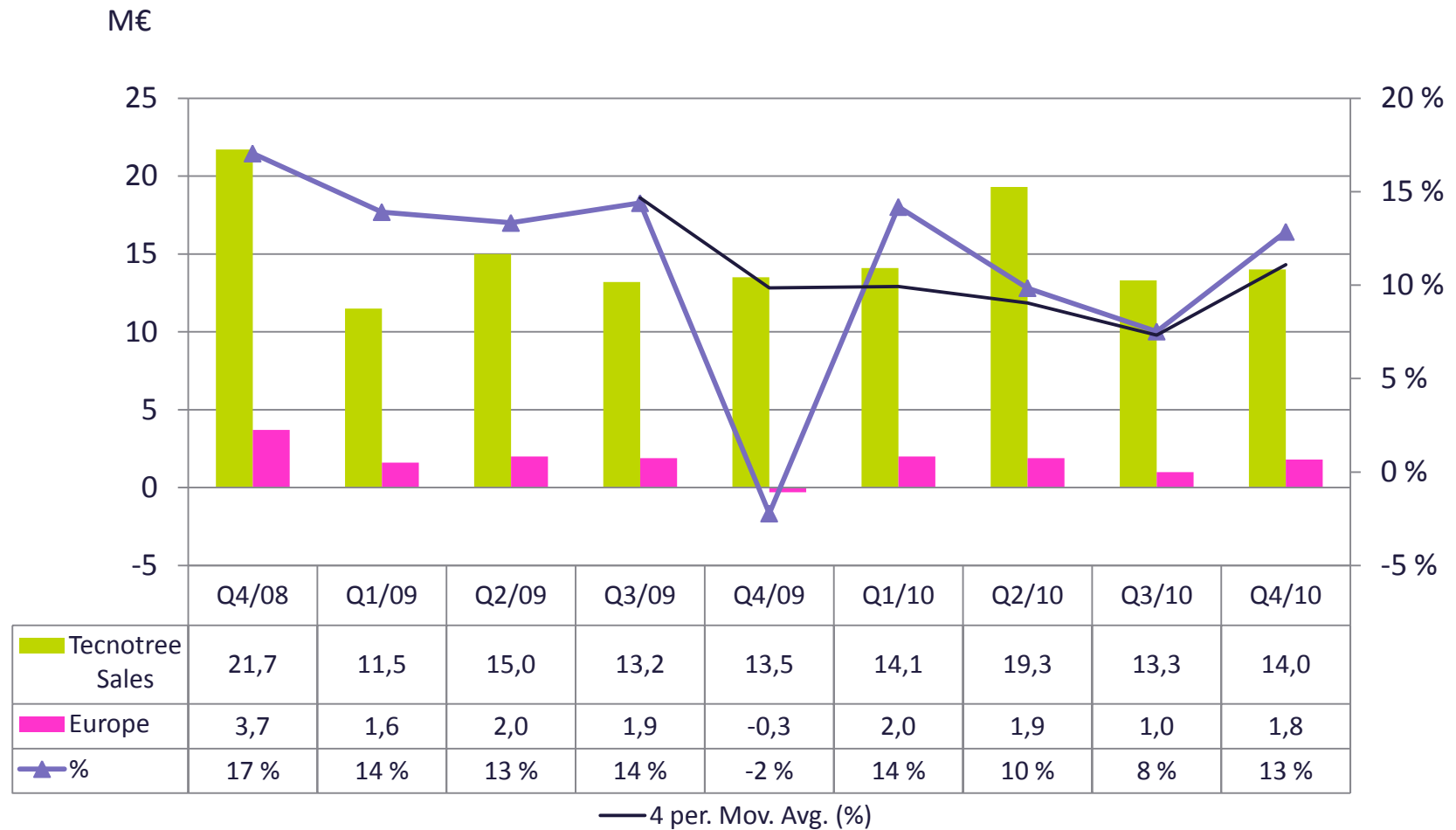


 Tecnotree Sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
 Americas	11,9	7,0	6,9	3,4	5,8	4,5	10,7	4,2	5,8
 %	55 %	61 %	46 %	26 %	43 %	32 %	55 %	32 %	41 %

— 4 per. Mov. Avg. (%)

# Sales by Area

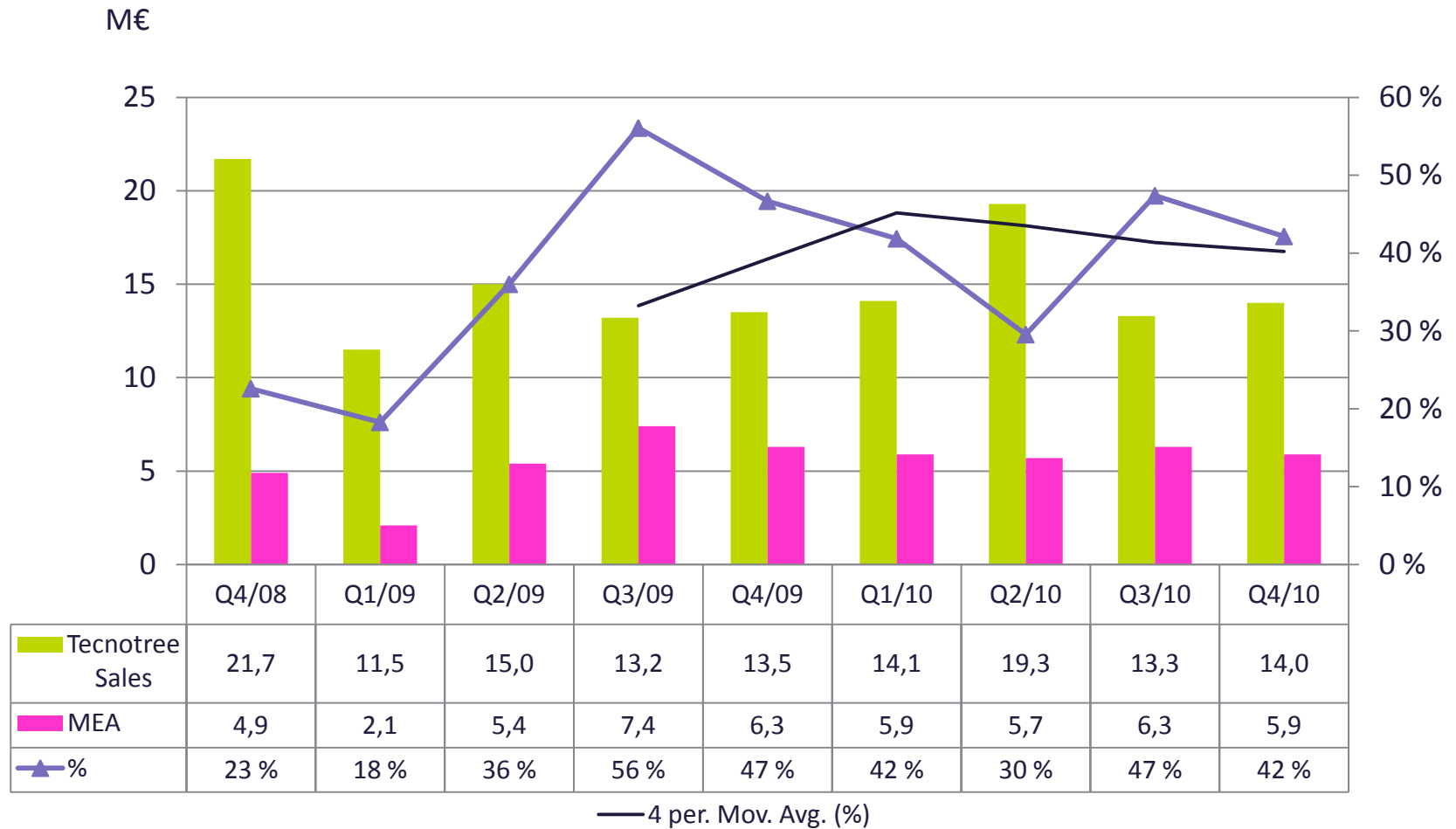
## Europe





# Sales by Area

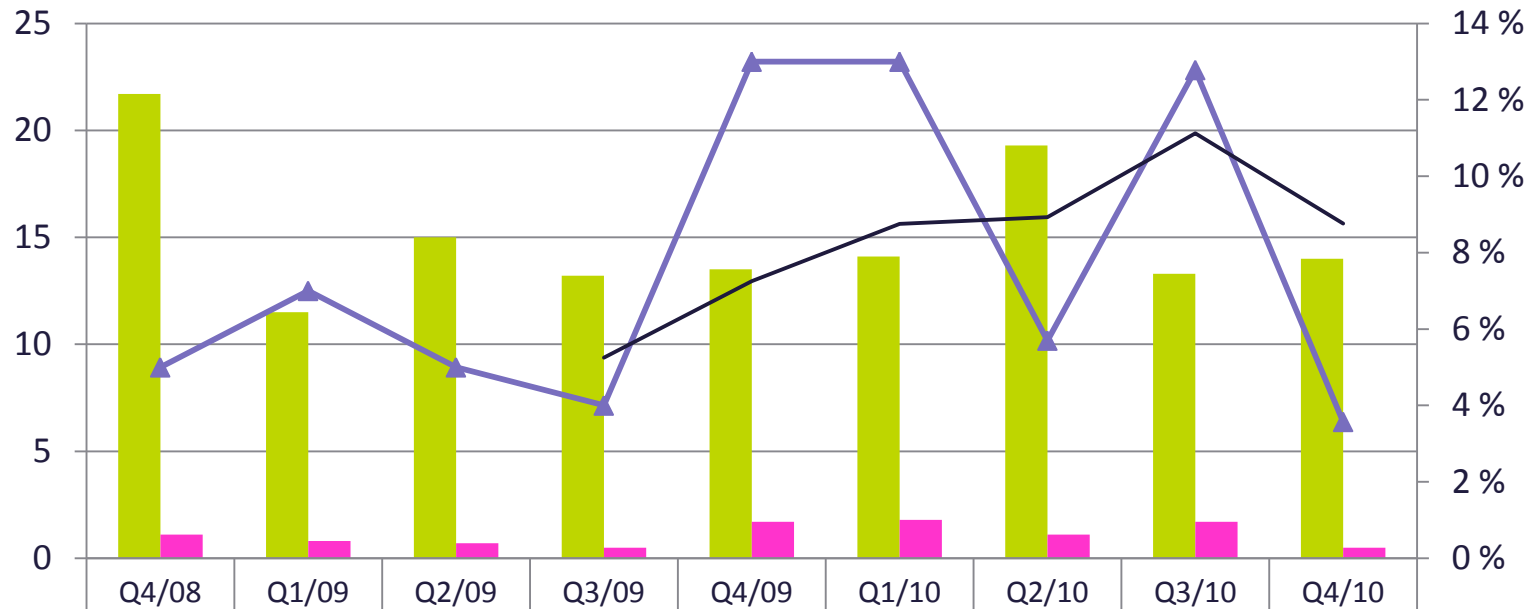
## MEA






# Sales by Area

## APAC

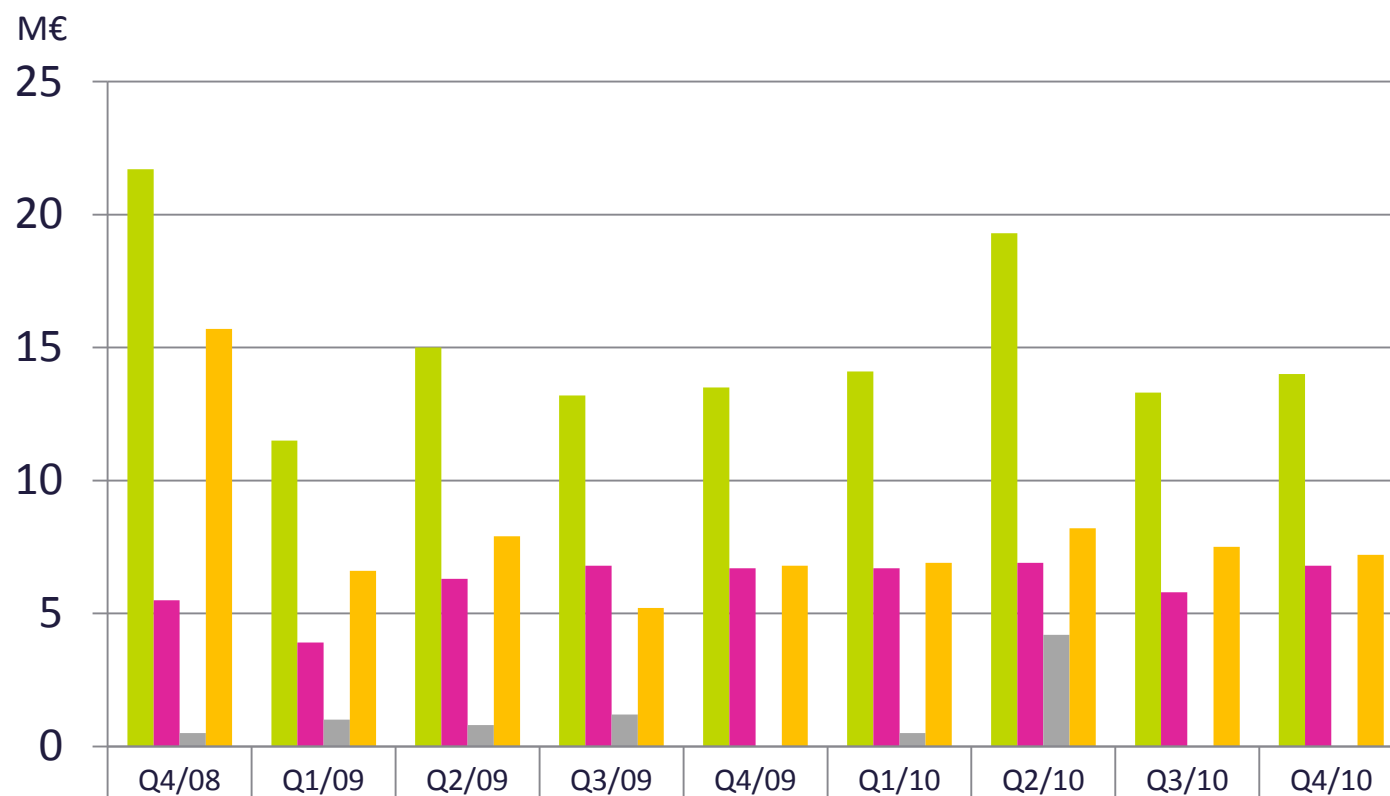
M€



 Tecnotree Sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
 APAC	1,1	0,8	0,7	0,5	1,7	1,8	1,1	1,7	0,5
 %	5 %	7 %	5 %	4 %	13 %	13 %	6 %	13 %	4 %

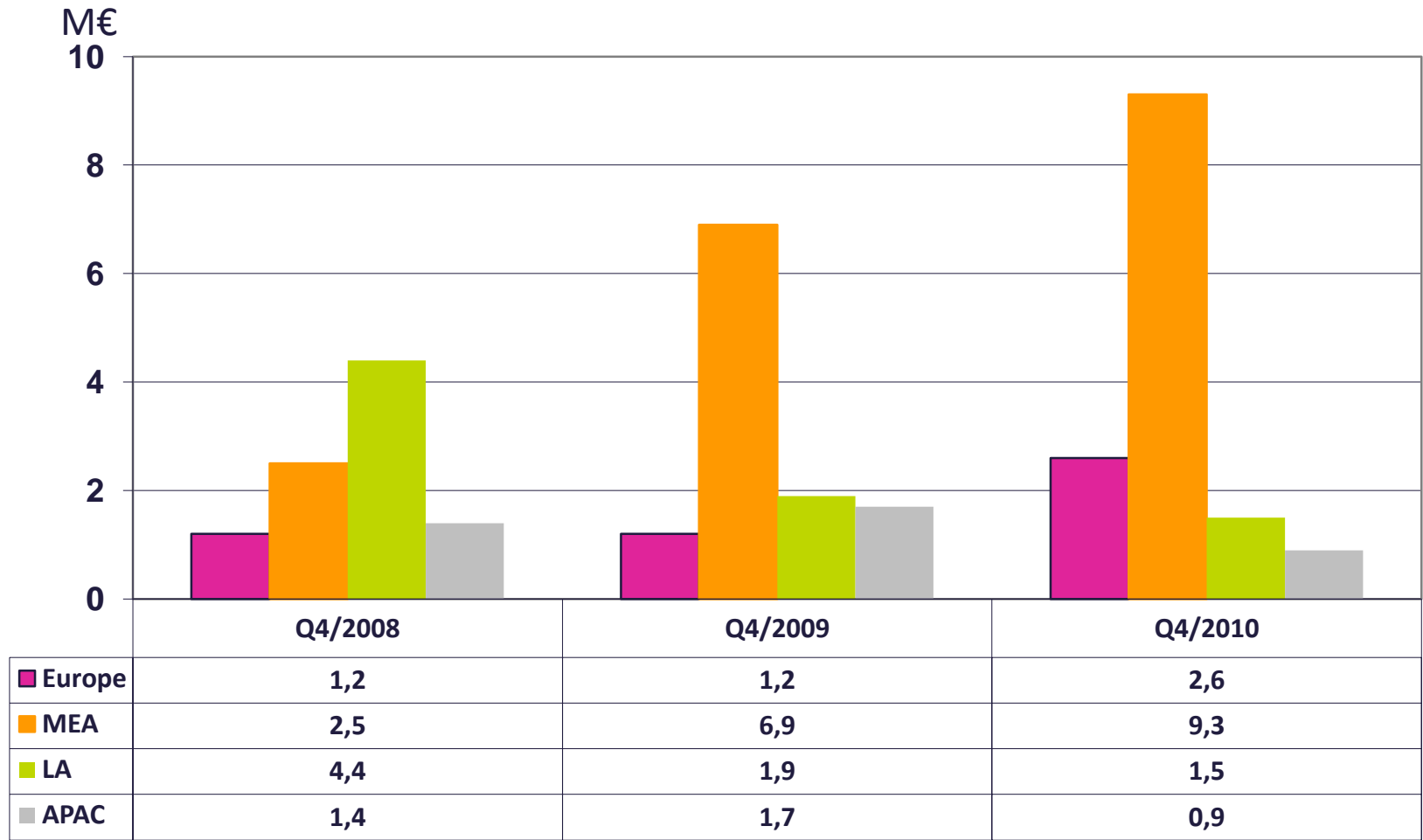
— 4 per. Mov. Avg. (%)

# Sales Distribution

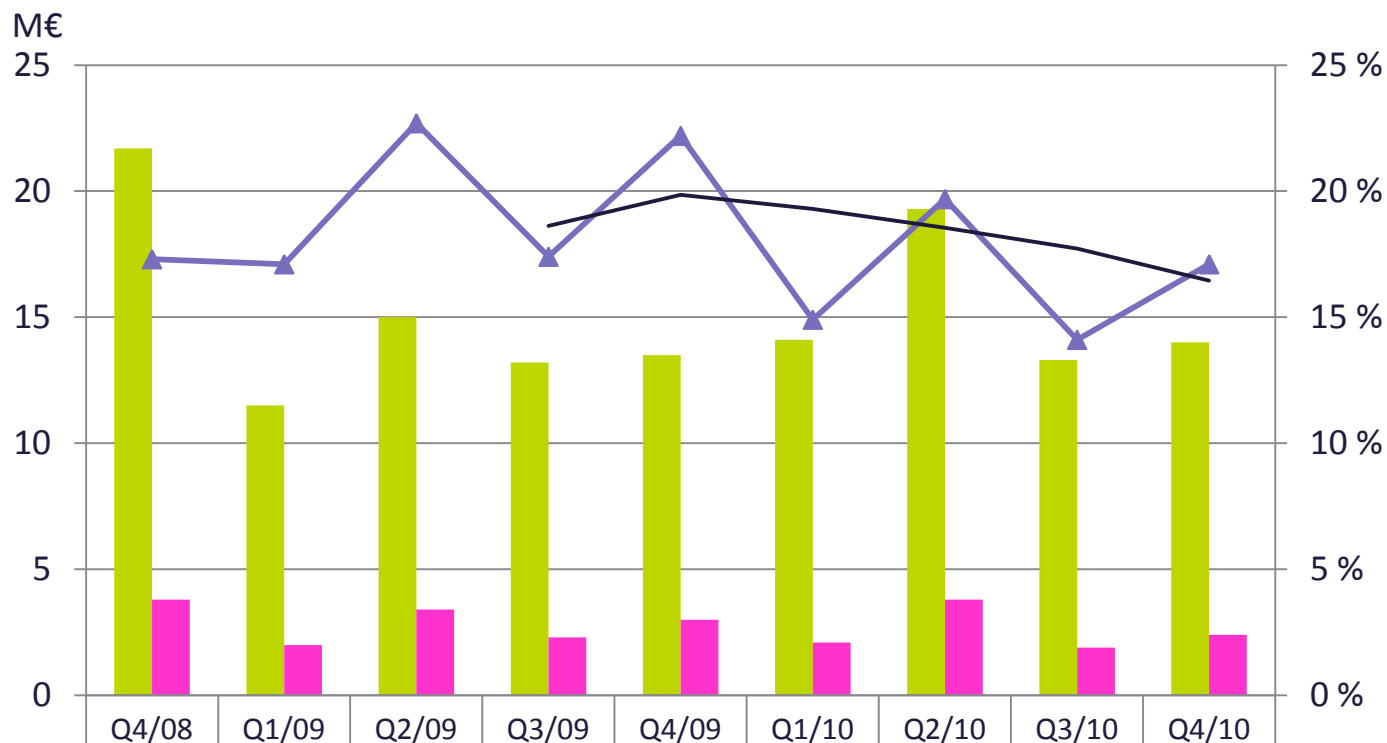


	Q4/08	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
Tecnotree sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
Services	5,5	3,9	6,3	6,8	6,7	6,7	6,9	5,8	6,8
New customers	0,5	1,0	0,8	1,2	0,0	0,5	4,2	0,0	0,0
Existing customers	15,7	6,6	7,9	5,2	6,8	6,9	8,2	7,5	7,2

# Order book by Sales Area



# Materials and Services

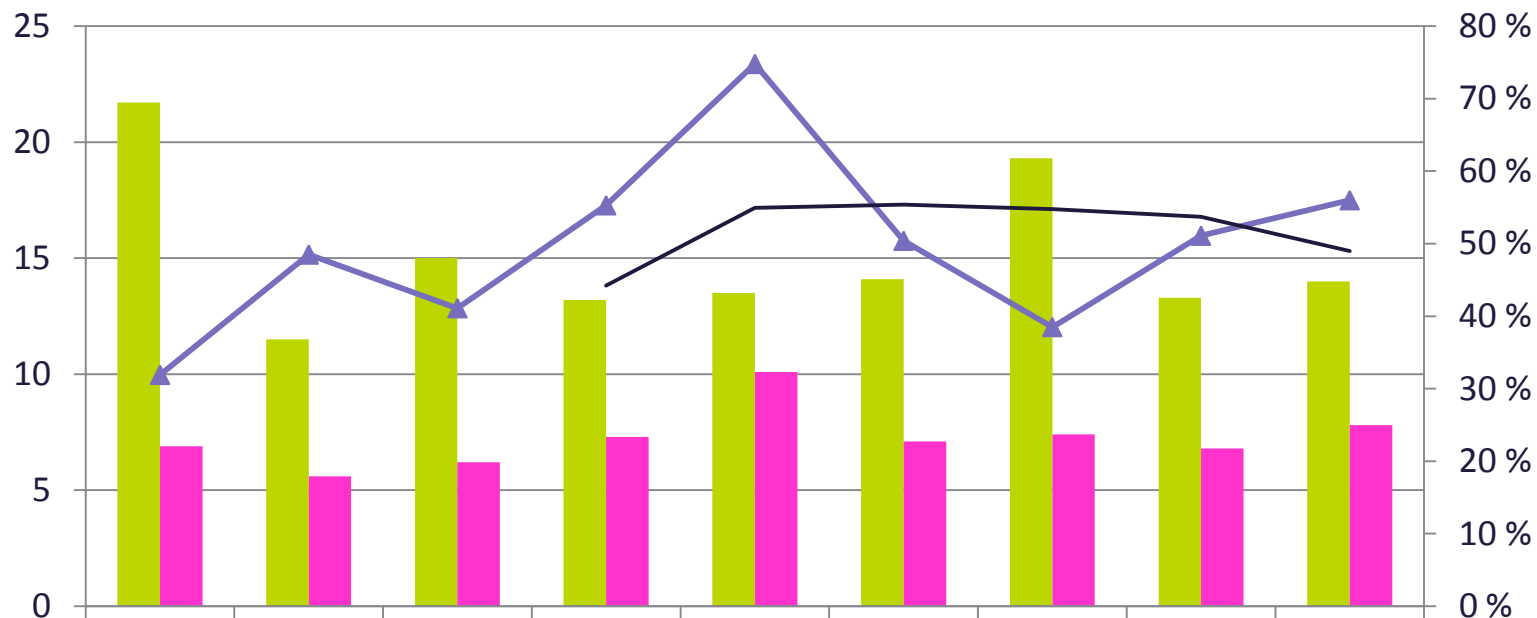





Sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
Materials and Services	3,8	2,0	3,4	2,3	3,0	2,1	3,8	1,9	2,4
%	17 %	17 %	23 %	17 %	22 %	15 %	20 %	14 %	17 %

— 4 per. Mov. Avg. (%)

# Employee Benefits

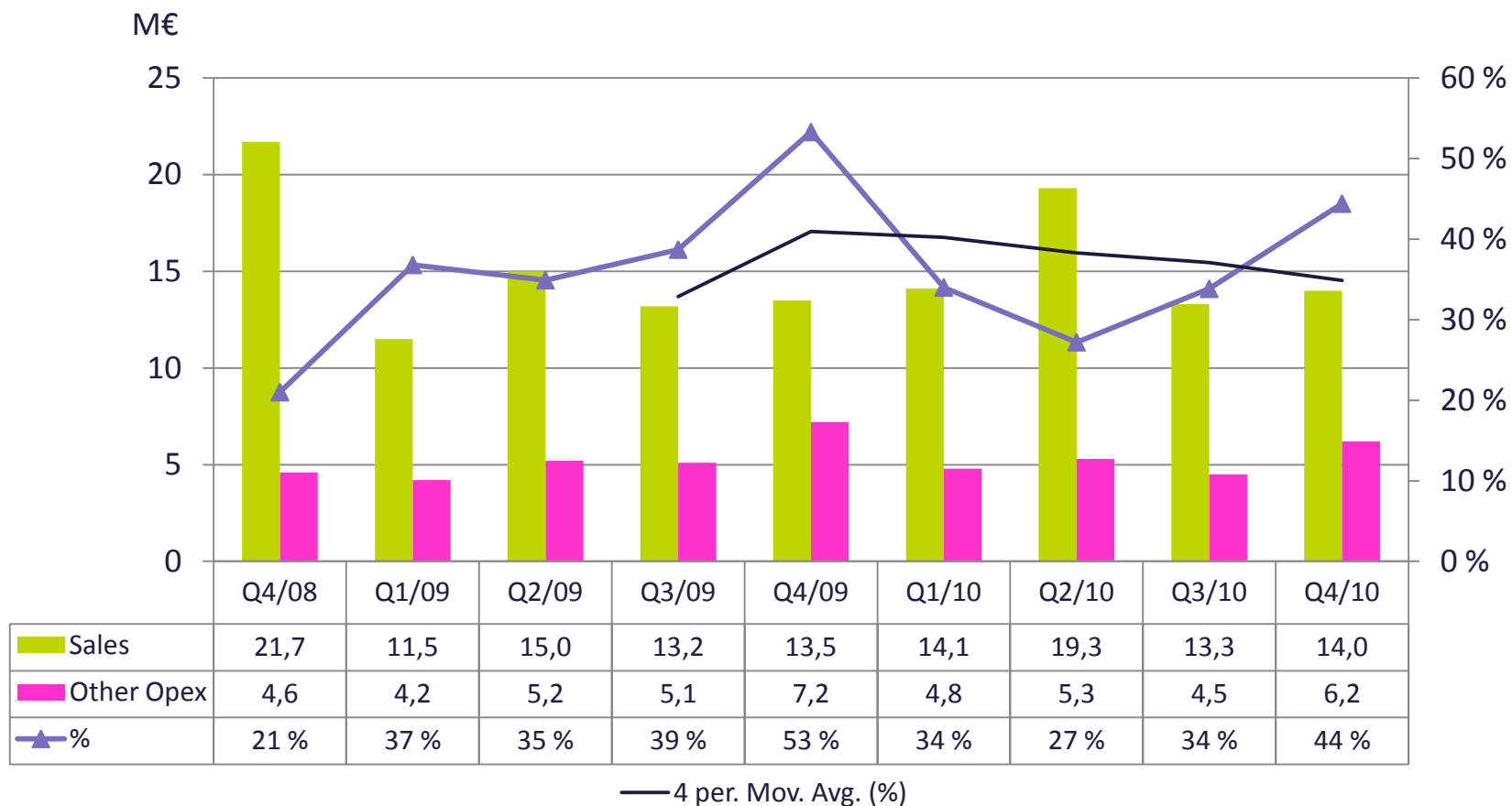
M€



 Sales	21,7	11,5	15,0	13,2	13,5	14,1	19,3	13,3	14,0
 Employee benefits	6,9	5,6	6,2	7,3	10,1	7,1	7,4	6,8	7,8
 %	32 %	49 %	41 %	55 %	75 %	50 %	39 %	51 %	56 %

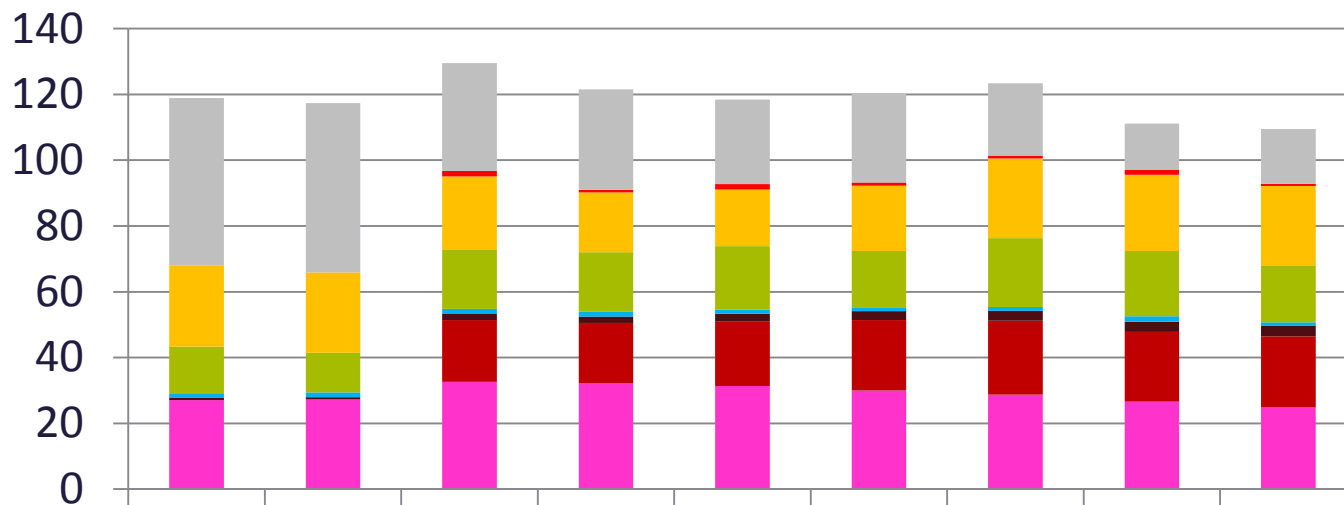
— 4 per. Mov. Avg. (%)

# Other Operating Expenses



# Assets by Quarter

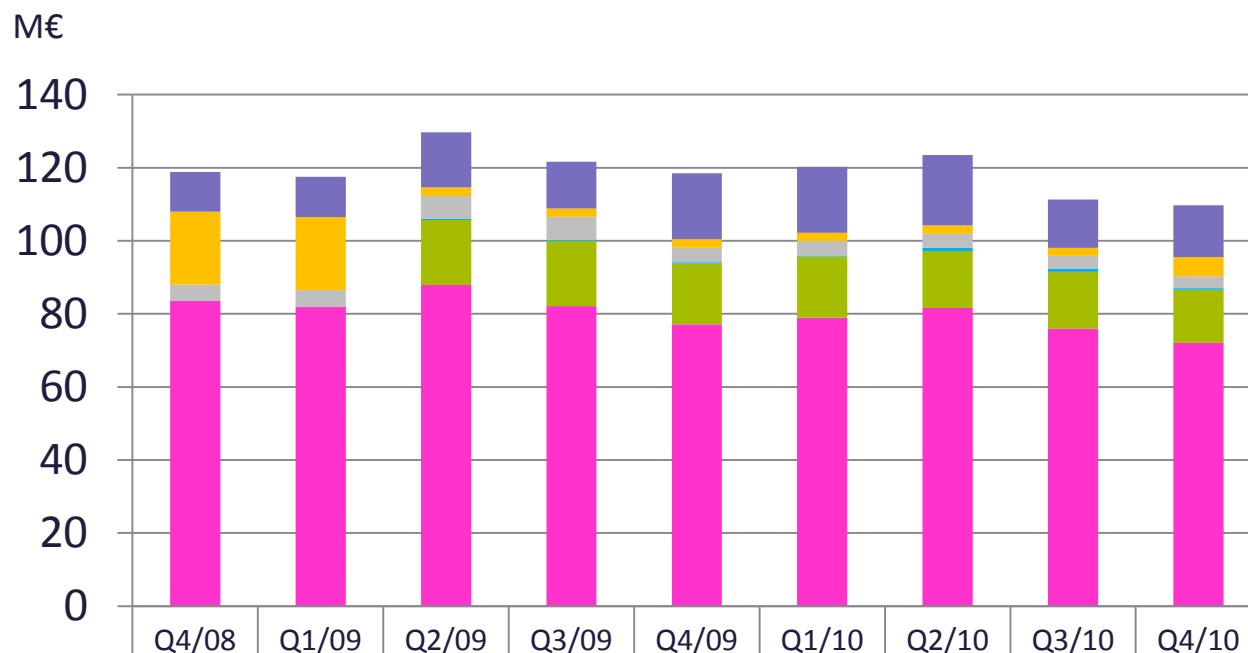
M€



	Q4/08	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
■ Cash	51,0	51,5	32,8	30,5	25,7	27,2	22,0	14,1	16,7
■ Investments			1,6	0,8	1,6	0,9	0,9	1,4	0,6
■ Other rec. (mainly WIP)	24,6	24,4	22,2	18,2	17,2	19,9	24,2	23,2	24,2
■ Trade receivables	14,4	12,1	18,1	18,0	19,3	17,1	20,9	19,8	17,3
■ Inventories	1,1	1,5	1,6	1,5	1,3	1,2	1,2	1,7	1,0
■ Other long term	0,7	0,6	1,8	2,0	2,4	2,7	3,0	3,1	3,3
■ Consolidated goodwill			18,8	18,4	19,6	21,4	22,5	21,2	21,6
■ Fixed assets	27,1	27,3	32,6	32,1	31,3	30,0	28,7	26,6	24,8



# Equity and Liabilities by Quarter



	Q4/08	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10	Q3/10	Q4/10
Current non-interest bearing	10,8	11,0	15,1	12,8	18,1	18,0	19,3	13,2	14,2
Current interest bearing	20,0	20,0	2,3	2,2	2,3	2,3	2,3	2,2	5,2
Deferred tax	4,5	4,6	6,3	6,4	4,0	3,9	3,8	3,5	3,3
Long term non-interest bearing			0,3	0,3	0,3	0,3	0,9	0,9	0,4
Long term Interest bearing			17,8	17,8	16,7	16,7	15,6	15,6	14,5
Provisions									
Shareholders' equity	83,5	81,9	87,9	82,1	77,1	79,0	81,6	75,9	72,1

**Thank you!**

