



# **Tecnotree Corporation Interim Report 1-3/2010**

30.4.2010

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# Tecnotree Group in Brief

## Q1 Highlights (comparisons to Q1/2009)

- Wider product offering, increased development resources, solution-based business model and enhanced cost structure start to take effect
  - Net sales were 14.1 M€ (11.5)
  - Operating result before R&D capitalizations & amortizations and one-time costs was -0.6 M€ (-2.0)
  - Encouraging flow of new orders received: 24.3M€ (13.6)
  - Order book at the end of period was 21.9M€ (11.7)
  - Positive cash flow +0.6 M€
- Operators' investment sentiment is improving
- Steady maintenance revenue
- New customers acquired in LA and APAC

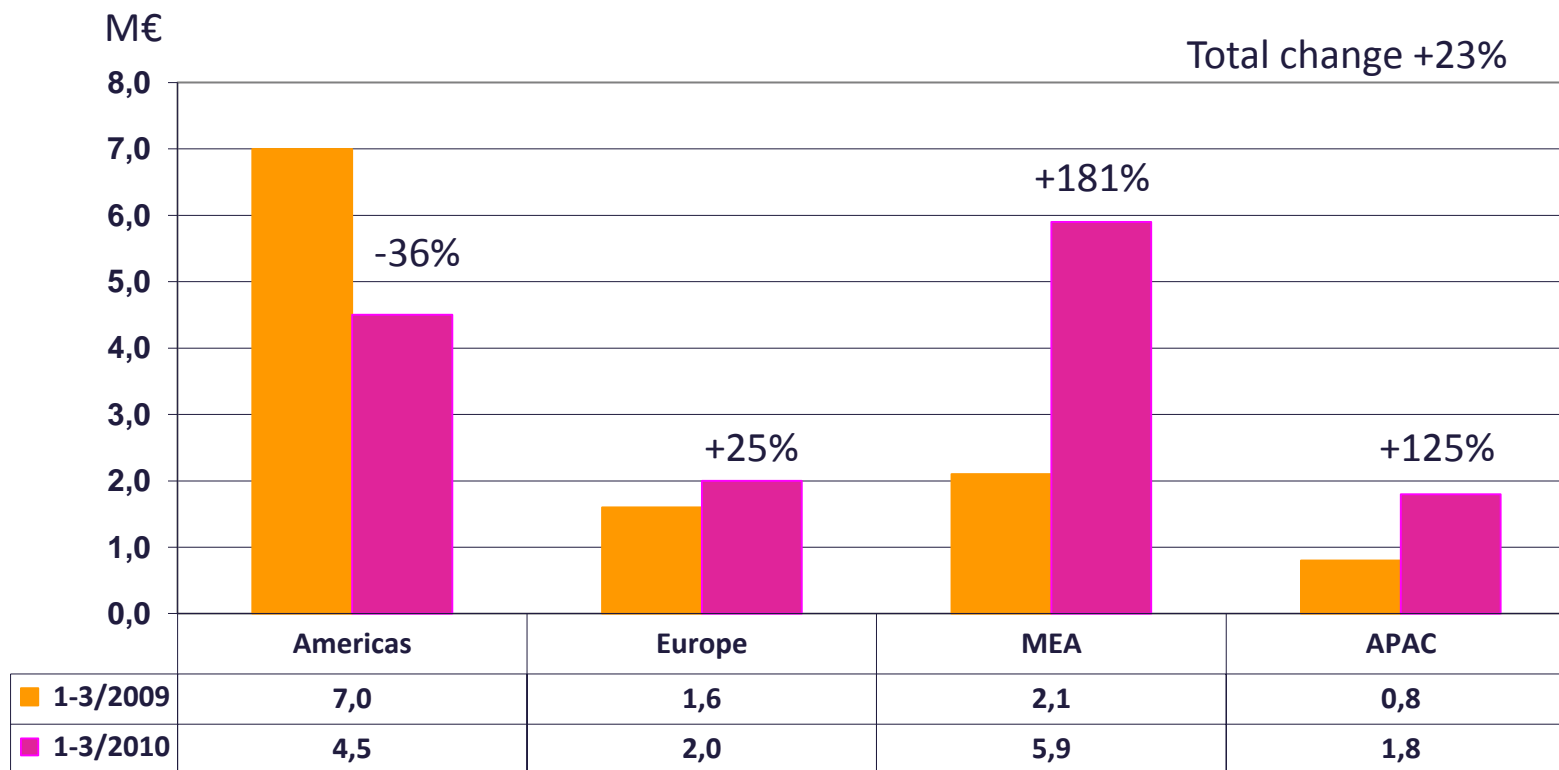
# Financial Highlights

M€	1-3/2010	1-3/2009
Net sales	14.1	11.5
Operating result before R&D capitalizations & amortizations and one-time costs	-0.6	-2.0
Ebit	-1.9	-1.7
Net result	-2.8	-1.7
Order intake	24.3	13.6
Order book	21.9	11.7
Cash flow after investments	0.6	0.3
Net cash flow	0.6	0.3
Cash	27.2	51.5
Equity ratio	66.4	69.7
Net gearing	-11.5	-38.5



# Net Sales by Area

Americas 32%(61%), Europe 15%(14%), MEA 41%(19%), APAC 12% (7%)



# Sales and orders



# Consolidated Balance Sheet

EUR Million	31.3.2010	31.3.2009	Change %
Non-current assets			
Fixed assets	29.5	26.6	10.7
Consolidated goodwill	21.8	0.7	
Other non-current assets	2.7	0.6	
Current assets			
Inventories	1.2	1.5	-23.7
Trade receivables	17.1	12.1	41.4
Other receivables	19.9	24.4	-18.5
Investments	0.9	-	
Cash and cash equivalents	27.2	51.5	-47.2
<b>Total assets</b>	<b>120.2</b>	<b>117.4</b>	<b>2.4</b>

# Consolidated Balance Sheet

EUR Million	31.3.2010	31.3.2009	Change %
Shareholders' equity	79.2	81.9	-3.3
Interest-bearing liabilities	16.7	-	
Deferred tax liabilities	3.8	4.6	-18.9
Other non-current liabilities	0.3	-	
Current liabilities			
Interest-bearing liabilities	2.3	20.0	-88.7
Non-interest-bearing liabilities	18.0	11.0	65.6
Equity and liabilities	120.2	117.4	2.4

# Prospects for 2010

Consistent with the improving market sentiment and demand, Tecnotree estimates that net sales will be considerably higher in 2010 than in 2009. Higher sales and lower costs are expected to improve profitability significantly and the operating result should be positive.

Capitalization of R & D costs is expected to be clearly less in 2010 than in the previous year. This is because product development has a greater emphasis on customer specific projects with an advantage of a lower cost base.

Variations between quarterly figures are expected to be considerable.



# Additional Financial Information for Investors



# Consolidated Income Statement

Tecnotree India not consolidated 1-3/2009

EUR Million	1-3/2010	1-3/2009	Change %
Net sales	14.1	11.5	22.8
Other operating income	0.0	-	
Materials and services	-2.1	-2.0	5.4
Employee benefit expenses	-7.1	-5.6	26.4
Other operating expenses	-4.8	-4.2	13.9
Depreciation	-2.1	-1.4	47.6
Operating result	-1.9	-1.7	-11.8
% of net sales	-13.5	-14.9	
Financial income and expenses	-0.6	0.3	
Result after financial income and expenses	-2.5	-1.4	-76.0
Income taxes	-0.4	-0.3	5.5
Result for the period	-2.8	-1.7	-62.5

# Key figures of Income Statement

Tecnotree India not consolidated 1-3/2009

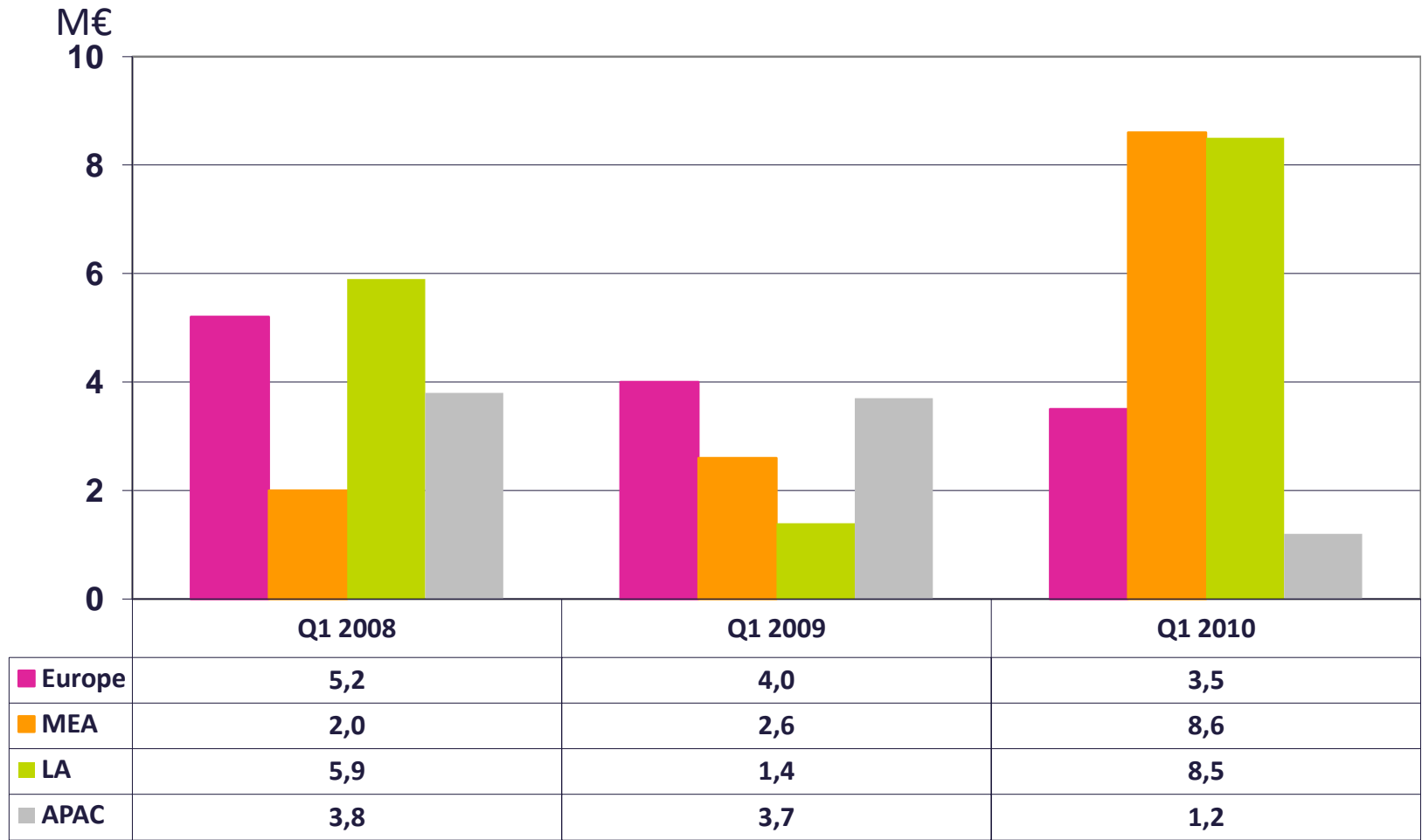
EUR Million			Pro forma
	1-3/2010	1-3/2009	1-3/2009
Net sales	14.1	11.5	15.3
Operating result before R&D capitalizations & amortizations and one-time costs	-0.6	-2.0	-2.0
R&D capitalizations	0.2	1.3	1.3
R&D amortizations	-1.5	-1.0	-1.0
One-time costs			
Operating result	-1.9	-1.7	-1.7

# Consolidated Income Statement

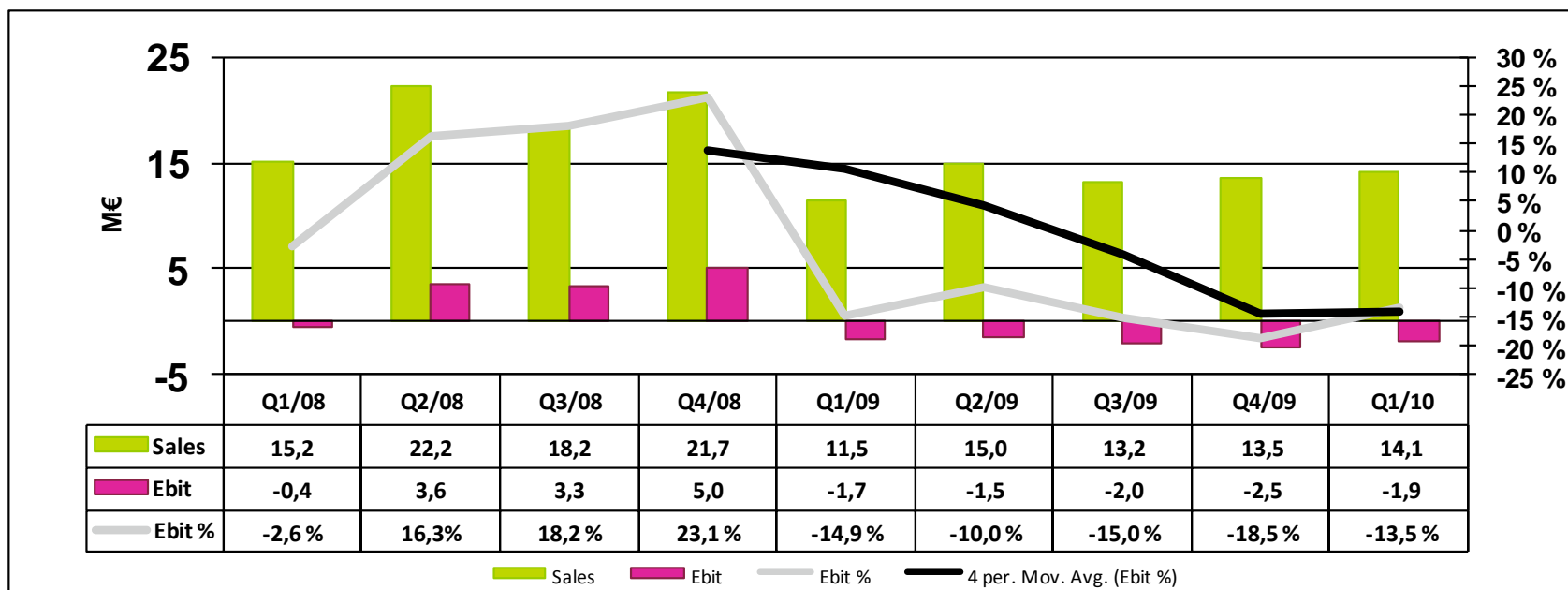
(Pro forma, Tecnotree India included Jan-Mar of both years)

EUR Million	1-3/2010	1-3/2009	Change %
Net sales	14.1	15.3	-7.6
Other operating income	0.0	0.1	
Materials and services	-2.1	-3.3	-36.2
Employee benefit expenses	-7.1	-7.1	-0.1
Other operating expenses	-4.8	-5.3	-9.1
Depreciation	-2.1	-1.5	37.0
Operating result	-1.9	-1.7	10.4
% of net sales	-13.5	-11.3	
Financial income and expenses	-0.6	0.5	
Result after financial income and expenses	-2.5	-1.2	102.6
Income taxes	-0.4	-0.3	6.3
Result for the period	-2.8	-1.6	82.0

# Orderbook by Sales area

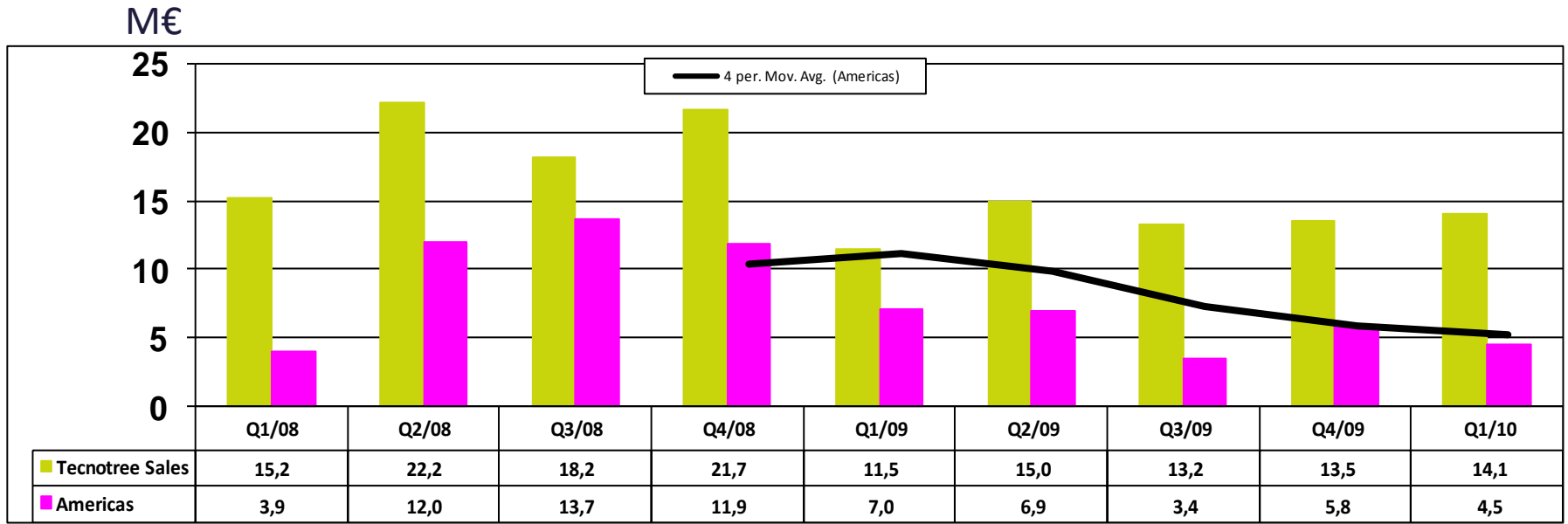


# Sales and Ebit before One-time Costs



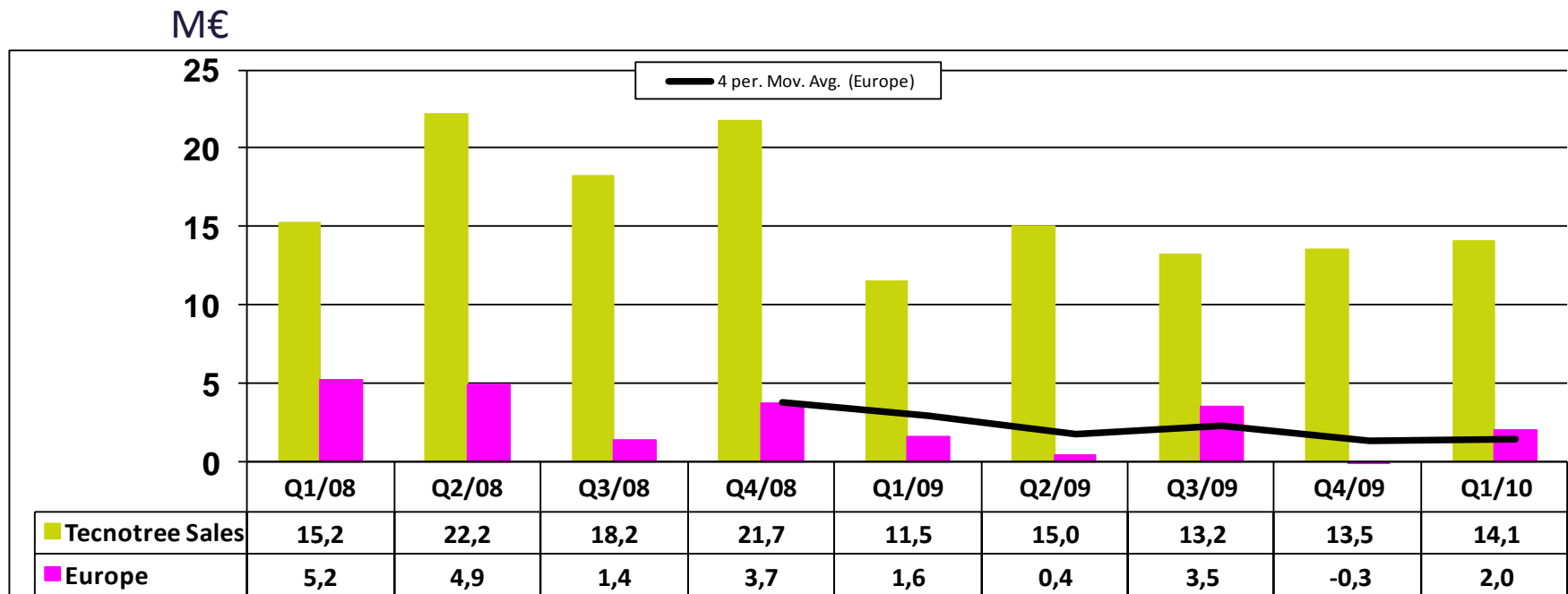
# Sales by Area

## Americas



# Sales by Area

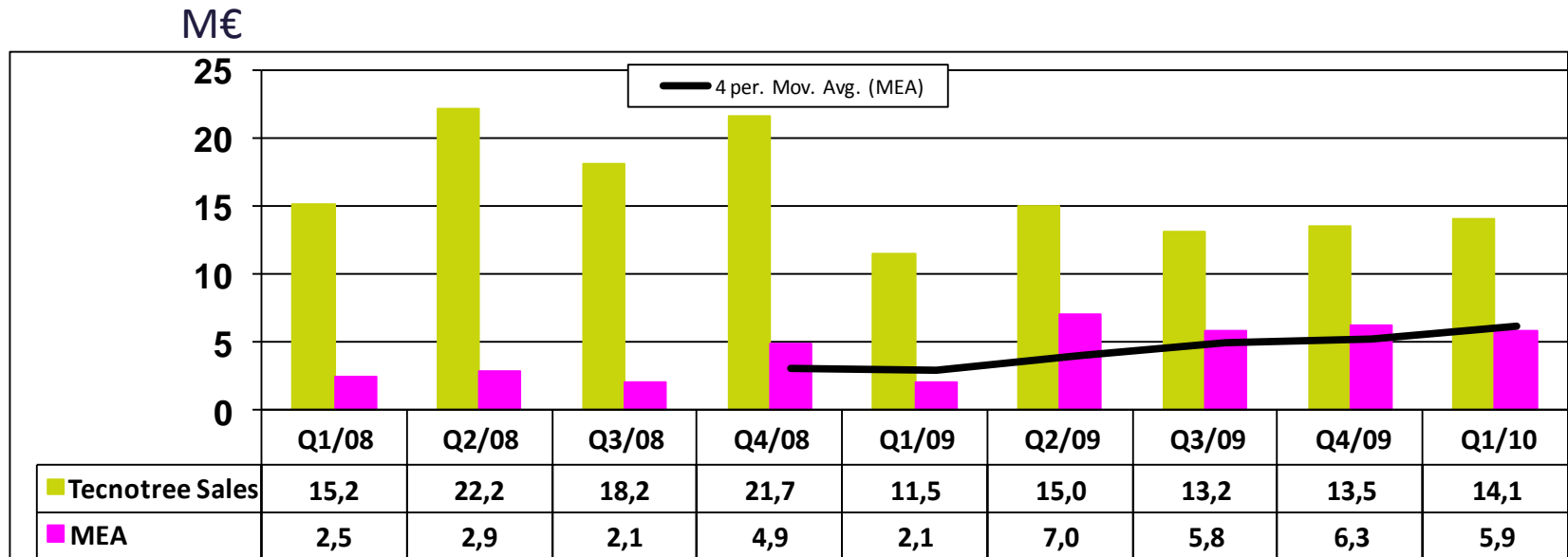
## Europe





# Sales by Area

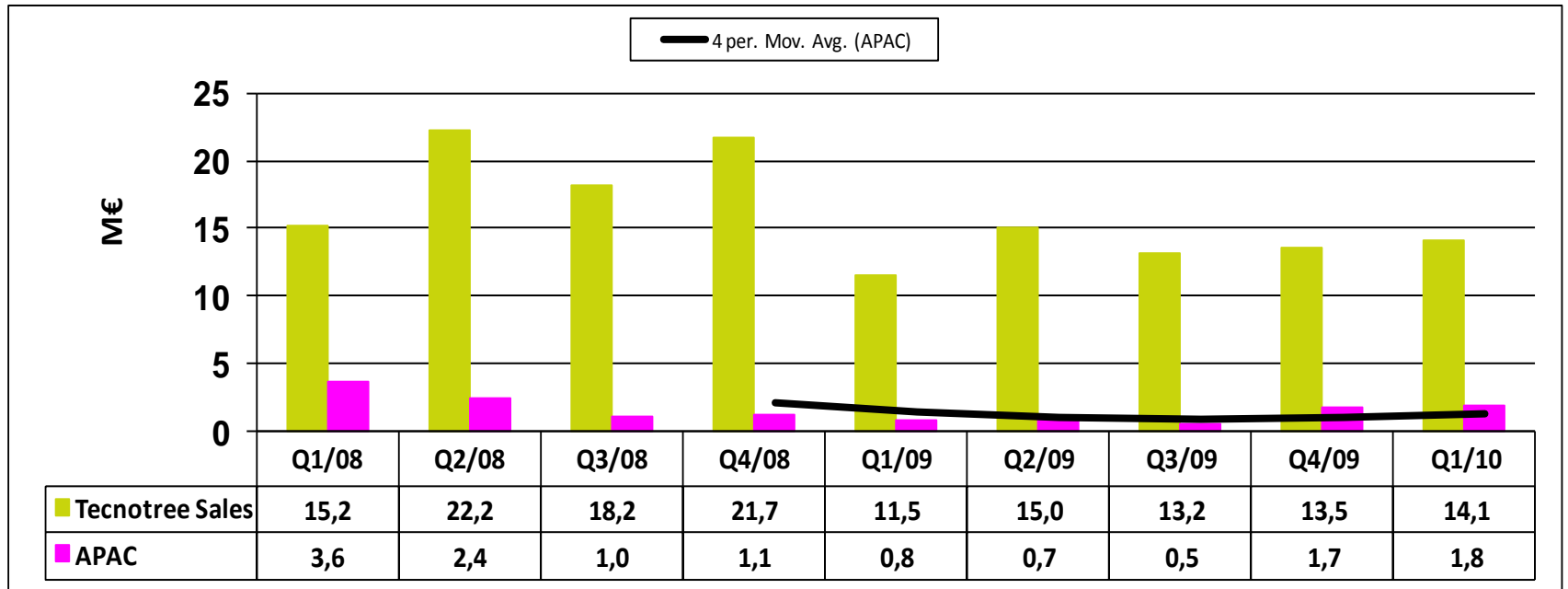
## MEA



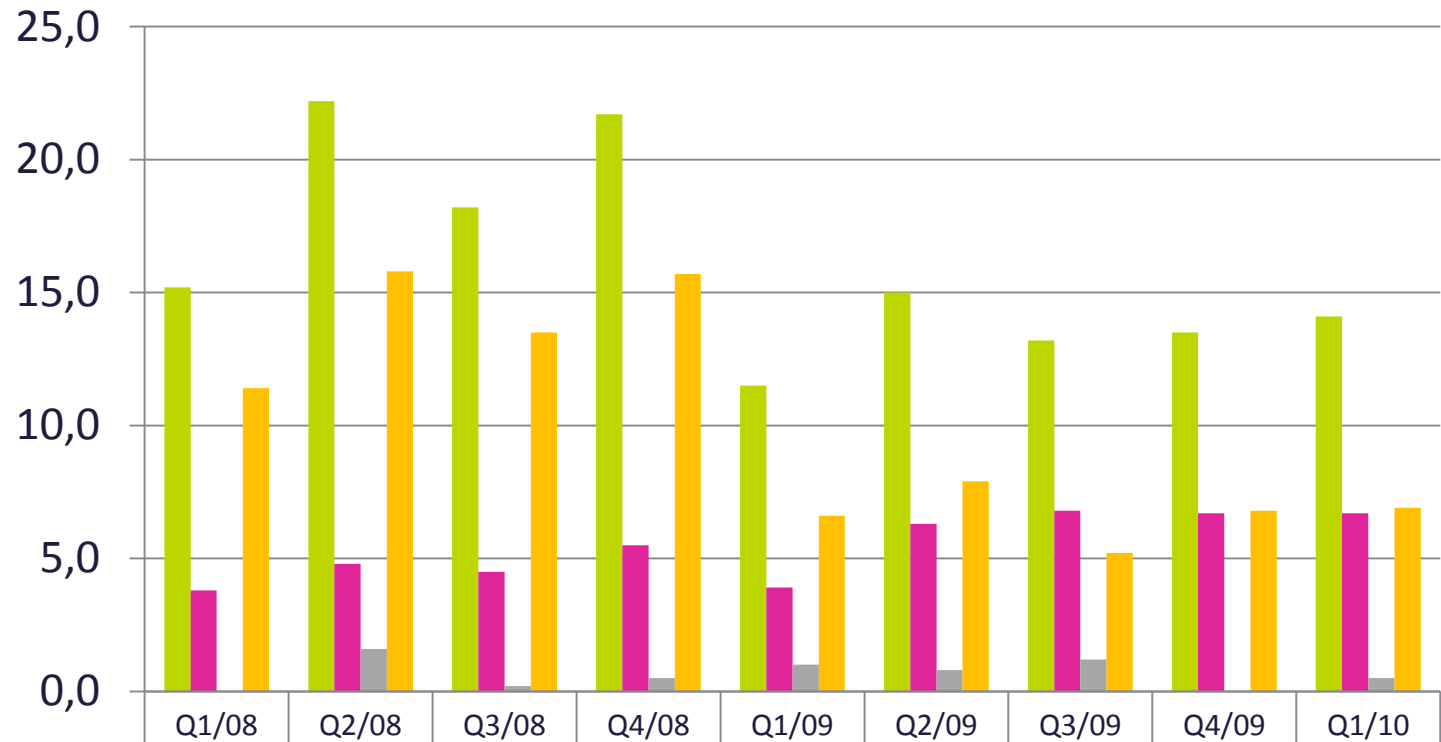
# Sales by Area

## APAC

M€

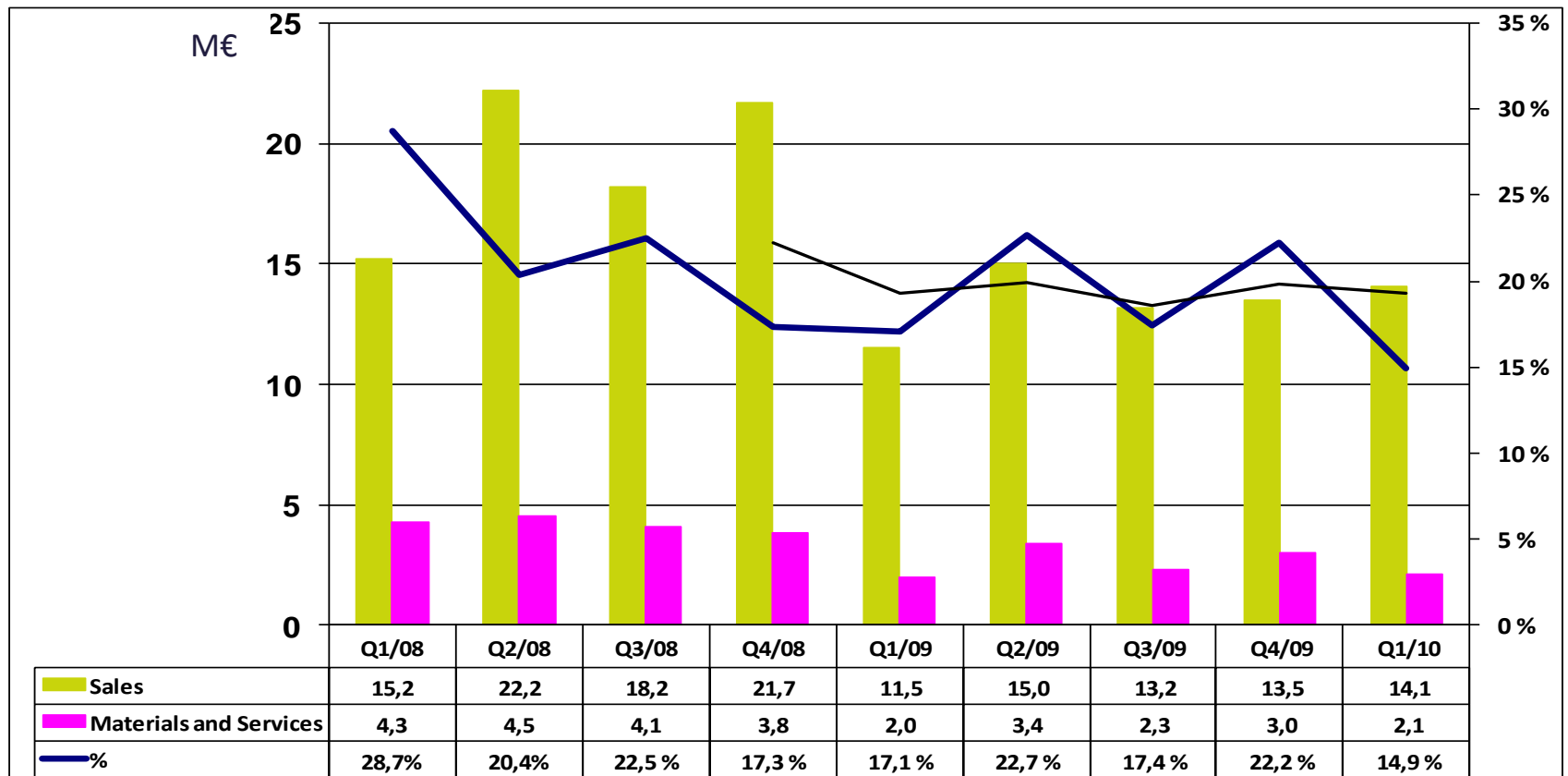


# Sales Distribution

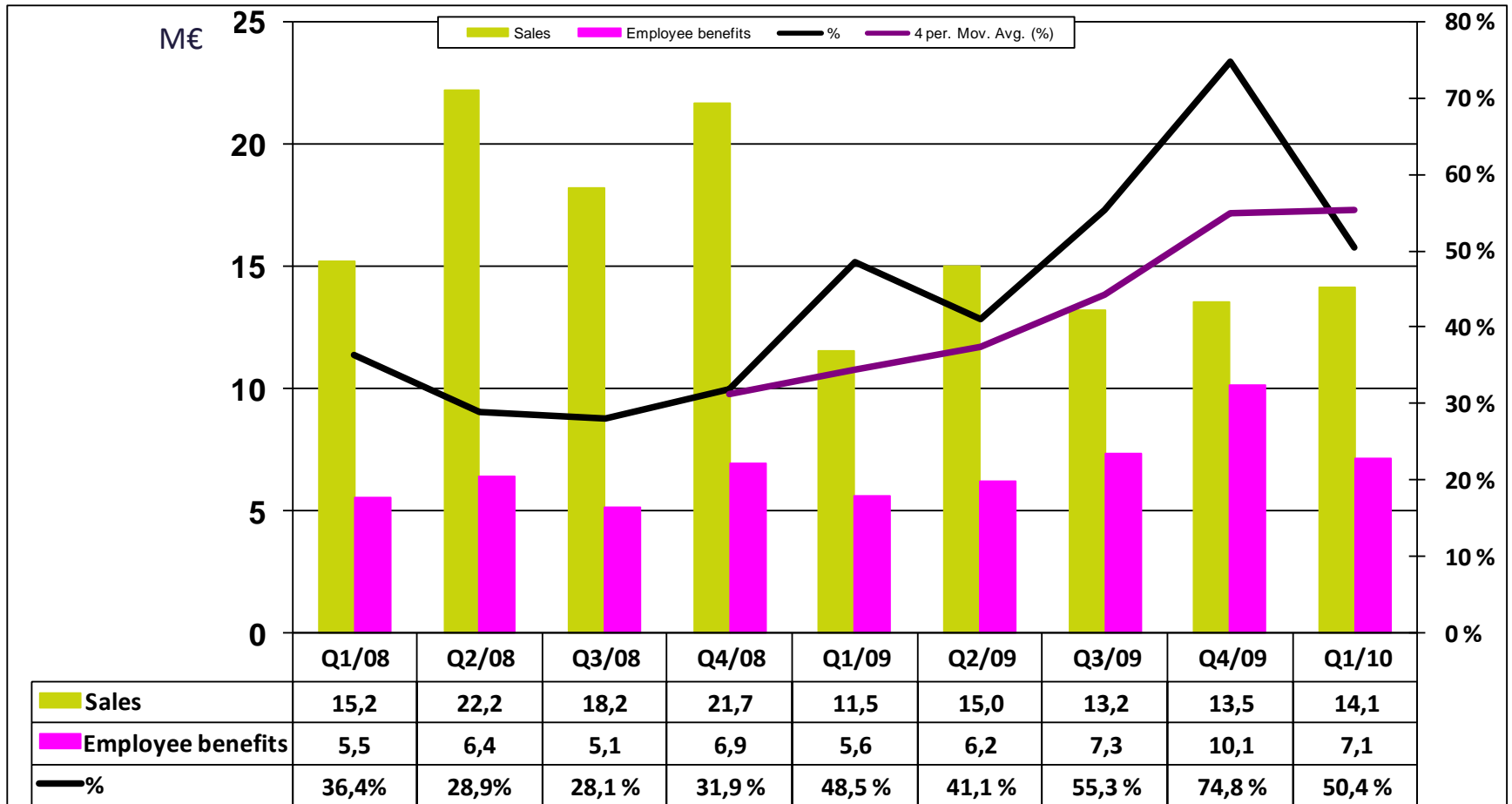


	Q1/08	Q2/08	Q3/08	Q4/08	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
■ Tecnotree sales	15,2	22,2	18,2	21,7	11,5	15,0	13,2	13,5	14,1
■ Services	3,8	4,8	4,5	5,5	3,9	6,3	6,8	6,7	6,7
■ New customers	0,0	1,6	0,2	0,5	1,0	0,8	1,2	0,0	0,5
■ Existing customers	11,4	15,8	13,5	15,7	6,6	7,9	5,2	6,8	6,9

# Materials and Services

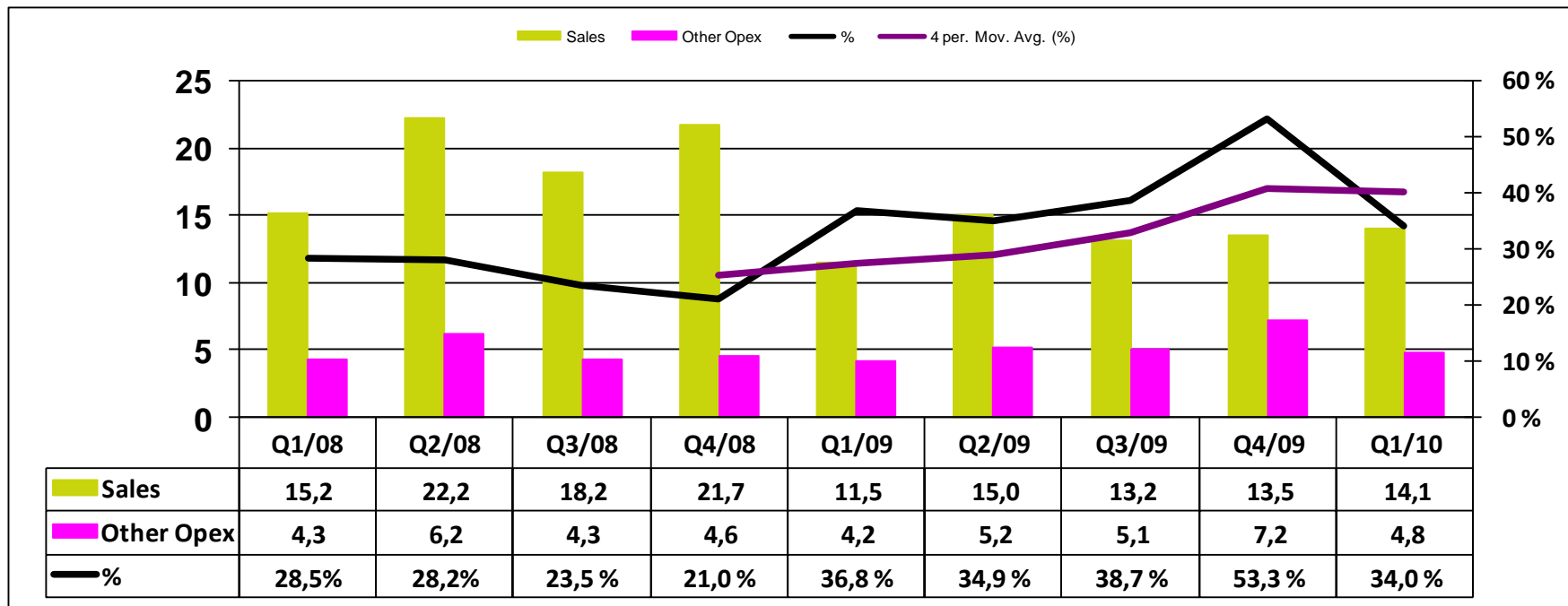


# Employee Benefits

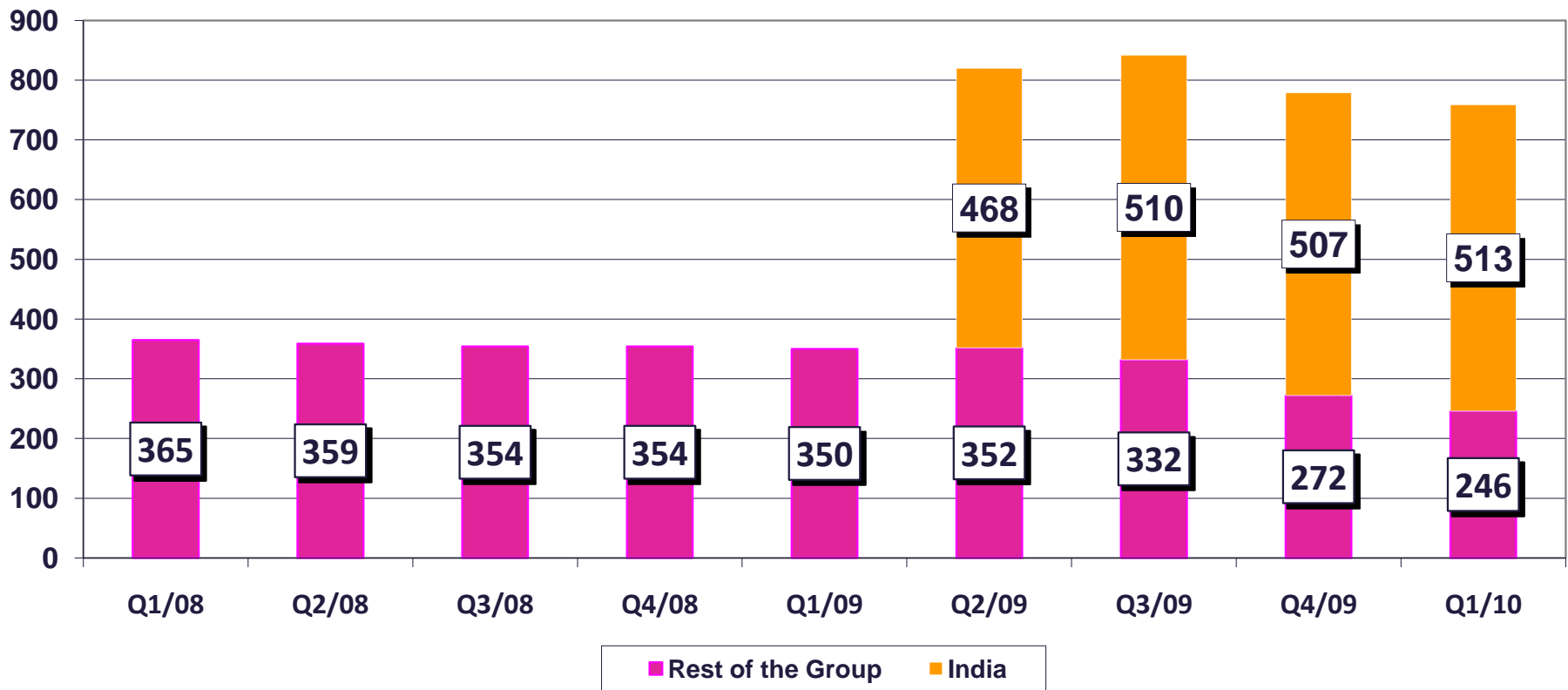


# Other Operating Expenses

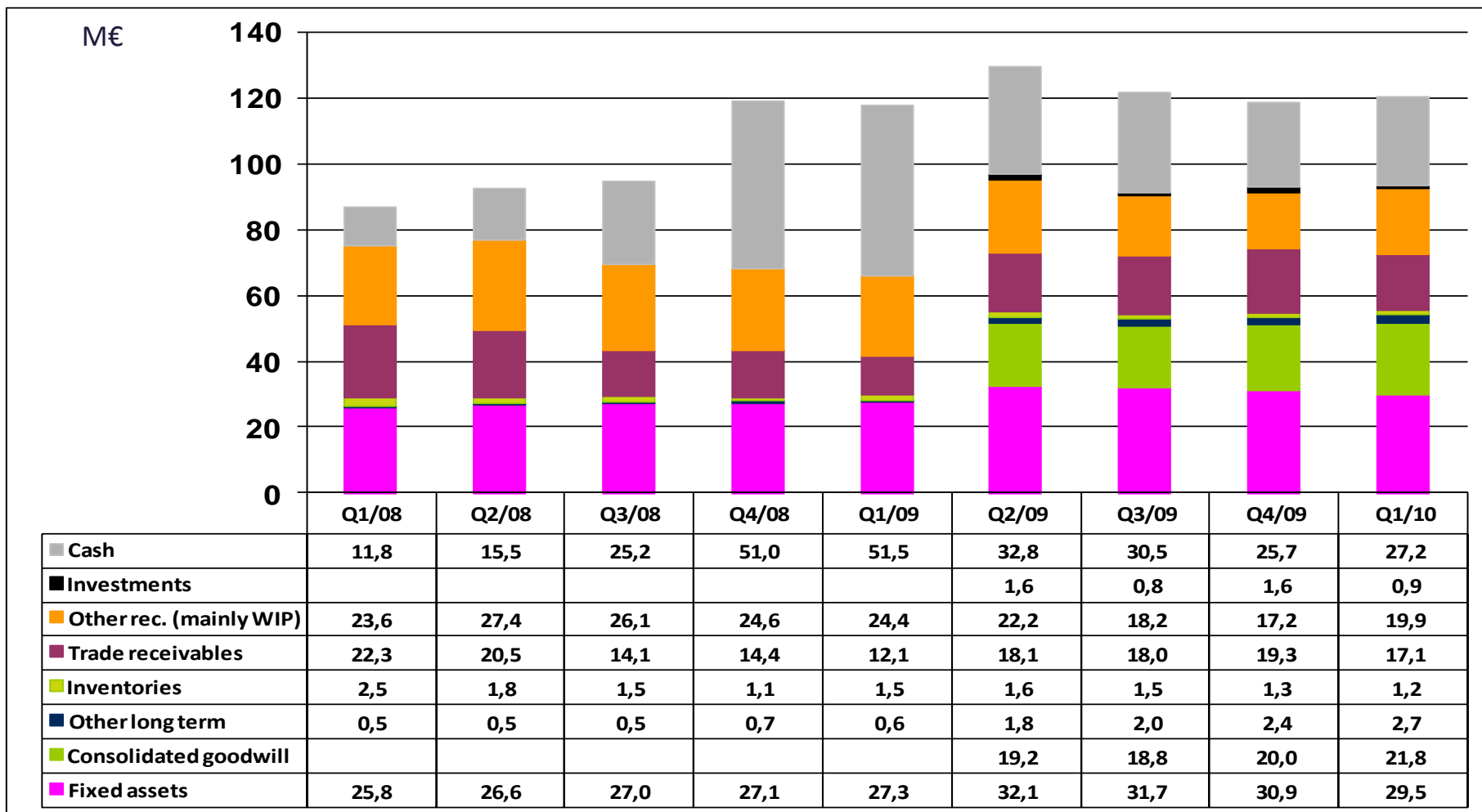
M€



# Number of Personnel



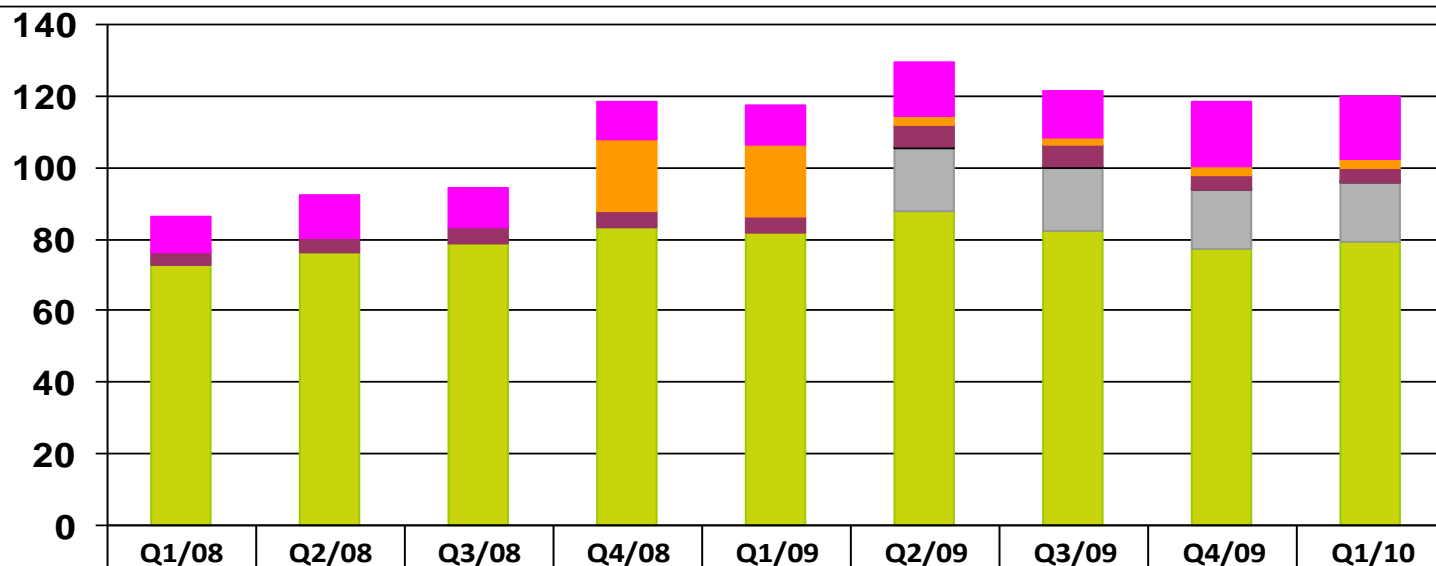
# Assets by Quarter





# Equity and Liabilities by Quarter

M€



	Q1/08	Q2/08	Q3/08	Q4/08	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
Current non-interest bearing	10,0	12,0	10,8	10,8	11,0	15,1	12,8	18,1	18,0
Current interest bearing	-	-	-	20,0	20,0	2,3	2,2	2,3	2,3
Deferred tax	3,9	4,2	4,4	4,5	4,6	6,1	6,2	3,9	3,8
Long term non-interest bearing	-	-	-	-	-	0,3	0,3	0,3	0,3
Long term Interest bearing	-	-	-	-	-	17,8	17,8	16,7	16,7
Provisions	-	-	-	-	-	-	-	-	-
Shareholders' equity	72,6	76,2	79,1	83,5	81,9	87,9	82,3	77,2	79,2