



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

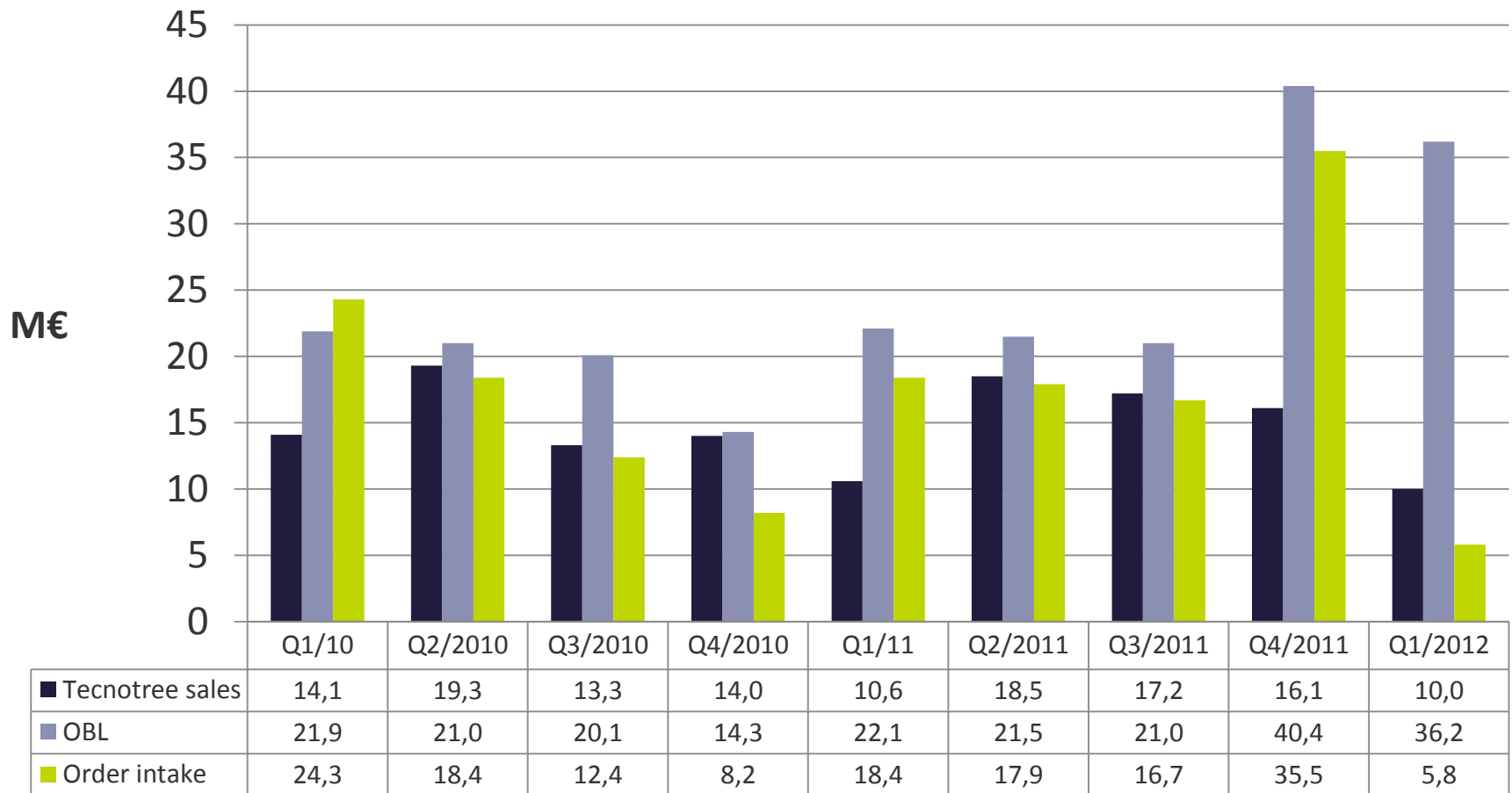
- Net sales in Q1 were 10.0 M€ (10.6 M€)
 - The 30.5 MUSD project started but only 1.4 MEUR of revenue was recognized in Q1
 - Q1 is typically a low revenue and order quarter for Tecnotree
 - ◆ Due to investment budget practices, some big customers start making orders only in from Q2 onwards

- Tecnotree maintains its prospects for 2012
 - Higher net sales than in 2011
 - Positive adjusted operating result
 - Improved cash flow after investments

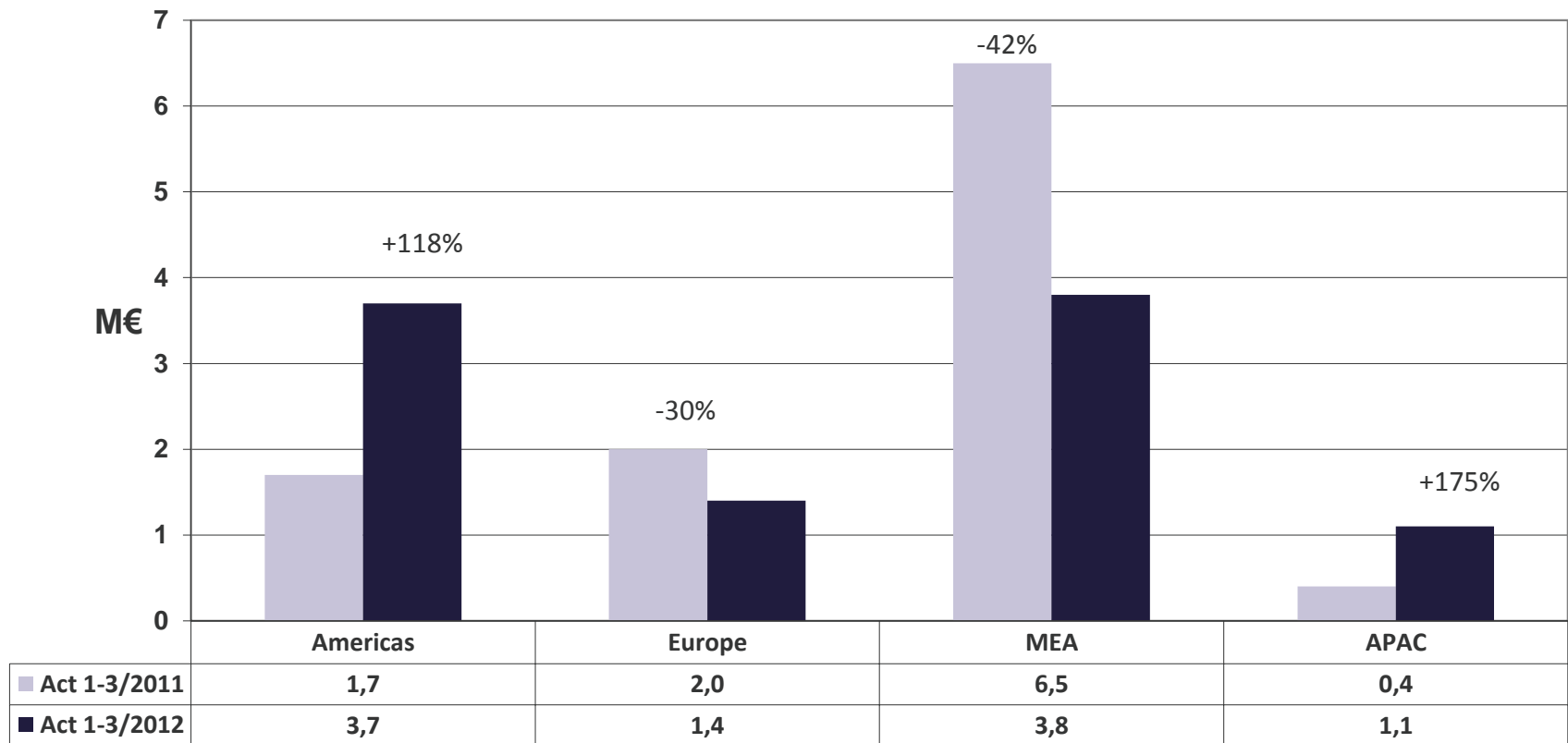
Financial Highlights

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
Adjusted operating result	-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 %
NON-CURRENT ASSETS			
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
CURRENT ASSETS			
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
TOTAL ASSETS	86.3	100.6	-14.2

Consolidated Balance Sheet

EUR Million	31.3.2012	31.3.2011	Change %
SHAREHOLDER'S EQUITY	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
CURRENT LIABILITIES			
Interest-bearing liabilities	14.8	8.2	80.1
Non-interest-bearing liabilities	14.3	13.4	7.1
EQUITY AND LIABILITIES	86.3	100.6	-14.2

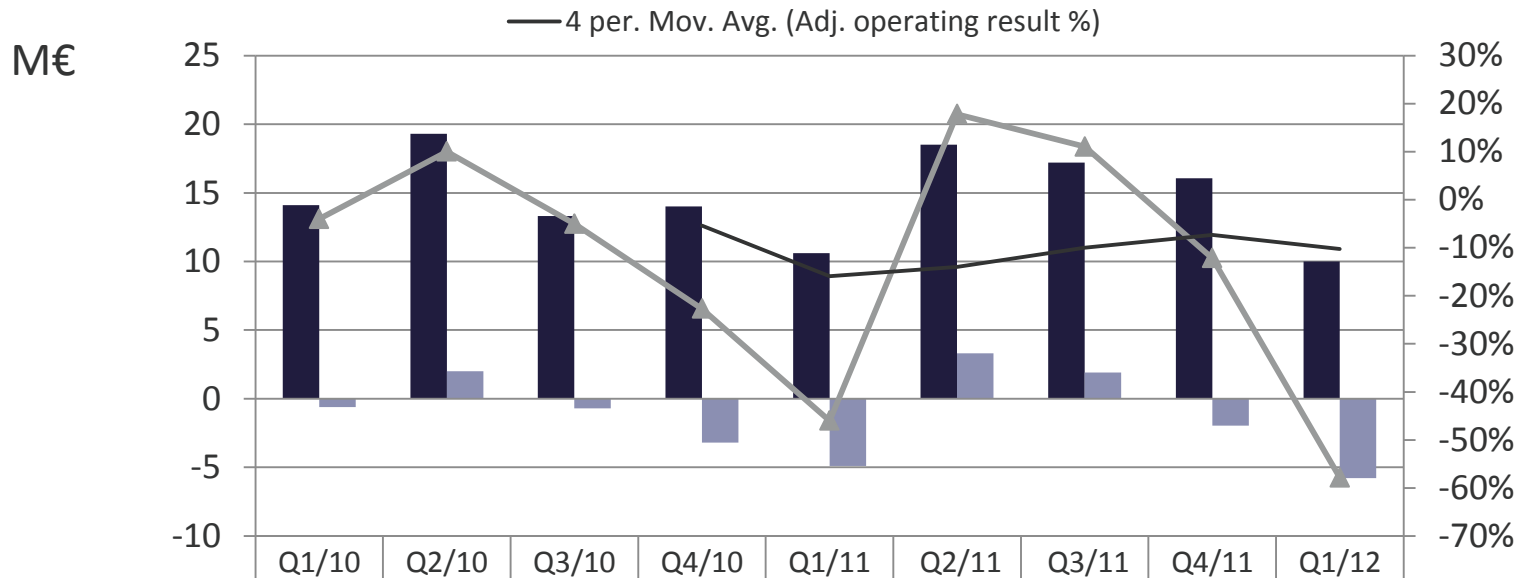
Prospects for 2012

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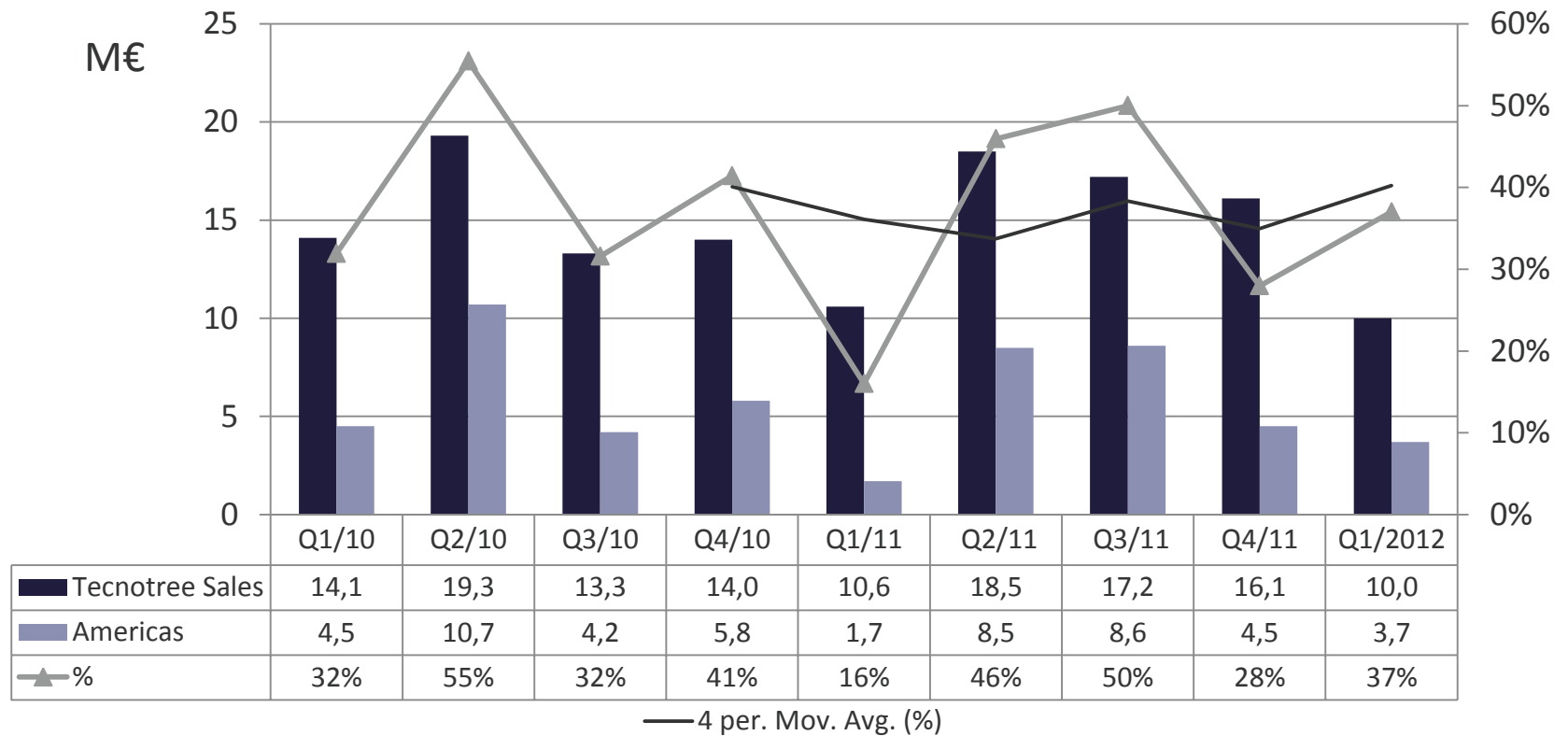
Adjusted operating result = Ebit before R&D capitalisation & amortisation and one-time costs

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

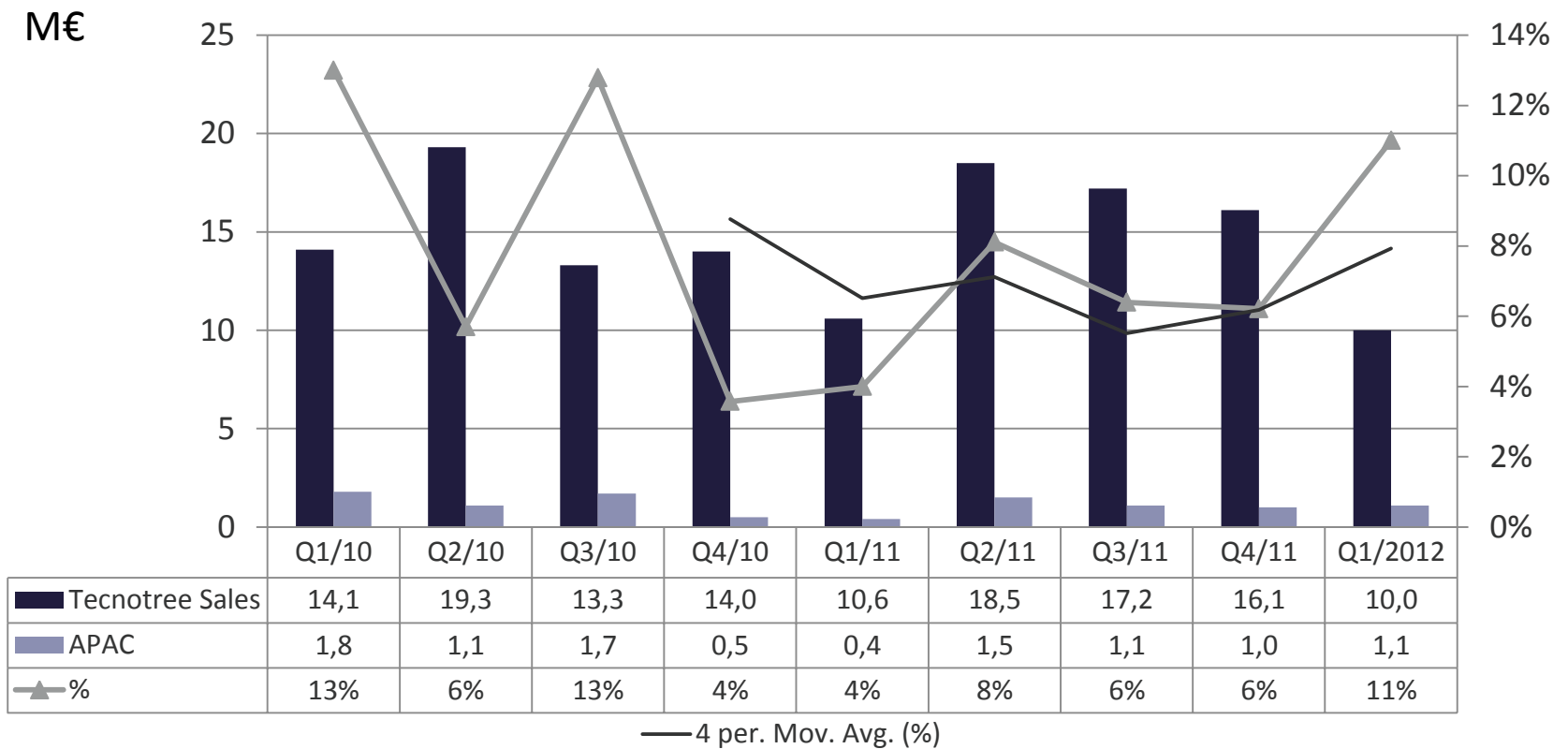
Sales by Area

Americas



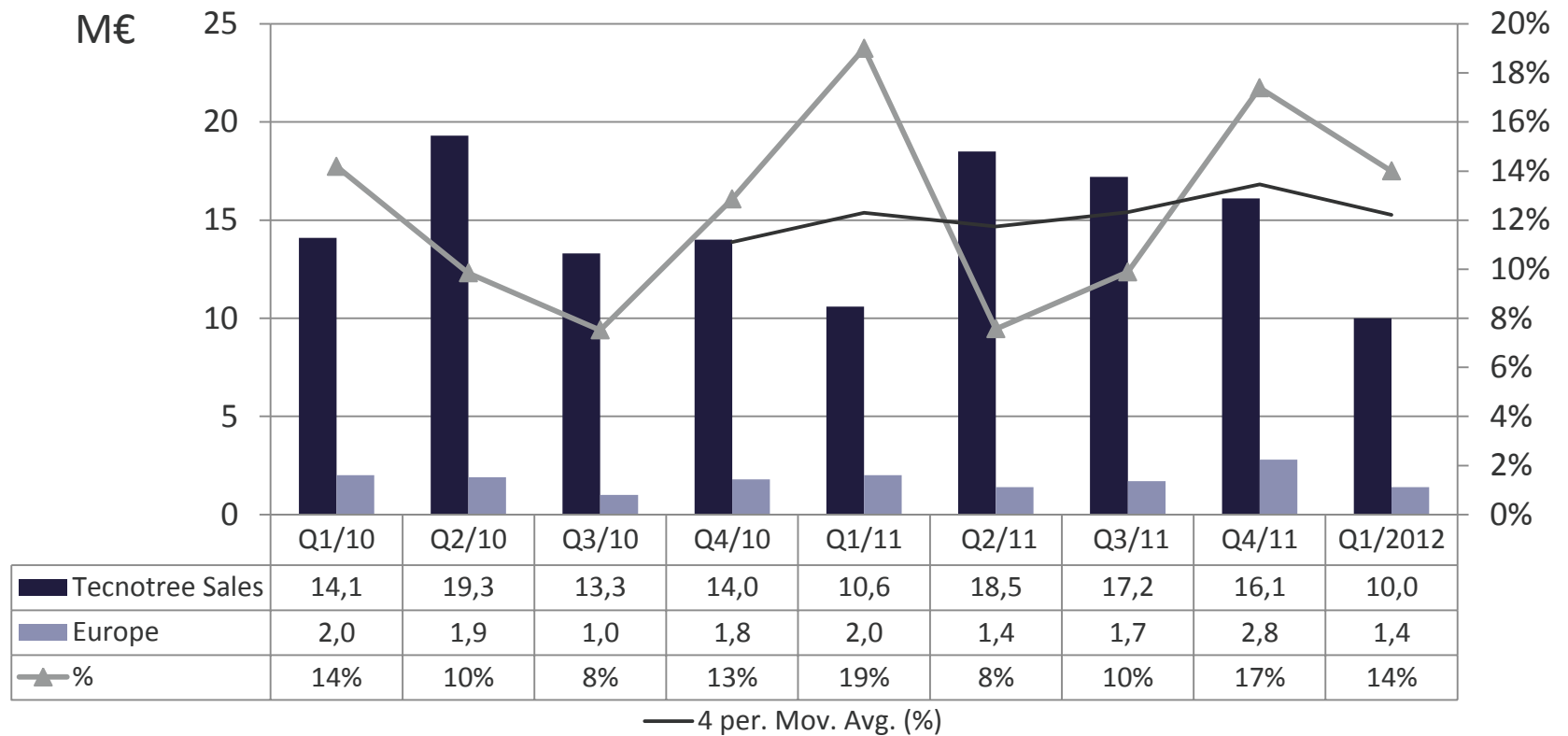
Sales by Area

APAC



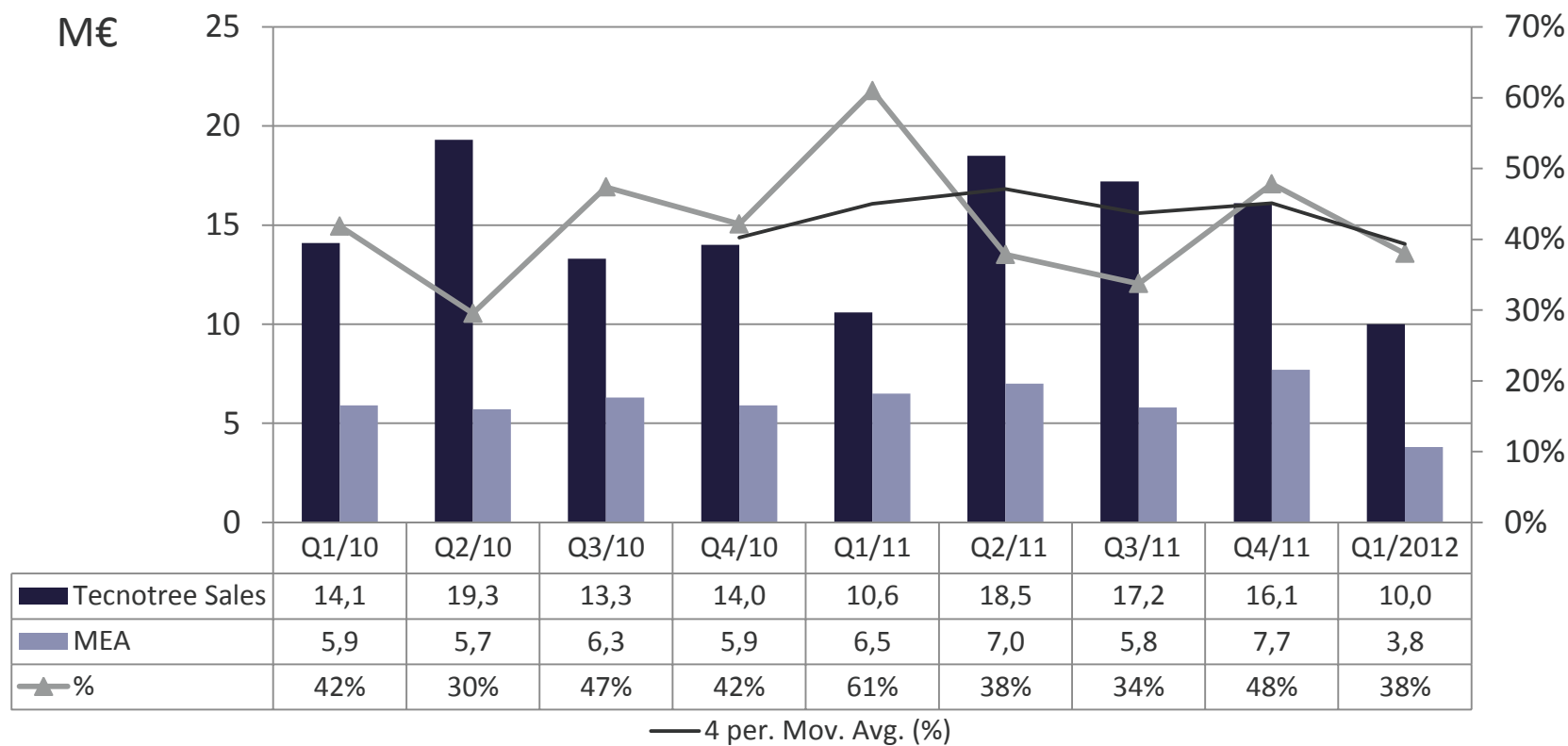
Sales by Area

Europe

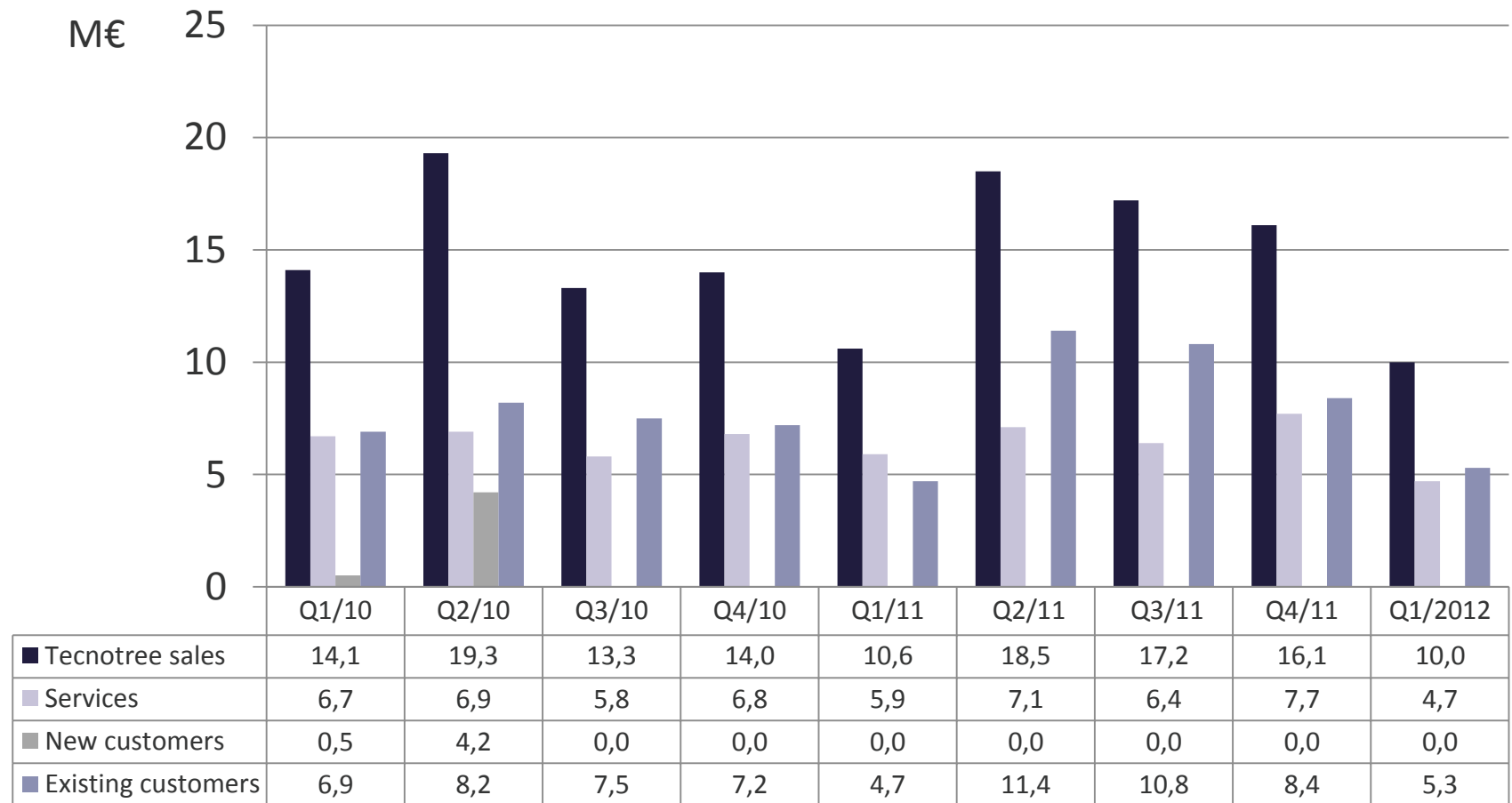


Sales by Area

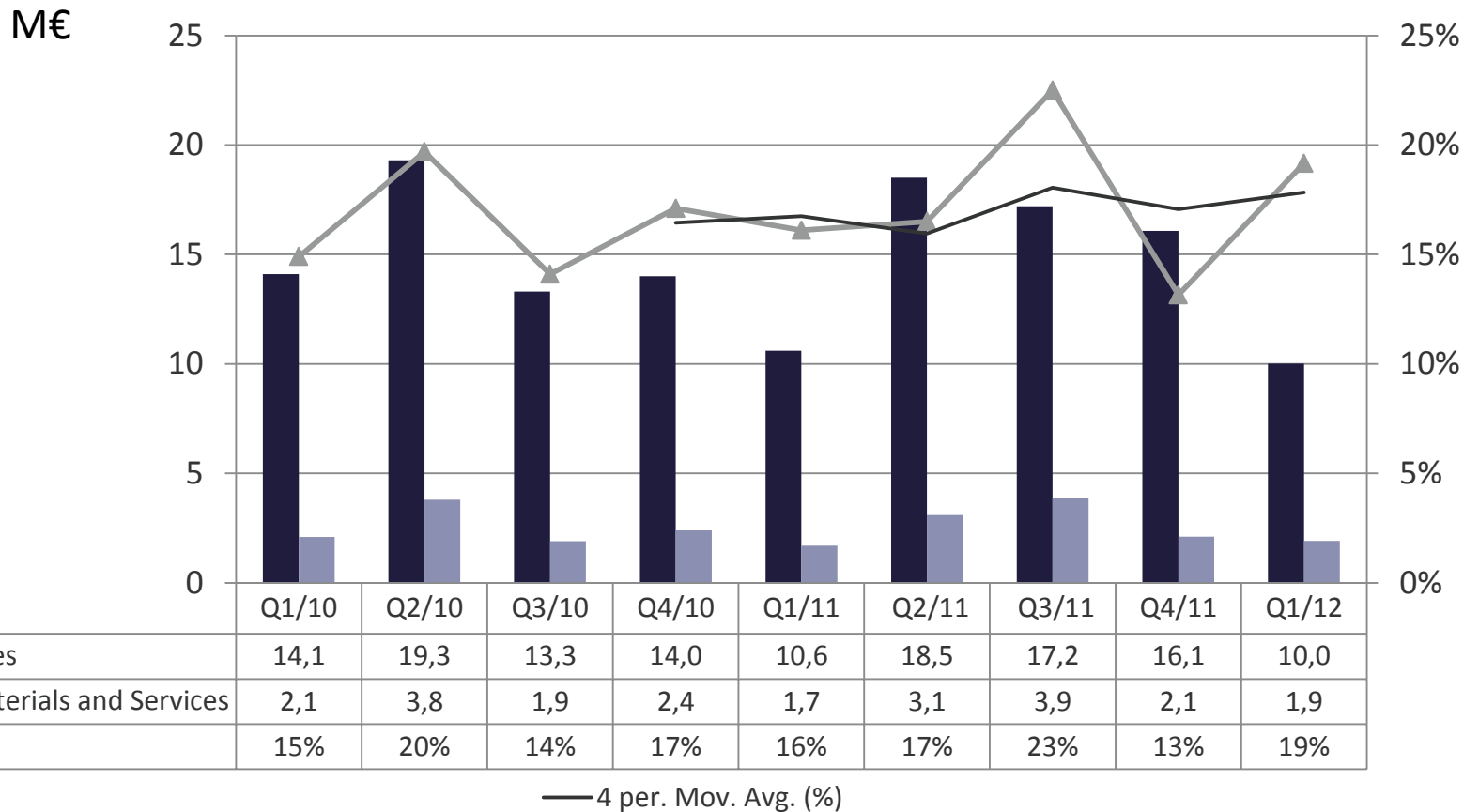
MEA



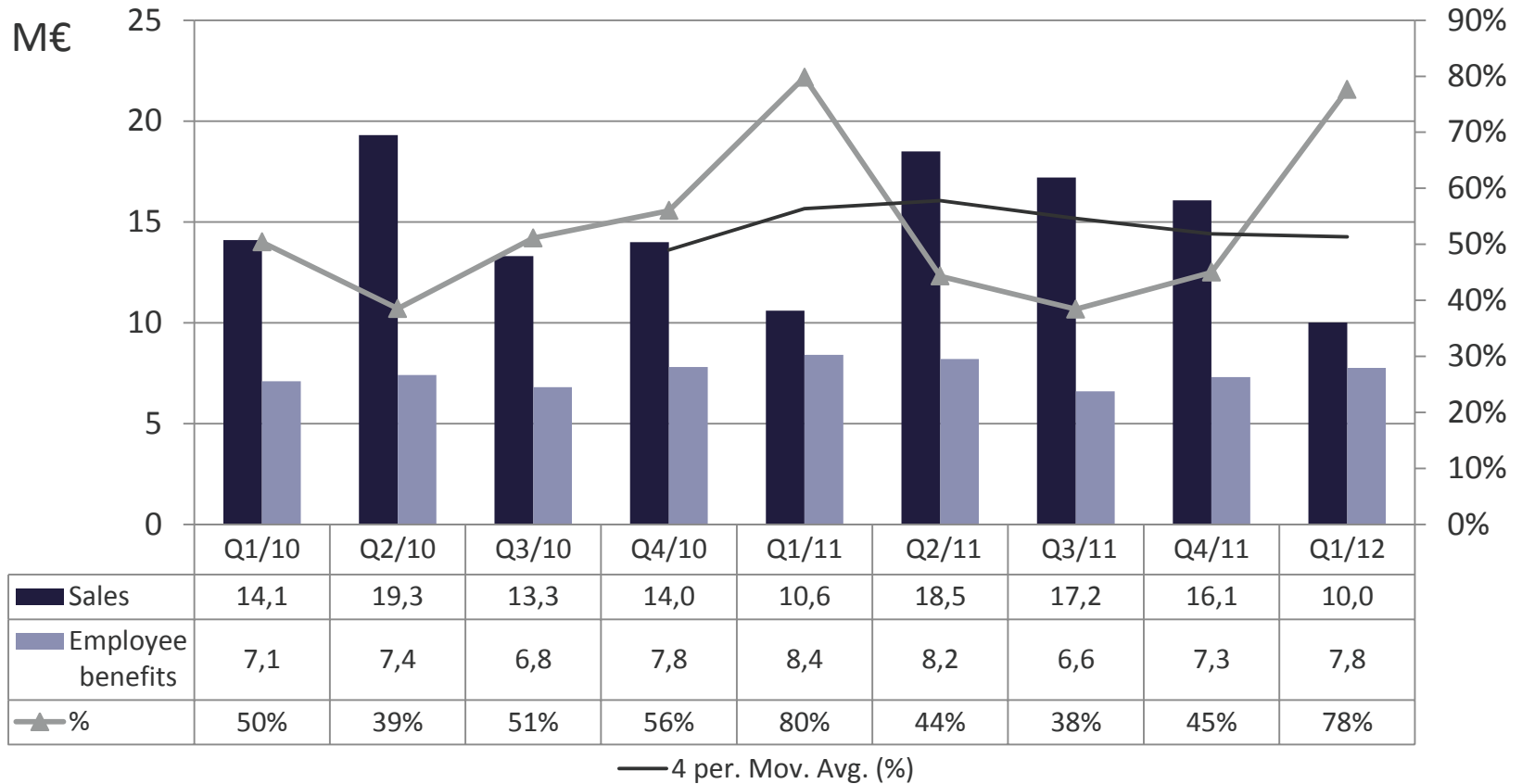
Sales Distribution



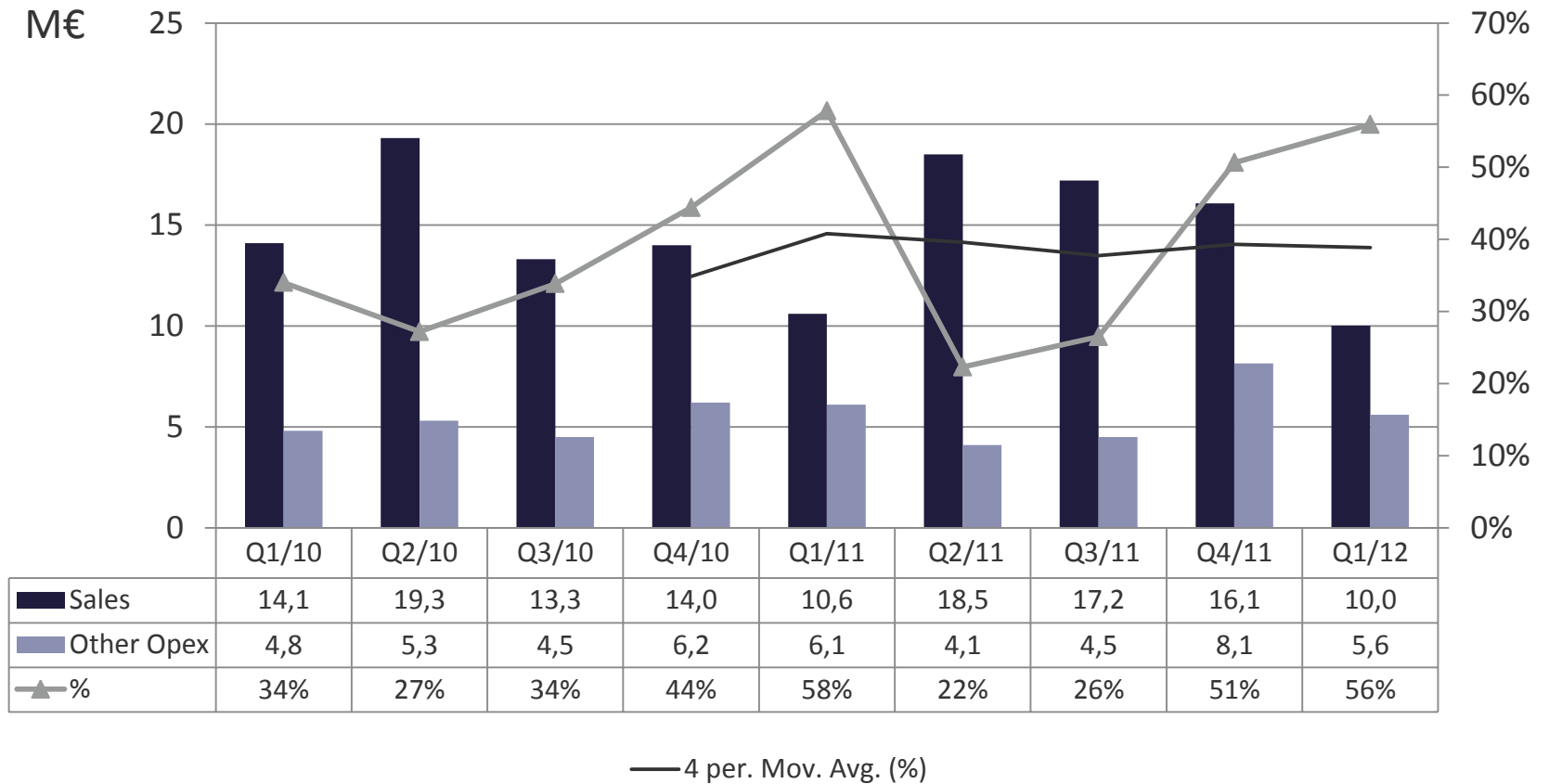
Materials and Services



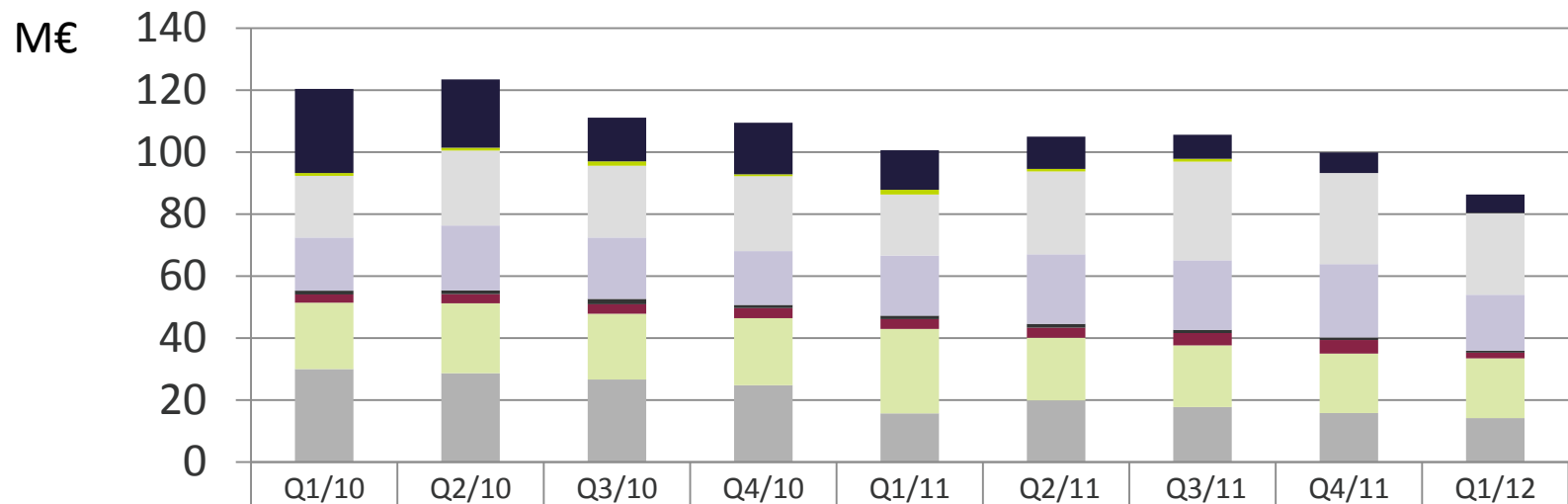
Employee Benefits



Other Operating Expenses

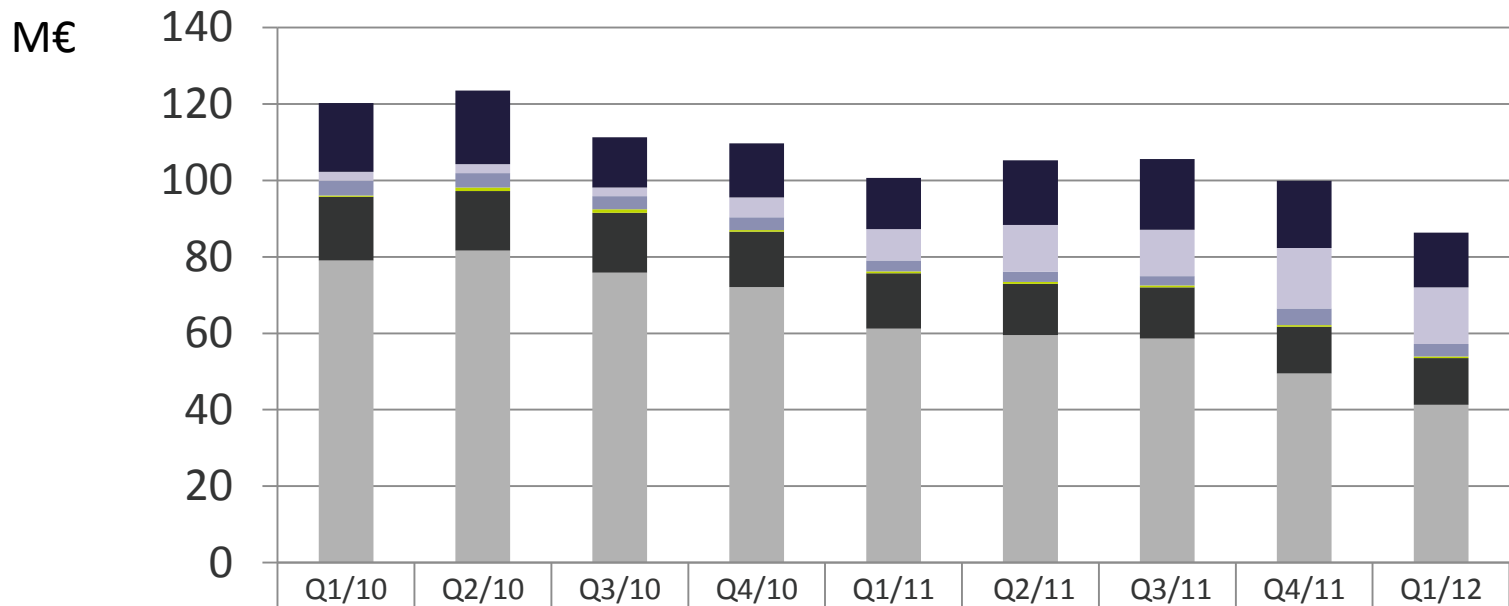


Assets by Quarter



	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



	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12
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



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