



Tecnotree Corporation Interim Report Q3/2012

31st Oct, 2012



Tecnotree Group in Brief

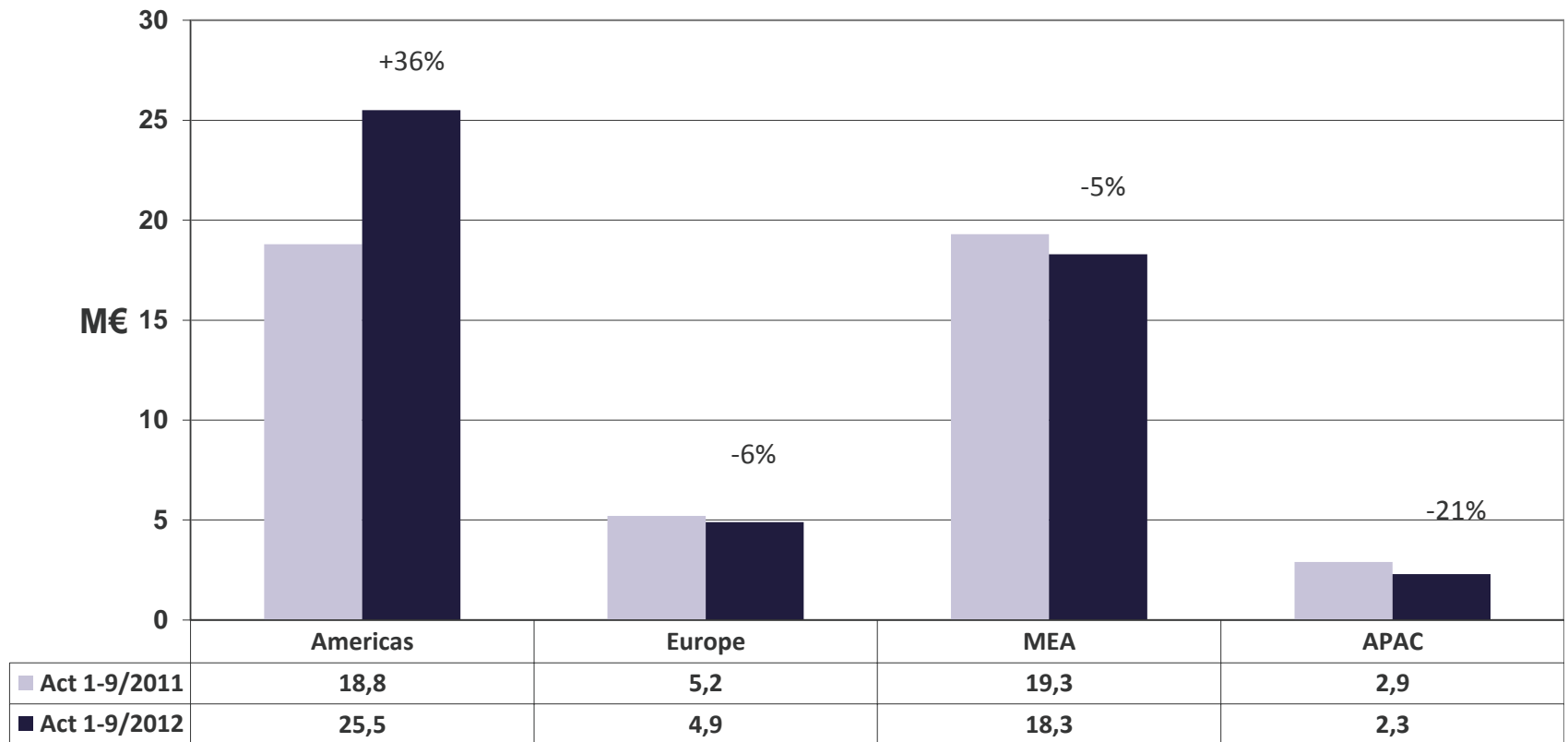
Highlights for Q1-Q3 2012 (comparisons to the same period in 2011)

- Net sales for the first nine months were 51.0 M€ (46.2 M€)
 - ▣ Net sales of Q3 were 19.7 M€ (17.2 M€)
- Record order backlog of 59.2 M€ (21.5 M€)
 - ▣ At the end of June, the order backlog was 58.8 M€
- The adjusted EBIT was -4.6 M€ (0.3 M€)
 - ▣ The Q3 figure was -0.8 M€ (1.9 M€)
 - ▣ The reduction in the adjusted EBIT is due to higher costs in Q3
 - ◆ Initiation costs of new, large projects
 - ◆ Costs related to product development and sales development
 - ◆ Foreign exchange loss of 1.0 M€ in Q3
- Cash flow after investment was -6.3 M€ (-14.6 M€)
 - ▣ The Q3 figure was -7.4 M€ (-2.5 M€)
 - ◆ The project payments are based on milestones, often requiring a project acceptance by the customer. There are high quarterly variations, depending on the milestones.

Financial Highlights

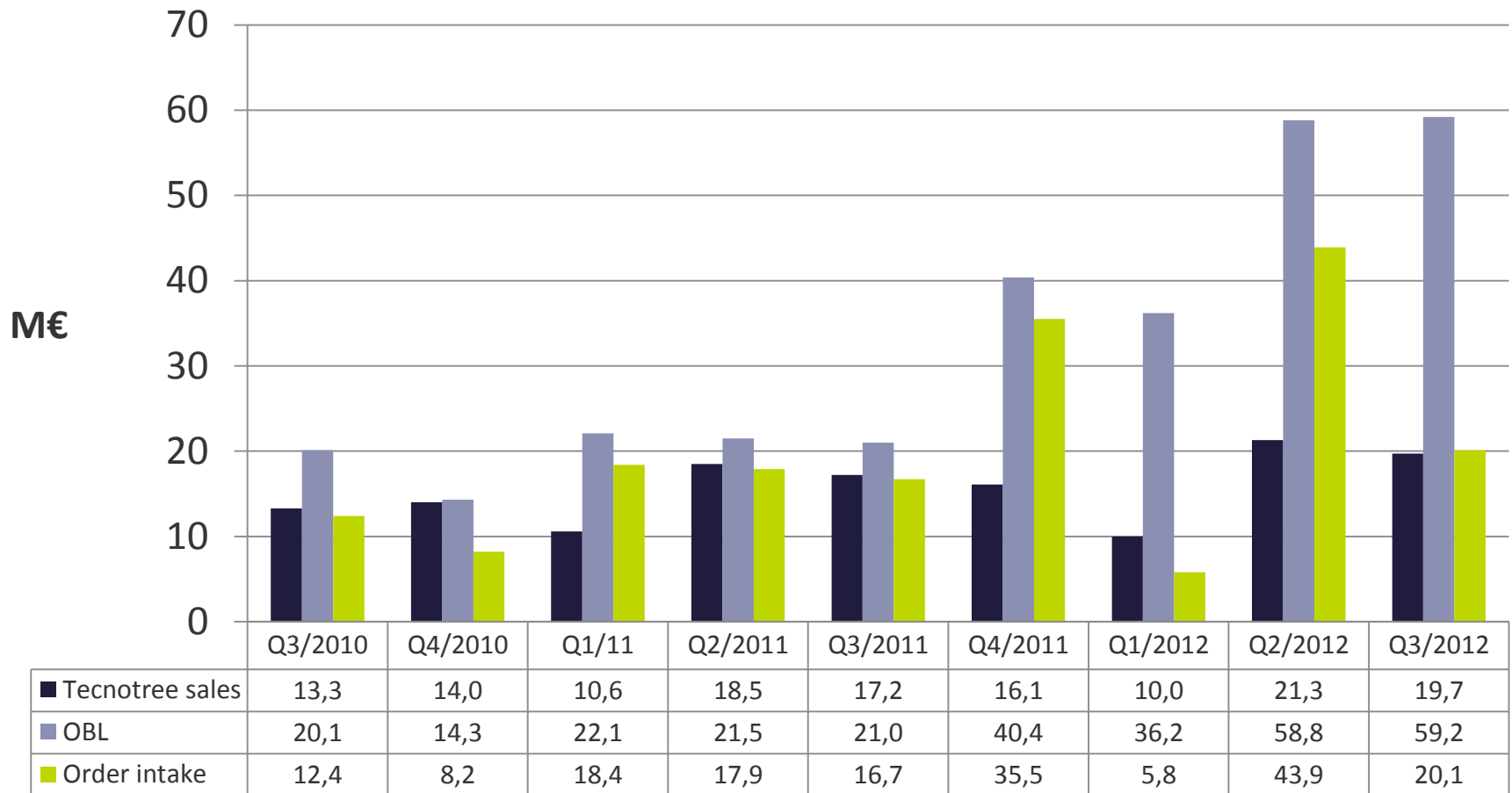
M€	1-9/2012	1-9/2011
Net sales	51.0	46.2
Adjusted operating result	-4.6	0.3
EBIT BEFORE R&D CAPITALISATION & AMORTISATION AND ONE-TIME COSTS		
Ebit	-8.7	-7.6
Net result	-10.7	-8.1
Order intake	69.9	53.0
Cash flow after investments	-6.3	-14.6
Net Cash Flow	-3.0	-8.8
Cash	3.7	7.8
Equity Ratio	46.1	56.6
Net Gearing	50.7	28.9

Net Sales by Area



Americas **+36%** – Europe **-6%** – MEA **-5%** – APAC **-21%**

Sales and Orders



Adjusted Income Statement

EUR Million	1-9/2012	1-9/2011	Change %
Net sales	51.0	46.2	10.4
Other operating income	0.0	0.2	
<i>Total revenue</i>	51.0	46.4	10.0
<i>Adjusted operating expenses *)</i>	-55.6	-46.1	20.6
Adjusted operating result	-4.6	0.3	
- Net impact of R&D capitalizations	-4.1	-5.4	-23.7
- One-time costs		-2.4	
Operating result	-8.7	-7.6	-15.3

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

Consolidated Balance Sheet

EUR Million	30.9.2012	30.9.2011	Change %
NON-CURRENT ASSETS			
Fixed Assets	11.1	17.8	-37.4
Consolidated goodwill	19.3	19.8	-2.8
Other non-current assets	4.0	4.0	-2.2
CURRENT ASSETS			
Inventories	1.5	1.0	51.0
Trade Receivables	21.5	22.5	-4.1
Other Receivables	34.2	31.8	7.6
Investments	0.0	0.9	
Cash and Cash Equivalents	3.7	7.8	-52.1
TOTAL ASSETS	95.3	105.6	-9.7

Consolidated Balance Sheet

EUR Million	30.9.2012	30.9.2011	Change %
SHAREHOLDER'S EQUITY	43.9	58.6	-25.0
Interest-bearing liabilities	11.1	13.4	-16.8
Deferred tax liabilities	3.1	2.4	32.3
Other non-current liabilities	0.5	0.5	2.9
CURRENT LIABILITIES			
Interest-bearing liabilities	14.9	12.2	21.8
Non-interest-bearing liabilities	21.7	18.5	17.3
EQUITY AND LIABILITIES	95.3	105.6	-9.7

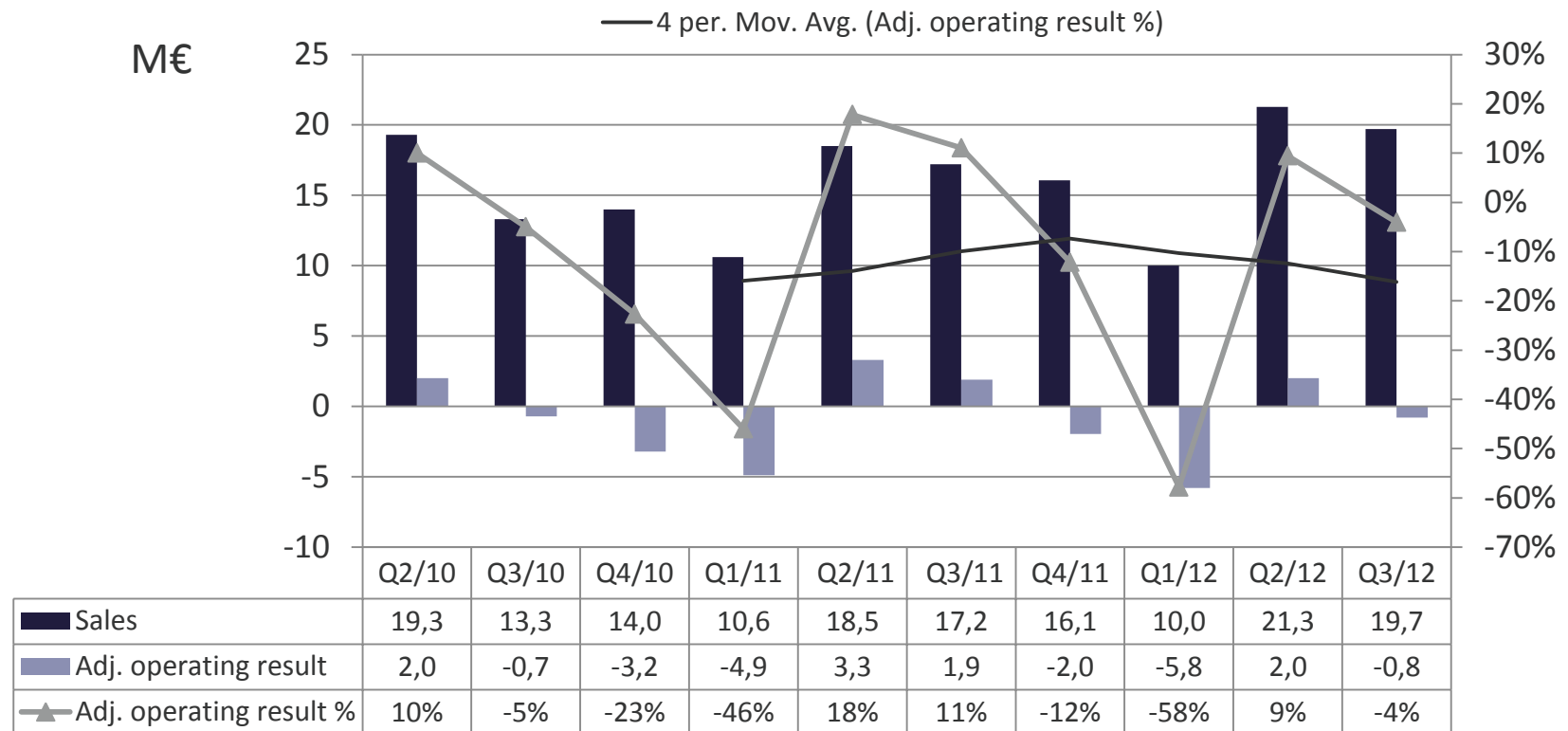
Prospects for 2012

- Tecnotree estimates that net sales in 2012 will be higher than in 2011.
- The adjusted operating result is estimated to be negative due to increased costs and foreign exchange losses during the third quarter.
- The cash flow after investments is expected to improve compared to 2011.
- Variations in the quarterly figures will be considerable.
- 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



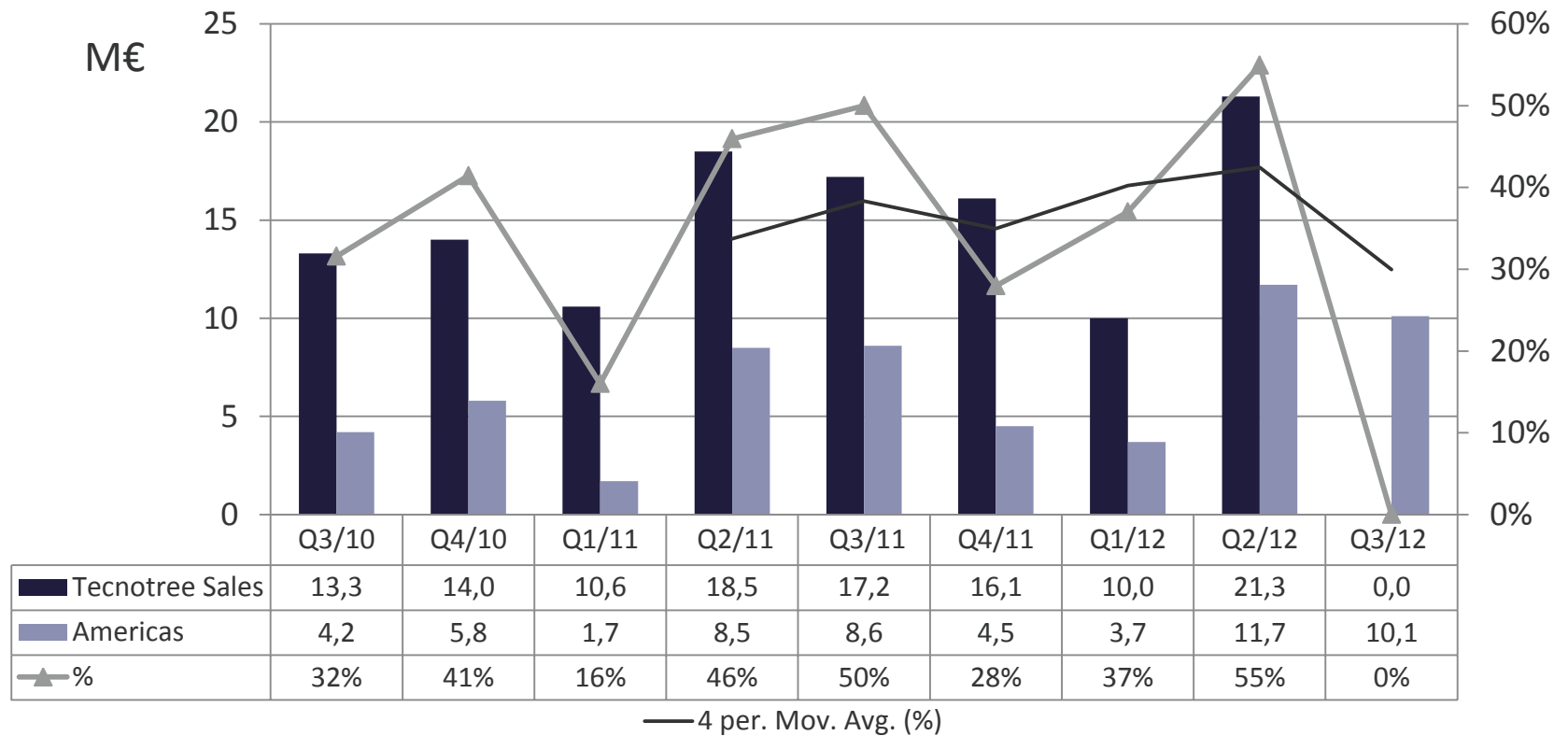
Adjusted operating result = Ebit before R&D capitalisation & amortisation and one-time costs

Consolidated Income Statement

EUR Million	1-9/2012	1-9/2011	Change %
Net sales	51.0	46.2	10.4
Other operating income	0.0	0.2	
Materials and services	-10.4	-8.7	19.8
Employee benefit expenses	-24.5	-23.2	5.3
Depreciation	-5.5	-7.3	-24.3
Other operating expenses	-19.4	-14.8	31.2
Operating result	-8.7	-7.6	-15.3
Financial income and expenses	-1.9	0.9	
Result after financial income and expenses	-10.6	-6.7	-59.2
Income taxes	-0.1	-1.4	-96.2
Result for the period	-10.7	-8.1	-32.2

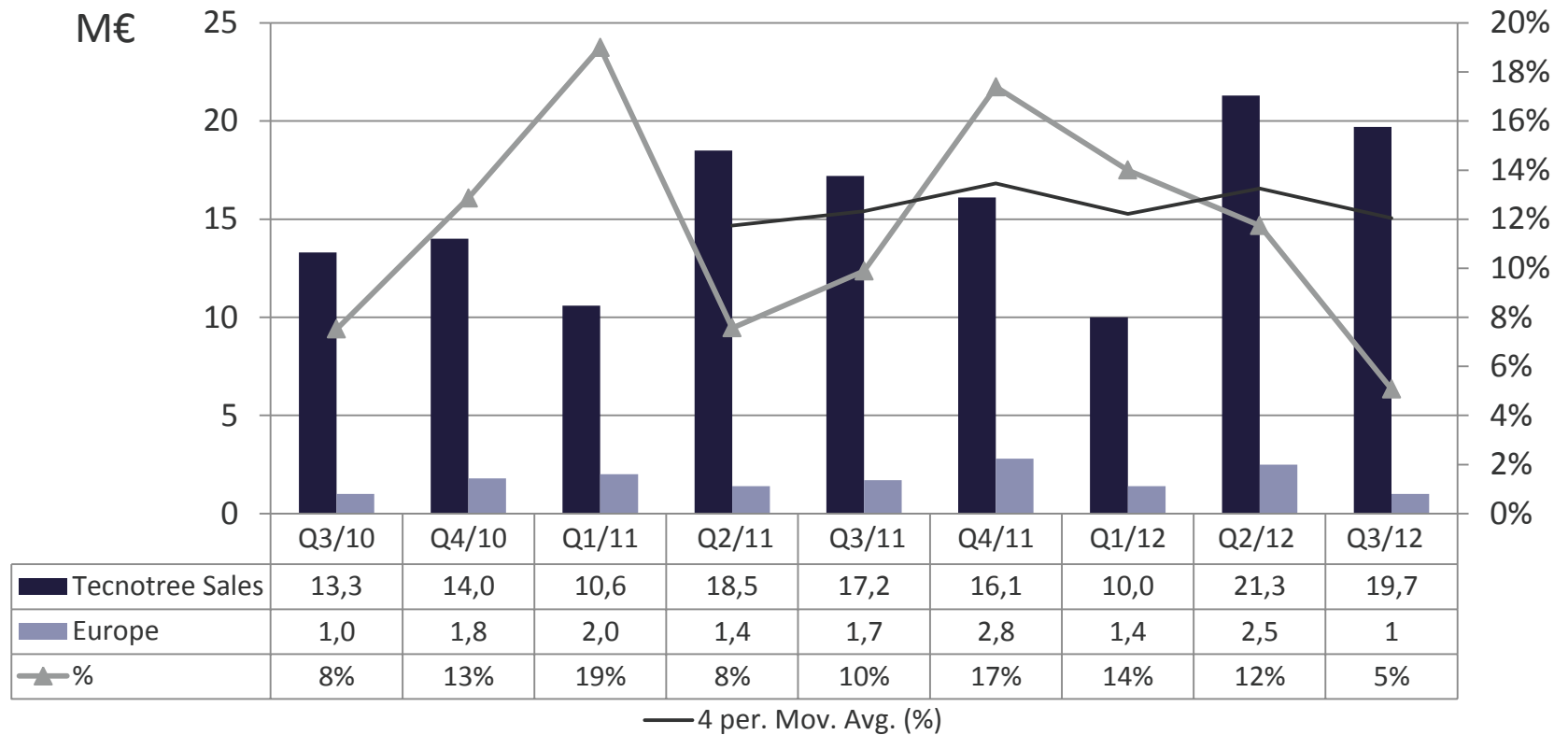
Sales by Area

Americas



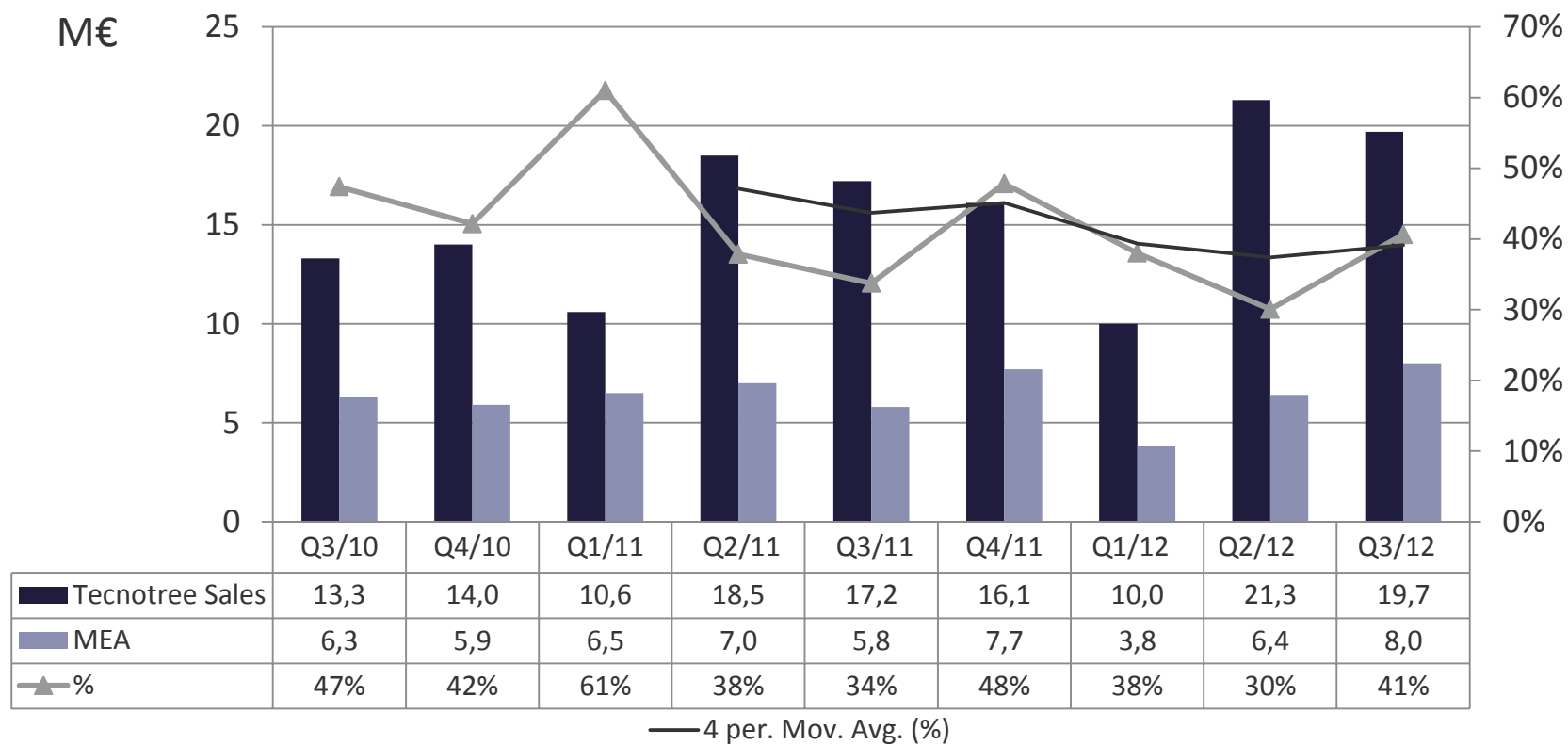
Sales by Area

Europe



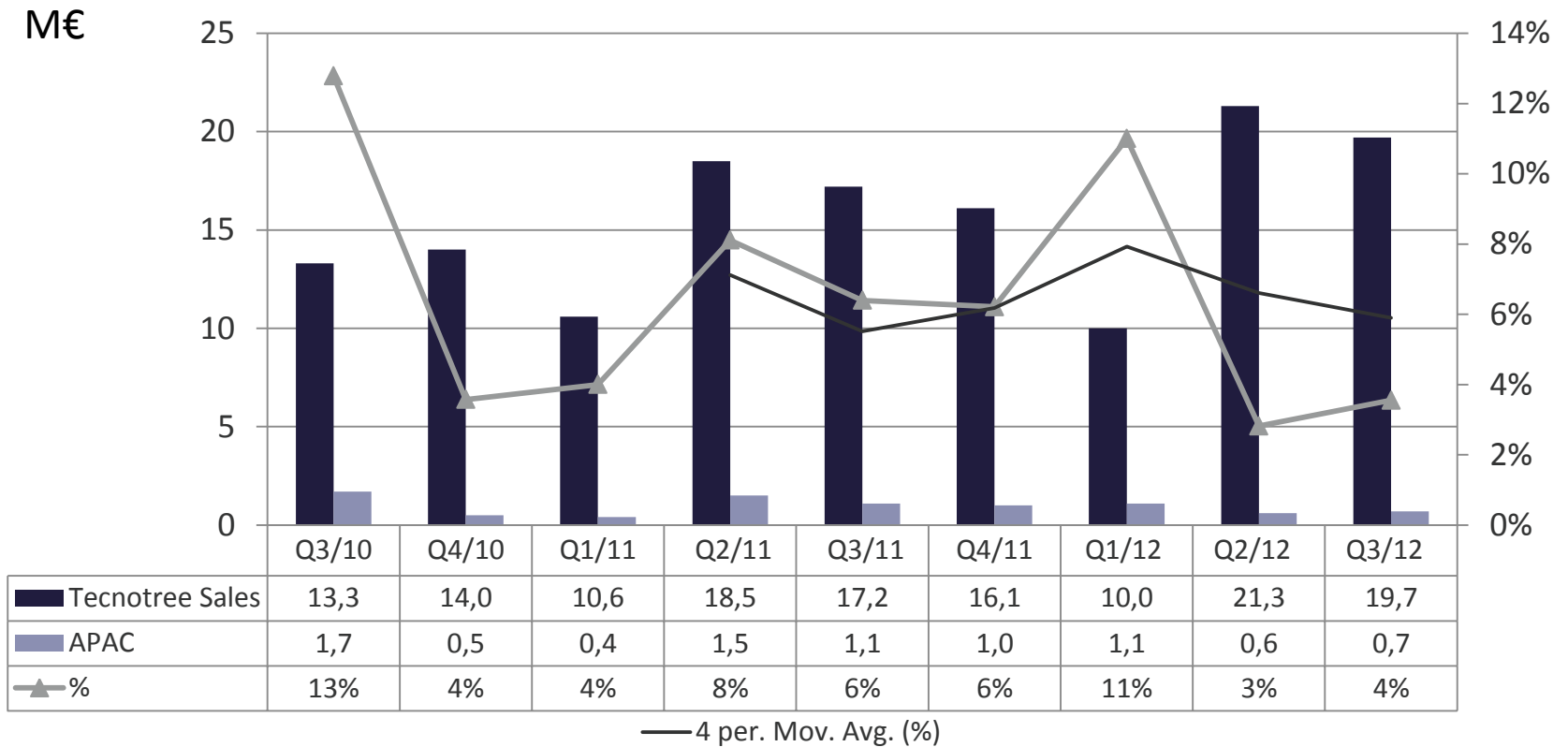
Sales by Area

MEA

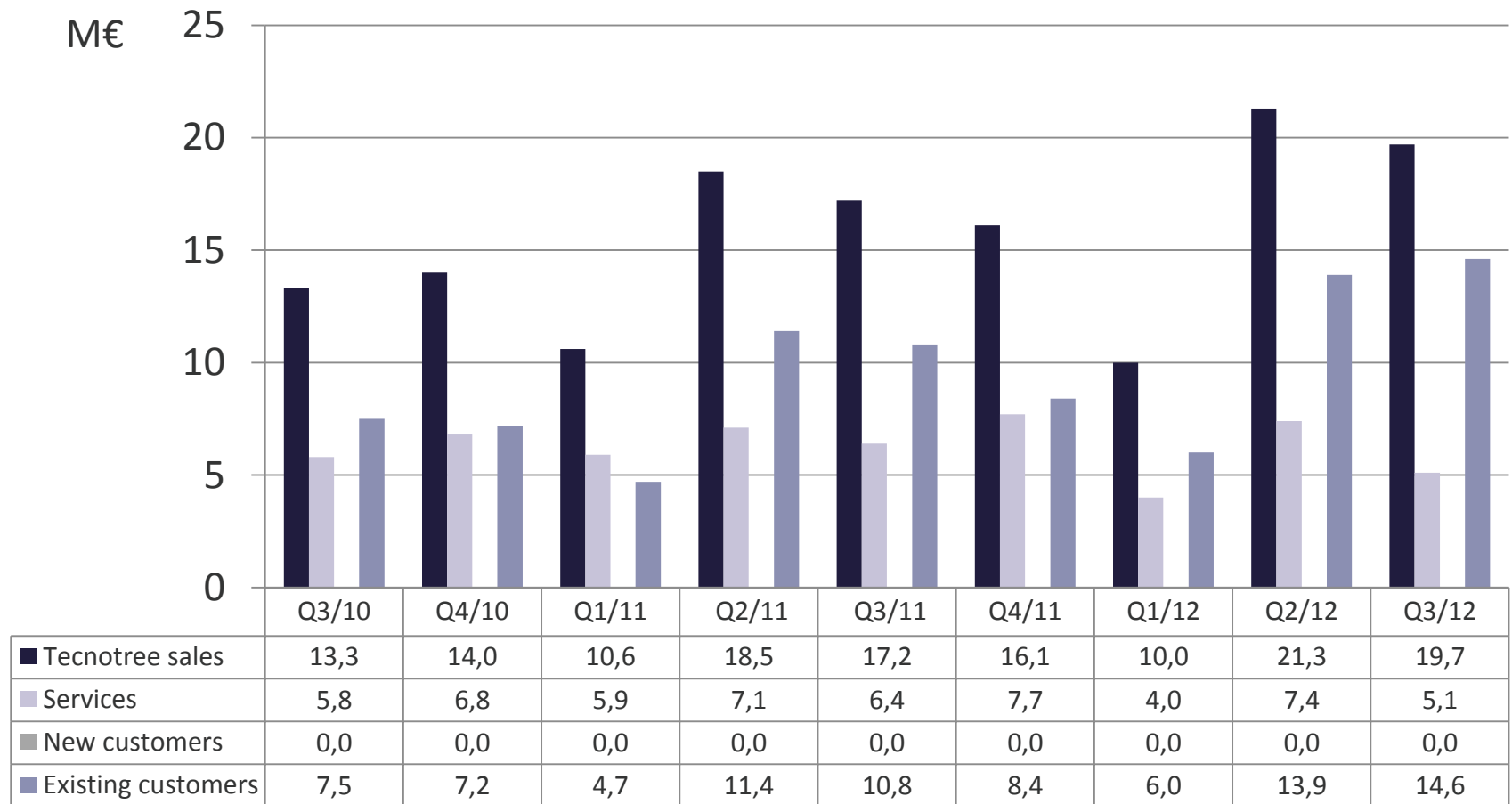


Sales by Area

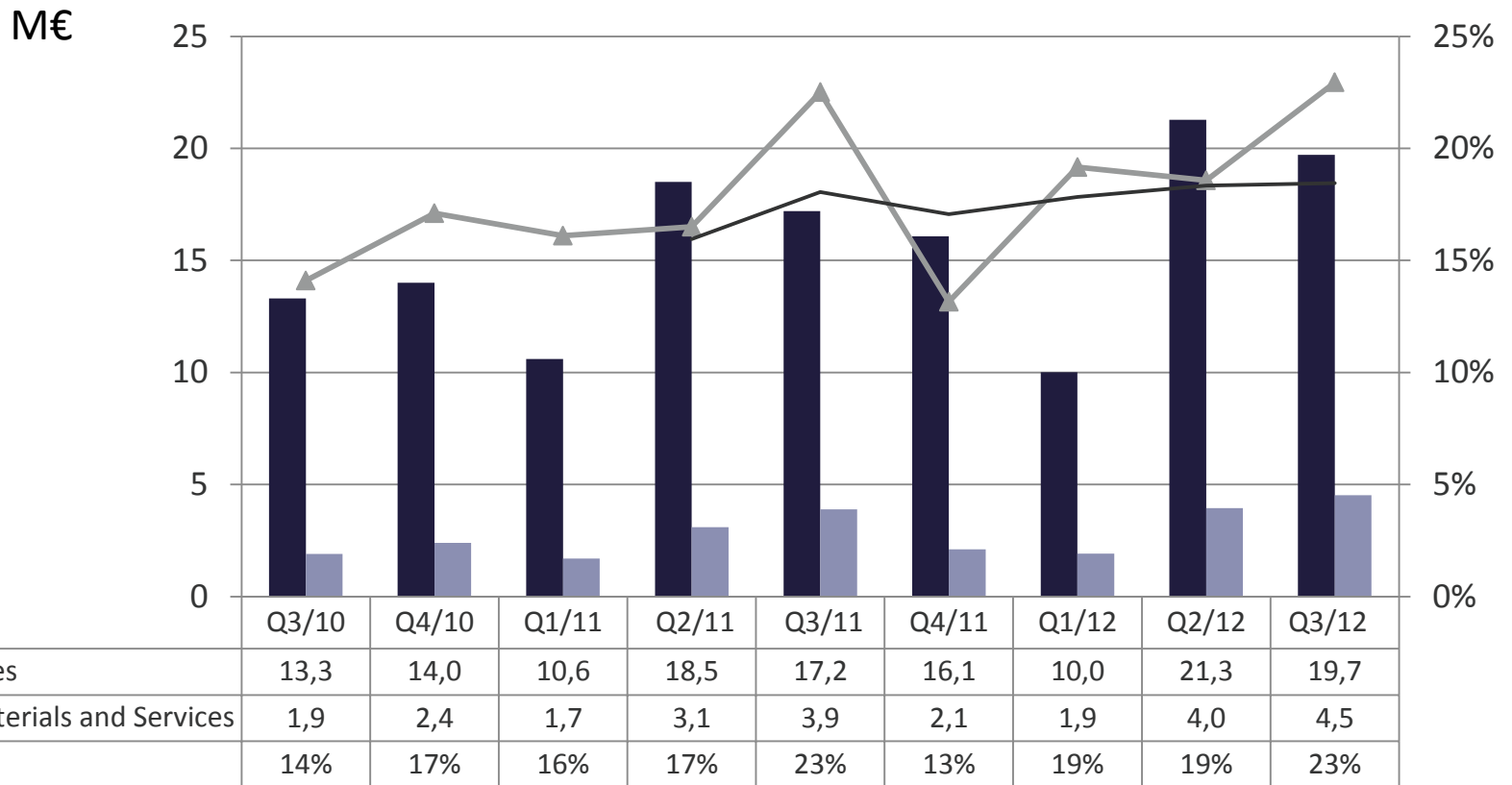
APAC



Sales Distribution

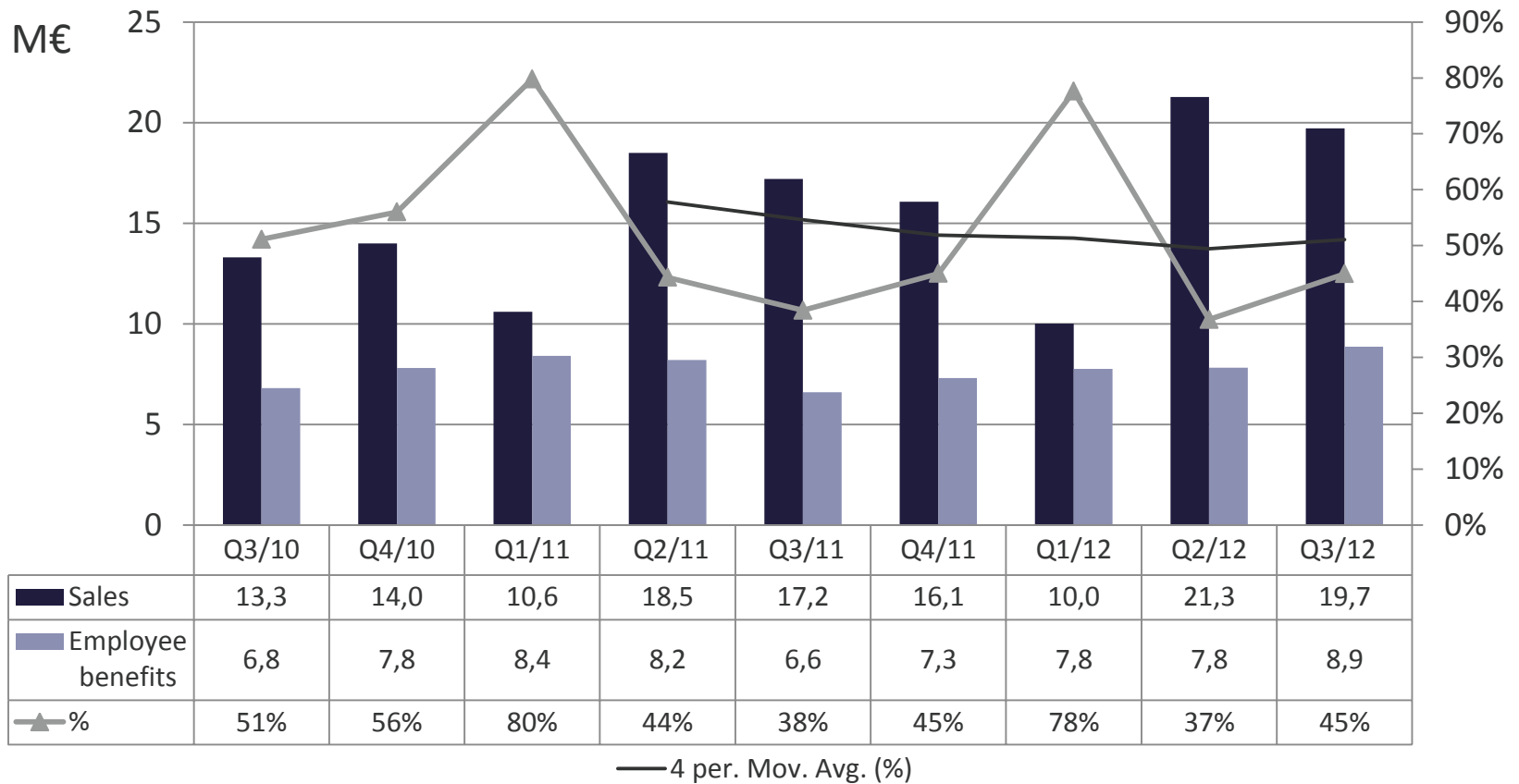


Materials and Services

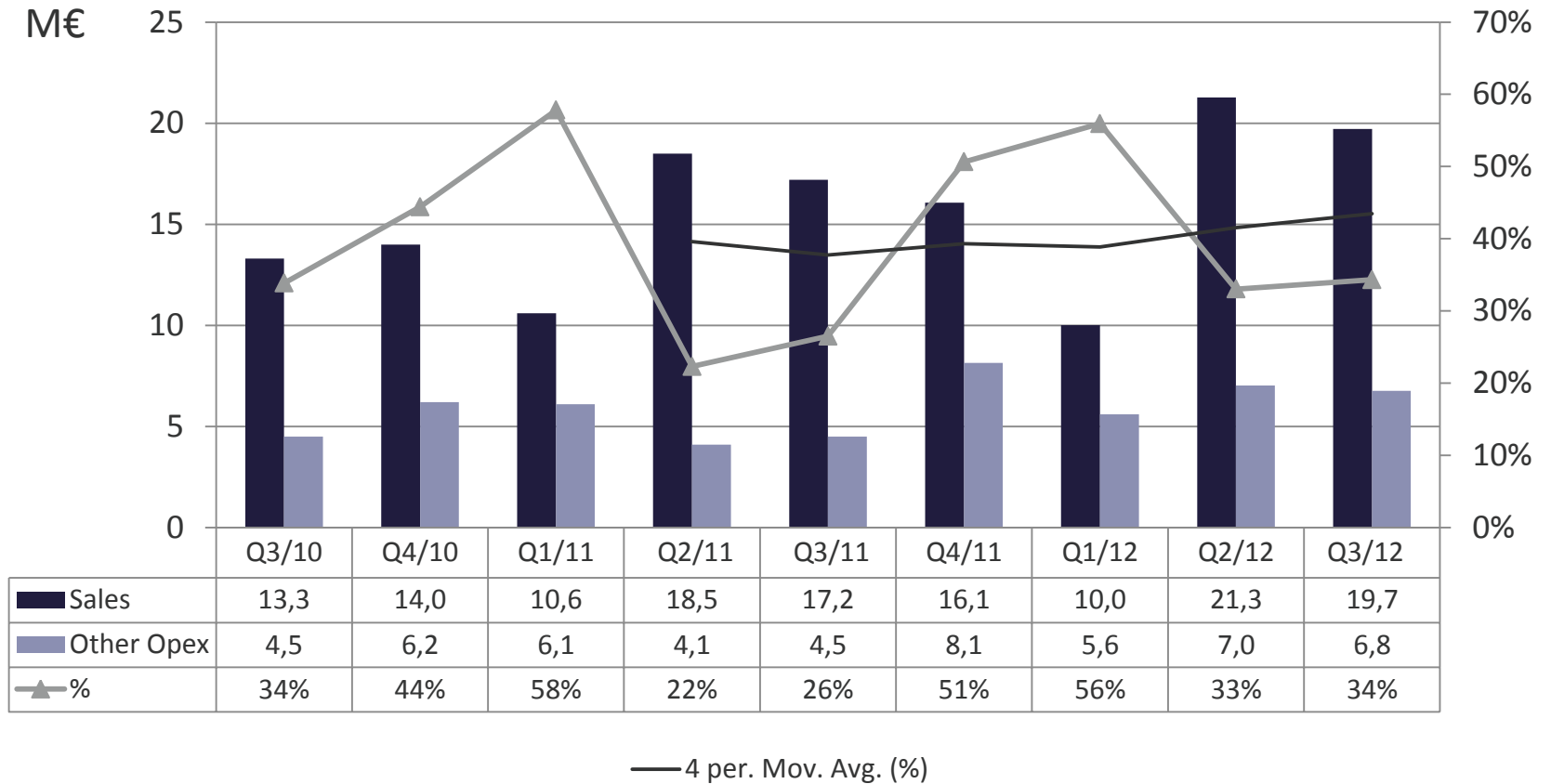


— 4 per. Mov. Avg. (%)

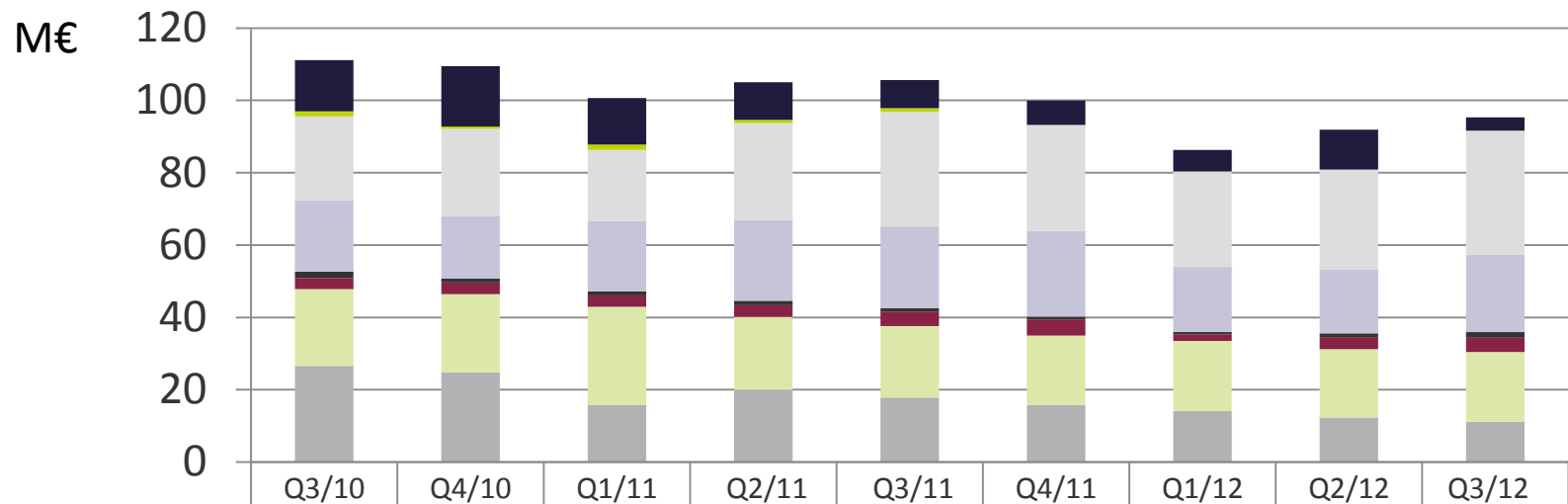
Employee Benefits



Other Operating Expenses

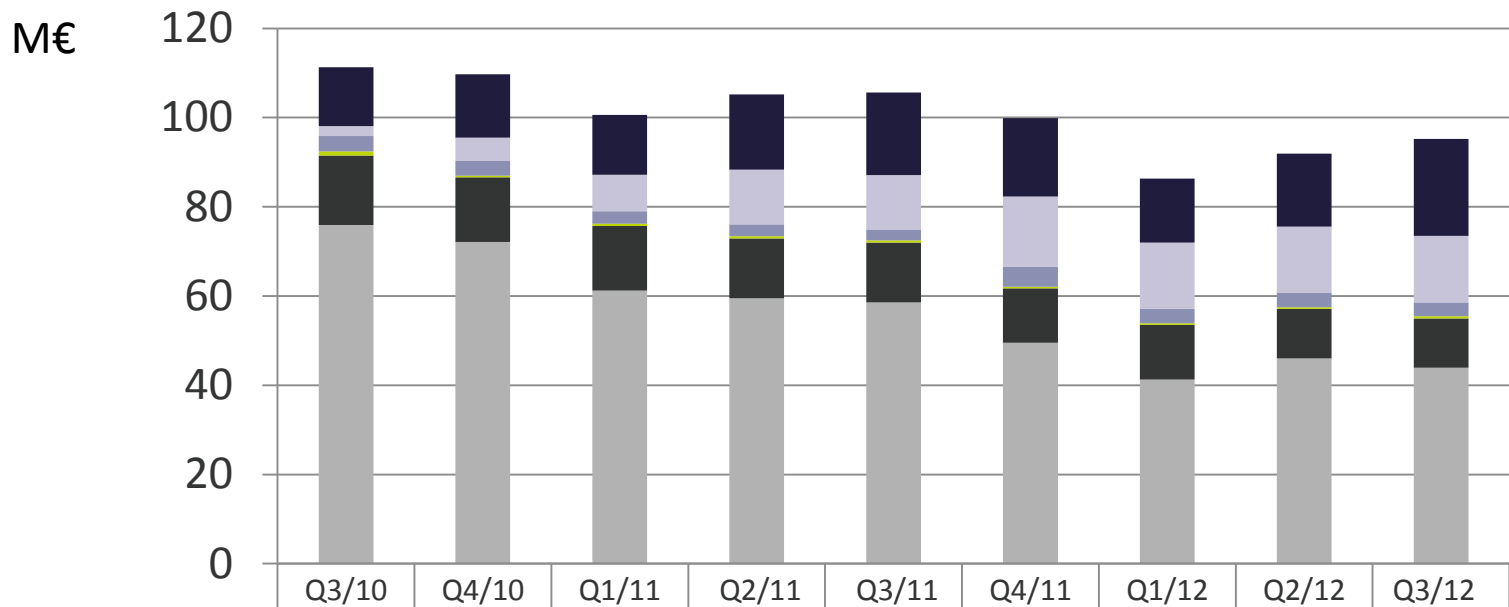


Assets by Quarter



	Q3/10	Q4/10	Q1/11	Q2/11	Q3/11	Q4/11	Q1/12	Q2/12	Q3/12
■ Cash	14,1	16,7	12,8	10,4	7,8	6,7	6,0	11,0	3,7
■ Investments	1,4	0,6	1,5	0,9	0,9	0,0	0,0	0,0	0,0
■ Other rec. (mainly WIP)	23,2	24,2	19,7	26,7	31,8	29,3	26,3	27,7	34,2
■ Trade receivables	19,8	17,3	19,4	22,4	22,5	23,7	18,1	17,6	21,5
■ Inventories	1,7	1,0	1,1	1,2	1,0	0,8	0,6	1,1	1,5
■ Other long term	3,1	3,3	3,2	3,3	4,0	4,4	1,8	3,3	4,0
■ Consolidated goodwill	21,2	21,6	27,2	20,2	19,8	19,2	19,4	18,9	19,3
■ Fixed assets	26,6	24,8	15,7	19,9	17,8	15,8	14,1	12,3	11,1

Equity and Liabilities by Quarter



■ Current non-interest bearing	13,2	14,2	13,4	16,9	18,5	17,6	14,3	16,3	21,7
■ Current interest bearing	2,2	5,2	8,2	12,2	12,2	15,8	14,8	14,8	14,9
■ Deferred tax	3,5	3,3	2,8	2,7	2,4	4,4	3,3	3,3	3,1
■ Long term non-interest bearing	0,9	0,4	0,5	0,5	0,5	0,4	0,4	0,4	0,5
■ Long term Interest bearing	15,6	14,5	14,5	13,4	13,4	12,2	12,2	11,1	11,1
■ Shareholders' equity	75,9	72,1	61,2	59,5	58,6	49,5	41,3	46,0	43,9



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