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Imagine. Build. Succeed.

Introducing Eurotech
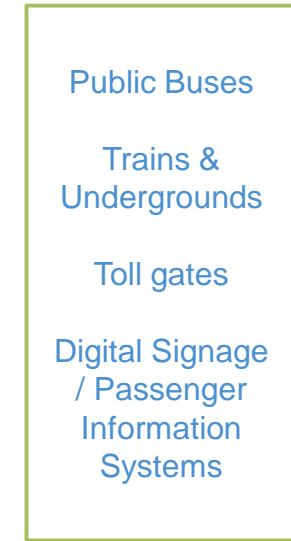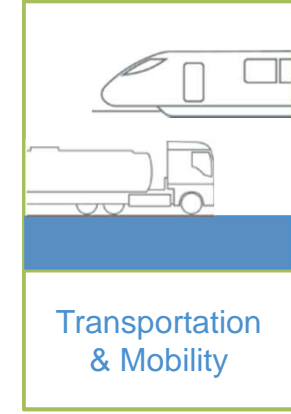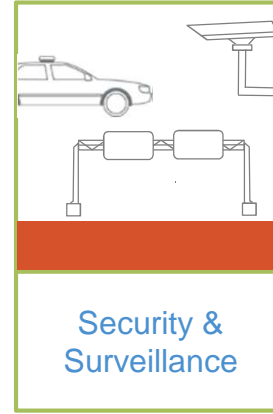
Innovative

Global

Dependable

COMPANY SNAPSHOT

Eurotech Quick Facts

- **Founded in 1992, headquartered in Amaro (UD), Northeast of Italy**

- **Global footprint, major subsidiaries in US, Japan, UK, France**

- **Behind the products of more than 20 Global 500**

- **World top player in the Embedded Computers market**

- **Leading multi-awarded innovator in M2M integration platforms for IoT**

- **One of two European producers of High Performance Computers**

- **Public Company, in the STAR segment of Borsa Italiana**
  - Bloomberg ticker: ETH:IM; Reuters ticker: E5T.MI

- **Member of the UN Global Compact**

- **2 Strategic Business Units:**
  - NanoPC (Embedded Computers, Device & Data Management)
  - HPC (Green Petascale Supercomputers)

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Eurotech's Proven Expertise

Bringing smartness and connectivity into demanding applications

Industrial & Commercial	Logistics & Networking	Medical & Healthcare	Security & Surveillance	Defence & Aerospace	Transportation & Mobility
Building Automation	Handheld and Wearable Devices	High-end Diagnostic Equipment	Banks and Institutions	Armored Vehicles	Public Buses
Machine Automation	Mobile mounted devices	Portable Medical Devices	Homeland Security	UGVs	Trains & Undergrounds
Vending Machines	Integrated logistics	Home Medical Gateways	Border control	Helicopters	Toll gates
Kiosks			Highway / Parking lots / Gates	Aircrafts	Digital Signage / Passenger Information Systems
Smart Energy / Smart Grid				Future Soldier	

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Some of our Customers

Background

THE BIG PICTURE

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A new Economy of Data

But logistics remains key…

- **A new "Economy of bits" is growing to complement and drive the traditional "Economy of atoms"**
  - According to McKinsey, at least 85% of traditional businesses will be affected by the IoT paradigm
- **The great expansion of the old Economy of atoms was allowed by the logistics infrastructure for goods**
- **Similarly, the Cambrian explosion of the Economy of bits will be driven by the availability of what we call the "logistics of data"**
- **Like express couriers serving many different customers/industries in the physical world, when it comes to the logistics of data all vertical sectors share similar needs: from transport to medical, from agriculture to retail.**

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SW platforms as the new "logistics operators"

The paradigm ahead

PHYSICAL WORLD

Goods handling ➔ *CYBER WORLD*

Data handling

Logistics infrastructures used by national & international operators ➔ Software platforms in the Cloud and available as-a-service

- Control over device data will be strategic
- Competition will be played on SW platforms

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Eurotech's vision: "FedExing Data"

Transforming Bits of Data from Operating Assets on the Field into Actionable Information for Business Applications
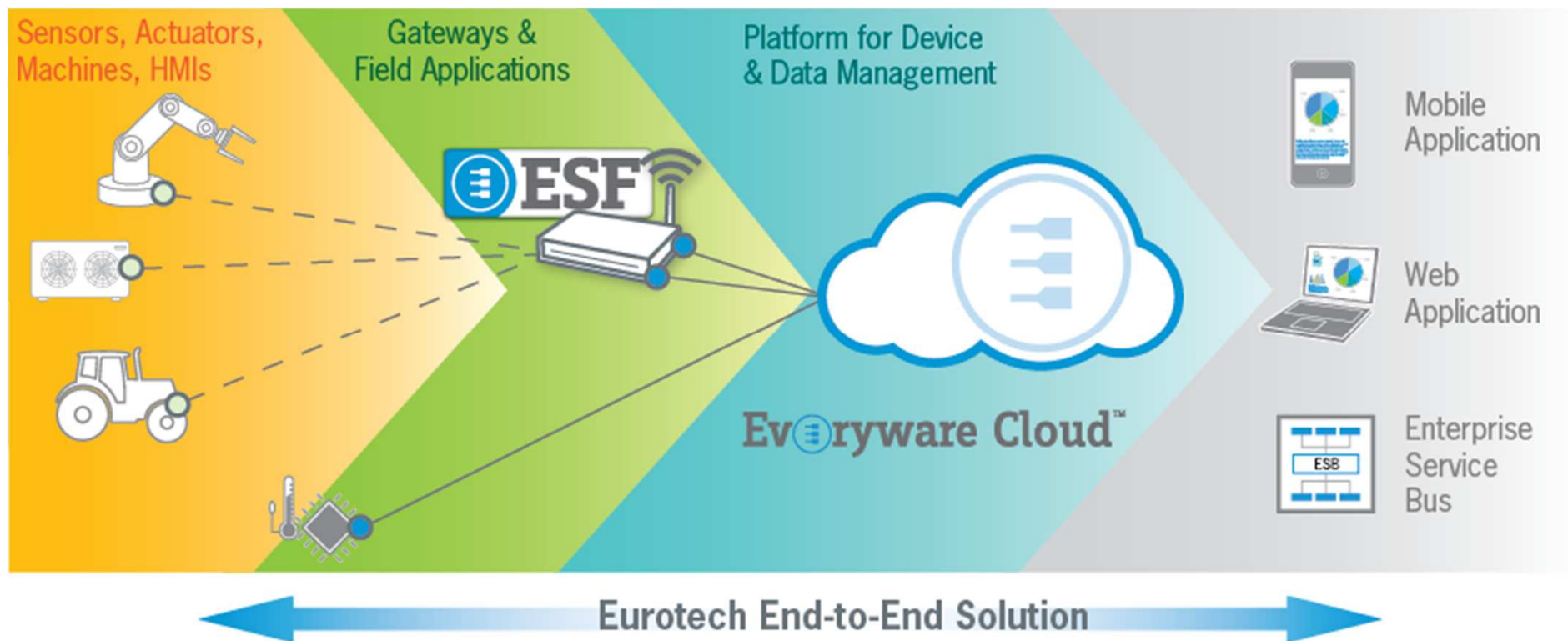
IoT size – Connected devices & Spending
Gartner, November 2015

Table 1: Internet of Things Units Installed Base by Category (Millions of Units)

Category	2014	2015	2016	2020
Consumer	2,277	3,023	4,024	13,509
Business: Cross-Industry	632	815	1,092	4,408
Business: Vertical-Specific	898	1,065	1,276	2,880
Grand Total	**3,807**	**4,902**	**6,392**	**20,797**

Table 2: Internet of Things Endpoint Spending by Category (Billions of Dollars)

Category	2014	2015	2016	2020
Consumer	257	416	546	1,534
Business: Cross-Industry	115	155	201	566
Business: Vertical-Specific	567	612	667	911
Grand Total	**939**	**1,183**	**1,414**	**3,010**

@Gartner Symposium/ITxpo 2015, November 8-12, Barcelona, Spain

THE ESSENCE OF OUR STRATEGY

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The complexity trap in IoT

In need of a bridge between distributed sensors/actuators (the "Things") and distributed Business Apps
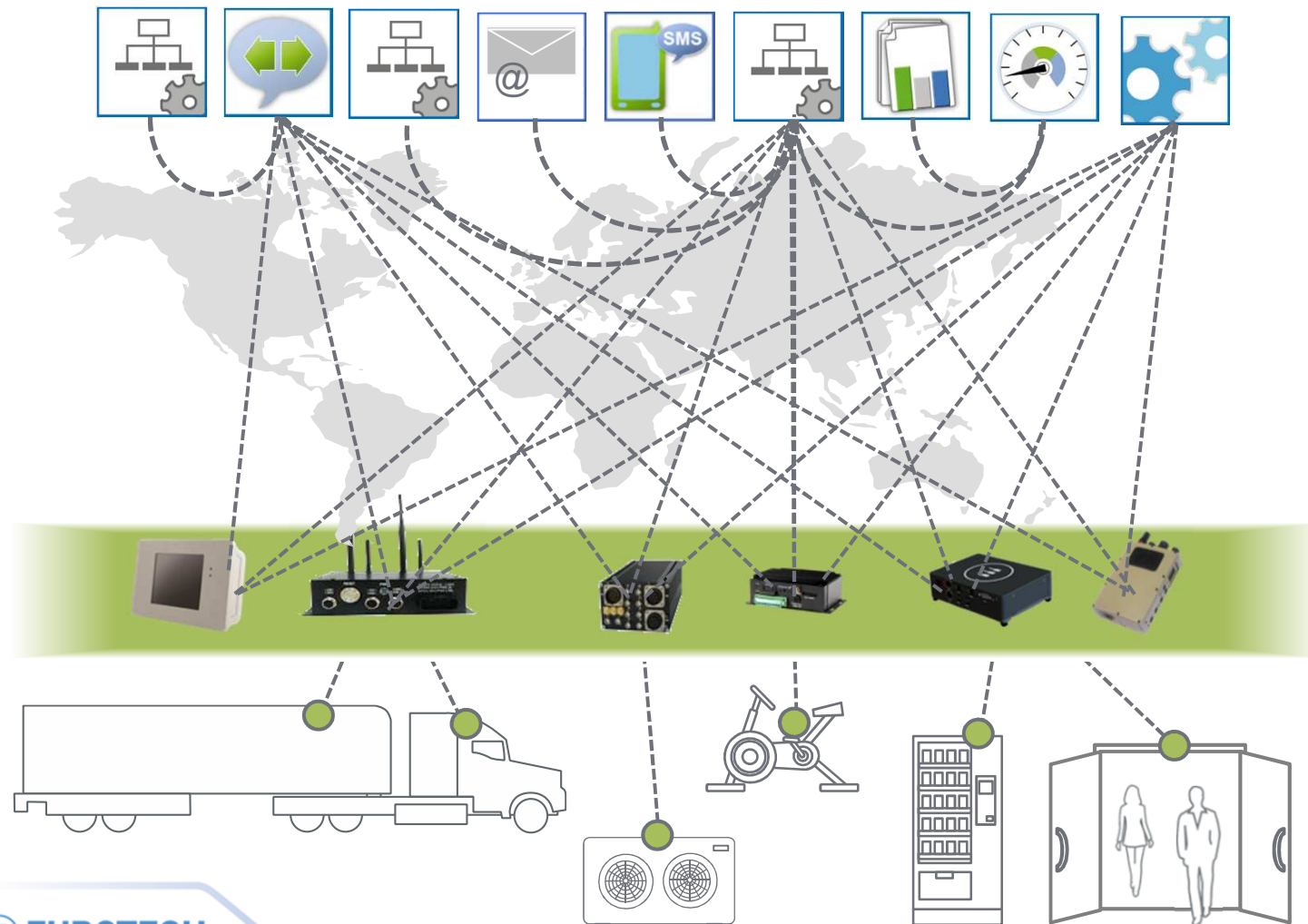
Business Applications

?

How to tame complexity?

Sensors, Actuators, Displays, …

Eurotech's Approach: Divide and Conquer

Ingredients: Four Layers with 2 Architectural Components

1 **Business Apps**

Enterprise Service Bus

2 **M2M Integration Platform**

Everyware Cloud™

Act
Integrate
Store
Control
Connect

+

3 **Multi-Service Gateway**

Communicate
Compute
Collect

Field Interfaces

4 **Field - Devices**
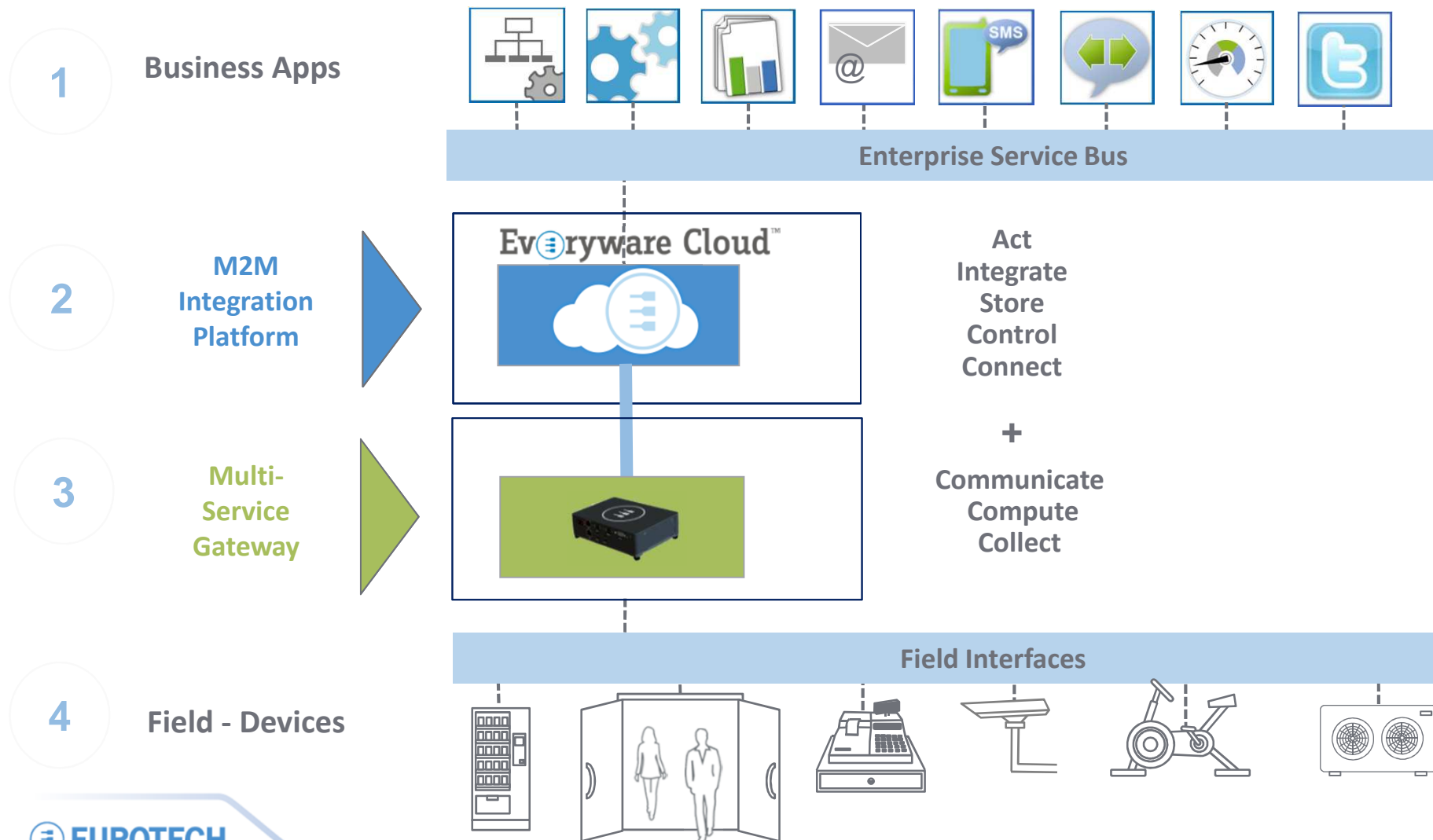
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Complexity tamed: Decouple & Interface

Everyware Cloud = Gearbox for the Internet of Things

Consumers of Data

Business Apps

M2M Integration Platform

IoT Gearbox

Everyware Cloud™

Multi-Service Gateway

Producers of Data

Sensors, Actuators, HMIs, …
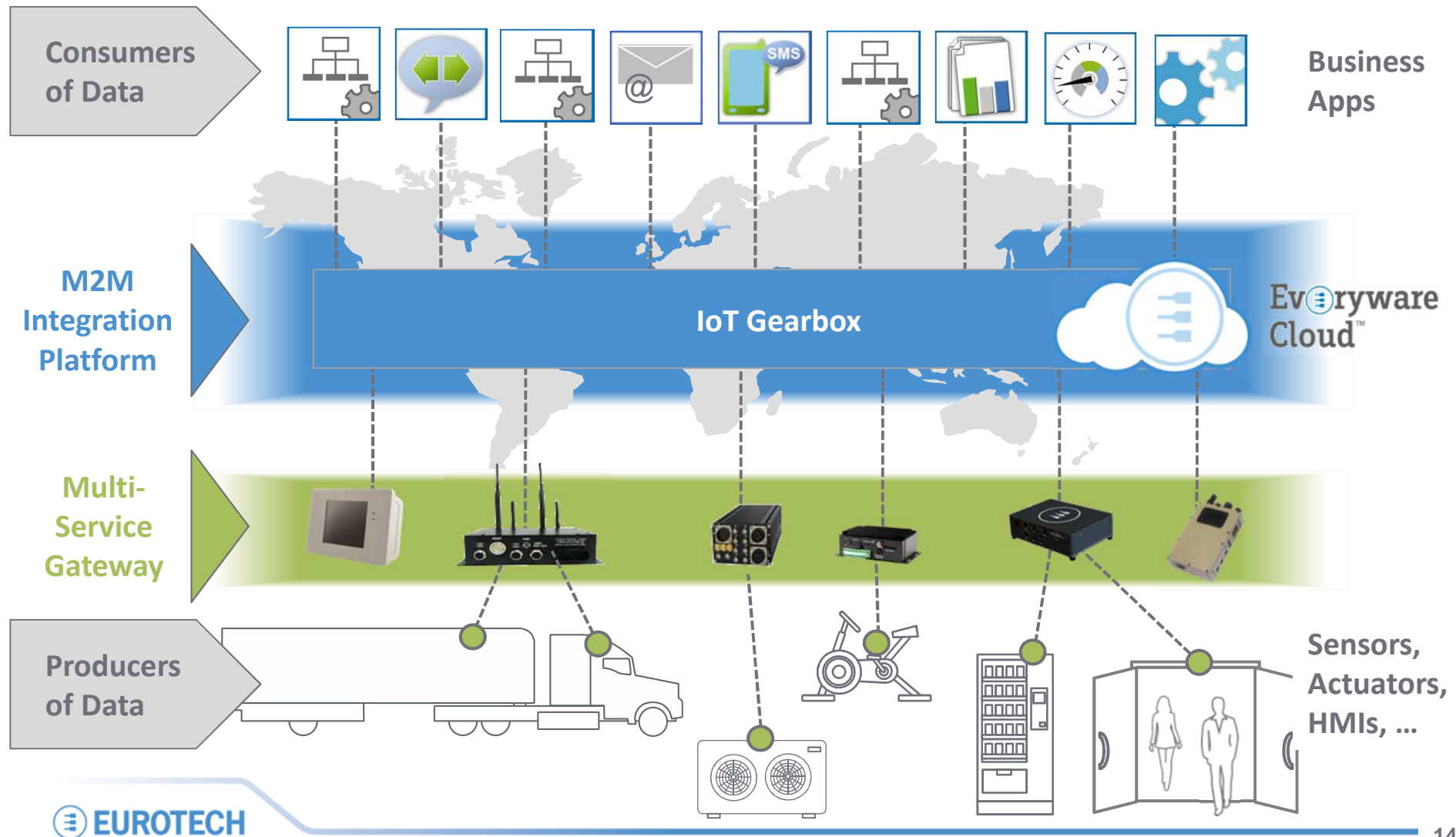
Eurotech's Competitive Landscape

Internet of Things. Smart Cities. Big Data.

Security &
Surveillance

Logistics &
Networking

Transportation
& Mobility

Medical &
Healthcare

Industrial &
Commercial

Our product portfolio is a fundamental element for the development of complex technology architectures such as Smart Cities, whose success requires simplifying data collection and data analysis (Open Data and Big Data).

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Expanding the addressable markets

Boards: punctuated coverage

Sub-systems: sub-segments coverage

Standard appliances linked to M2M/IoT: new sub-segments coverage

M2M/IoT sw platform: GLOBAL COVERAGE (one modular standard product)
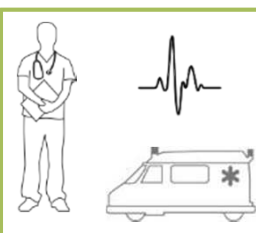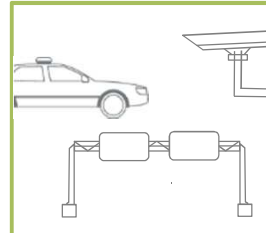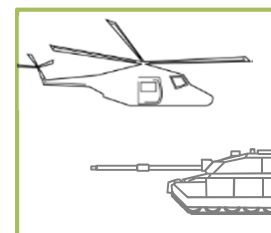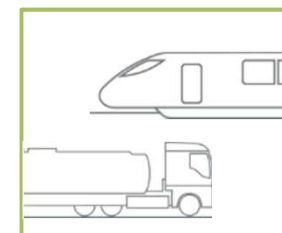
Industrial & Commercial	Logistics & Networking	Medical & Healthcare	Security & Surveillance	Defence & Aerospace	Transportation & Mobility

Our Business Model: Adding recurring revenues
Monthly fee per device connected

- **Legacy business: Embedded computers with OEMs and System Integrators**
  - will continue to be an important part of our P&L in the short and medium term

- **New business opportunity: M2M/IoT**
  - in addition to the non-recurring revenues related to the HW, will also have a recurring revenue stream from the integration services provided through our SW platforms

Work in progress

BUILDING AN ECOSYSTEM

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A growing ecosystem

Both on technology and business

Open Source Communities
eclipse kura

Cloud Providers
Nebula
CLOUD COMPUTING SOLUTIONS

Application Frameworks
WEB RATIO®

Open Source Enterprise IT
redhat.

Vertical Solutions
Hitachi High-Tech
HITACHI

Cellular Connectivity Providers
arkessa
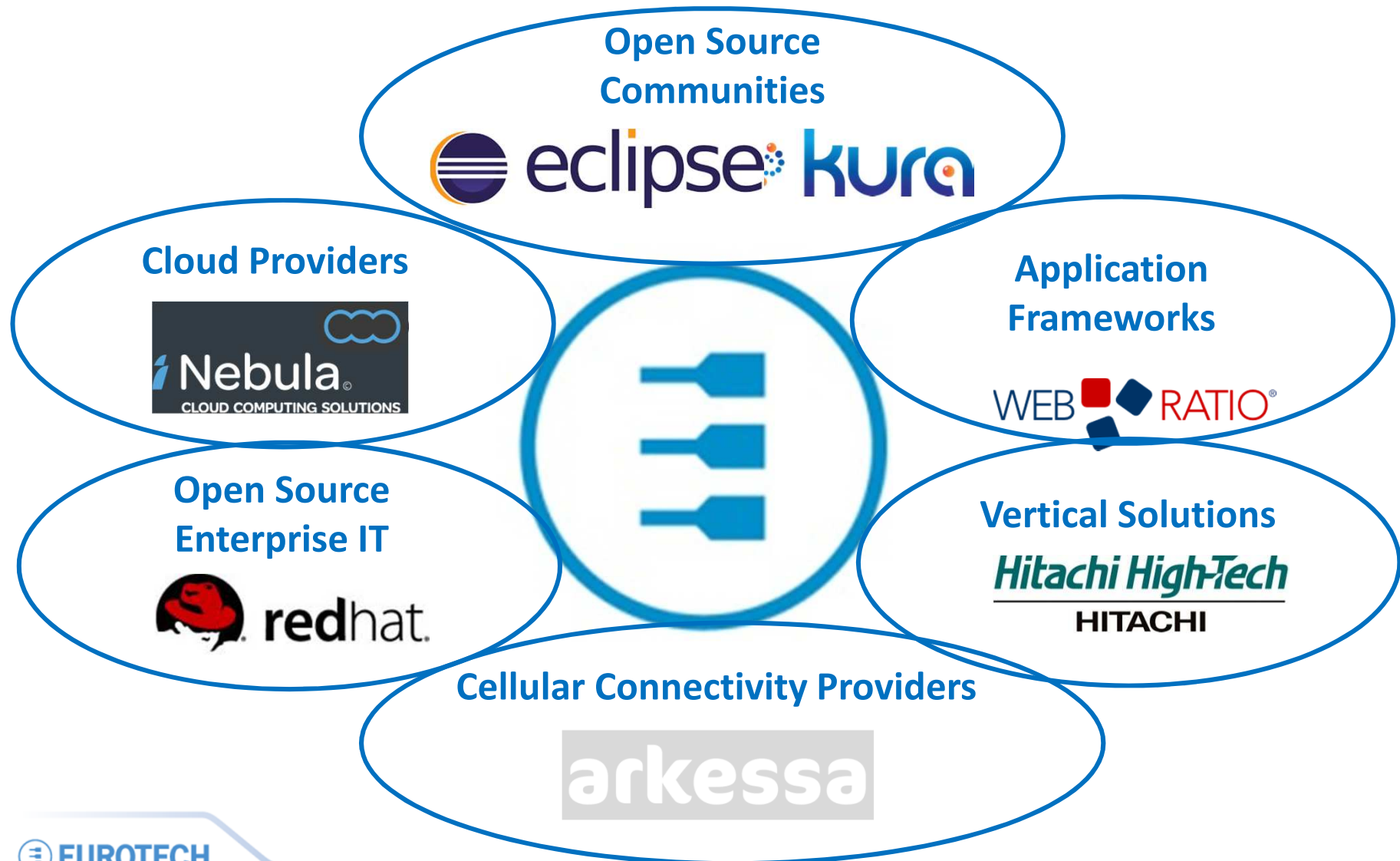
Kura : Linux-like approach to the SW framework for IoT gateways

- **Kura is an open source project started from ESF by Eurotech within Eclipse IoT, an ecosystem of companies and individuals working together to establish an Internet of Things based on open technologies**

- **Founded in 2012 by:** EUROTECH *Imagine. Build. Succeed.* SIERRA WIRELESS IBM

- **Now …**
  - 23 Members, including leading groups like

    BOSCH *Technik fürs Leben*   CISCO   redhat   HUAWEI

  - the fastest growing Eclipse workgroup
  - a healthy community of contributors

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Eclipse Kura: the Freemium model
Lowering entry barriers for IoT pilot projects
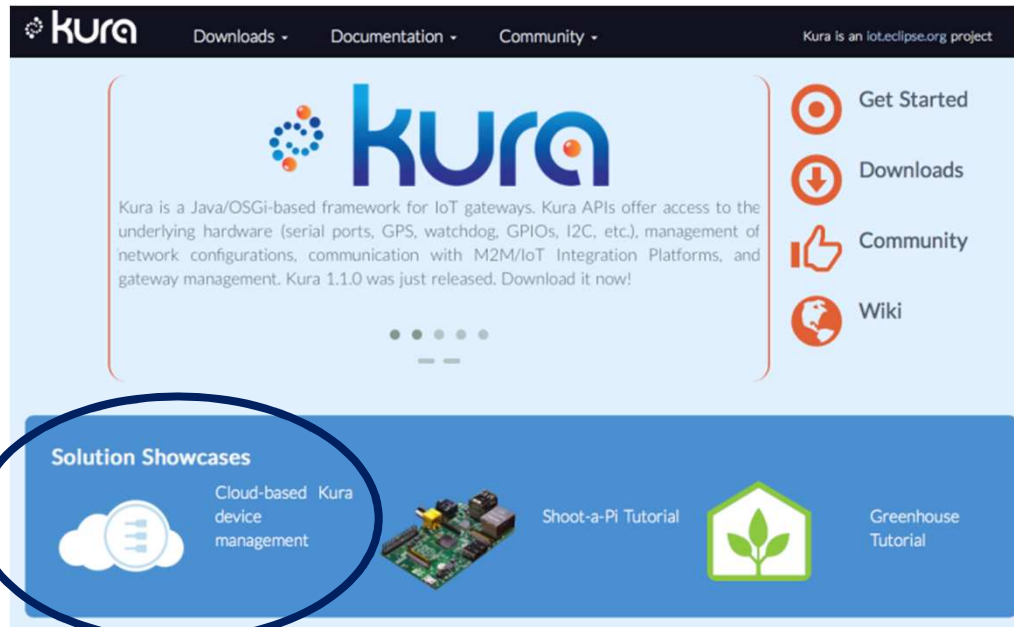
Link to Eurotech 's Everyware Cloud page

Free open source framework for IoT gateways:

https://www.eclipse.org/kura/

KEY BENEFIT:
upgrade to Premium, professional service from Eurotech with 100% portability of pilot projects!

Important achievements

POSITIONING &
BRAND RECOGNITION

Bridging between OT and IT

IoT Service Bus and Service Management

IoT Device and Service Abstraction

Information Technology World

Operational Technology World
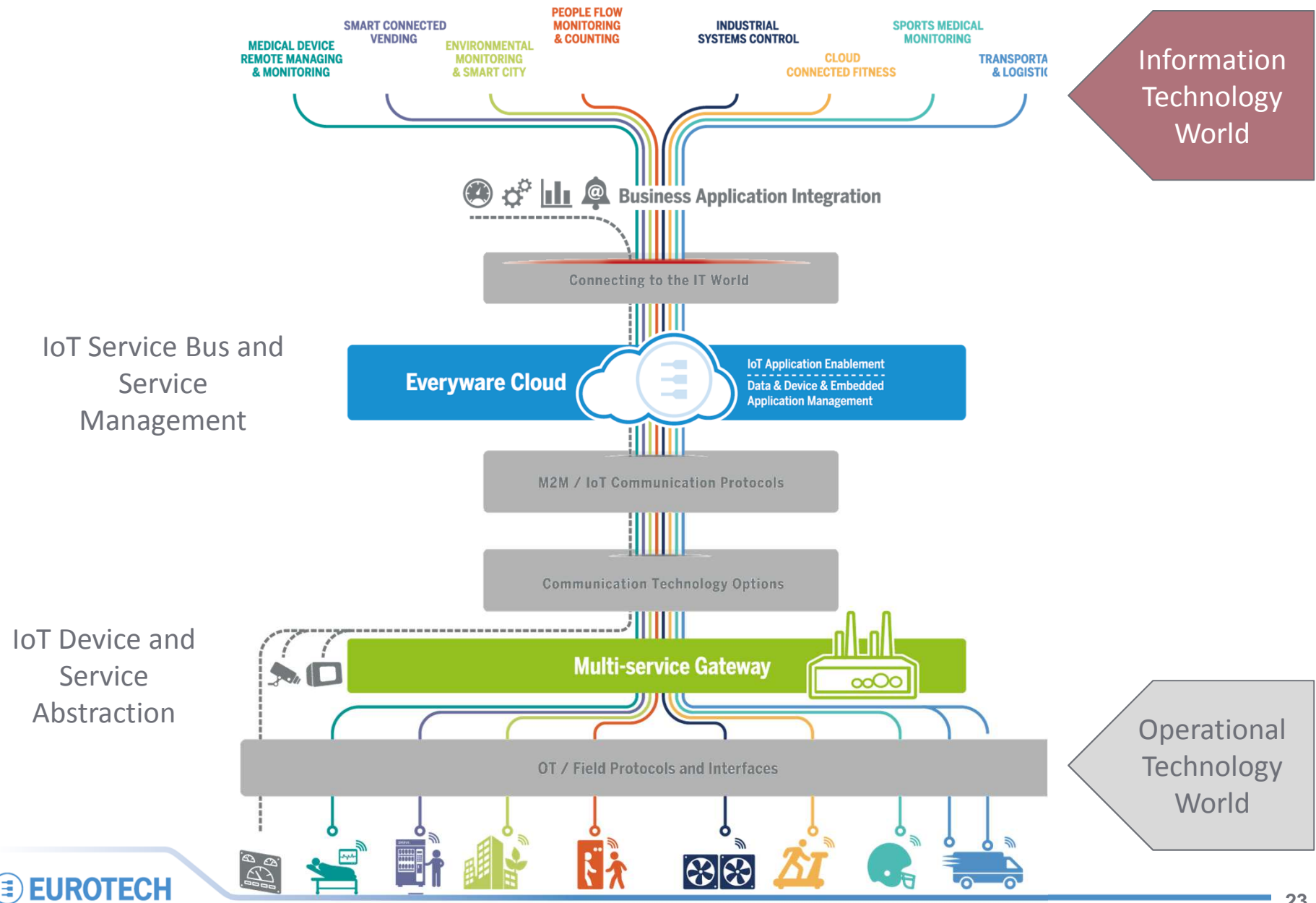
M2M/IoT Solutions & Enterprise IT/OT Integration

CW 100 for 2012, 2013, 2014

Frost & Sullivan

2015 "Product Line Strategy Leadership" Award to Eurotech

- Product Line Strategy Leadership Award for Cloud-enabled M2M Platform for IoT Applications in Europe

- Not just good technology, but solutions that generate value for the business:

  "Leveraging more than 20 years of experience, Eurotech has built a best-in-class M2M platform that aids the interconnection of embedded devices and offers a broad spectrum of solutions. All of Eurotech's M2M solutions integrate hardware, software, and services, eventually delivering optimum return on investment (ROI)".

Ariston Thermo Group

First disclosure of a large IoT customer

- **Ariston Thermo is a leader in heating and water heating products**

- **In July '15, Eurotech announced an agreement for the provision of Everyware Cloud as the platform for the M2M project to interconnect and remotely control Ariston Thermo's boilers, heaters and burners**
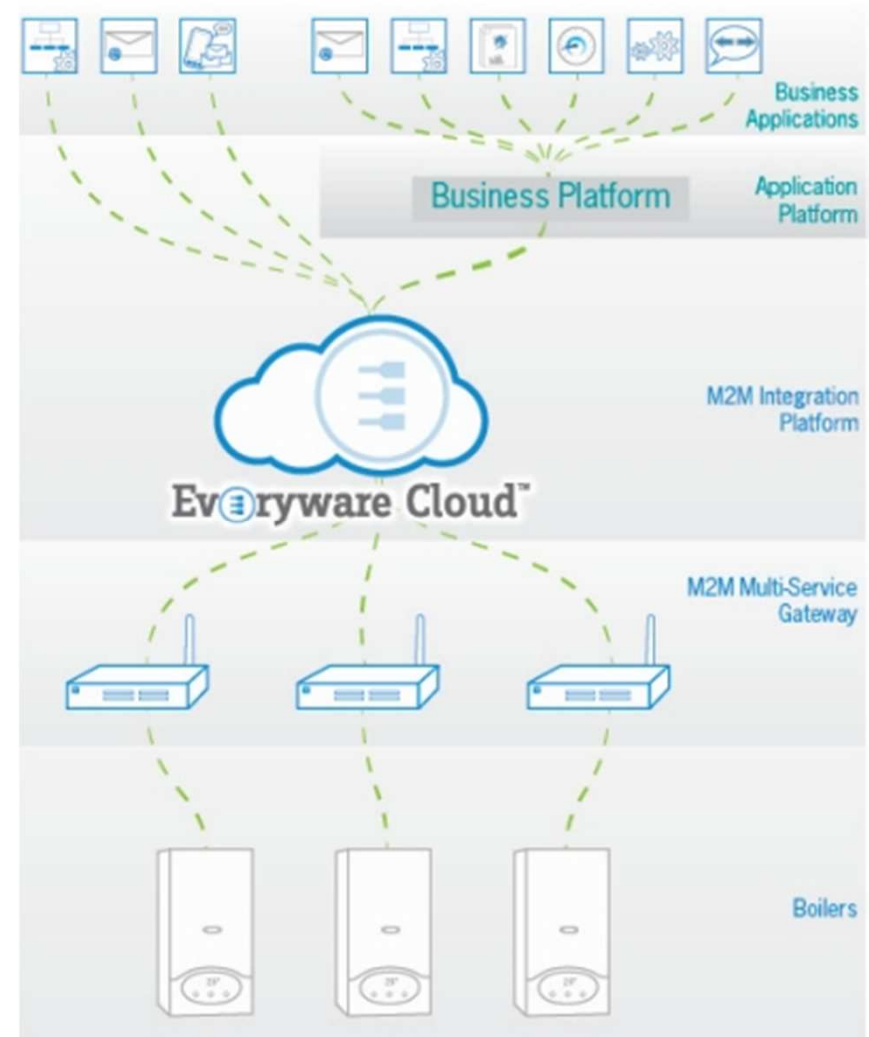
IDTechEX 2015 "Best Application of IoT" Award

Eurotech technology solves real problems and generates value

- **IDTechEx: leader in independent market research, business intelligence and events on emerging technologies; supports clients in making essential strategic decisions in over 80 countries**

- **Award presented to the entrant who has successfully used IoT technology to solve a real problem and generate significant value for the user**

- **A recognition of the innovation, the completeness and the value generated by the solution offered by Eurotech to Ariston Thermo Group**

- Eurotech's solution for Ariston Thermo Group:

  – includes the software framework ESF, the integration platform Everyware Cloud and a set of web and mobile applications

  – allow a real-time connection among the appliances installed – geographically distributed – and all actors involved: the end-user, the operators providing technical support and Ariston Thermo

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To accomplish great things,
we must not only act, but also dream;
not only plan, but also believe.

Anatole France