



# Company Overview

**Global**  
**Innovative**  
**Sustainable**

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# Quick Facts Sheet

Founded in	1992
Public Listing on	November 30th, 2005
Stock Tickers	Bloomberg: ETM:IM; Reuters: E5T.MI
Sales FY 2012	93.6 M€
President & CEO	Roberto Siagri
Headquarters	Amaro (UD) - Italy
Global Presence	Italy, United Kingdom, France, Singapore, India, China, Japan, USA
Development & Engineering Locations	Amaro (Italy), Brescia (Italy), Cambridge (UK), Columbia (MD, USA), Huntsville (AL, USA), Kansas City (KS, USA), Mission Viejo (CA, USA), Okayama (Japan)
Manufacturing Locations	Amaro (Italy), Okayama (Japan), Columbia (MD, USA)
Worldwide Employees	366

# VISION & MISSION



Computers will be increasingly  
**miniaturised** and **interconnected**.

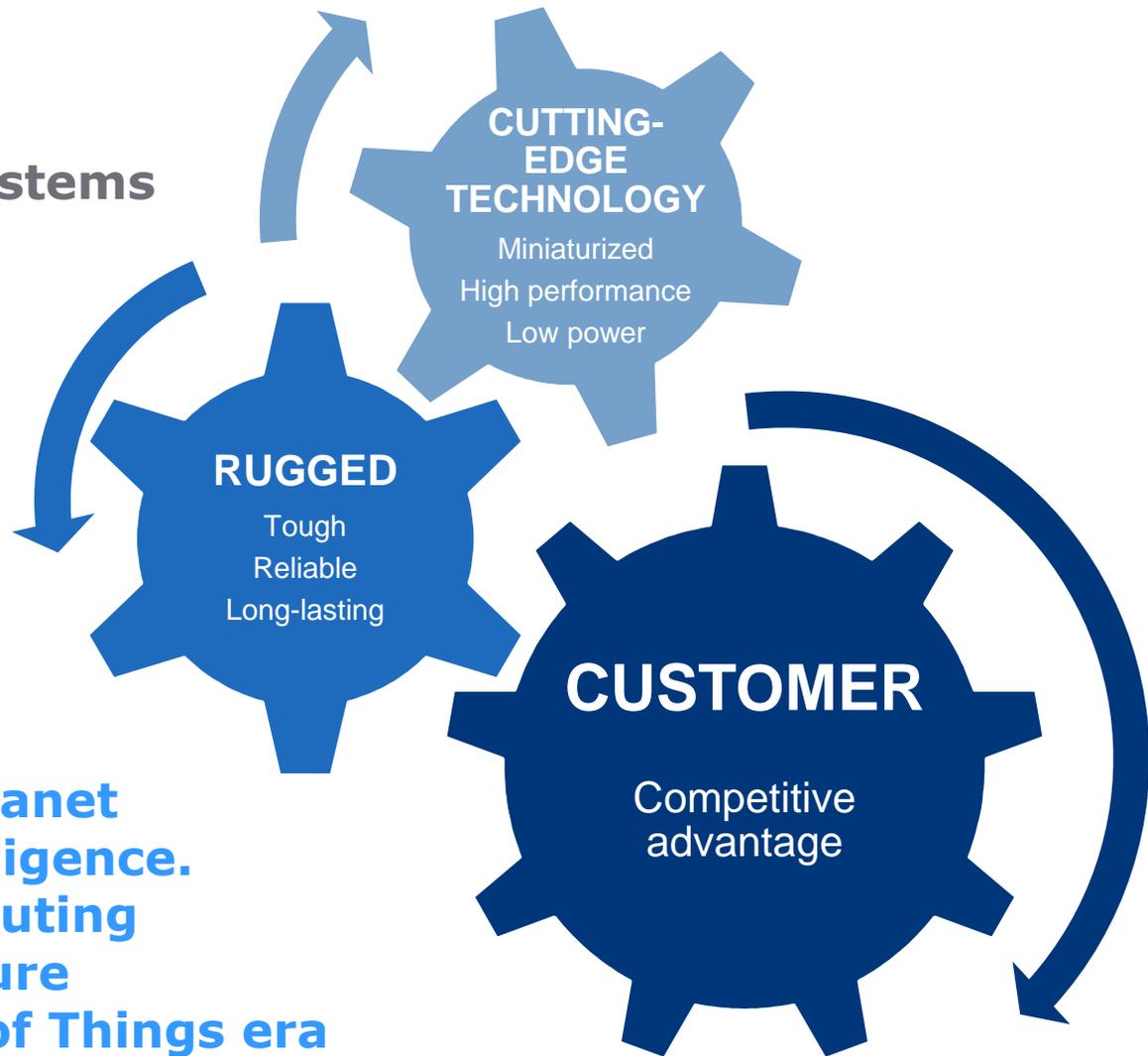
They will merge with the surroundings of everyday life until they become indistinguishable from them.

Integrate the state-of-the-art of Computing and Communication technologies to develop **innovative applications**, able to **provide a competitive advantage to our Customers**.

Improve everyday life, making it simpler, safer and more pleasant through the pervasive use of technology.

# The Eurotech Engine

**Simplifying  
Complex Distributed Systems  
through HW and SW  
componentization**

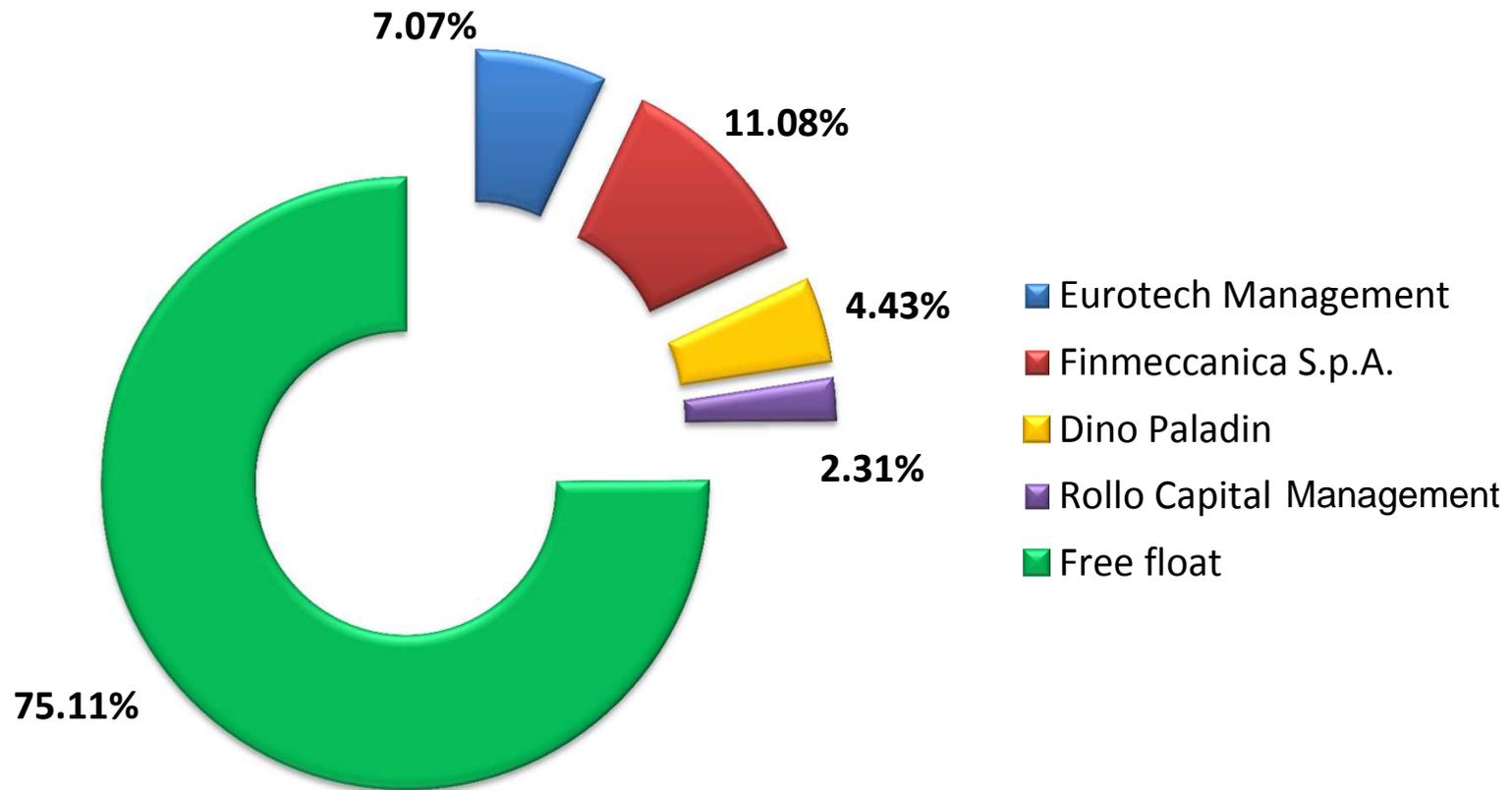


**Addressing the needs  
of an Interconnected Planet  
full of Distributed Intelligence.  
Leveraging Cloud Computing  
on-demand Infrastructure  
to enable the Internet of Things era**

# Eurotech's Essence

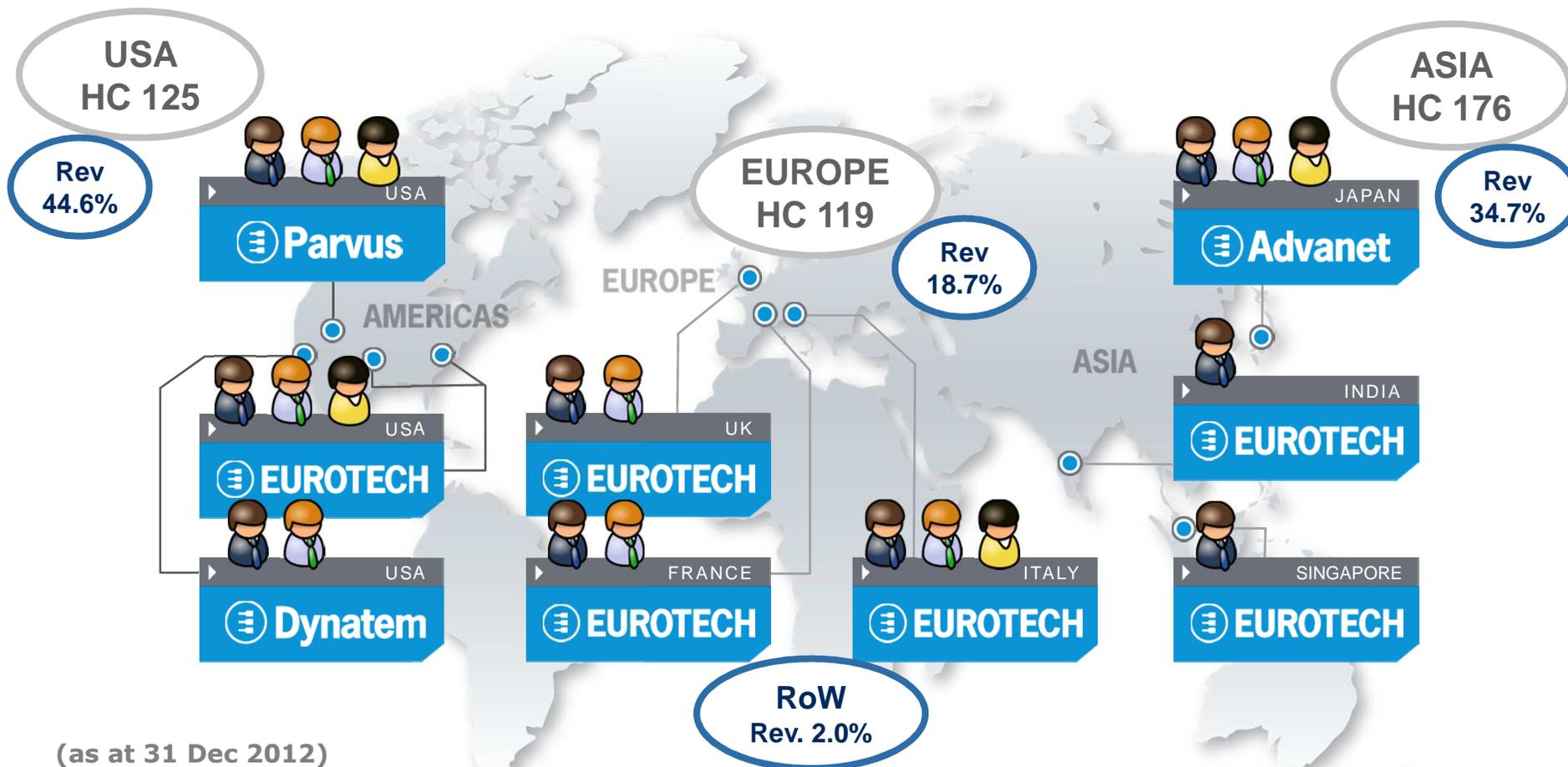
- Behind the products of more than 20 Global 500
- World top 10 player in the Embedded Computers market
- One of two European producers of High Performance Computers
- True global footprint spanning over 3 continents
- Public Company, in the STAR segment of Borsa Italiana
- Member of the UN Global Compact
- Core competences: **Miniaturization & Interconnection of computing devices**
- **2 Strategic Business Units:**
  - NanoPC SBU: Pervasive Computing Devices & Device Data Management
  - HPC SBU: Green Petascale Supercomputers

# Eurotech's Main Shareholders



# Global Footprint

Eurotech is a global company with operations in Europe, Asia and North America. The Group is led by an industrial holding located in the Northeast of Italy.



(as at 31 Dec 2012)



Marketing & Sales



Development & Engineering



Production

# Eurotech's Pillars

- Technological background: **Pervasive Computing**
- Core competences: **Miniaturization & Interconnection of computers**
- Focus on higher value-add for Customers
  - **Selling enabling platforms, not just components**
  - **Eurotech as Partner for Innovation rather than just Supplier**
- Fabless:
  - **no constraints on product development**
  - **no inertia on business development**

# Value Proposition

We help Customers focus on their core competencies

- ✓ Shorter time to market
- ✓ More deterministic development
- ✓ Lower barrier to entry
- ✓ Future proof
- ✓ Cloud ready

**More than  
excellent hardware**

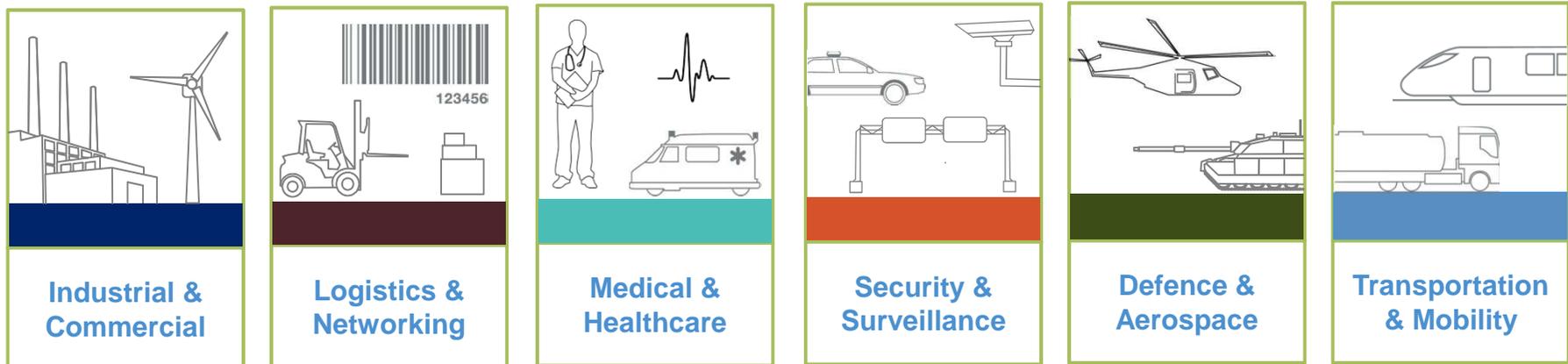
**Higher value-add for Customers**  
→ **Providing enabling platforms,  
not just components**

**Dramatic reduction of  
time, cost and risk**

**Competitive  
Advantage**

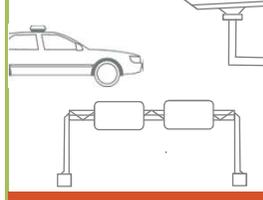
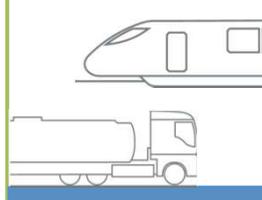
# Product Portfolio

Horizontal Product Lines. Vertical Industry Solutions.



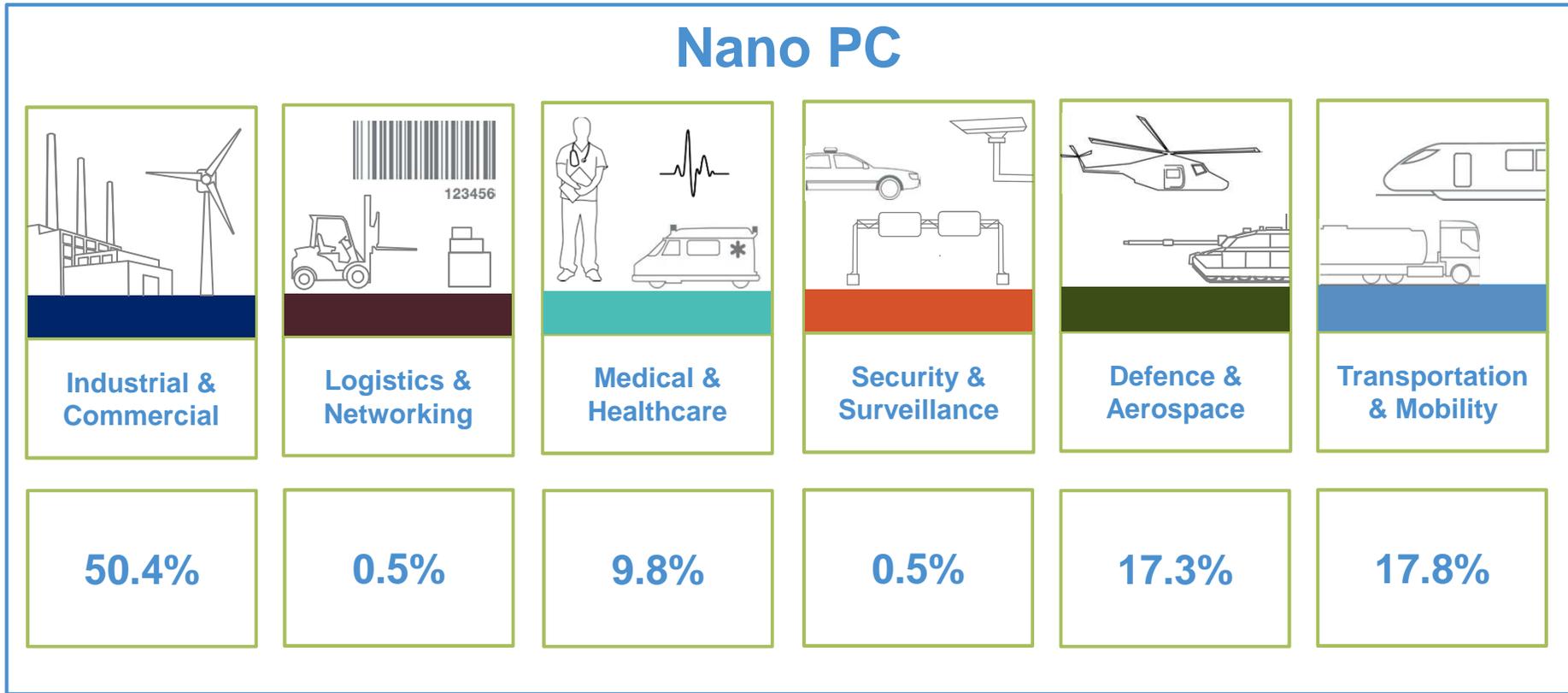
# Applications Experience

## Vertical Markets & Sectors

 <p><b>Industrial &amp; Commercial</b></p>	 <p><b>Logistics &amp; Networking</b></p>	 <p><b>Medical &amp; Healthcare</b></p>	 <p><b>Security &amp; Surveillance</b></p>	 <p><b>Defence &amp; Aerospace</b></p>	 <p><b>Transportation &amp; Mobility</b></p>
<p><b>Building Automation</b></p> <p><b>Machine Automation</b></p> <p><b>Vending Machines</b></p> <p><b>Kiosks</b></p> <p><b>Smart Energy / Smart Grid</b></p>	<p><b>SKU Handling</b></p> <p><b>Asset Control/ Monitoring</b></p> <p><b>Integrated RFID Tracking</b></p>	<p><b>High-end Diagnostic Equipment</b></p> <p><b>Portable Medical Devices</b></p> <p><b>Home Medical Gateways</b></p>	<p><b>Banks and Institutions</b></p> <p><b>Homeland Security</b></p> <p><b>Border Control</b></p> <p><b>Highway / Parking Lots / Gates</b></p>	<p><b>Land Vehicles</b></p> <p><b>UAVs</b></p> <p><b>Helicopters</b></p> <p><b>Aircraft</b></p> <p><b>Navy</b></p> <p><b>Future Soldier</b></p>	<p><b>Public Buses</b></p> <p><b>Trains &amp; Metros</b></p> <p><b>Toll Gates</b></p> <p><b>Digital Signage / Customer Information</b></p>

# Industry Diversification

## Nano PC



HPC	3.6%
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(as at 31 Dec 2012)

# Some of our typical Customers

GE Healthcare    GENDEX<sup>®</sup>    DynaVox Mayer-Johnson  
Advancing human expression and learning.

**Medical & Healthcare**

**BOEING**<sup>®</sup>    LOCKHEED MARTIN    L3 communications

**GENERAL DYNAMICS**

**Defence & Aerospace**

SAIC    BOMBARDIER    ALSTOM    CUBIC CORPORATION

**Transportation & Mobility**

Nikon    MITSUBISHI HEAVY INDUSTRIES    Johnson Controls    Chevron

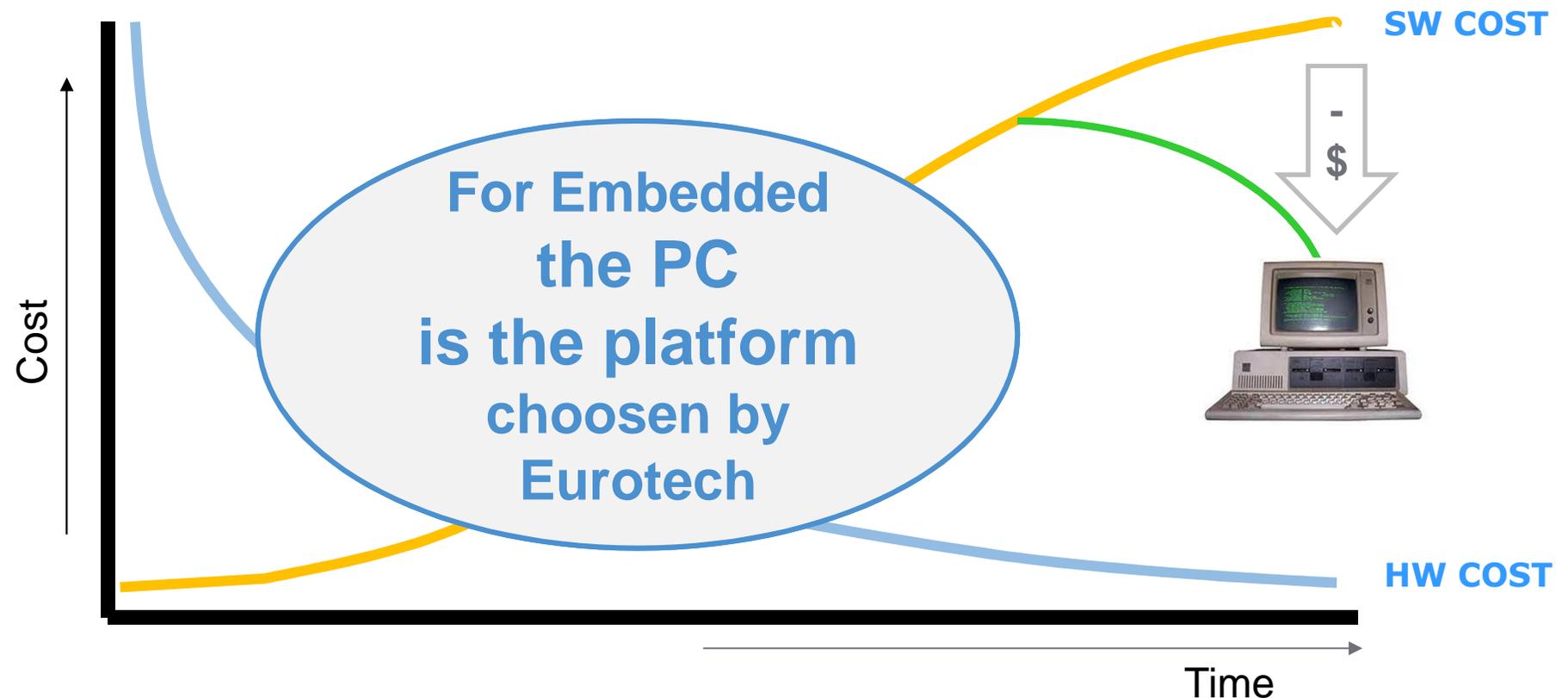
**Industrial & Commercial**

(as at 31 Dec 2012)

# The Essence of Eurotech's strategy in the MEC

Finding the right PLATFORM that reduce Customer's TCO and TTM

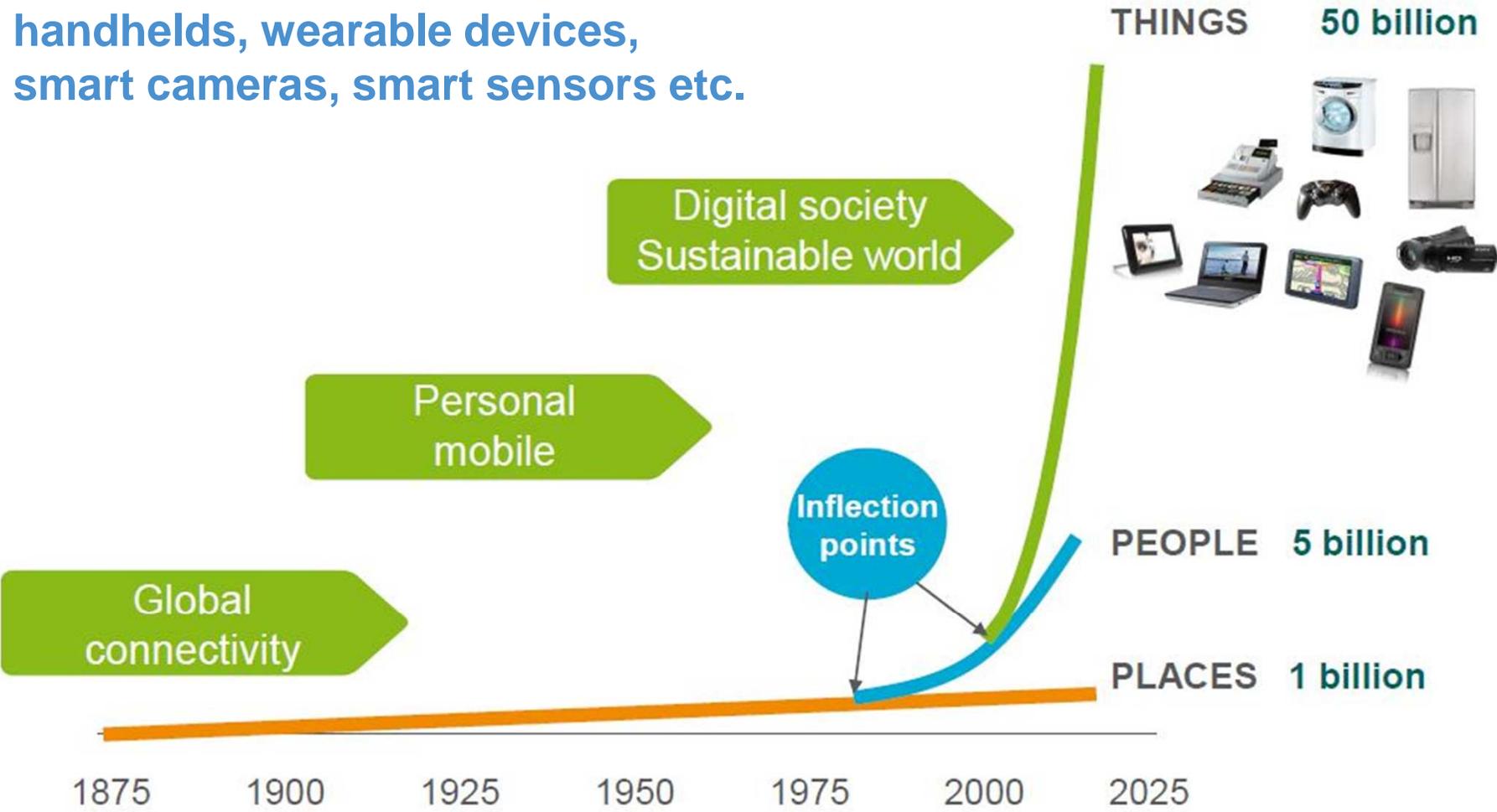
It's a matter of **SW** vs. **HW**



Wirth's law: "Software gets slower faster than hardware gets faster"

# Internet of Things: Embedded PCs and IT integration

Our "things":  
handhelds, wearable devices,  
smart cameras, smart sensors etc.

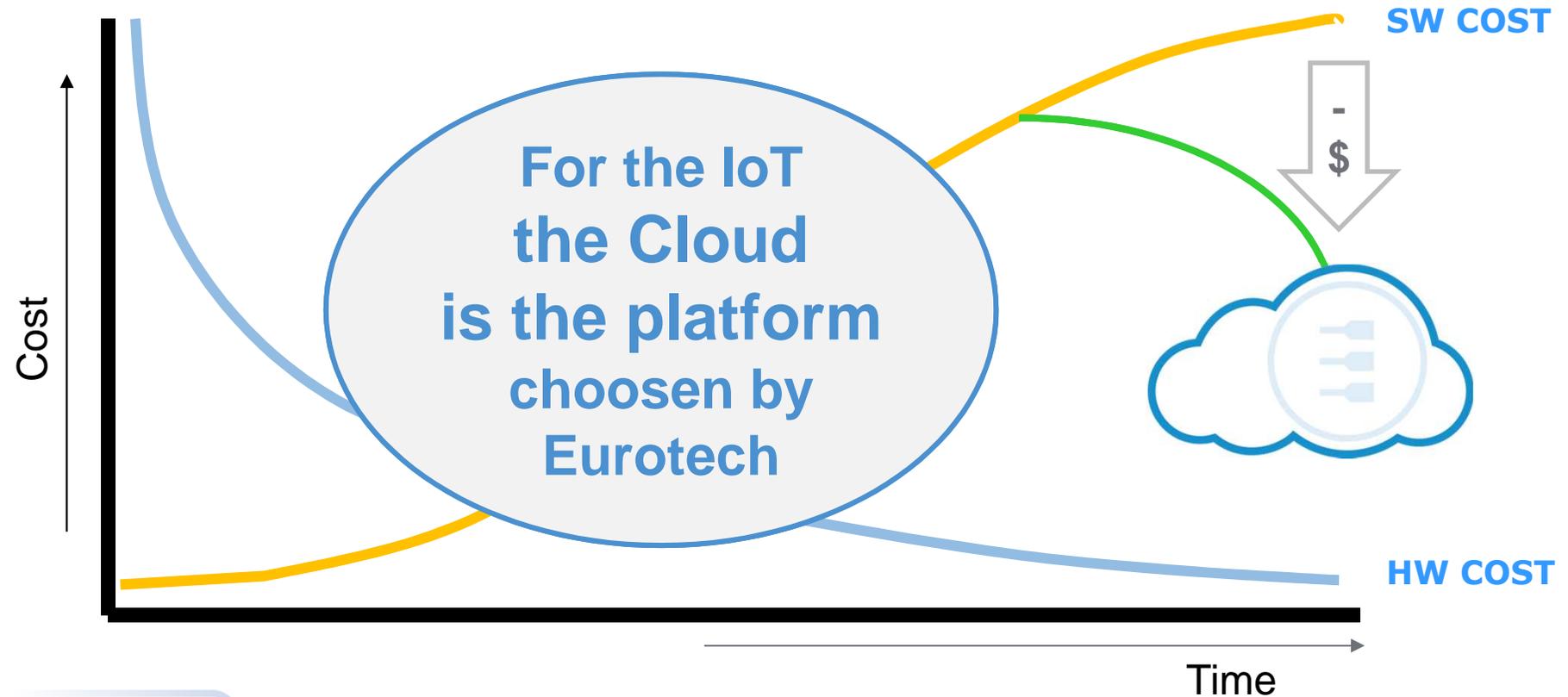


# The Essence of Eurotech strategy for the IoT

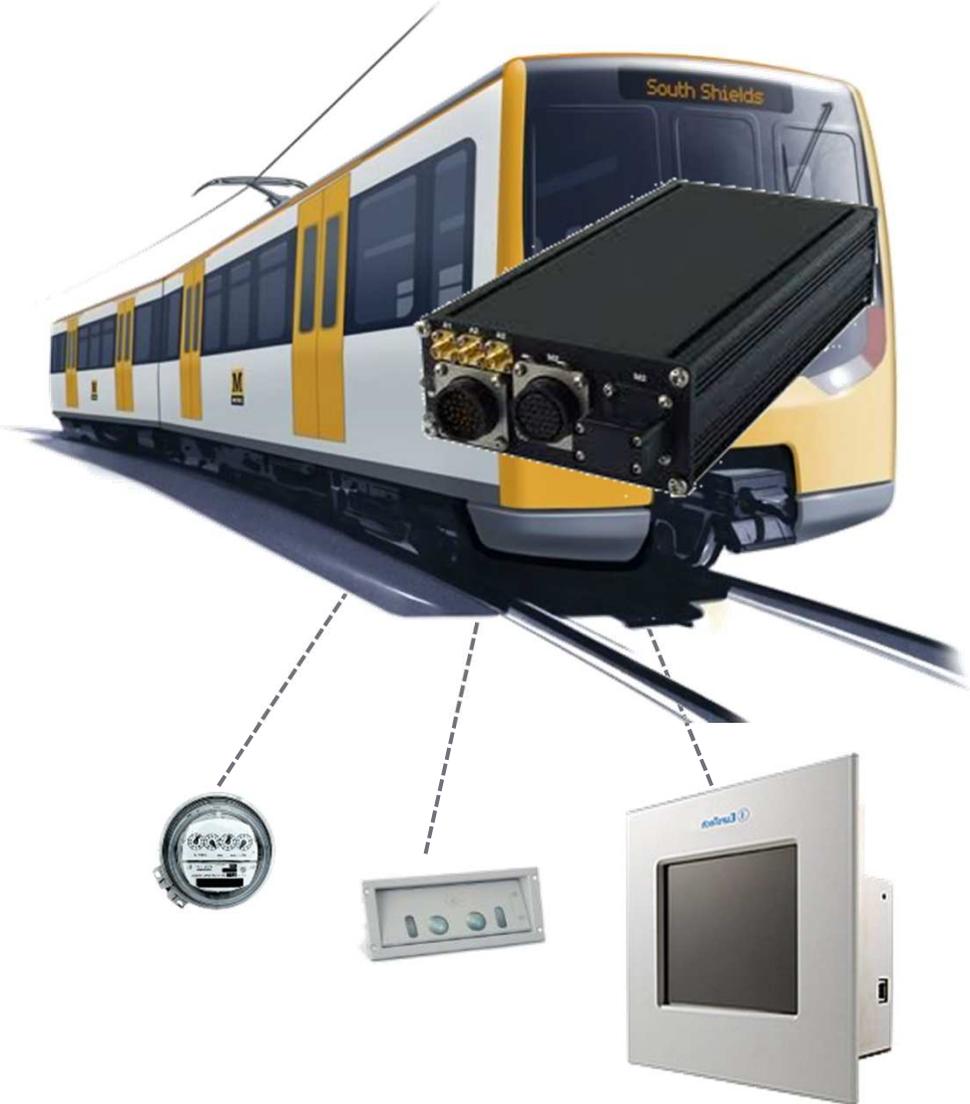
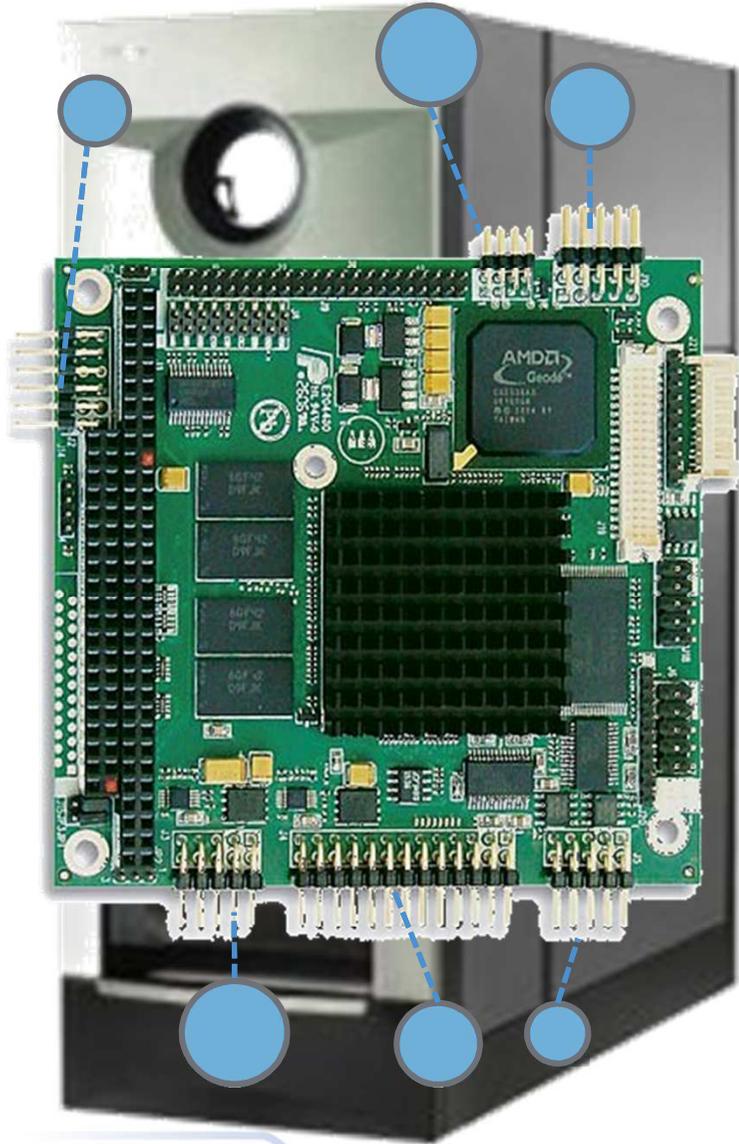
Finding the right PLATFORM that reduce Customer's TCO and TTM

Again, for this decade

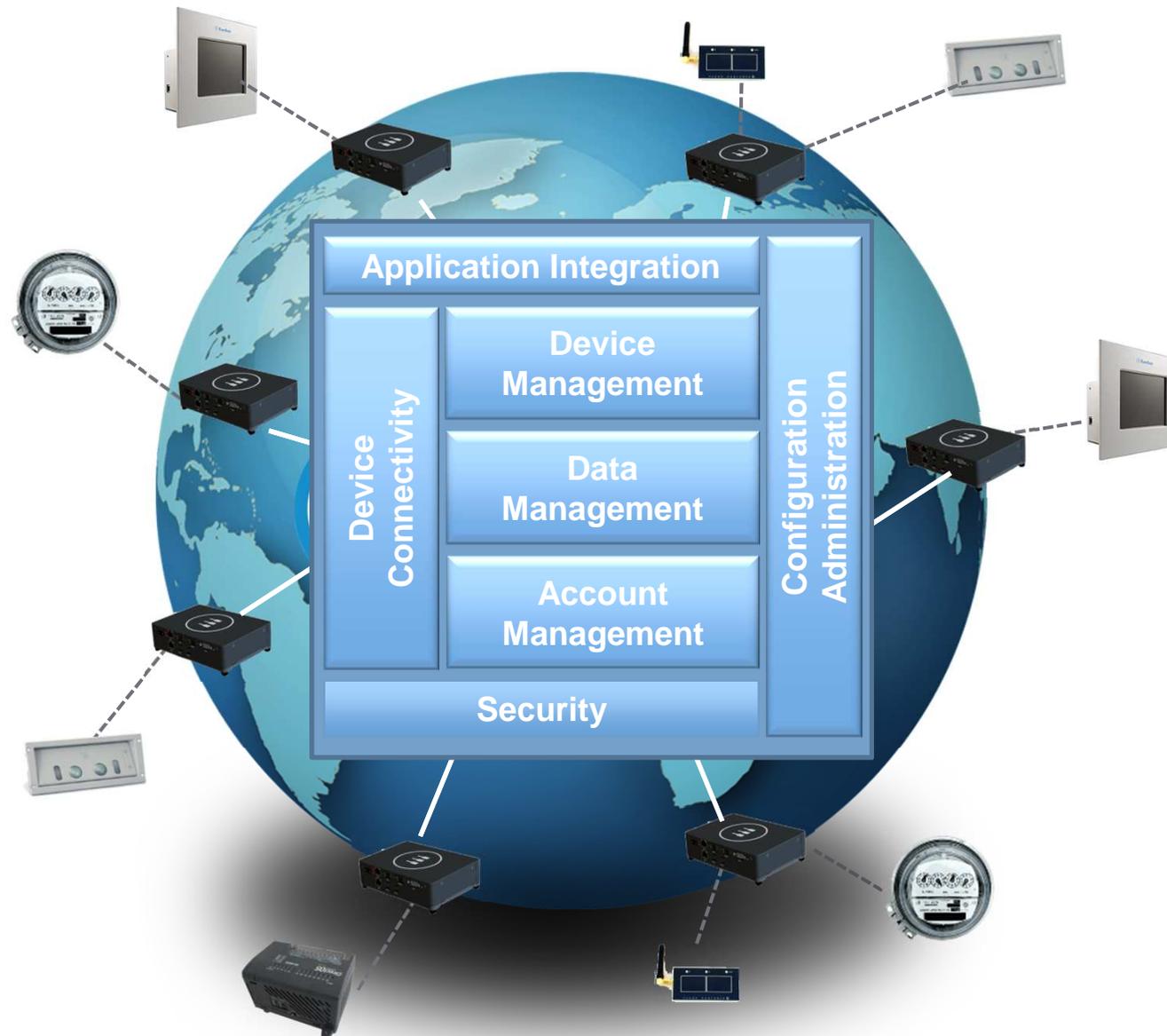
It's a matter of scalable **SW** vs. scalable **HW**



# The Embedded world: i.e. the small world

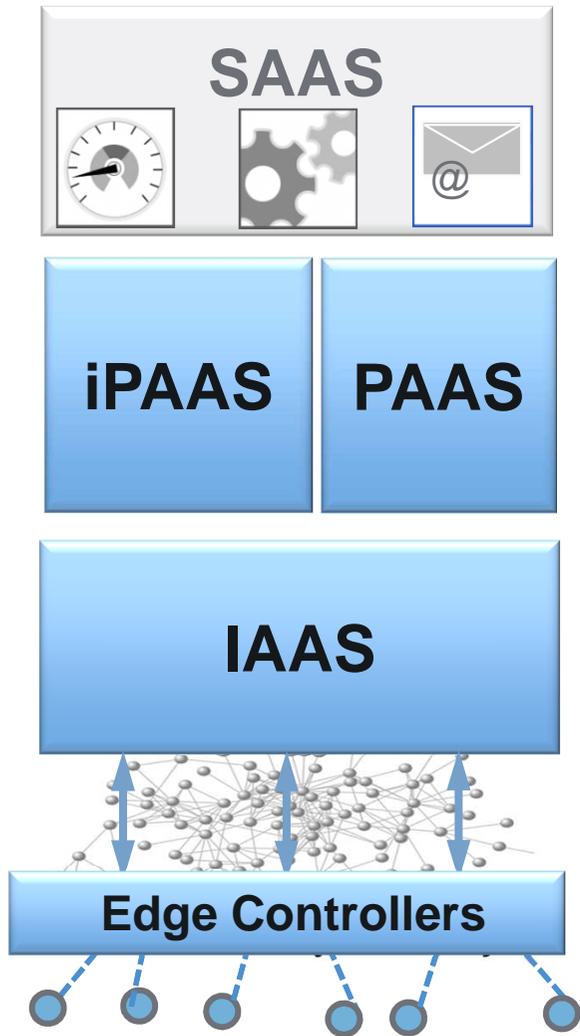


# The Pervasive world: i.e. the big world

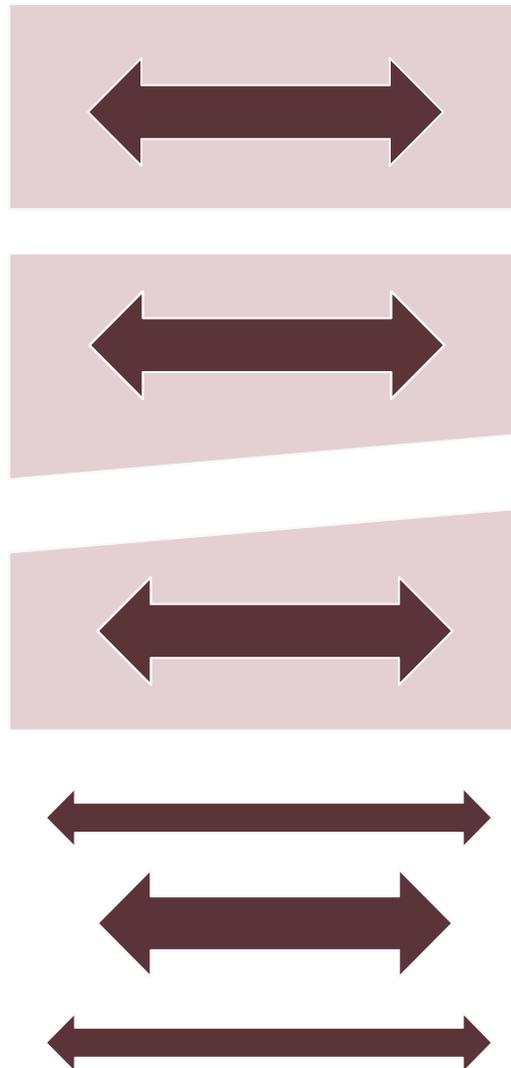
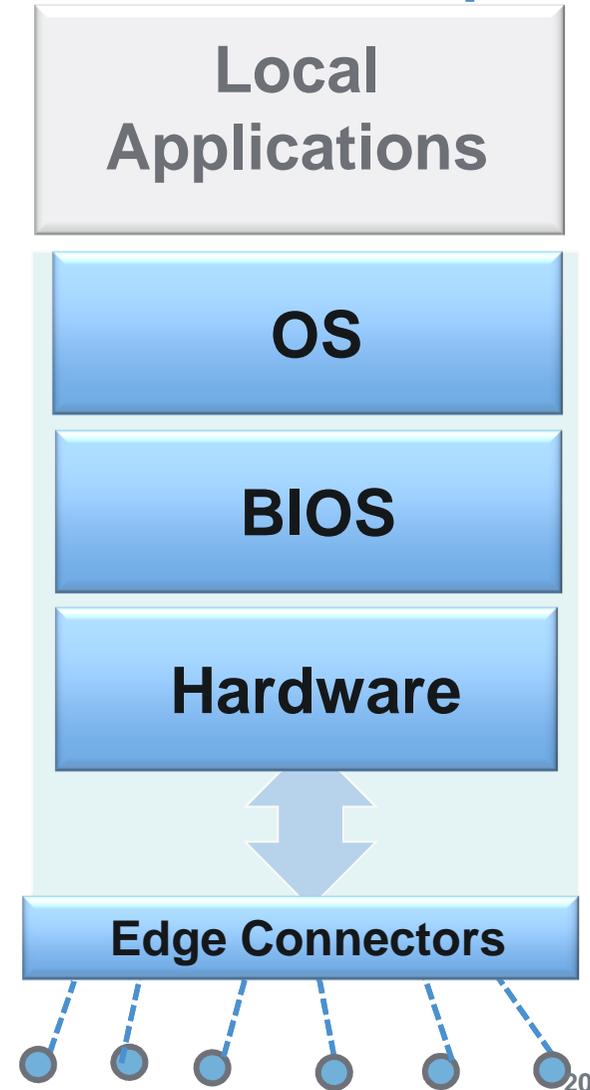


# Architecture Comparison

## Planetary Computer



## Embedded Computer



# Where are we going?

**Enabling our Pervasive Computing offer  
through a New Infrastructure**

**that decouples**

**distributed data Producers (the "Things")  
and  
distributed data Consumers (the Business Apps,  
...and ultimately Human Beings)**

# The “Internet of Things”

## Reports & Predictions show large numbers...

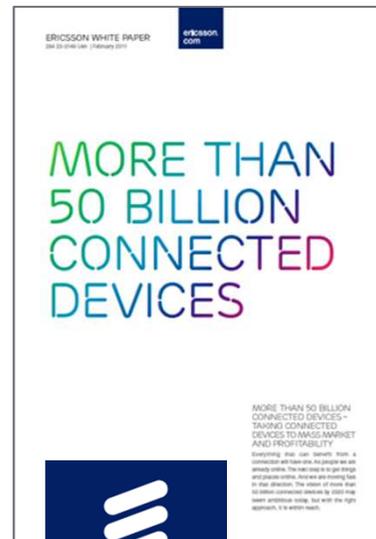
**15 billion** connected devices by 2015 (2009 estimate)



The total number of mobile connected devices will double from 6 billion today to 12 billion by 2020...  
... a **revenue opportunity for mobile operators of nearly \$1.2 trillion** by 2020



The connected device market will grow at more than **50% CAGR** from 2015 to 2020. **Gartner.**



Prediction for 2020

**15 billion** connected devices by 2019 (2011 estimate) **Google™**

... forecast of **28 billion** internet connected devices by the end of 2020.

IMSresearch

# Expanding the Total Addressable Market

From:

**\$8B TAM of Embedded Computers**

To:

**\$86B TAM of IoT / M2M Devices (Hardware a Platform Services)**



In fact:

- IoT & M2M Device market is expected to grow to \$85.9B by 2017
- It is expected to have a CAGR of 26.1% from 2012 to 2017.
- The winner will be the one that will be able to offer an integration Platform.
- This is expected to help companies to address the need of the customers more effectively.

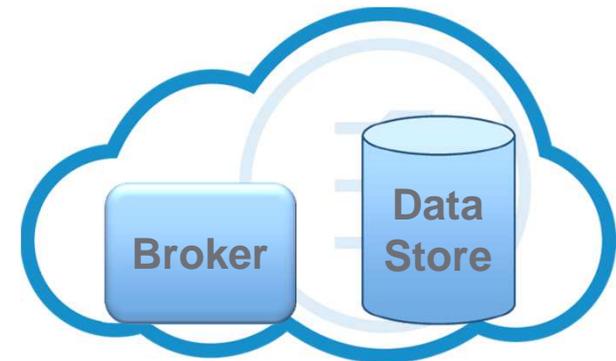
# Expanding the Total Addressable Market

From:

**\$8B TAM of Embedded Computers**

To:

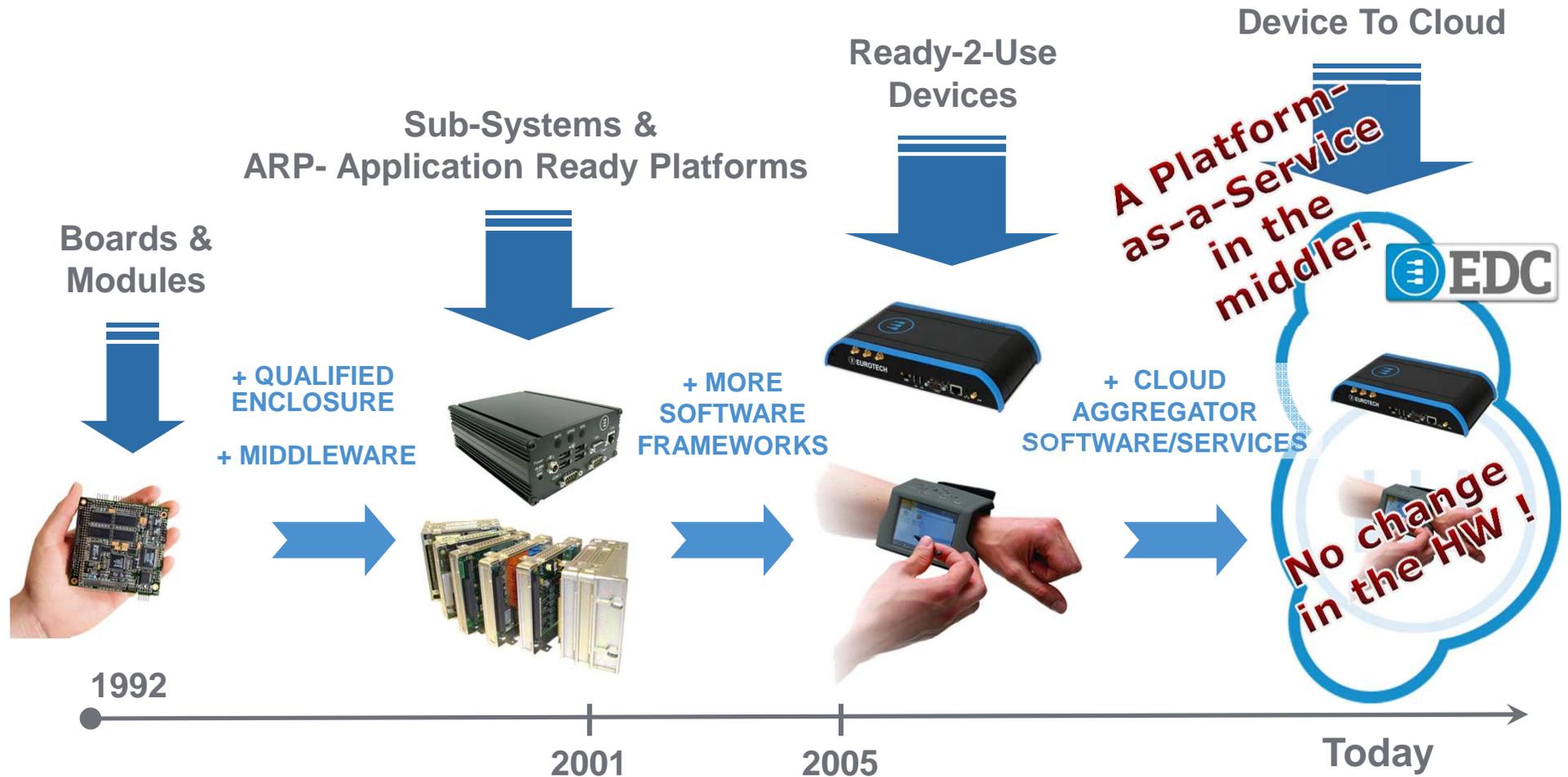
**\$290B TAM of IoT / M2M Communication (Traffic & Services)**



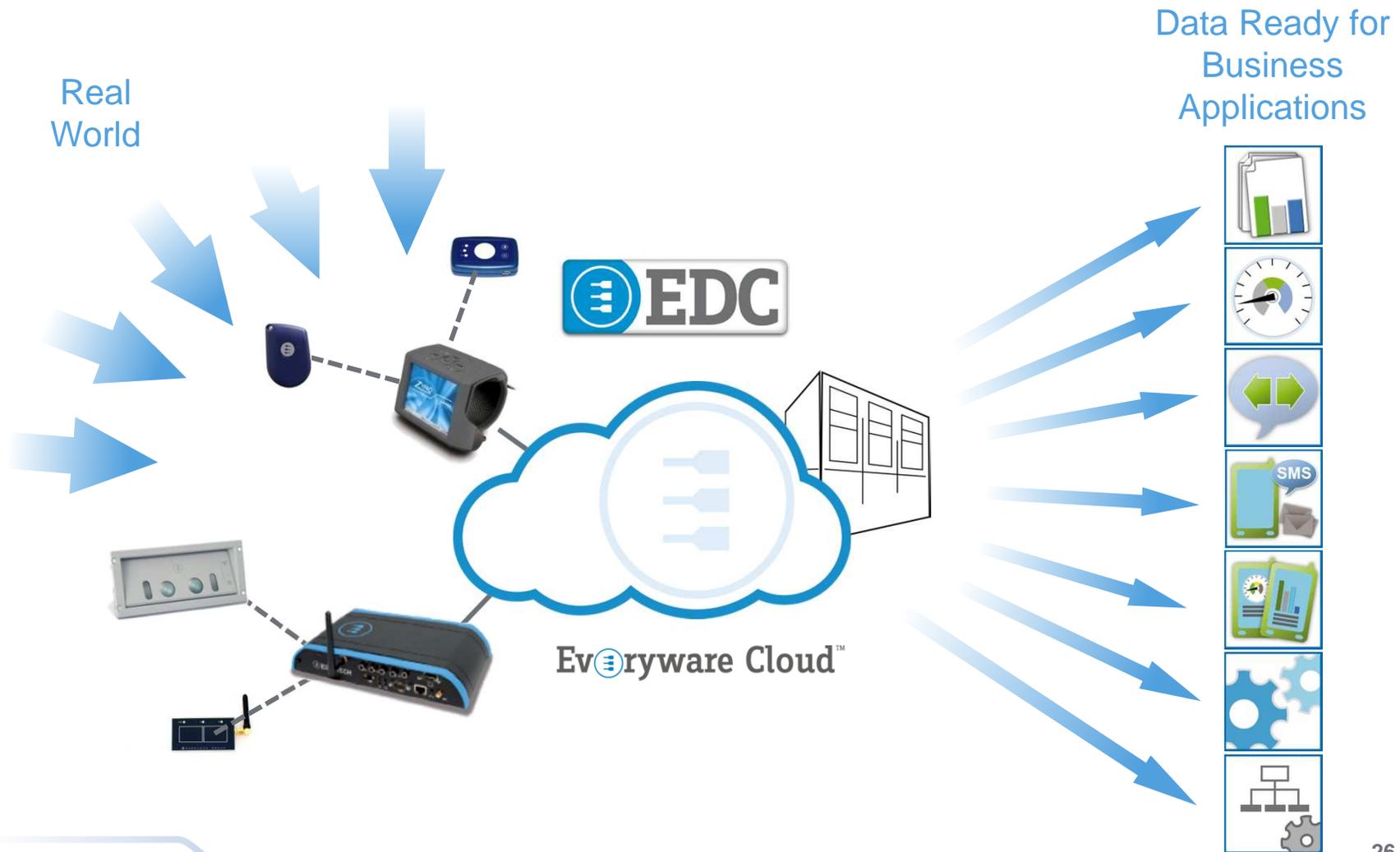
In fact:

- IoT & M2M Communication market is expected to grow from \$44.0B in 2011 to \$290.0B by 2017
- It is expected to have a CAGR of 30.1% from 2012 to 2017.
- Europe is expected to grow at a CAGR of 27.4% from 2012 to 2017.
- APAC and North America are estimated to grow at a CAGR of 33.2% and 28.3%, respectively, from 2012 to 2017.

# Strategic evolution of our Offering: Custom → Standard → as-a-Service

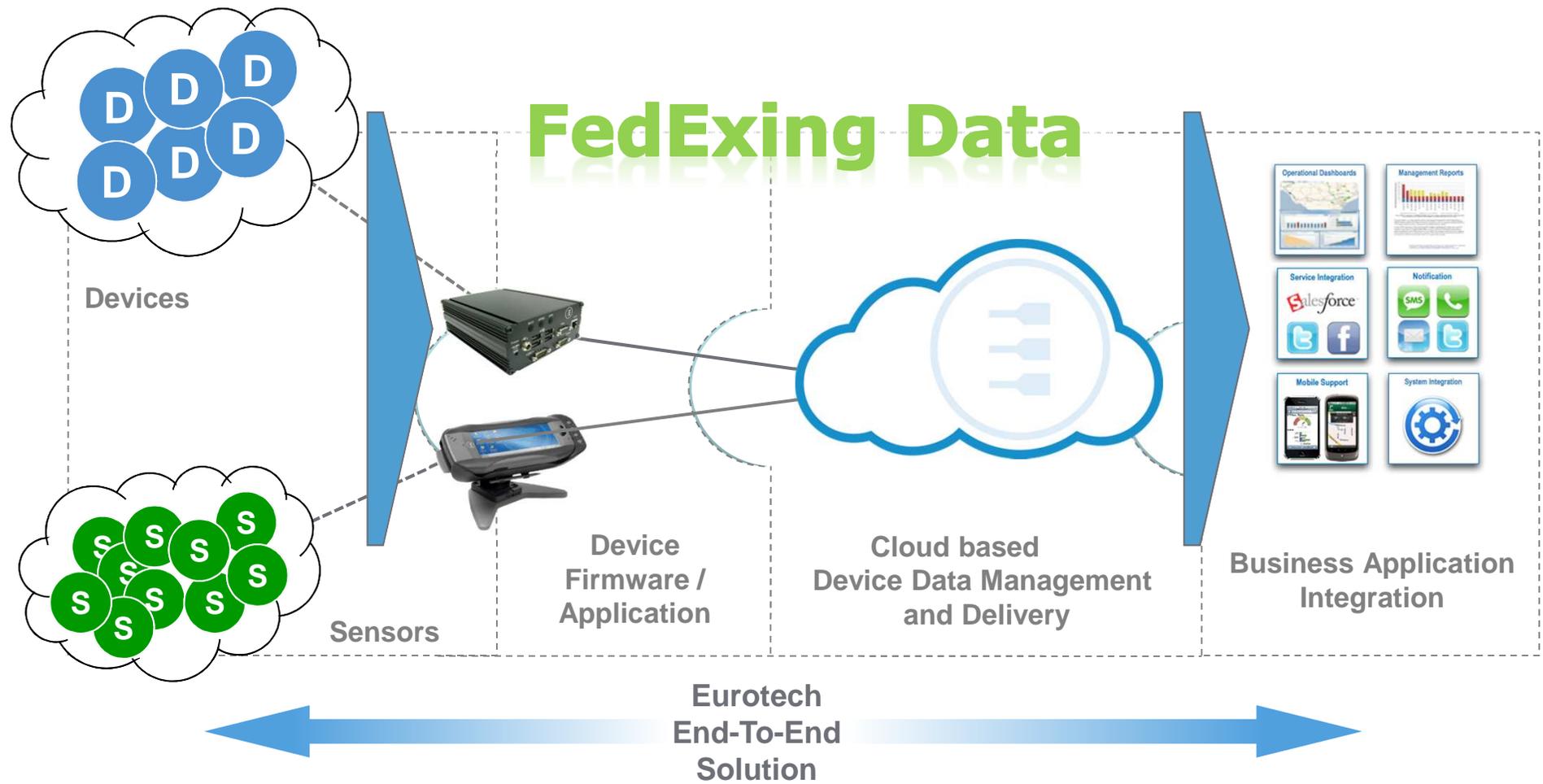


# Eurotech Revolution: Towards Actionable Data



# Everyware Device Cloud

Transforming Bits of Data at the Edge of the Network into Actionable Information in the Business Users' Hands





Whosoever desires constant success  
must change his conduct with the times.

*Niccolò Machiavelli*



[www.eurotech.com](http://www.eurotech.com)



**ANNEX A:  
FINANCIAL HIGHLIGHTS,  
30 JUNE 2013**

# CONSOLIDATED INCOME STATEMENT

	1H 2013	%	1H 2012 Restated <sup>^</sup>	%	1H 2013 adjusted	%	1H 2012 Restated <sup>^</sup> adjusted	%
<b>OPERATING RESULTS €'000</b>								
SALES REVENUES	33,058	100.0%	42,176	100.0%	33,058	100.0%	42,176	100.0%
GROSS PROFIT	17,399	52.6%	20,728	49.1%	17,399	52.6%	20,728	49.1%
EBITDA	(1,948)	-5.9%	(425)	-1.0%	(1,948)	-5.9%	(425)	-1.0%
EBIT	(5,378)	-16.3%	(4,202)	-10.0%	(3,757)	-11.4%	(2,322)	-5.5%
PROFIT (LOSS) BEFORE TAXES	(4,563)	-13.8%	(4,753)	-11.3%	(2,942)	-8.9%	(2,873)	-6.8%
GROUP NET PROFIT (LOSS) FOR THE PERIOD	(4,560)	-13.8%	(4,448)	-10.5%	(3,578)	-10.8%	(3,343)	-7.9%

(<sup>^</sup>) Some of the amounts shown in this column do not correspond to those shown in the consolidated half-year financial statements at 30 June 2012, since they reflect the adjustments related to the IAS 19 revised.

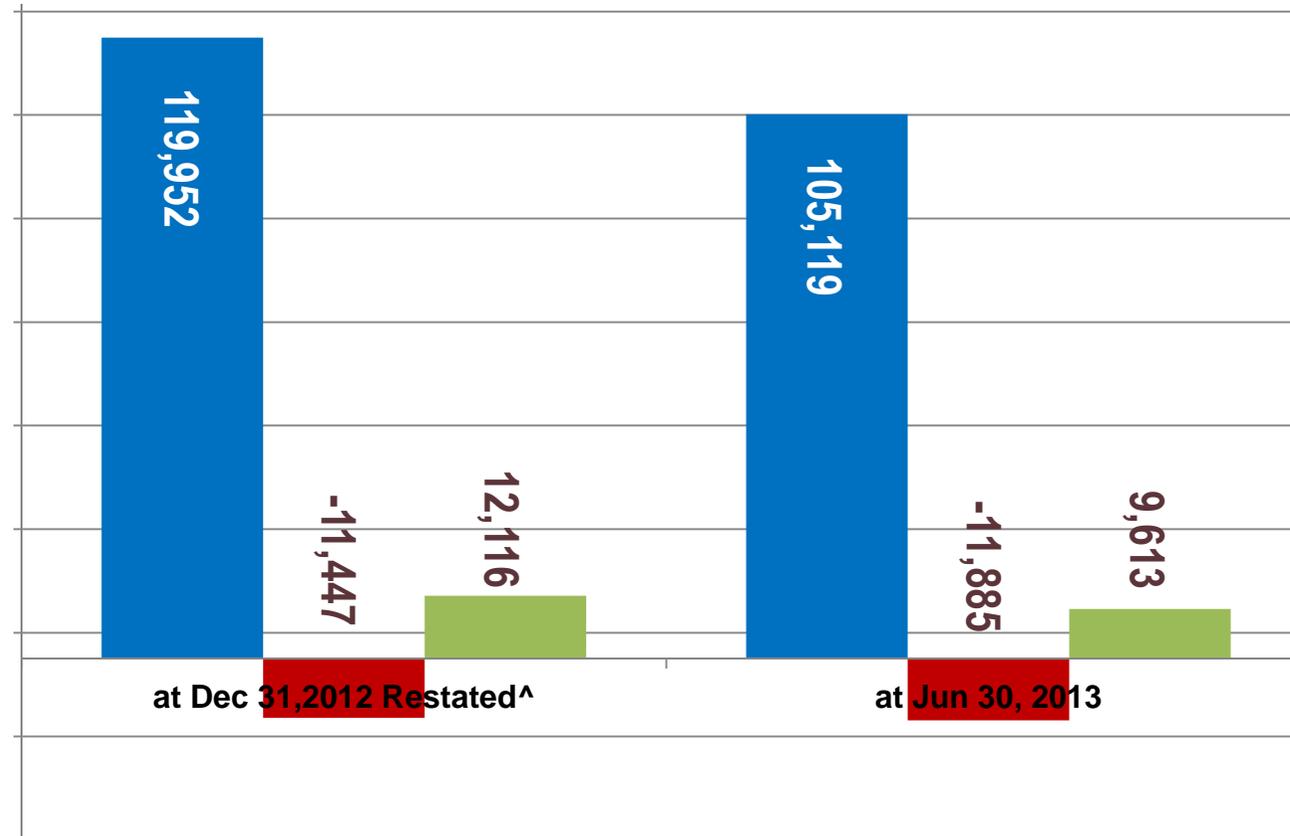
# CONSOLIDATED BALANCE SHEET

(€'000)	at Jun 30, 2013	at Dec 31,2012 Restated <sup>^</sup>	at Jun 30, 2012 Restated <sup>^</sup>	(€'000)	at Jun 30, 2013	at Dec 31,2012 Restated <sup>^</sup>	at Jun 30, 2012 Restated <sup>^</sup>
<b>ASSETS</b>				<b>LIABILITIES AND EQUITY</b>			
Intangible assets	102,448	112,853	126,273	Share capital	8,879	8,879	8,879
Property, Plant and equipment	4,077	4,756	5,645	Share premium reserve	136,400	136,400	136,400
Investments in non-consolidated subsidiarik	0	0	51	Other reserves	(40,160)	(25,327)	(13,422)
Investments in affiliates companies	352	275	304	<b>Group shareholders' equity</b>	<b>105,119</b>	<b>119,952</b>	<b>131,857</b>
Investments in other companies	258	257	266	<b>Equity attributable to minority interest<sup>1</sup></b>	<b>0</b>	<b>0</b>	<b>0</b>
Deferred tax assets	1,026	1,083	1,420	<b>Total shareholders' equity</b>	<b>105,119</b>	<b>119,952</b>	<b>131,857</b>
Other non current financial assets	0	0	186	Medium-/long-term borrow ing	7,168	10,327	14,123
Other non-current assets	594	672	844	Employee benefit obligations	1,843	1,896	1,977
<b>Total non-current assets</b>	<b>108,755</b>	<b>119,896</b>	<b>134,989</b>	Deferred tax liabilities	7,914	9,486	11,466
Inventories	19,427	18,282	21,715	Other non-current liabilities	862	846	1,791
Contracts in progress	0	850	1,453	<b>Total non-current liabilities</b>	<b>17,787</b>	<b>22,555</b>	<b>29,357</b>
Trade receivables	17,717	26,641	22,353	Trade payables	13,303	15,084	12,731
Income tax receivables	533	362	537	Trade payables from affiliates companies	243		0
Other current assets	1,961	2,170	2,499	Short-term borrow ing	14,200	13,036	12,082
Receivables from affiliates companies	3	0	0	Derivative instruments	231	344	375
Other current financial assets	101	144	100	Income tax liabilities	479	2,103	751
Cash & cash equivalents	9,613	12,116	10,852	Other current liabilities	6,748	7,387	7,123
<b>Total current assets</b>	<b>49,355</b>	<b>60,565</b>	<b>59,509</b>	Business combination liabilities	0	0	222
<b>Total assets</b>	<b>158,110</b>	<b>180,461</b>	<b>194,498</b>	<b>Total current liabilities</b>	<b>35,204</b>	<b>37,954</b>	<b>33,284</b>
				<b>Total liabilities</b>	<b>52,991</b>	<b>60,509</b>	<b>62,641</b>
				<b>Total liabilities and equity</b>	<b>158,110</b>	<b>180,461</b>	<b>194,498</b>

(<sup>^</sup>) Some of the amounts shown in this column do not correspond to those shown in the consolidated financial statements at 31 December 2012, since they reflect the adjustments related to the IAS 19 revised.

# EQUITY, CASH AND NET DEBT

CASH AND NET DEBT , 31 December 2012 and 30 June 2013 (€/000)

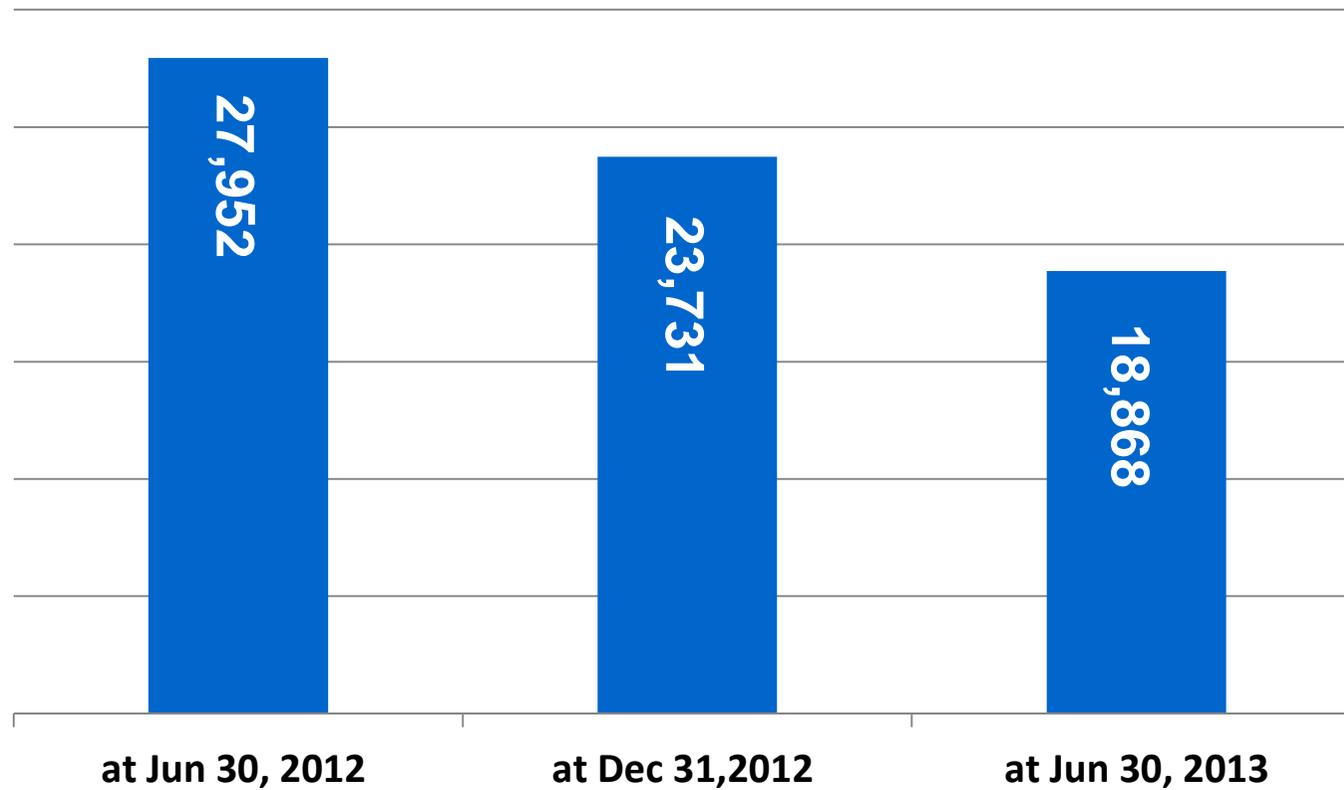


- SHAREOLDERS' EQUITY
- NET DEBT
- CASH & CASH EQUIVALENTS

(<sup>^</sup>) Some of the amounts shown in this graph do not correspond to those shown in the consolidated financial statements at 31 December 2012, since they reflect the adjustments related to the IAS 19 revised.

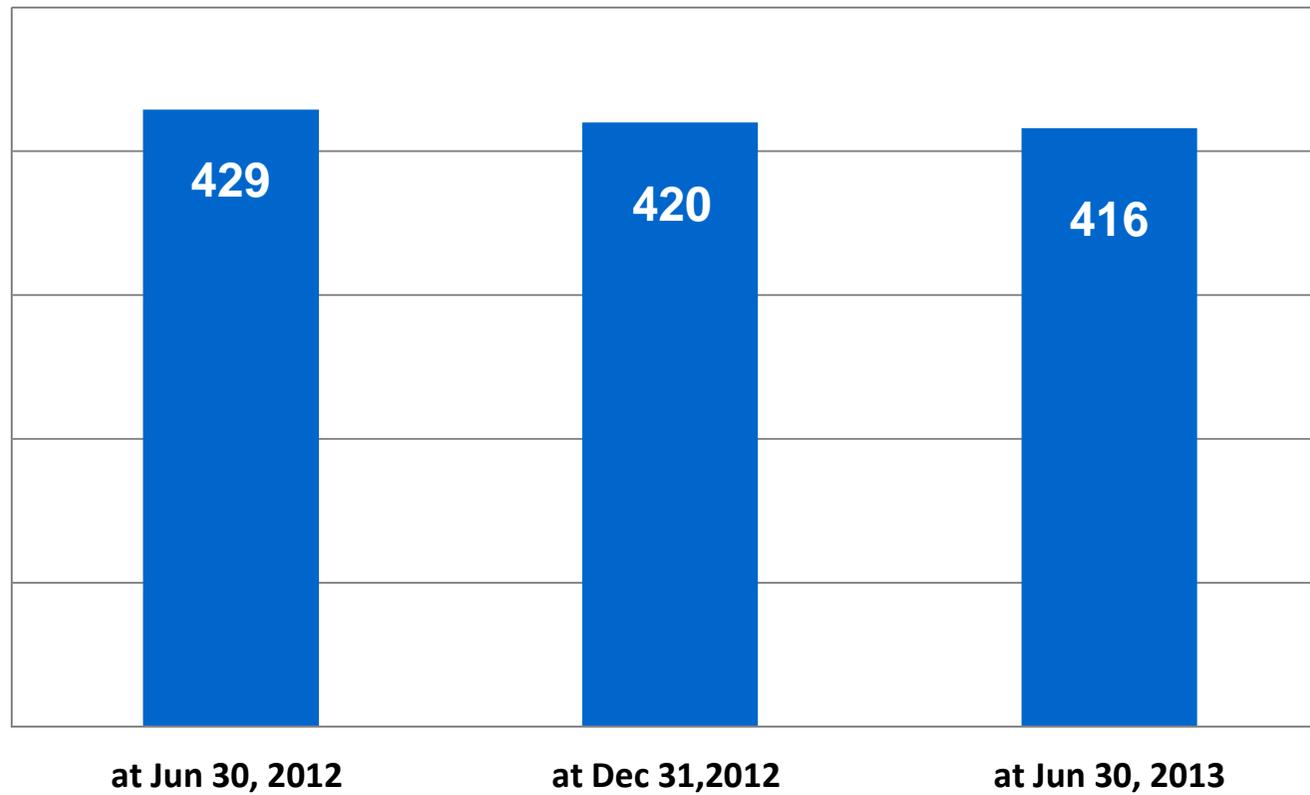
# NET WORKING CAPITAL

NWC at the end of each period (€/000)



# EMPLOYEES

Headcount at the end of each period





**ANNEX B:  
FINANCIAL HIGHLIGHTS,  
31 DECEMBER 2012**

# CONSOLIDATED INCOME STATEMENT

OPERATING RESULTS €'000	31 Dec '12	%	31 Dec '11	%	31 Dec '12 adjusted	%	31 Dec '11 adjusted	%
SALES REVENUES	93,627	100.0%	93,806	100.0%	93,627	100.0%	93,806	100.0%
GROSS PROFIT	48,983	52.3%	47,292	50.4%	48,983	52.3%	47,292	50.4%
EBITDA	8,003	8.5%	3,090	3.3%	8,003	8.5%	4,000	4.3%
EBIT	(34)	0.0%	(4,875)	-5.2%	3,760	4.0%	(520)	-0.6%
PROFIT (LOSS) BEFORE TAXES	(271)	-0.3%	(6,613)	-7.0%	3,523	3.8%	(2,258)	-2.4%
GROUP NET PROFIT (LOSS) FOR THE PERIOD	(2,783)	-3.0%	(7,246)	-7.7%	(551)	-0.6%	(5,498)	-5.9%

# CONSOLIDATED BALANCE SHEET

(€'000)	at Dec 31, 2012	at Dec 31, 2011
<b>ASSETS</b>		
Intangible assets	112,853	125,922
Property, Plant and equipment	4,756	5,897
Investments in affiliates companies	275	278
Investments in other companies	257	270
Deferred tax assets	1,083	1,439
Other non current financial assets	0	226
Other non-current assets	672	843
<b>Total non-current assets</b>	<b>119,896</b>	<b>134,875</b>
Inventories	18,282	23,734
Contracts in progress	850	2,356
Trade receivables	26,641	26,724
Income tax receivables	362	938
Other current assets	2,170	2,569
Receivables from affiliates companies	0	1,163
Short term borrow ing allow ed to affiliates companies and other Group companies	0	178
Other current financial assets	144	0
Cash & cash equivalents	12,116	13,596
<b>Total current assets</b>	<b>60,565</b>	<b>71,258</b>
<b>Total assets</b>	<b>180,461</b>	<b>206,133</b>

(€'000)	at Dec 31, 2012	at Dec 31, 2011
<b>LIABILITIES AND EQUITY</b>		
Share capital	8,879	8,879
Share premium reserve	136,400	136,400
Other reserves	(25,107)	(10,236)
<b>Group shareholders' equity</b>	<b>120,172</b>	<b>135,043</b>
<b>Equity attributable to minority interes</b>	<b>0</b>	<b>0</b>
<b>Total shareholders' equity</b>	<b>120,172</b>	<b>135,043</b>
Medium-/long-term borrow ing	10,327	10,482
Employee benefit obligations	1,676	1,718
Deferred tax liabilities	9,486	12,111
Other non-current liabilities	846	1,586
<b>Total non-current liabilities</b>	<b>22,335</b>	<b>25,897</b>
Trade payables	15,084	18,388
Short-term borrow ing	13,036	17,253
Derivative instruments	344	376
Income tax liabilities	2,103	1,731
Other current liabilities	7,387	7,229
Business combination liabilities	0	216
<b>Total current liabilities</b>	<b>37,954</b>	<b>45,193</b>
<b>Total liabilities</b>	<b>60,289</b>	<b>71,090</b>
<b>Total liabilities and equity</b>	<b>180,461</b>	<b>206,133</b>