

Introducing Eurotech: Current Status and Future Directions

DISCLAIMER

This presentation has been prepared by Eurotech S.p.A. (or “Eurotech”) and has to be read in conjunction with its oral presentation.

The information contained in this presentation does not purport to be comprehensive. Neither Eurotech nor any of its officers, employees, advisers or agents accepts any responsibility for/or makes any representation or warranty, express or implied, as to the truth, fullness, accuracy or completeness of the information in this presentation (or whether any information has been omitted from the presentation) or any other information relating to Eurotech, its subsidiaries or associated companies, whether written, oral or in a visual or electric form, transmitted or made available.

This document is confidential and is being provided to you solely for your information and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose.

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This document is directed only at relevant persons. Other persons should not act or rely on this document or any of its contents.

No reliance may be placed for any purposes whatsoever on the information contained in this document or any other material discussed during this presentation, or on its completeness, accuracy or fairness.

The information in this document and any other material discussed at this presentation is subject to verification, completion and change.

The information and opinions contained in this document are provided as at the date of the presentation and are subject to change without notice.

Some of the information is still in draft form and will only be finalized.

By attending the presentation you agree to be bound by the foregoing terms.

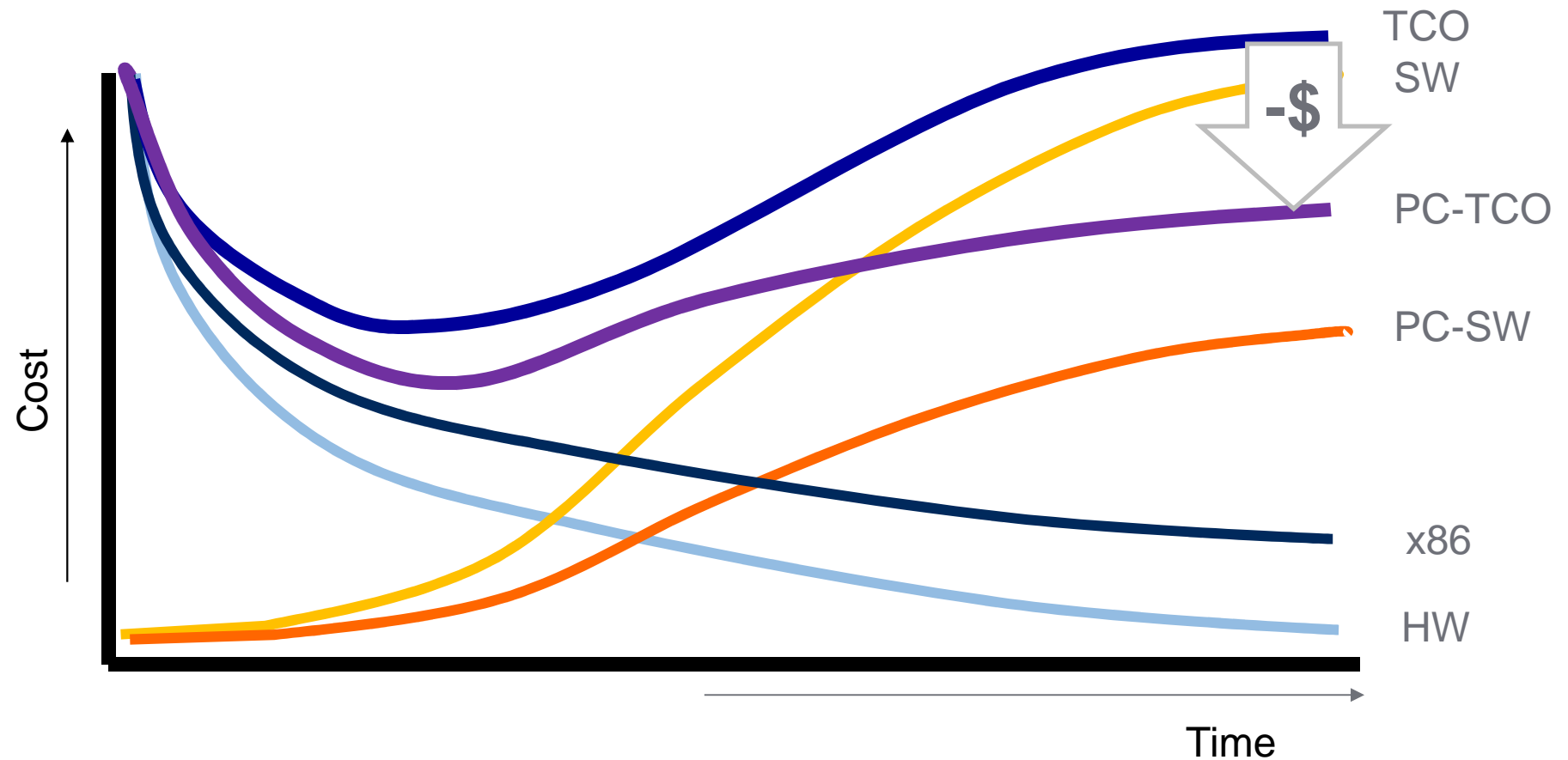
Trademarks or Registered Trademarks are the property of their respective owners.



COMPANY OVERVIEW

SW vs. HW: reducing TCO

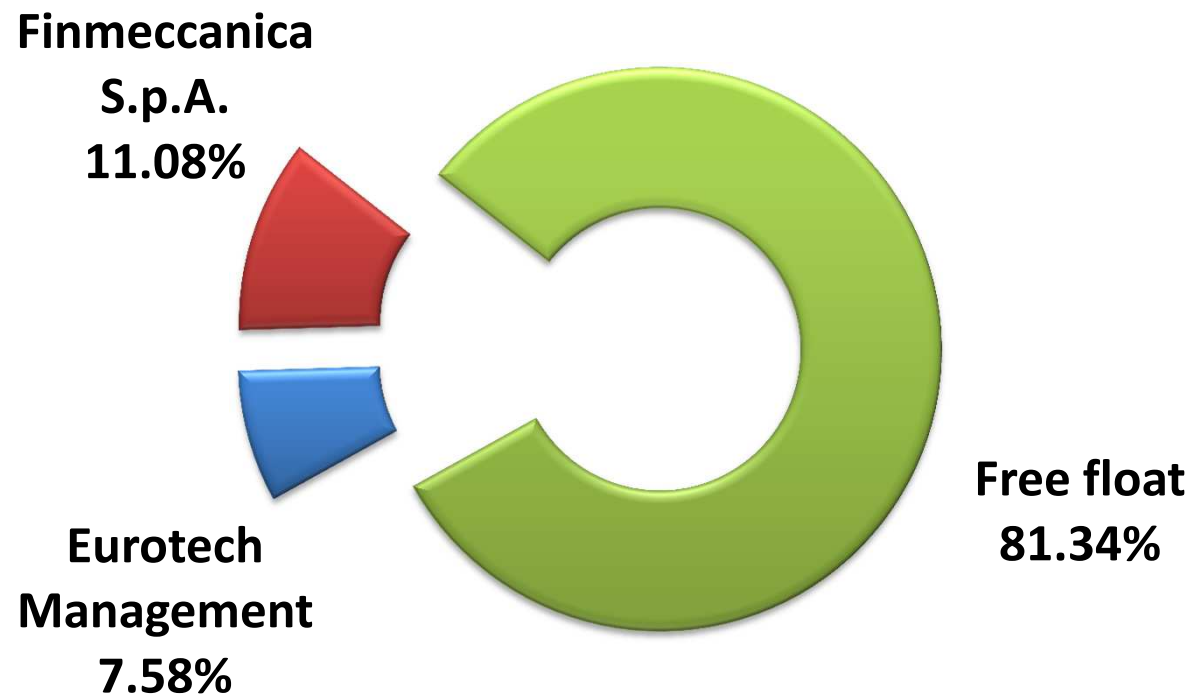
The origina idea behind Eurotech



Who's Eurotech

- Technological background
 - **Embedded Computing**
- Core competences
 - **Miniaturization** of computers → *enable diffusion of digital brainpower*
 - **Interconnection** of computers → *enable data flows*
 - **Interaction** (M2M / H2M) → *enable action on/with data*
 - **Ruggedization** → *ability to deal with harsh environments & demanding application fields*
- Offering – 2 Strategic Business Units
 - **NanoPC SBU:** **Pervasive Computing Devices & Device Data Management**
 - **HPC SBU:** **Aurora Supercomputers**

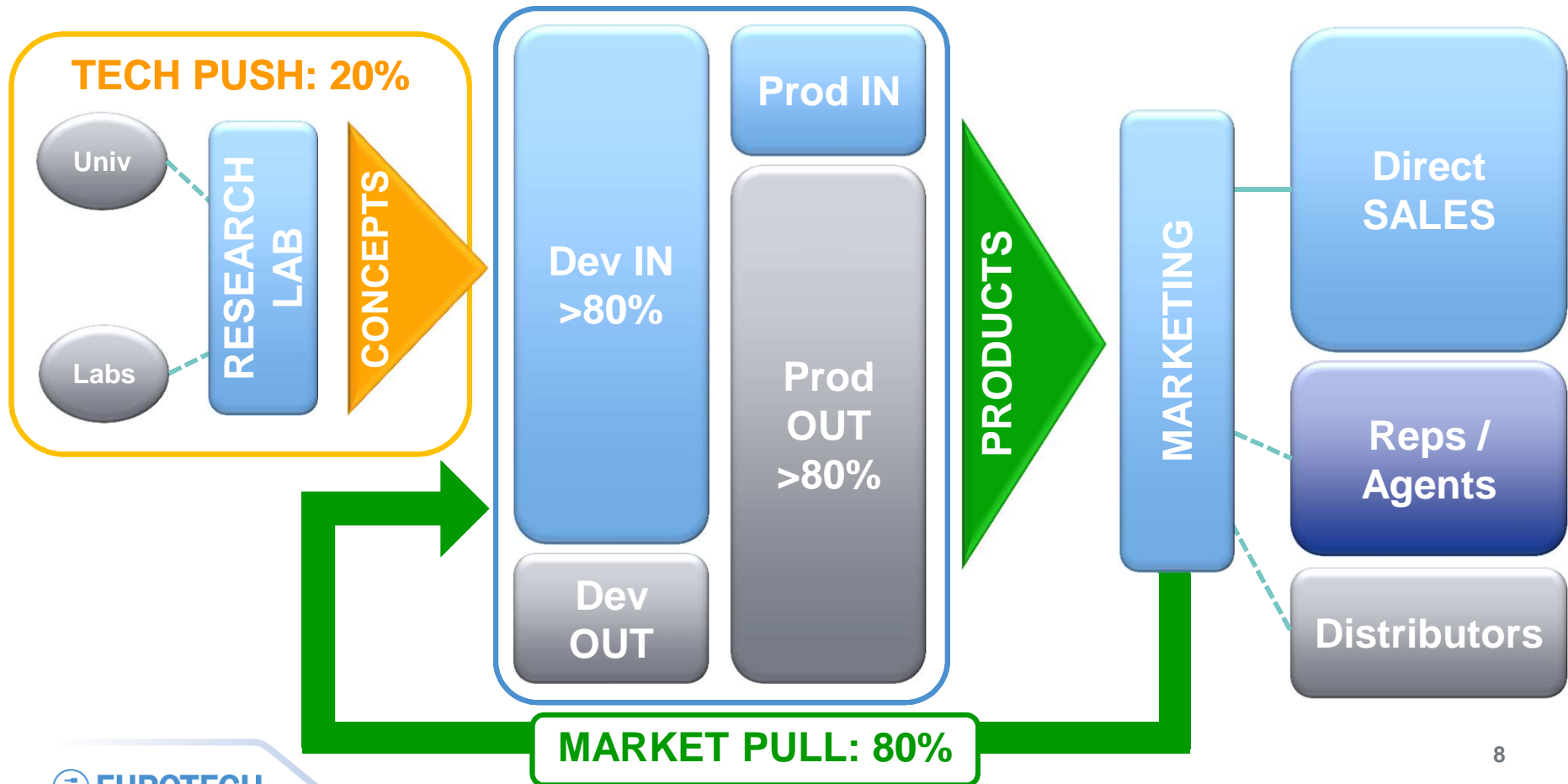
Eurotech's Main Shareholders





Business Model Pillars

- **Fabless** production model → *stay flexible*
- **Excellence** (= innovation + quality) **within standards** → *stay open*
- **Gross Profit Margin > 50%** → *focus on value-add*



VISION & MISSION

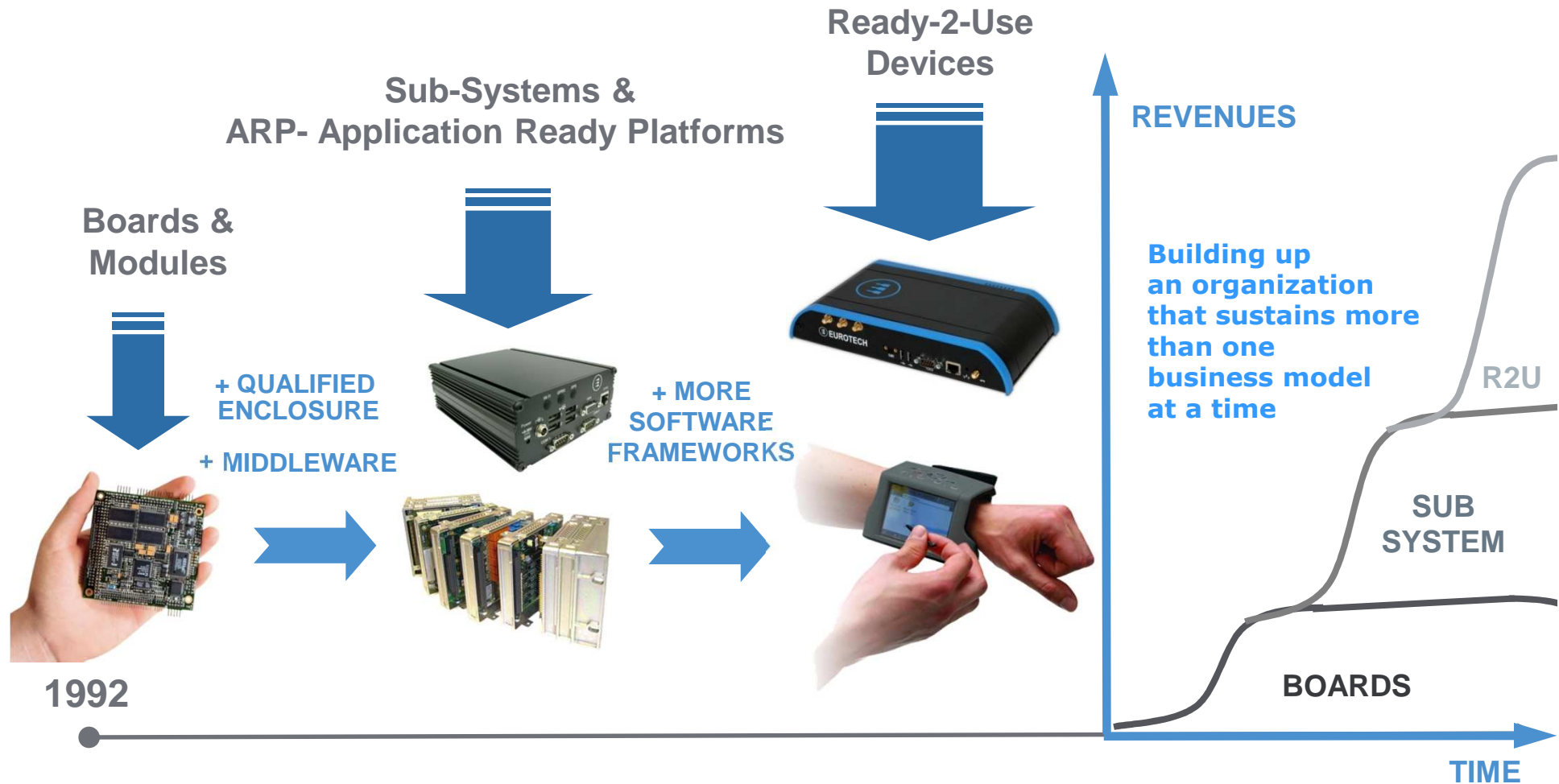
Computers will be increasingly
miniaturised and **interconnected**.

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

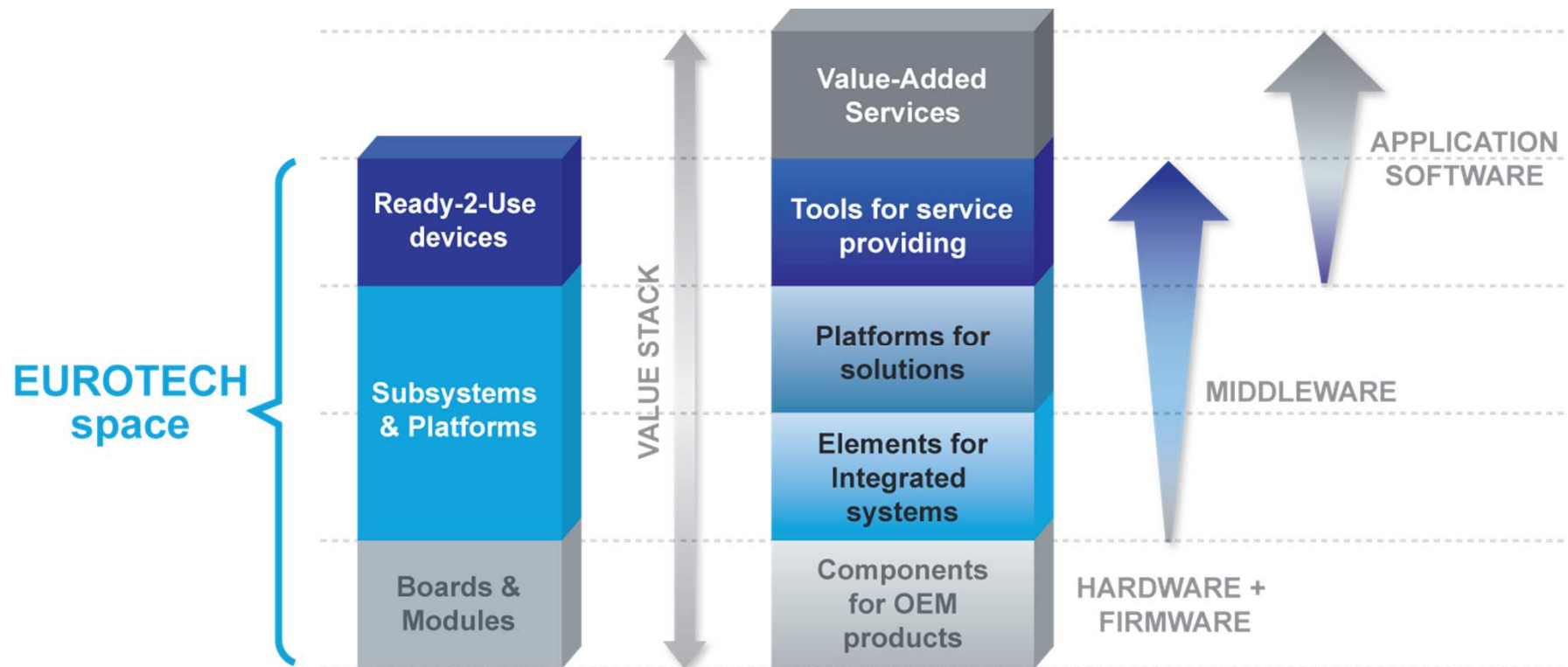
Integrate the state-of-the-art of Computing and Communication technologies to develop **innovative applications**, able to **provide a competitive advantage to our Customers**.

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

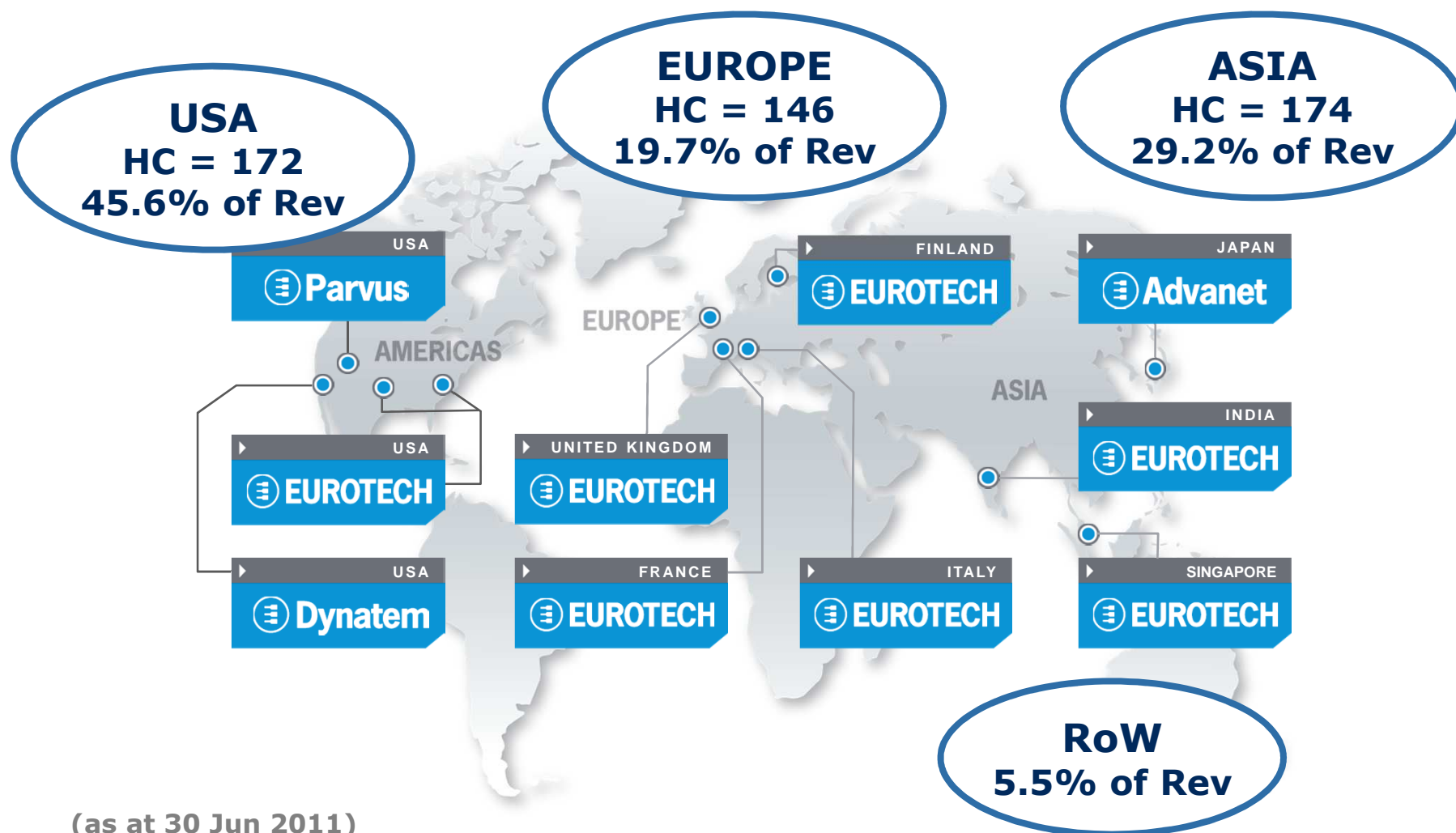
Strategic evolution of our Products: boards, plus sub-systems, plus devices, plus ...



Strategic evolution of our Offering: going up in the value stack

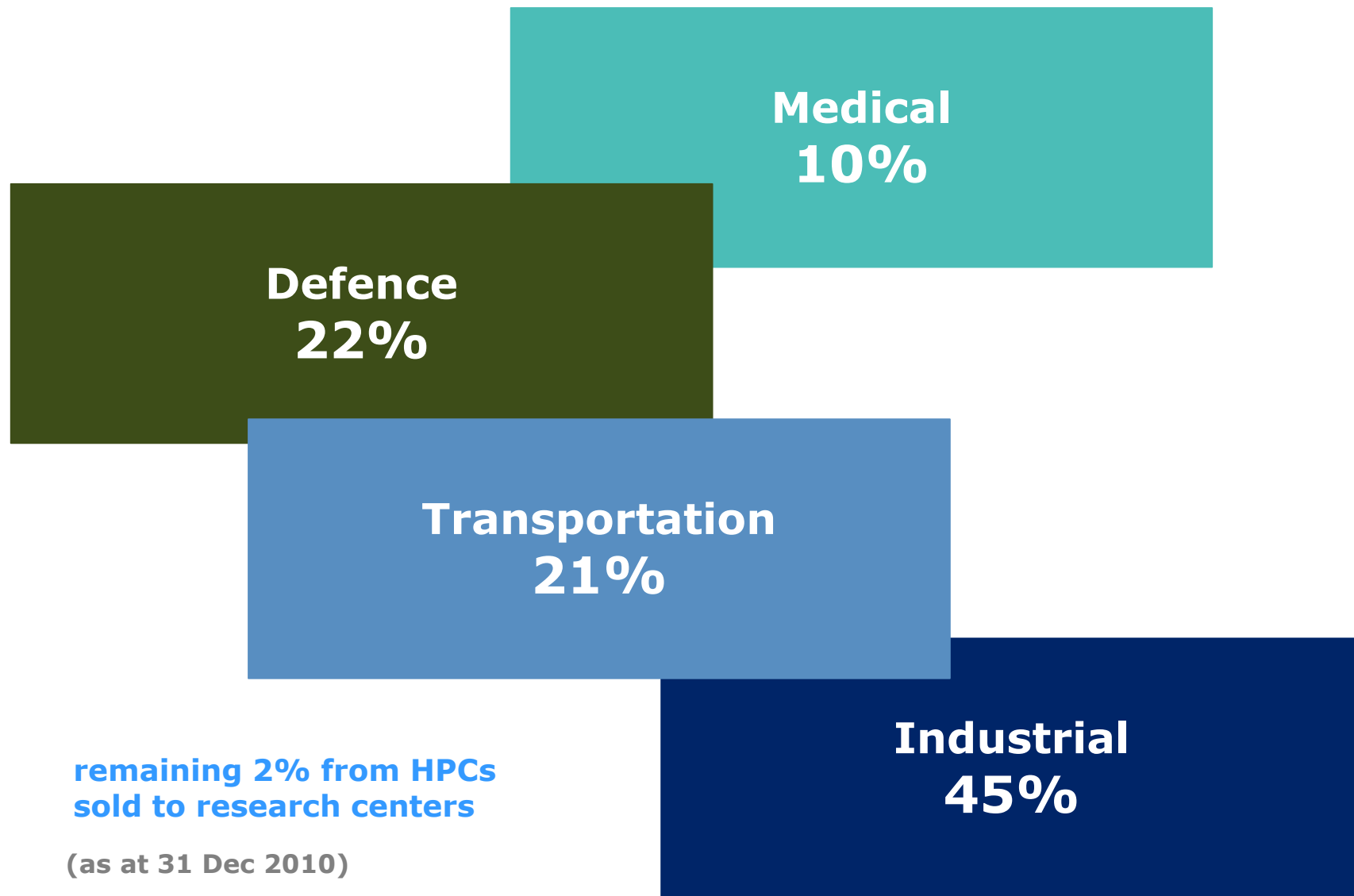


Group Global Footprint



(as at 30 Jun 2011)

Revenues breakdown by end market



Proven Applications

MASS TRANSPORTATION



LOGISTICS



Proven Applications

MACHINE AUTOMATION



PROCESS CONTROL



Proven Applications

MEDICAL



INSTRUMENTATION, TEST & MEASUREMENT



Proven Applications

DEFENSE AND AEROSPACE



COMPUTING CENTRES



(pictures of Eurotech's HPC)

Some of our typical Customers



GE Healthcare

GENDEX®



HITACHI MEDICAL CORPORATION

Medical



BOEING®

LOCKHEED MARTIN



communications

GENERAL DYNAMICS

Defence



CUBIC

THALES

ALSTOM

Transportation



Nikon



MITSUBISHI HEAVY INDUSTRIES

Johnson
Controls



Chevron

Industrial

Main Value Drivers

- **Global company and a major player in the market**

We're close to Customers and we know the business

- **Strong relations with key players in the Industry**

We know what's next

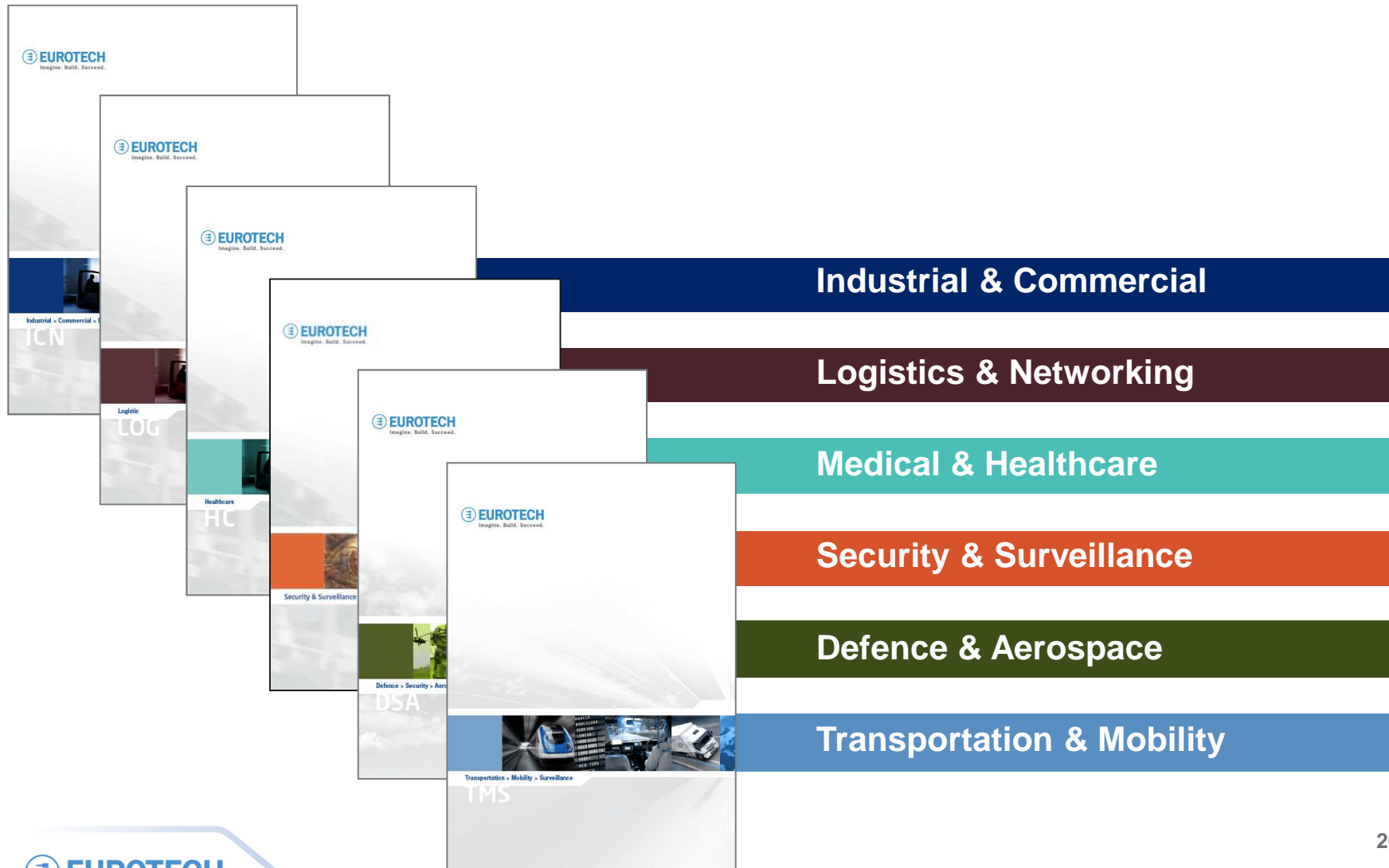
- **Ability to manage complex solutions**

More than excellent hardware

We help Customers focus on their core competences

Eurotech Product Portfolio

Customer Focus - Vertical Markets





STRATEGY BASICS

2011 and beyond

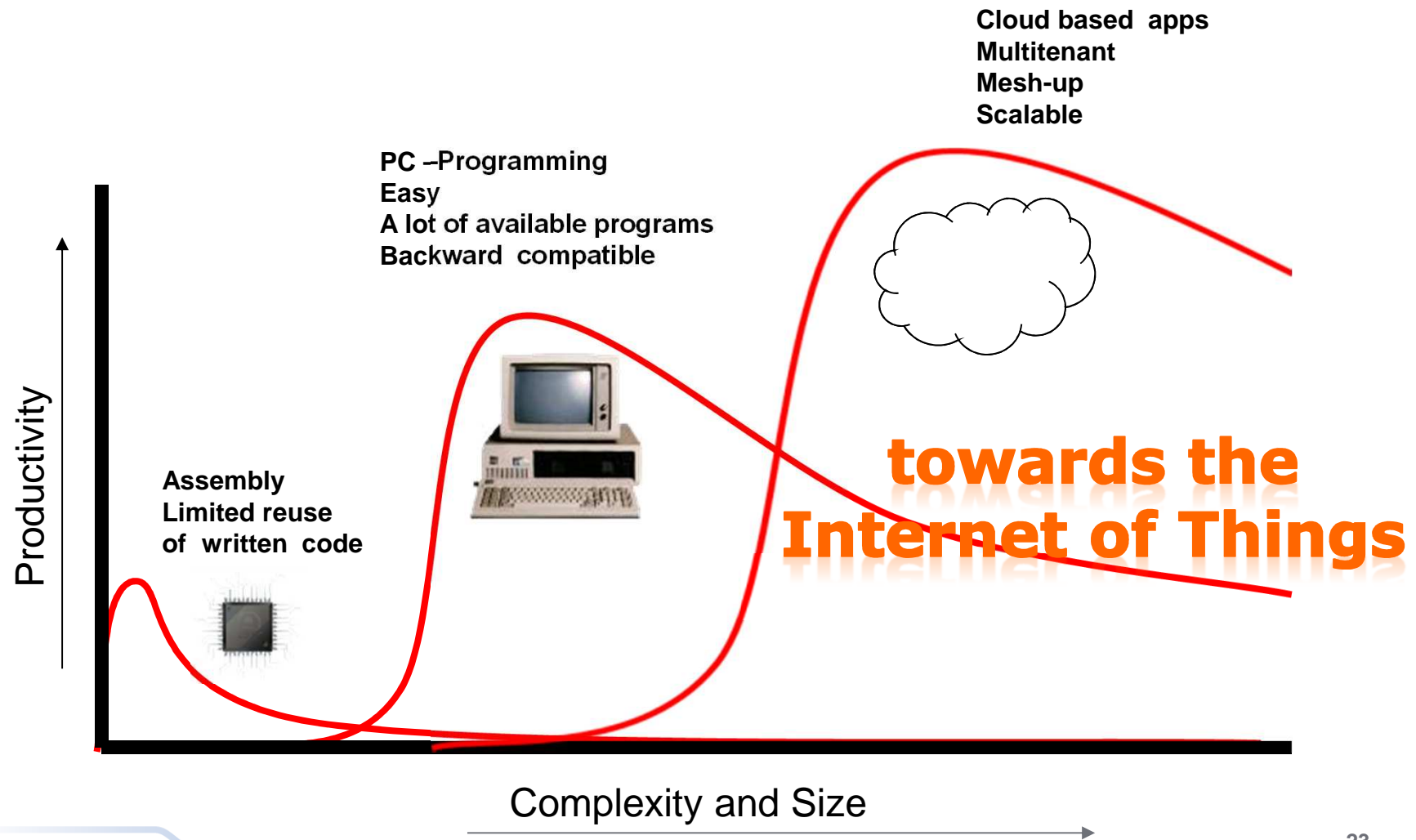
Where are we going?



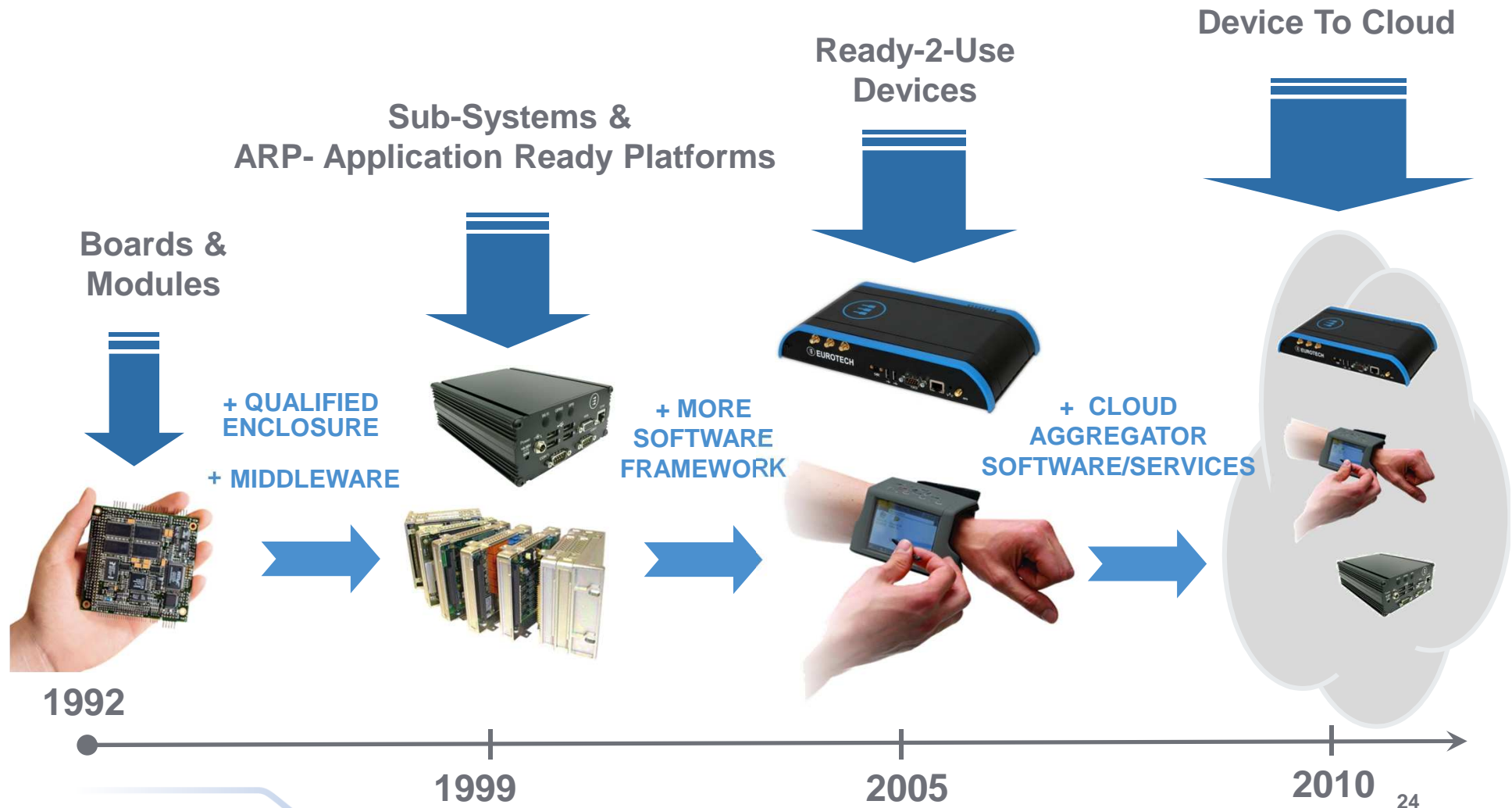
**Enabling our Pervasive Computing Offer
through
Cloud Computing Infrastructure

towards
Devices as a Service...**

Addressing a new way to create Distributed Systems

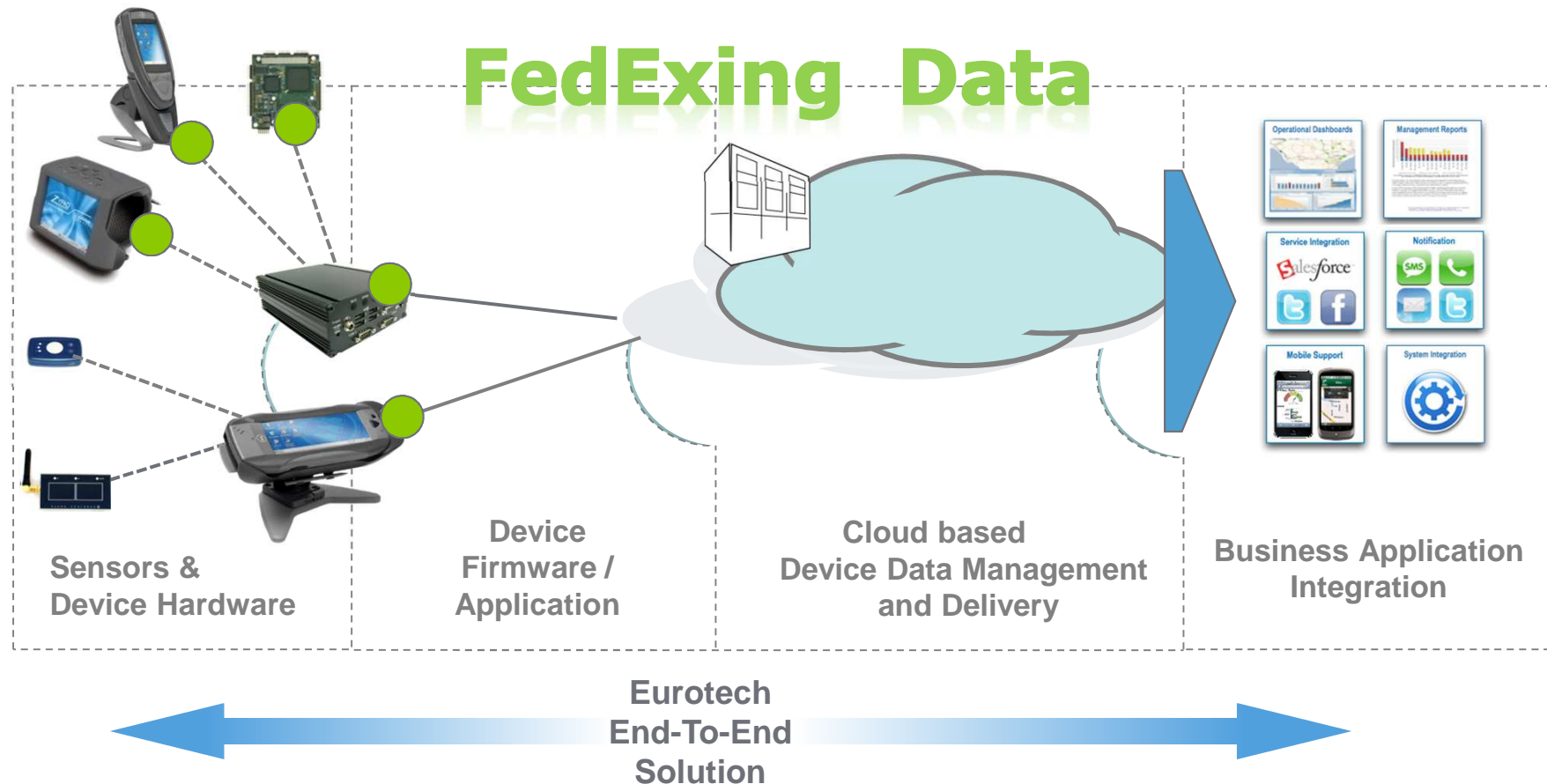


Strategic evolution of our Products: boards, plus sub-systems, plus devices, plus ...



Everyware Device Cloud

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



● Devices running the Everyware Device Cloud Client

Upsides from the new offering


- **The new Device Data Management solution leveraging on the Cloud infrastructure will open new opportunities**
 - Unique, turn-key end-to-end solution to “Fed-ex data” back and forth between devices distributed on the field and the central control unit where the business processes are performed
 - Lower entry barriers for Customers, thanks to a “Device-as-a-Service” approach where the device is sold together with the Everyware Device Cloud SW & Services for a monthly fee.
- **This will allow us to go beyond the traditional customer base with which we historically operate and to move into new customers such as midsize companies in the logistics and security sectors, which have been only marginally addressed so far.**

THANK YOU

**Imagination is the beginning of creation.
You imagine what you desire,
you will what you imagine and at last
you create what you will.**

George Bernard Shaw





ANNEX A: FINANCIAL HIGHLIGHTS, 31 DECEMBER 2010


CONSOLIDATED INCOME STATEMENT

| OPERATING RESULTS €'000 | 31 Dec '10 | % | 31 Dec '09 | % | 31 Dec '10 adjusted | % | 31 Dec '09 adjusted | % |
|--|------------|--------|------------|--------|------------------------|--------|------------------------|--------|
| SALES REVENUES | 99,269 | 100.0% | 83,529 | 100.0% | 99,269 | 100.0% | 83,529 | 100.0% |
| GROSS PROFIT | 50,406 | 50.8% | 42,967 | 51.4% | 50,406 | 50.8% | 42,967 | 51.4% |
| EBITDA | 7,394 | 7.4% | 1,289 | 1.5% | 7,394 | 7.4% | 1,289 | 1.5% |
| EBIT | (741) | -0.7% | (6,632) | -7.9% | 2,627 | 2.6% | (3,580) | -4.3% |
| PROFIT (LOSS) BEFORE TAXES | (3,813) | -3.8% | (8,991) | -10.8% | 753 | 0.8% | (5,002) | -6.0% |
| GROUP NET PROFIT (LOSS) FOR THE PERIOD | (6,079) | -6.1% | (9,601) | -11.5% | (3,048) | -3.1% | (6,993) | -8.4% |

CONSOLIDATED BALANCE SHEET

| (€'000) | at Dec 31, 2010 | at Dec 31, 2009 |
|--|-----------------|-----------------|
| ASSETS | | |
| Intangible assets | 120,328 | 106,170 |
| Property, Plant and equipment | 6,582 | 6,858 |
| Investments in affiliates companies | 308 | 1,381 |
| Investments in other companies | 230 | 243 |
| Deferred tax assets | 1,658 | 1,172 |
| Other non current financial assets | 236 | 236 |
| Medium/long term borrow ing allow ed to affiliates companies | 636 | 511 |
| Other non-current assets | 1,018 | 791 |
| Total non-current assets | 130,996 | 117,362 |
| Inventories | 21,587 | 17,060 |
| Contracts in progress | 257 | 819 |
| Trade receivables | 28,971 | 23,035 |
| Income tax receivables | 1,879 | 5,627 |
| Other current assets | 3,305 | 1,882 |
| Cash & cash equivalents | 23,751 | 27,924 |
| Total current assets | 79,750 | 76,347 |
| Total assets | 210,746 | 193,709 |

| (€'000) | at Dec 31, 2010 | at Dec 31, 2009 |
|---|-----------------|-----------------|
| LIABILITIES AND EQUITY | | |
| Share capital | 8,879 | 8,879 |
| Share premium reserve | 136,400 | 136,400 |
| Other reserves | (13,761) | (28,383) |
| Group shareholders' equity | 131,518 | 116,896 |
| Equity attributable to minority intere | 3,966 | 3,178 |
| Total shareholders' equity | 135,484 | 120,074 |
| Medium-/long-term borrow ing | 22,873 | 2,417 |
| Employee benefit obligations | 1,681 | 1,609 |
| Deferred tax liabilities | 12,307 | 10,854 |
| Other non-current liabilities | 2,225 | 1,600 |
| Business combination liabilities | 0 | 989 |
| Total non-current liabilities | 39,086 | 17,469 |
| Trade payables | 18,824 | 14,171 |
| Short-term borrow ing | 8,985 | 24,488 |
| Derivative instruments | 339 | 458 |
| Income tax liabilities | 1,214 | 1,766 |
| Other current liabilities | 5,748 | 4,855 |
| Business combination liabilities | 1,066 | 10,428 |
| Total current liabilities | 36,176 | 56,166 |
| Total liabilities | 75,262 | 73,635 |
| Total liabilities and equity | 210,746 | 193,709 |



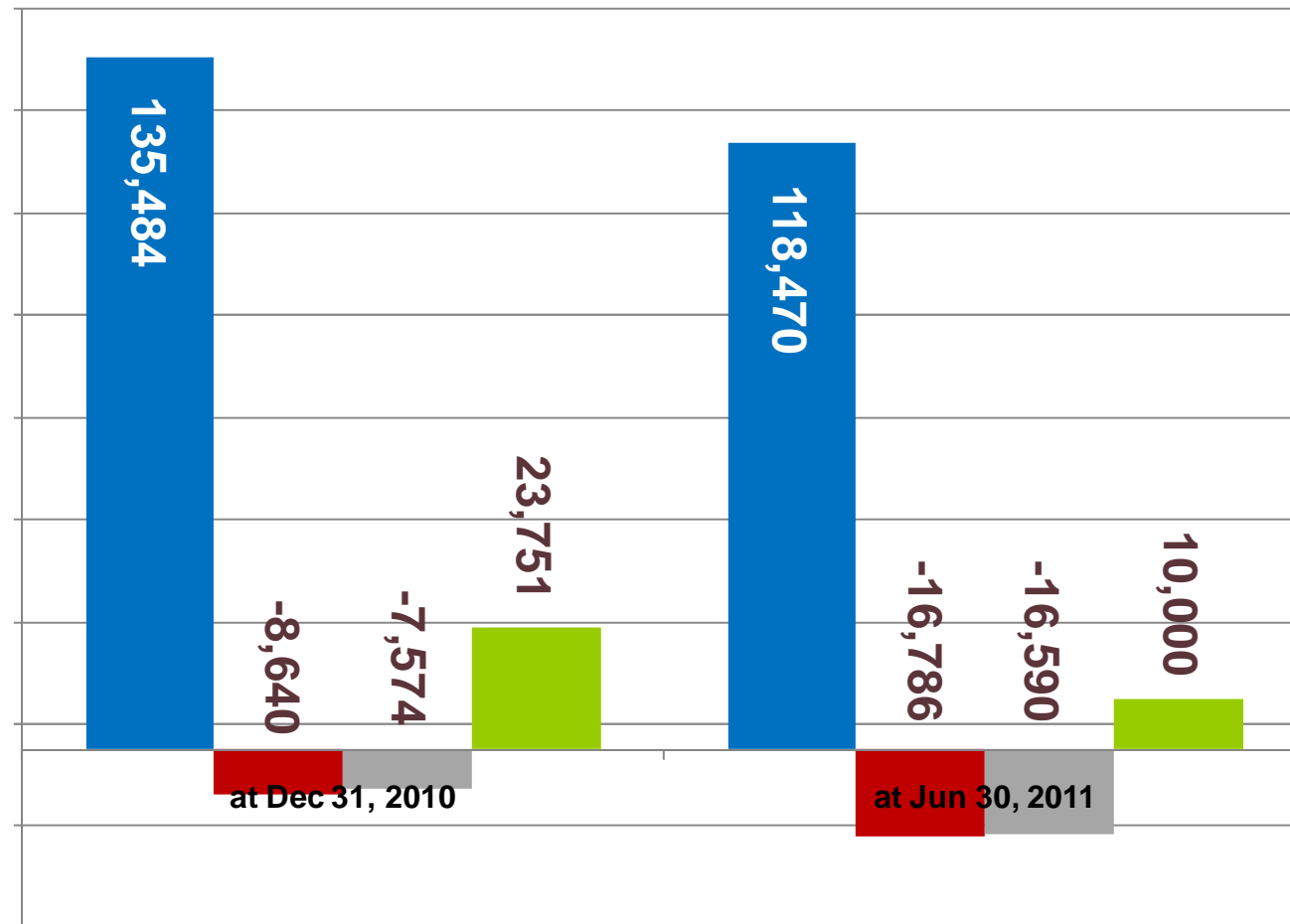
ANNEX B: FINANCIAL HIGHLIGHTS, 30 JUNE 2011

CONSOLIDATED INCOME STATEMENT

| OPERATING RESULTS €'000 | 30 Jun '11 | % | 30 Jun '10 | % | 30 Jun '11 adjusted | % | 31 Jun '10 adjusted | % |
|--|------------|--------|------------|--------|------------------------|--------|------------------------|--------|
| SALES REVENUES | 41,164 | 100.0% | 41,823 | 100.0% | 41,164 | 100.0% | 41,823 | 100.0% |
| GROSS PROFIT | 21,191 | 51.5% | 21,486 | 51.4% | 21,191 | 51.5% | 21,486 | 51.4% |
| EBITDA | (598) | -1.5% | 503 | 1.2% | (598) | -1.5% | 503 | 1.2% |
| EBIT | (4,332) | -10.5% | (3,386) | -8.1% | (2,709) | -6.6% | (1,756) | -4.2% |
| PROFIT (LOSS) BEFORE TAXES | (5,369) | -13.0% | (4,764) | -11.4% | (3,746) | -9.1% | (1,813) | -4.3% |
| GROUP NET PROFIT (LOSS) FOR THE PERIOD | (5,409) | -13.1% | (4,963) | -11.9% | (4,456) | -10.8% | (2,754) | -6.6% |

EQUITY, CASH AND NET DEBT

31 December 2010 & 30 June 2011 (€/000)



■ SHAREOLDERS' EQUITY

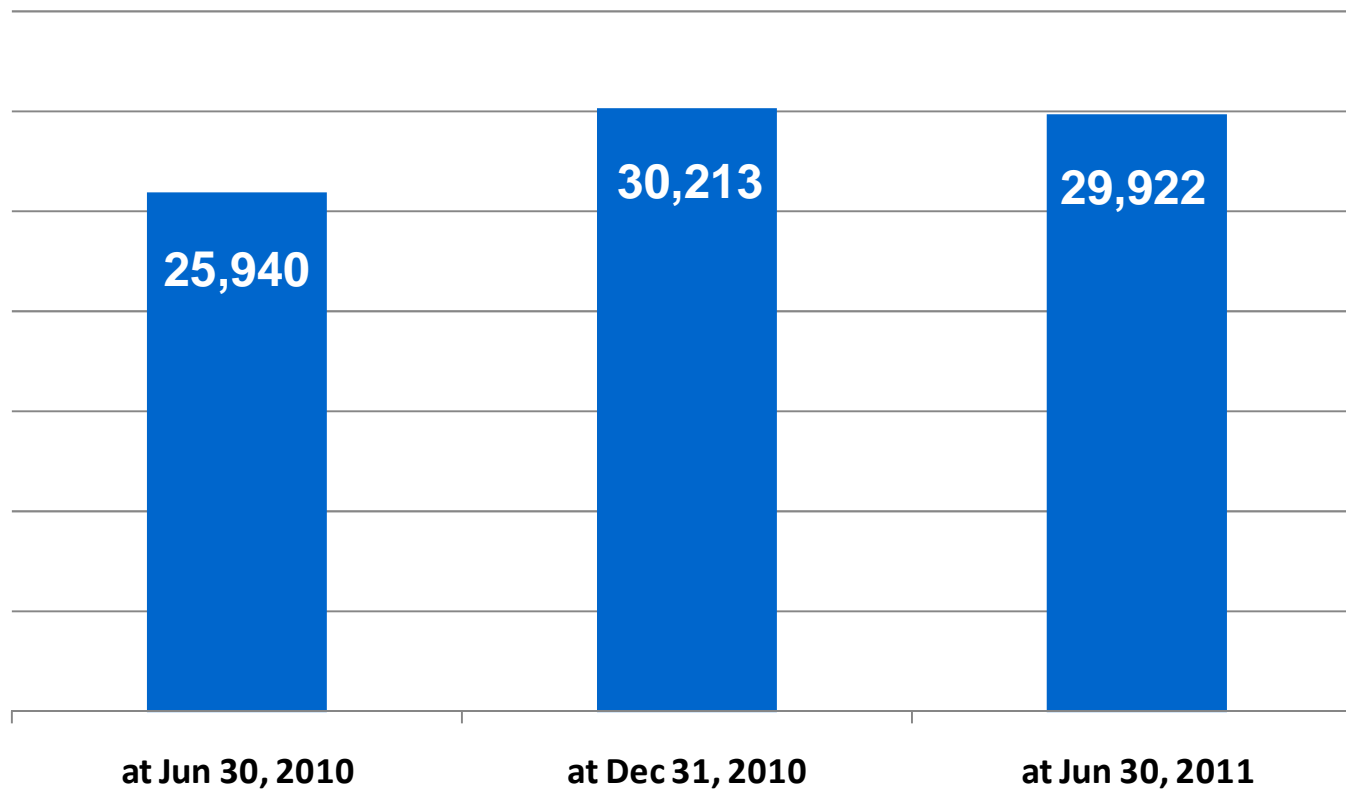
■ NET DEBT

■ NET DEBT adj (w/o Business aggregation liabilities)

■ CASH & CASH EQUIVALENTS

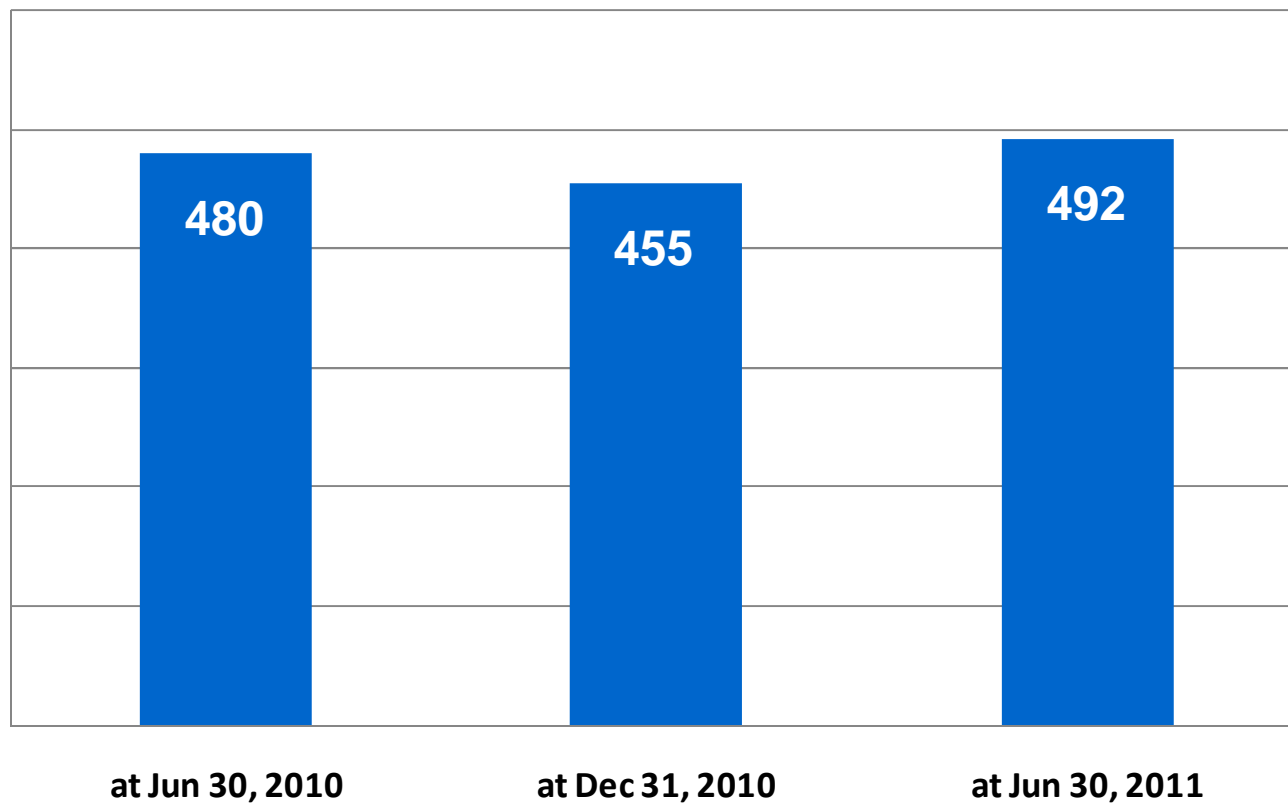
NET WORKING CAPITAL

NWC 30 June 2010, 31 December 2010 & 30 June 2011 (€/000)



EMPLOYEES

Headcount at the end of each period



CONSOLIDATED BALANCE SHEET

| (€'000) | at Jun 30, 2011 | at Dec 31, 2010 |
|--|-----------------|-----------------|
| ASSETS | | |
| Intangible assets | 111,584 | 120,328 |
| Property, Plant and equipment | 5,845 | 6,582 |
| Investments in affiliates companies | 279 | 308 |
| Investments in other companies | 249 | 230 |
| Deferred tax assets | 1,522 | 1,658 |
| Other non current financial assets | 226 | 236 |
| Medium/long term borrow ing allow ed to affiliates companies | 1,211 | 636 |
| Other non-current assets | 950 | 1,018 |
| Total non-current assets | 121,866 | 130,996 |
| Inventories | 25,171 | 21,587 |
| Contracts in progress | 689 | 257 |
| Trade receivables | 22,248 | 28,971 |
| Income tax receivables | 1,965 | 1,879 |
| Other current assets | 2,805 | 3,305 |
| Cash & cash equivalents | 10,000 | 23,751 |
| Total current assets | 62,878 | 79,750 |
| Total assets | 184,744 | 210,746 |

| (€'000) | at Jun 30, 2011 | at Dec 31, 2010 |
|--|-----------------|-----------------|
| LIABILITIES AND EQUITY | | |
| Share capital | 8,879 | 8,879 |
| Share premium reserve | 136,400 | 136,400 |
| Other reserves | (26,809) | (13,761) |
| Group shareholders' equity | 118,470 | 131,518 |
| Equity attributable to minority interes¹ | 0 | 3,966 |
| Total shareholders' equity | 118,470 | 135,484 |
| Medium-/long-term borrow ing | 19,058 | 22,873 |
| Employee benefit obligations | 1,507 | 1,681 |
| Deferred tax liabilities | 11,231 | 12,307 |
| Other non-current liabilities | 2,357 | 2,225 |
| Total non-current liabilities | 34,153 | 39,086 |
| Trade payables | 16,369 | 18,824 |
| Short-term borrow ing | 8,756 | 8,985 |
| Derivative instruments | 213 | 339 |
| Income tax liabilities | 252 | 1,214 |
| Other current liabilities | 6,335 | 5,748 |
| Business combination liabilities | 196 | 1,066 |
| Total current liabilities | 32,121 | 36,176 |
| Total liabilities | 66,274 | 75,262 |
| Total liabilities and equity | 184,744 | 210,746 |