

EUROTECH 2009 FULL YEAR RESULTS CONFERENCE CALL

March 16th, 2010

DIGITAL TECHNOLOGIES FOR A BETTER WORLD
www.eurotech.com



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.

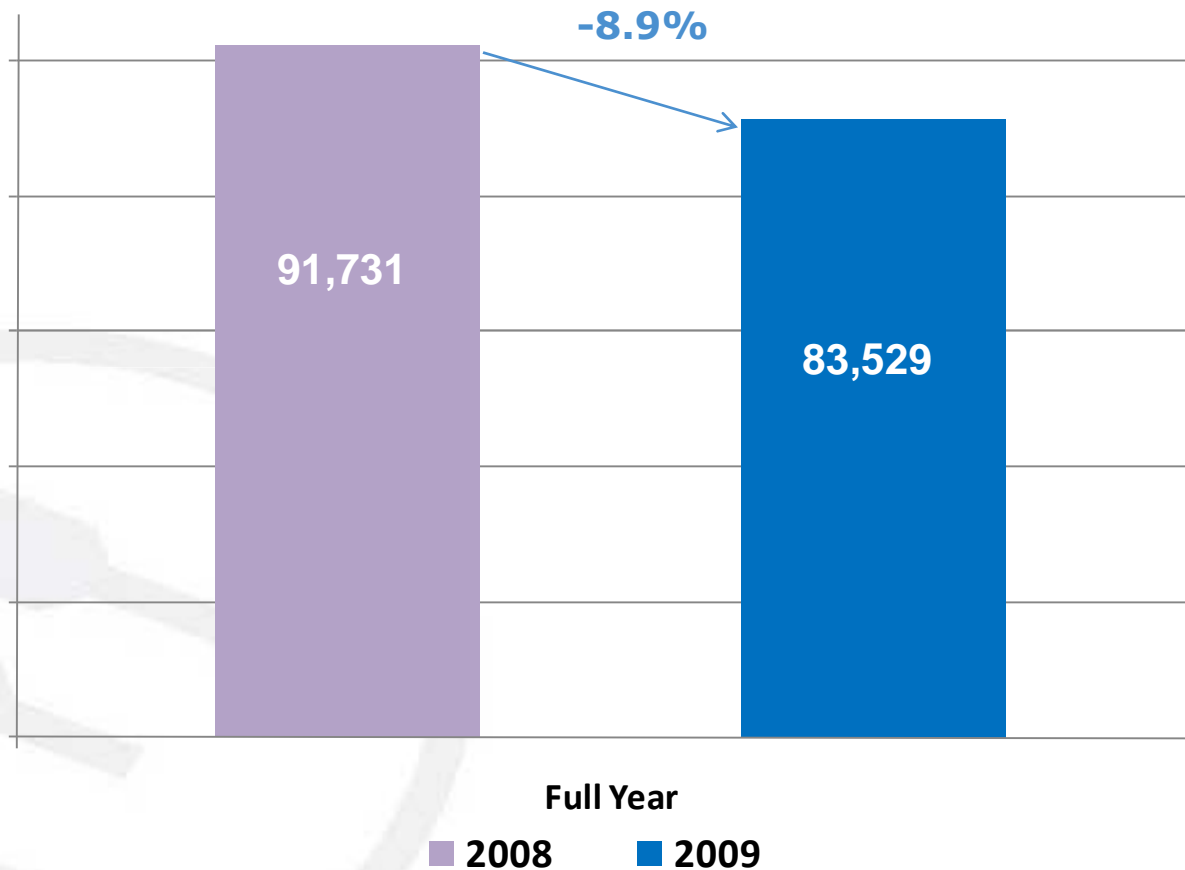
FINANCIAL HIGHLIGHTS

31 December 2009



REVENUES

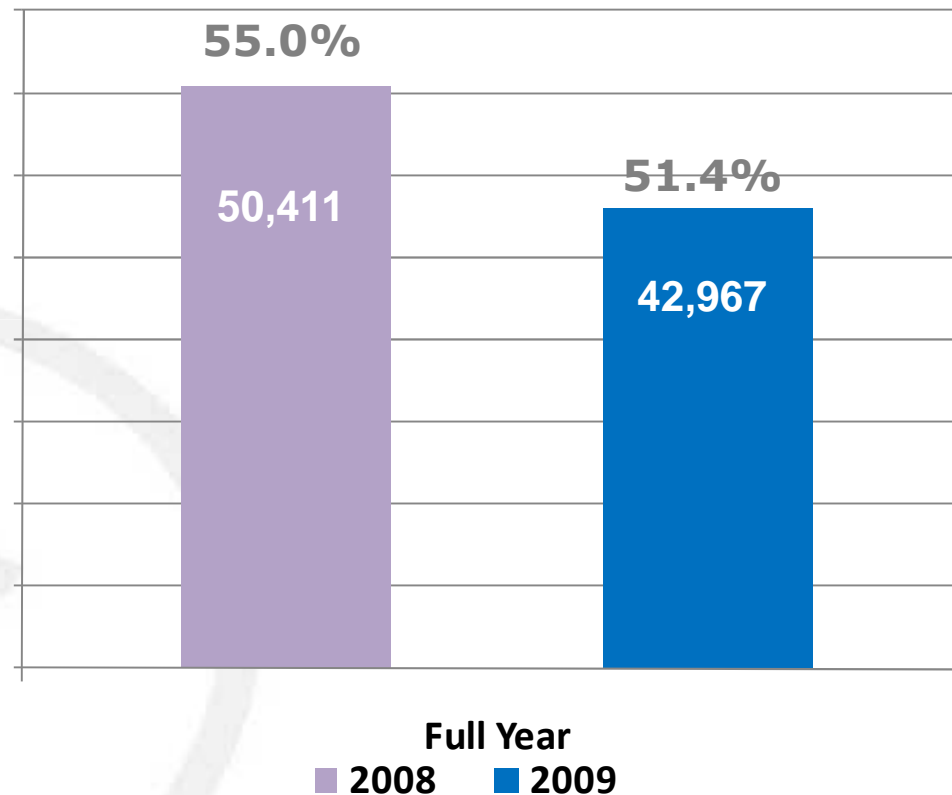
31 December 2008-2009 (€/000)



GROSS PROFIT MARGIN

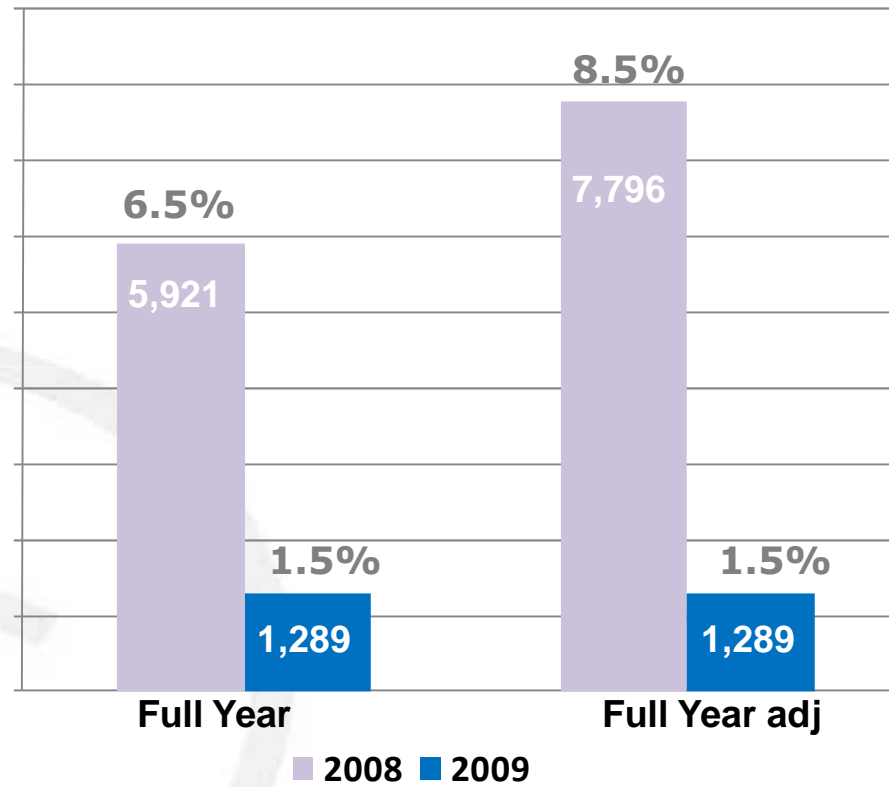
31 December 2008–2009 (€/000)

A change in the sales mix led to a different contribution to sales, compared with 2008, of products featuring higher margins.



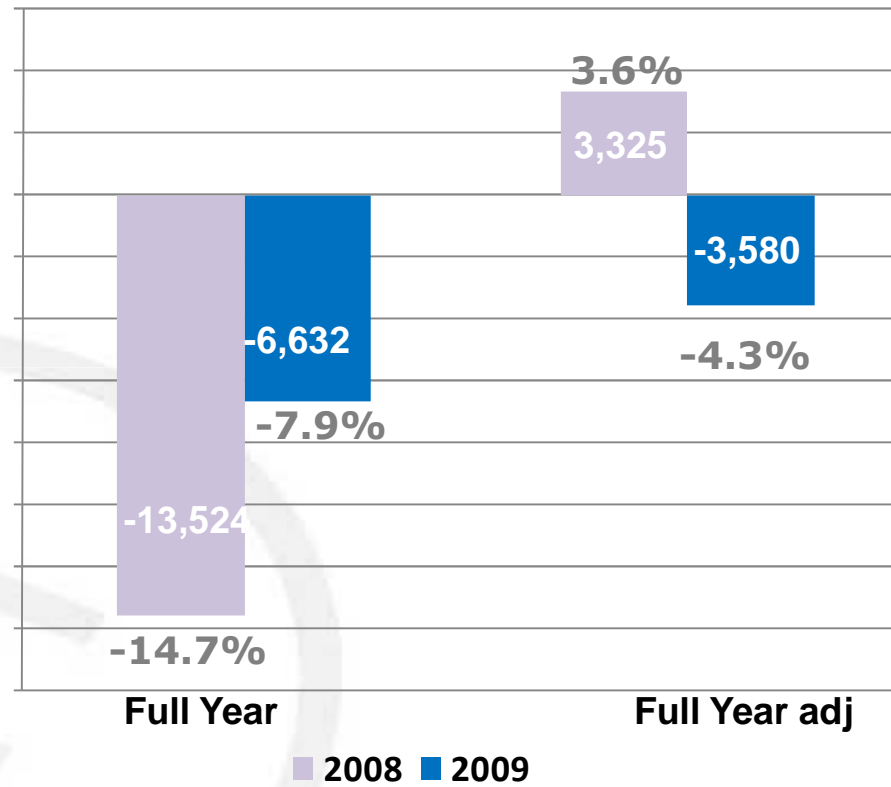
EBITDA

EBITDA & EBITDA adj , 31 September 2008-2009 (€/000)



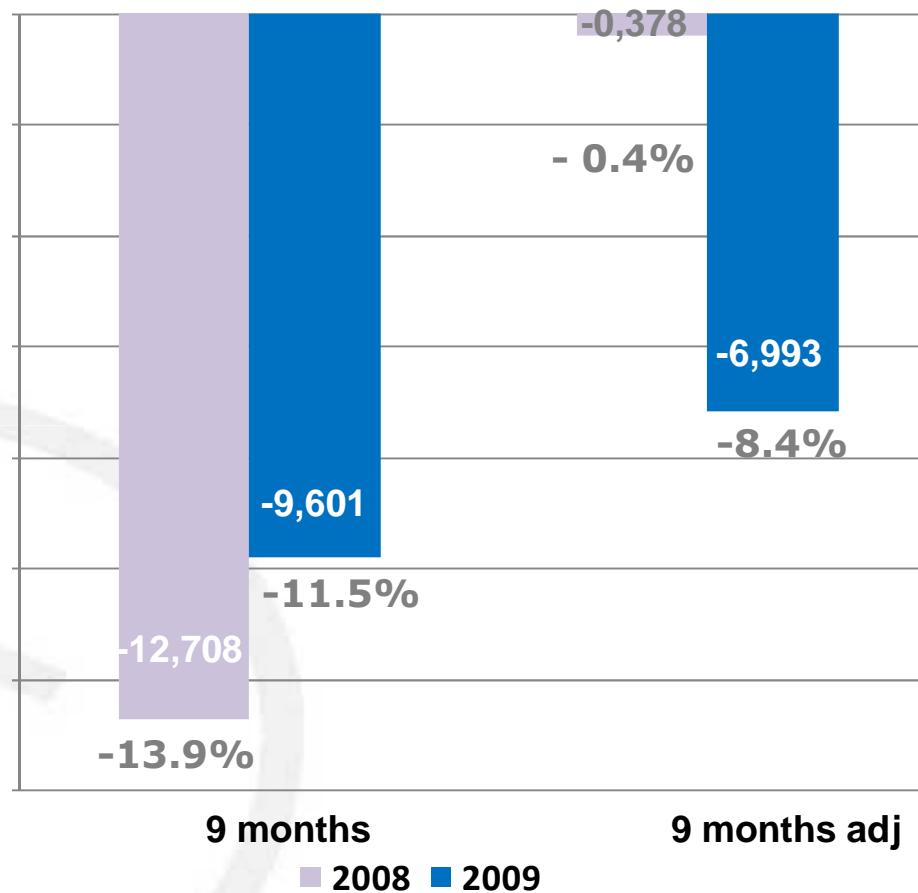
EBIT

EBIT & EBIT adj , 31 December 2008-2009 (€/'000)



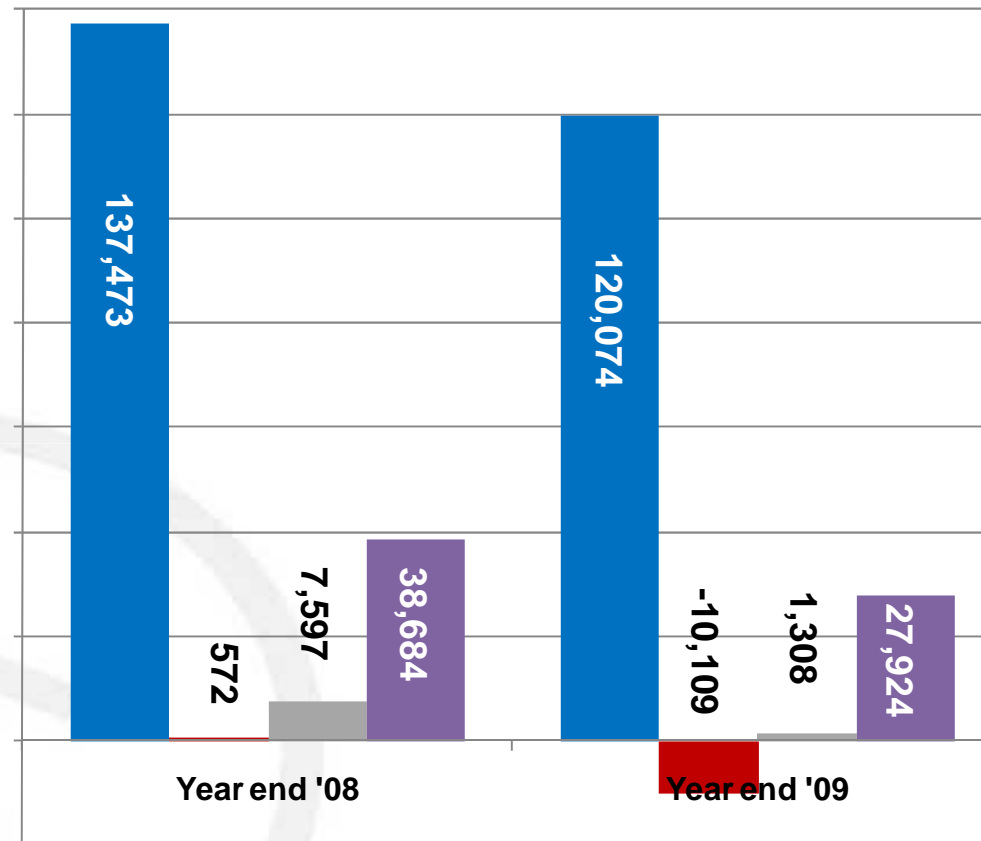
GROUP'S NET RESULT

Group's net results & Group's net results adj, 31 December 2008-2009 (€/000)



EQUITY, CASH AND NET DEBT

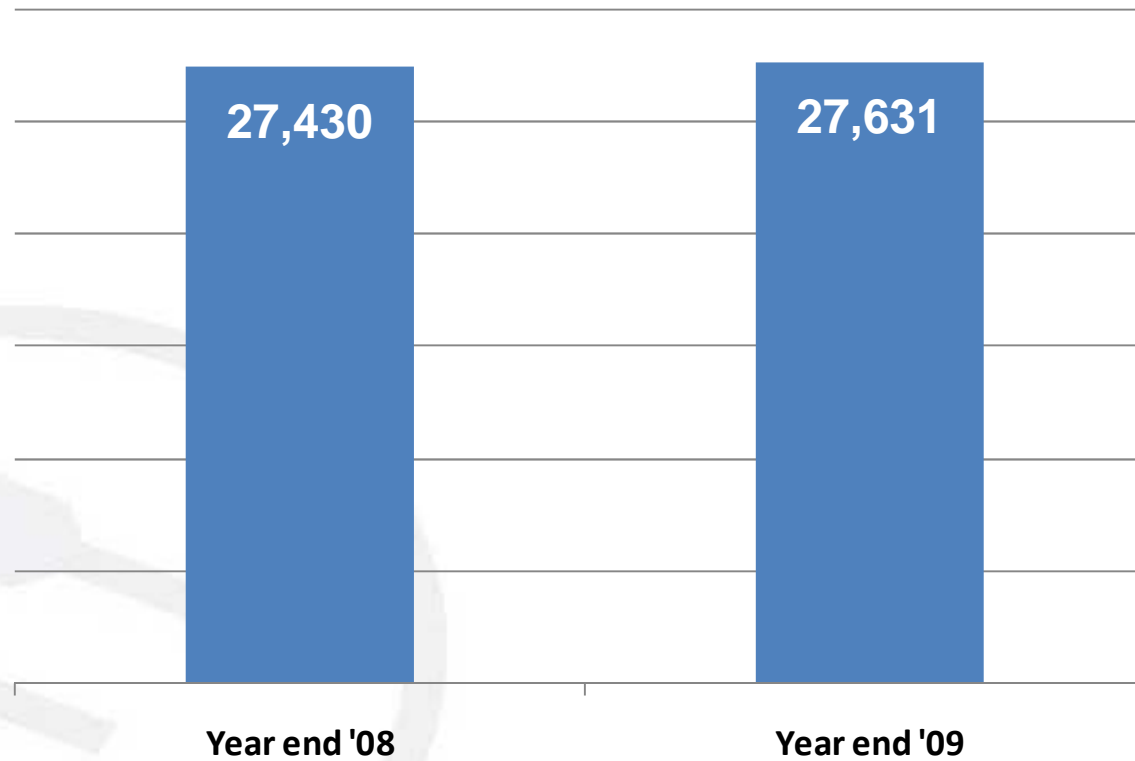
EQUITY, CASH AND NET DEBT , 31 December 2008 - 2009 (€/000)



- SHAREOLDERS' EQUITY
- NET DEBT
- NET DEBT adj (w/o Business aggregation liabilities)
- CASH & CASH EQUIVALENTS

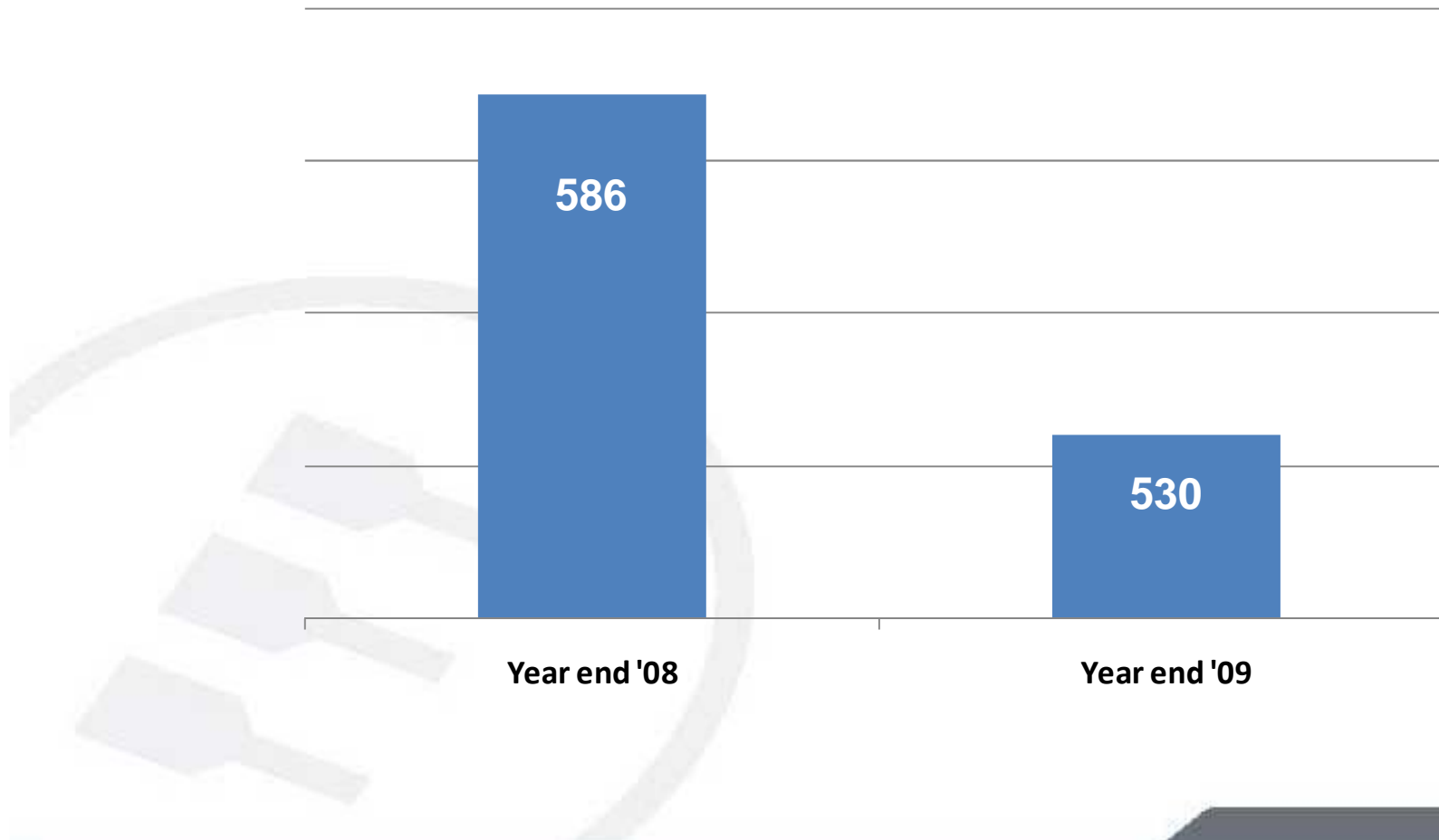
NET WORKING CAPITAL

31 December 2008 – 31 December 2009 (€/'000)



EMPLOYEES

Headcount at the end of year



CONSOLIDATED INCOME STATEMENT

OPERATING RESULTS €'000	31 December '09	%	31 December '08	%	31 December '09 adjuste	%	31 December '08 adjuste	%
SALES REVENUES	83,529	100.0%	91,731	100.0%	83,529	100.0%	91,731	100.0%
GROSS PROFIT	42,967	51.4%	50,411	55.0%	42,967	51.4%	50,658	55.2%
EBITDA	1,289	1.5%	5,921	6.5%	1,289	1.5%	7,796	8.5%
EBIT	(6,632)	-7.9%	(13,524)	-14.7%	(3,580)	-4.3%	3,325	3.6%
PROFIT (LOSS) BEFORE TAXES	(8,991)	-10.8%	(15,679)	-17.1%	(5,002)	-6.0%	2,912	3.2%
GROUP NET PROFIT (LOSS) FOR THE PERIOD	(9,601)	-11.5%	(12,708)	-13.9%	(6,993)	-8.4%	(378)	-0.4%

CONSOLIDATED BALANCE SHEET

(€'000)	at December 31,	
	2009	2008
ASSETS		
Intangible assets	106,170	114,399
Property, Plant and equipment	6,858	7,885
Investments in affiliates companies	1,381	875
Investments in other companies	243	249
Deferred tax assets	1,172	1,533
Other non current financial assets	236	0
Medium/long term borrowing allowed to affiliates companies	511	0
Other non-current assets	791	749
Total non-current assets	117,362	125,690
Inventories	17,060	19,783
Contracts in progress	819	383
Trade receivables	23,035	22,063
Income tax receivables	5,627	4,124
Other current assets	1,882	2,792
Other current financial assets	0	719
Cash & cash equivalents	27,924	38,684
Total current assets	76,347	88,548
Total assets	193,709	214,238

(€'000)	at December 31,	
	2009	2008
LIABILITIES AND EQUITY		
Share capital	8,879	8,879
Reserves	108,017	125,180
Group shareholders' equity	116,896	134,059
Equity attributable to minority interest	3,178	3,414
Total shareholders' equity	120,074	137,473
Medium-/long-term borrowing	2,417	24,654
Employee benefit obligations	1,609	1,742
Deferred tax liabilities	10,854	12,556
Other non-current liabilities	1,600	1,921
Business combination liabilities	989	8,049
Total non-current liabilities	17,469	48,922
Trade payables	14,171	15,207
Short-term borrowing	24,488	5,782
Derivative instruments	458	346
Income tax liabilities	1,766	1,461
Other current liabilities	4,855	5,047
Business combination liabilities	10,428	0
Total current liabilities	56,166	27,843
Total liabilities	73,635	76,765
Total liabilities and equity	193,709	214,238

2009 RECAP



Gaining efficiency and agility to exploit world economy's recovery

- Global crisis affected also Eurotech, but less than other companies
- Our international positioning in three continents helped us on balancing local trends
- We took world economy's slowdown as an opportunity to create an even more efficient and agile organisation
 - We are ready to benefit of next upturn in terms of fast increase of the margins as soon as revenues will start to ramp up
- We did specific M&S activities to penetrate into market segments and industries that will grow in 2010
- Building a sustainable company remained item #1 in our list of strategic priorities, even in our cost cutting exercise

GROWTH DRIVERS FOR 2010



Defence market

- Investments in the area of unmanned vehicles will grow in USA (due to Congressional mandate of “1/3 unmanned by 2015”)
- We are already active in both UGVs and UAVs (e.g.: Parvus’ involvement in the UAV Excalibur made by Aurora Flight Sciences)
- Net-centric approach is now established:
 - all units on-field needs to communicate each other and with the control center
 - this approach requires all vehicles to become reliable communication hubs
 - this is driving the demand of Mobile Access Routers (MARs), that is one of our specialties.

Transportation market

- Our experience in MARs can be applied also to the transportation market
- Movement in US to increase the use of public transportation:
 - investments to add value to bus trips & train trips
 - we have all HW&SW platforms to build up a wireless connectivity within a vehicle
 - we have already done this: in May 2009 we celebrated 1 million US commuters connected to internet thanks to our platforms
- Installed on a bus, a MAR can enable also wireless communication with diverse on-board systems, such as vehicle diagnostics, GPS, and fare collection. In this way a bus becomes a monitored asset.

Industrial market

- Some segments of the industrial market should experience a recovery in 2010
- We see at least 2 opportunities for Eurotech
 1. Capex in the semiconductor industry will grow about 20-25% in 2010 and the same will happen in 2011, according to all major market studies plus some big players
 2. Revamping of buildings to make them more “green” through injection of digital technologies will benefit in USA of government investment valued at about \$7 billion – and we are already a supplier of the biggest player in this market.

Medical & Healthcare market

- The whole healthcare system is facing a deep transformation
- A lot of investments are being injected into initiatives to reduce costs while improving the quality of the service
- In USA, computerization of medical records itself can count on a stimulus plan of \$19 billion
- More and more money will be spent to cure patients in their homes
- Back in 2009 we started specific M&S actions to take advantage of these trends, which demands for:
 - a) Low-power, robust and reliable mobile devices, for which we can provide the computing engine
 - b) Communication platforms to connect the center with the periphery and viceversa, and we have specific HW&SW to do that like our Helios product line.

Energy market

- Communication platforms to connect the center with a lot of devices spread within an area can be used also in Smart Grid application to:
 - provide automatic meter reading without a visit to the local property
 - enhance the ability to respond promptly to meter service requests
 - allow customers to access online tooling to monitor energy use
 - offer innovative rate options that meet the clients' lifestyle to better manage their energy usage and bill.

Upsides expected from the HPC market

- Another area of business in which we expect to grow is HPCs (High Performance Computers)
- With a rack of our new Aurora platform we achieved a big success at the International Supercomputer Conference (ISC) held in Hamburg in June, and we repeated it at the Supercomputer Conference in Portland in November.
- A single blade of the Aurora supercomputing architecture is a product itself: it can be used as a high-end SBC to be applied in image processing (e.g. in medical diagnostic equipment, data fusion etc) or in high speed communications.