

Eurotech Objectives and Strategies

DIGITAL TECHNOLOGIES FOR A BETTER WORLD

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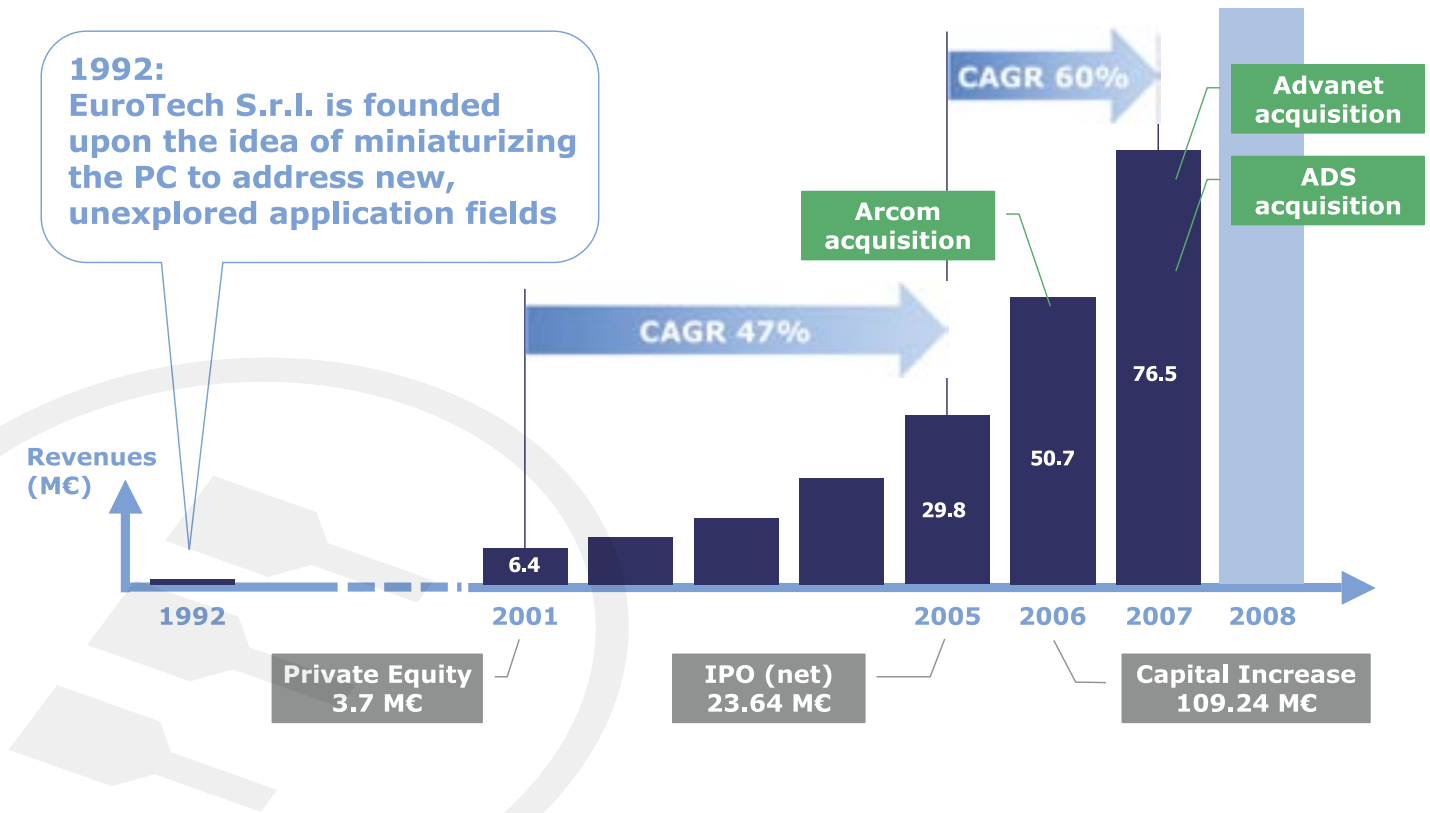
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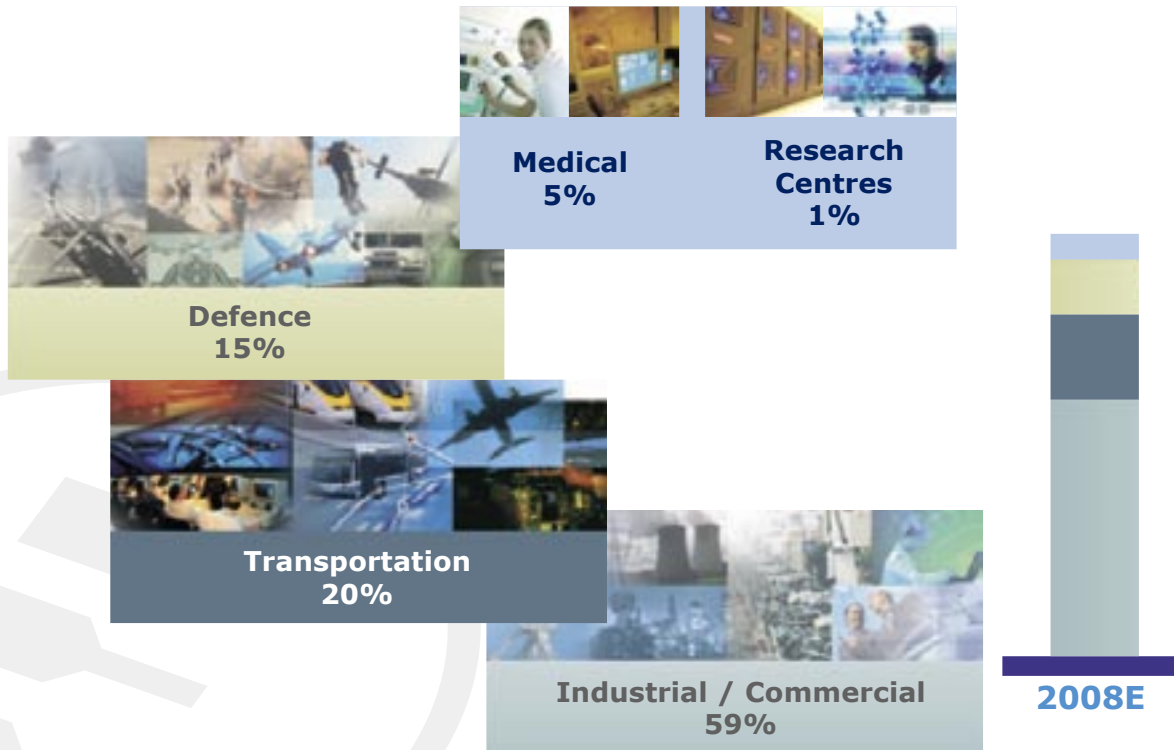
COMPANY ESSENTIALS



A Story of Acceleration



Revenues breakdown by end market



- ③ Global company and a major player in the market
- ③ Ability to manage complex solutions
- ③ Strong relations with key players in the Industry

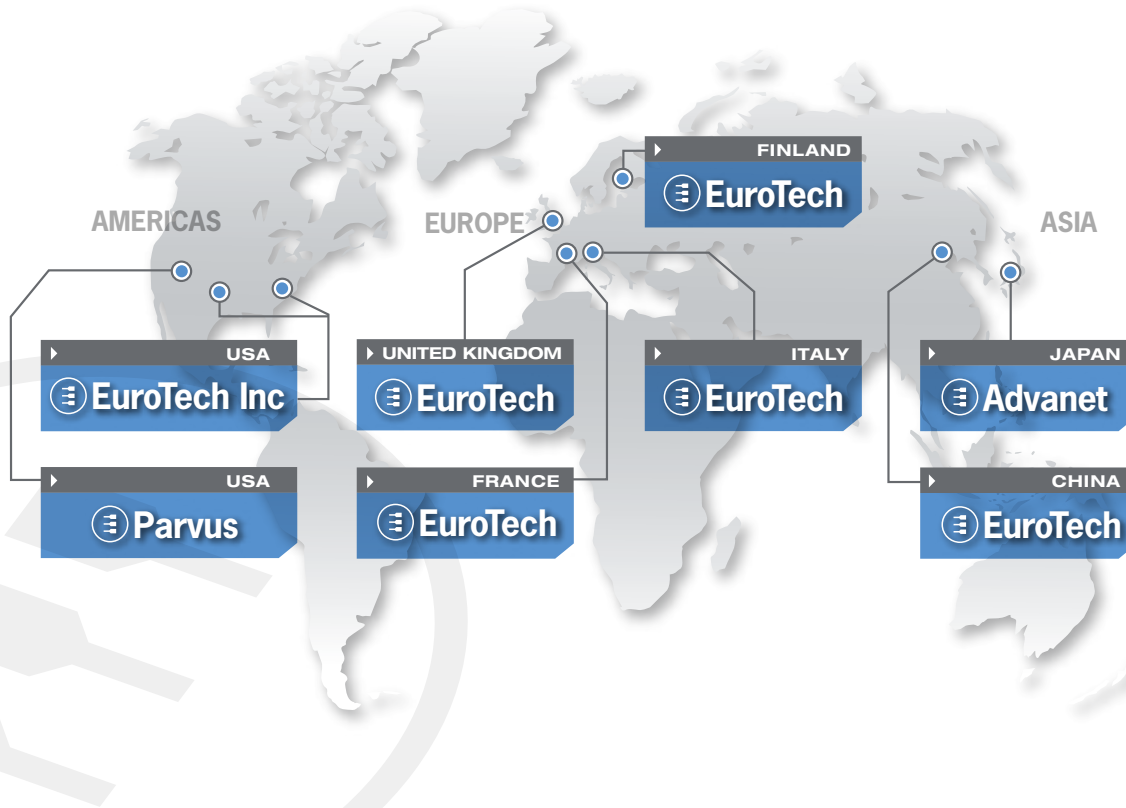
MAIN VALUE DRIVERS

- ③ Global company and a major player in the market
We're close to Customers and we know the business
- ③ Ability to manage complex solutions
We help Customers focusing on their core competences
- ③ Strong relations with key players in the Industry
We know what's next

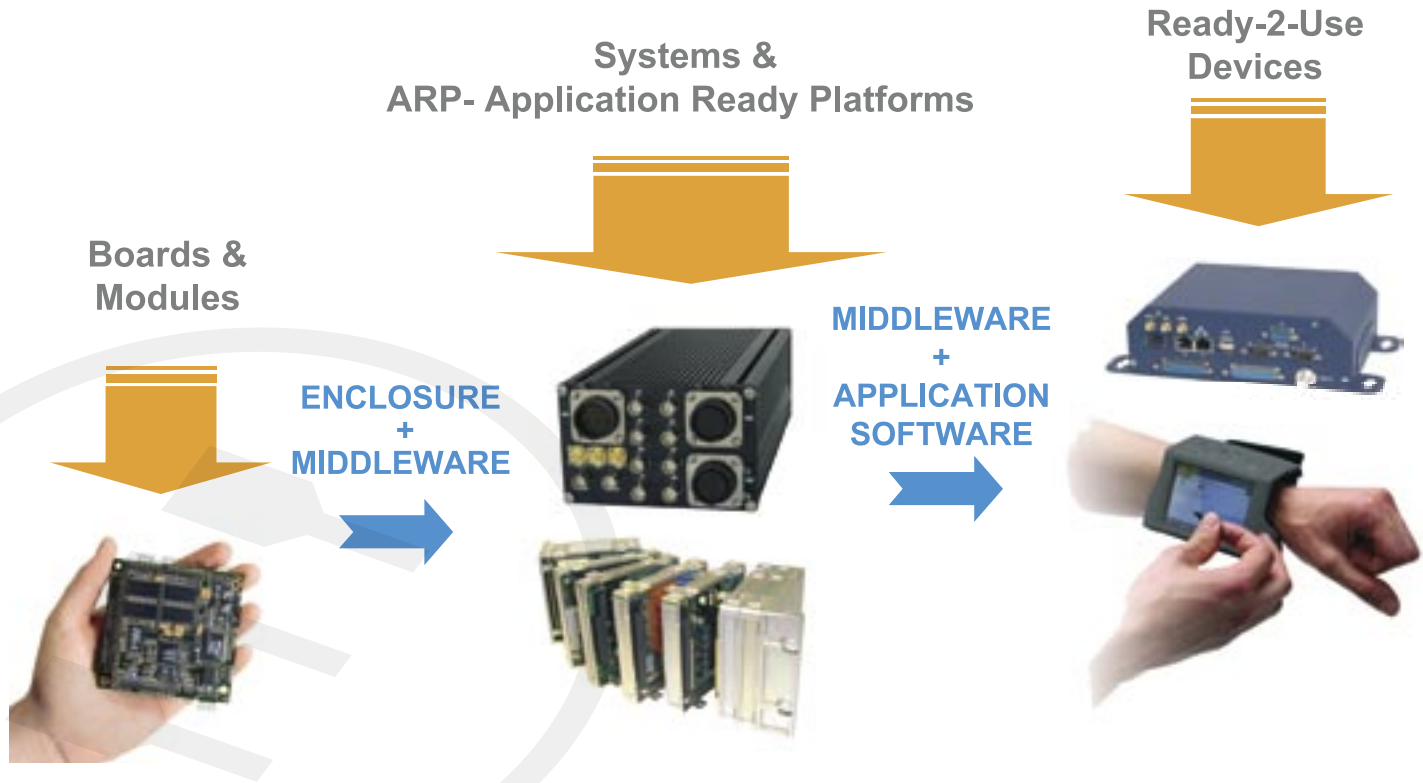
MAIN VALUE DRIVERS

why Customers should choose Eurotech?

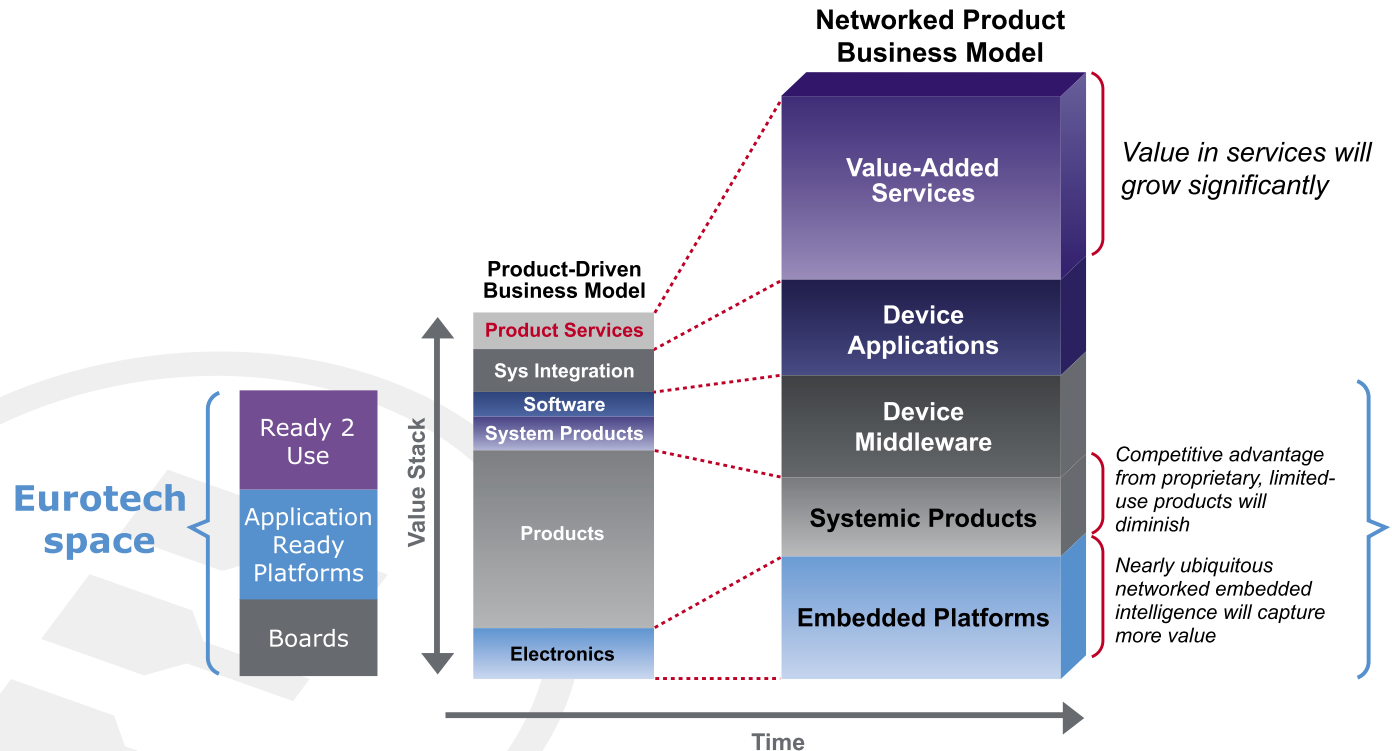
Global footprint



Product evolution: towards solution selling



Pervasive Computers and Pervasive Internet



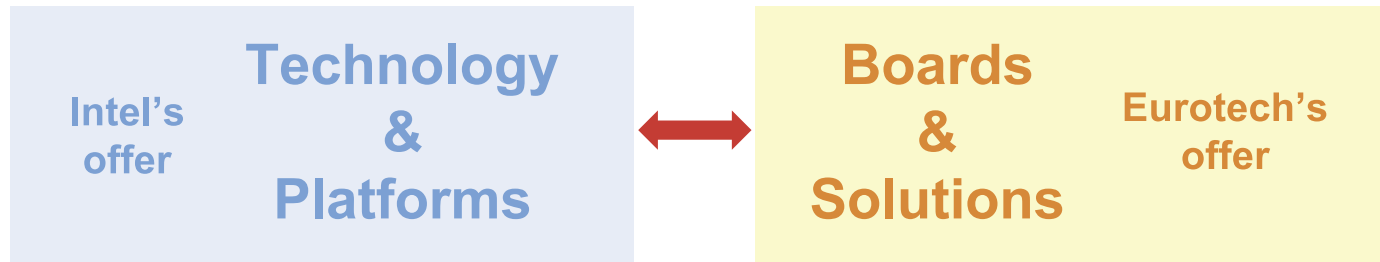
Relationships with the “big brothers”



What do “big brothers” think about us ?!

“I was very impressed about Eurotech’s pervasive computing strategy and how this is fitting into Intel technology roadmap”

Pat Gelsinger
Sr. VP Intel Corporation
GM Digital Enterprise Group



COMPANY VISION & MISSION



Our VISION in the “Computing Cloud”

DISAPPEARING



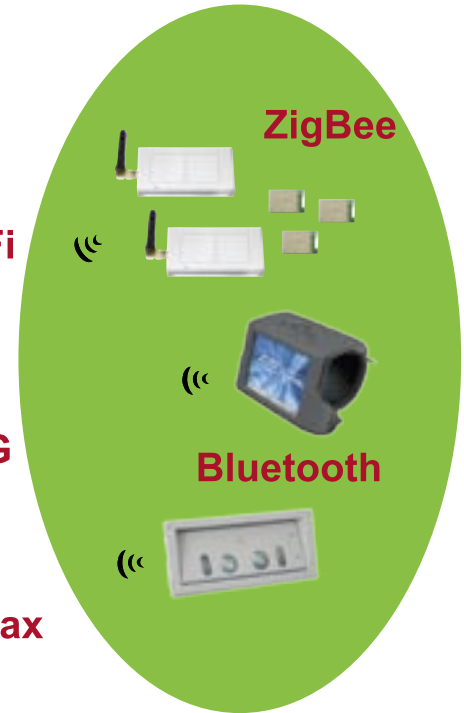
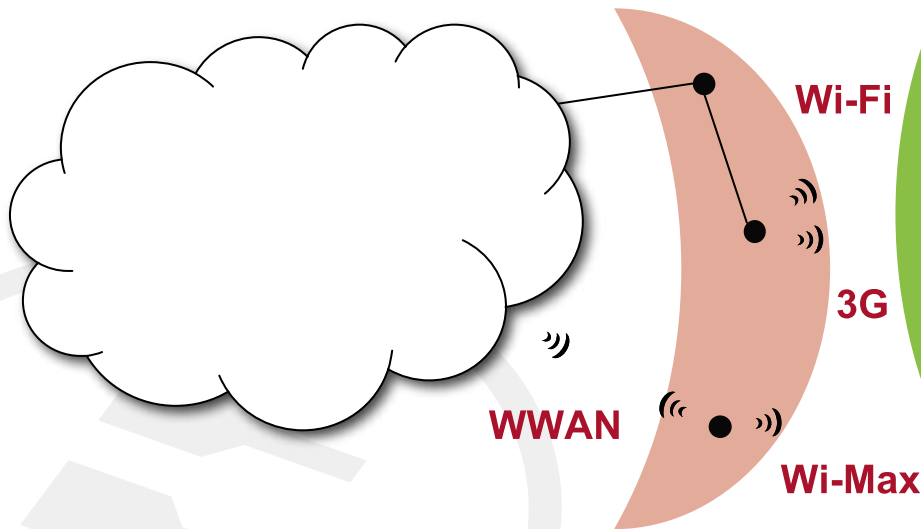
COMPUTING
CLOUD



EDGE OF
THE CLOUD

Our VISION in the “Computing Cloud”

DISAPPEARING

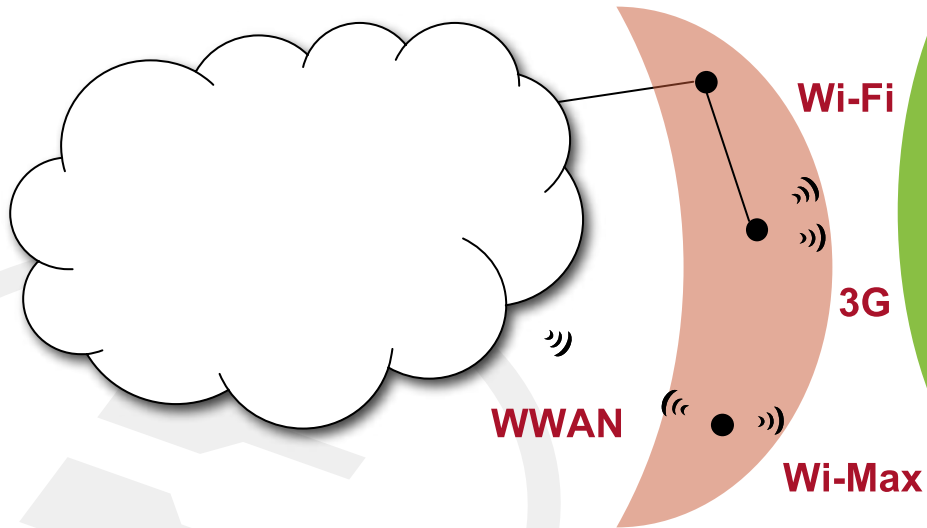


REAL WORLD

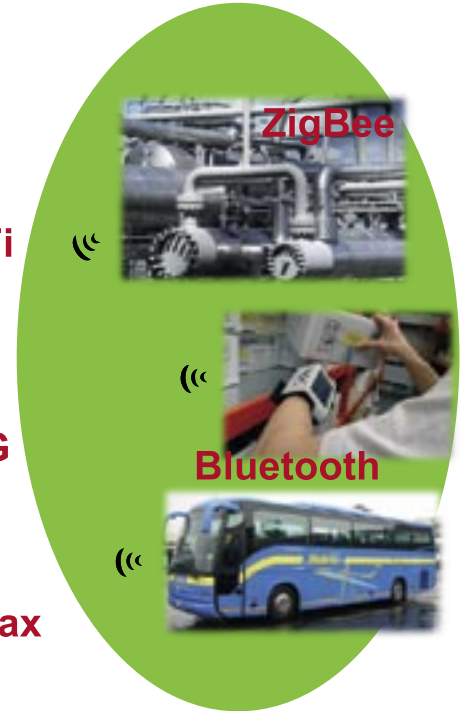
CONNECTING

Our VISION in the “Computing Cloud”

DISAPPEARING



CONNECTING



AUGMENTING

The “Computing Cloud” is a big opportunity

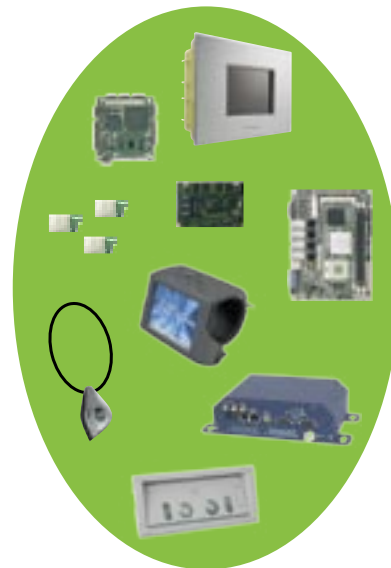
Eurotech can provide:



**High performance
computing Engines for
the CLOUD**



**Connectivity
Platforms to
build the EDGE**



**Components and
Pervasive Devices for
REAL WORLD
applications**

HPC opportunities (for the cloud)

**"How big is the HPC market, really?
Bigger than you think."**

*Addison Snell, VP/GM Tabor Research
HPC Wire – August 17, 2007*

- Background
 - HPC business is cyclical. Next year a new cycle will start
 - IDC projects that the HPC server market will grow at a compounded annual rate (CAGR) of 9.2% to reach \$15.6 billion in 2012.
 - Eurotech is the sole European Intel Partner for the HPC market
- Work-in-progress
 - Co-marketing with Intel on big HPC projects to create PetaFlops computing centers to be used for research, especially in Biotech & Nanotech sectors



Mobile Access Routers (for the Edge...)

- All-IP network for Fixed-Mobile convergence
- “Mobile IPs” to stay connected while in motion / on field
- “On-board” connectivity: buses, trains, planes
- **“PERVASIVE CONNECTIVITY”**



DuraCOR

**Always-on...
...towards IP v6**

DuraMAR



ZyWAN

Mobile Internet Devices (to keep real world connected...)

MIDs Market to Soar

- Ultra-Mobile Devices (UMDs, the umbrella term for ultra-mobile PCs, netbooks and MIDs) are expected to exceed 200 million pcs in 2013
- By 2013, MIDs shipments will take nearly 68% of the UMDs market
- “The UMD market will still be small compared to the wireless handset market, but with a forecast revenue of nearly \$27 B in 2013, it will certainly be significant.”

ABI Research, 24.09.08

Source:

<http://www.abiresearch.com/press/1245-200+Million+Ultra-mobile+Devices+to+Ship+in+2013>

Eurotech's Building Block for MIDs



Catalyst Module

based on Intel Atom Platform

High Performance, Low Power

MIDs (& Sensors) for the Medical Sector

Operations Other-Than-War (OOTW)

- Medical assistance to both troops & local people is paramount
- Considering only UN:
 - 200 million people directly affected by OTW ops
 - 2,700 military observers
 - 11,370 police
 - 74,788 troops

Sources:

http://www.un.org/Depts/dpko/dpko/contributors/2008/mar08_1.pdf

http://www.nahc.org/facts/08HC_Stats.pdf
<http://www.cms.hhs.gov/NationalHealthExpendData/Downloads/proj2007.pdf>

Home Health Care (HHC)

- People are getting older, but also more and more alone
- In USA, 7.6 million individuals receive care from 83,000 providers because of acute illness, long-term health conditions, permanent disability, or terminal illness.
- In 2007, US expenditures for HHC were projected to be \$57.6 B
- HHC expenditures expected to grow steadily more than overall economy to reach \$119 B in 2017

Wearable Computer: Homeland Security

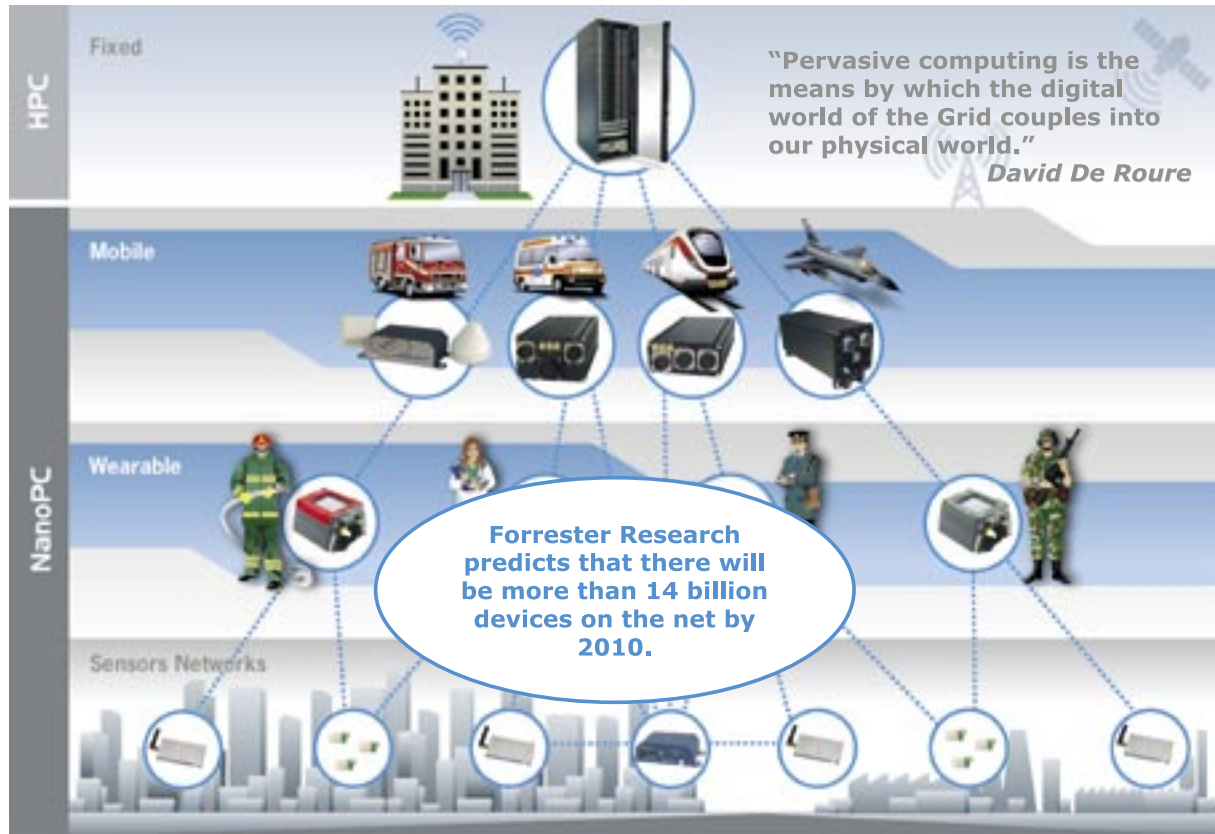


Our MISSION

- **Integrate the state-of-the-art of Computing and Communication technologies to develop highly innovative applications, able to anticipate market demand.**
- **Improve everyday life, making it simpler, safer and more pleasant through the ubiquitous and pervasive use of technology.**



Pervasive Computing Scenario



2008 1H results

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In accordance with section 2 of Article 154-bis the Consolidated Finance Act, Financial Reporting Manager, Sandro Barazza, declared that the accounting information contained in this press release corresponds to accounting records, corporate books, and accounting entries.

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CONSOLIDATED INCOME STATEMENT

OPERATING RESULTS €'000	1H 2007	%	1H2008	%	1H2007 adjusted	%	1H 2008 adjusted	%
SALES REVENUES	35,454	100.0%	42,115	100.0%	35,454	100.0%	42,115	100.0%
GROSS PROFIT	17,771	50.1%	23,302	55.3%	17,971	50.7%	23,537	55.9%
EBITDA	682	1.9%	1,681	4.0%	882	2.5%	1,916	4.5%
EBIT	(1,456)	-4.1%	(2,658)	-6.3%	(186)	-0.5%	(43)	-0.1%
PROFIT (LOSS) BEFORE TAXES	(697)	-2.0%	(4,141)	-9.8%	573	1.6%	(1,292)	-3.1%
GROUP NET PROFIT (LOSS) FOR THE PERIOD	(896)	-2.5%	(5,069)	-12.0%	(53)	-0.2%	(3,482)	-8.3%

CONSOLIDATED BALANCE SHEET

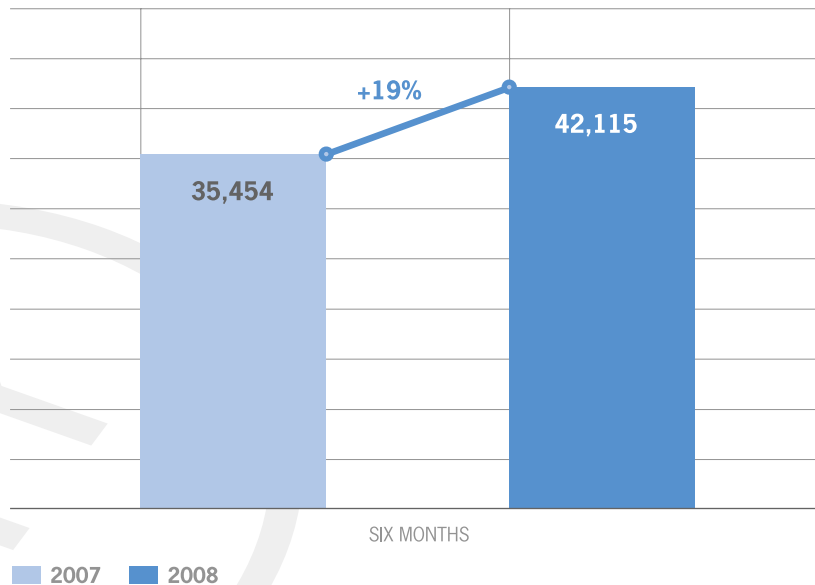
(€'000)	at December 31, 2007	at June 30, 2008
ASSETS		
Intangible assets	111,918	106,246
Property, Plant and equipment	6,737	6,326
Investments in affiliates companies	109	875
Investments in other companies	930	259
Deferred tax assets	1,802	1,941
Other non-current assets	630	613
Total non-current assets	122,126	116,260
Inventories	22,129	20,439
Contracts in progress	2,364	383
Trade receivables	18,807	15,723
Income tax receivables	3,251	3,695
Other current assets	2,793	2,404
Derivative instruments	82	407
Cash & cash equivalents	56,604	42,675
Total current assets	106,030	85,726
Total assets	228,156	201,986

(€'000)	at December 31, 2007	at June 30, 2008
LIABILITIES AND EQUITY		
Share capital	8,879	8,879
Reserves	117,510	108,613
Net profit (loss) for period	(4,922)	(5,069)
Group shareholders' equity	121,467	112,423
Minority capital and reserves	2,549	2,404
Minority profit (loss) for period	(84)	109
Equity attributable to minority interest	2,465	2,513
Total shareholders' equity	123,932	114,936
Medium-/long-term borrowing	34,172	26,963
Employee benefit obligations	1,512	1,534
Deferred tax liabilities	16,103	14,620
Other non-current liabilities	1,345	1,289
Business combination liabilities	15,864	15,982
Total non-current liabilities	68,996	60,388
Trade payables	14,506	11,489
Short-term borrowing	9,787	7,090
Income tax liabilities	2,112	1,861
Other current liabilities	5,581	6,222
Business combination liabilities	3,242	0
Total current liabilities	35,228	26,662
Total liabilities	104,224	87,050
Total liabilities and equity	228,156	201,986



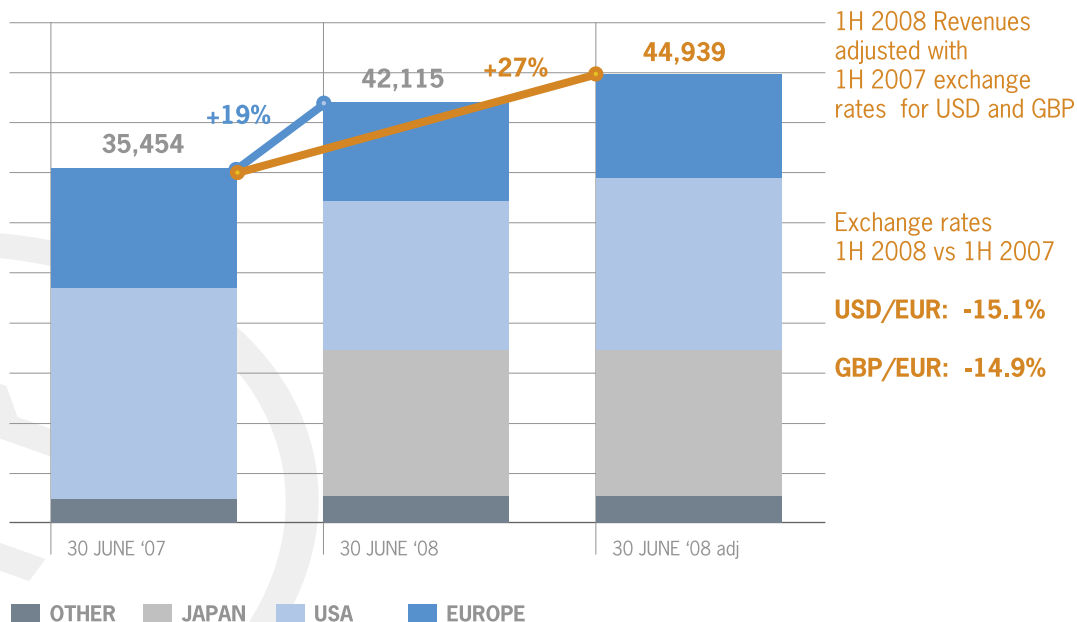
REVENUES

REVENUES, 30 June 2007-2008 (€/000)



REVENUES

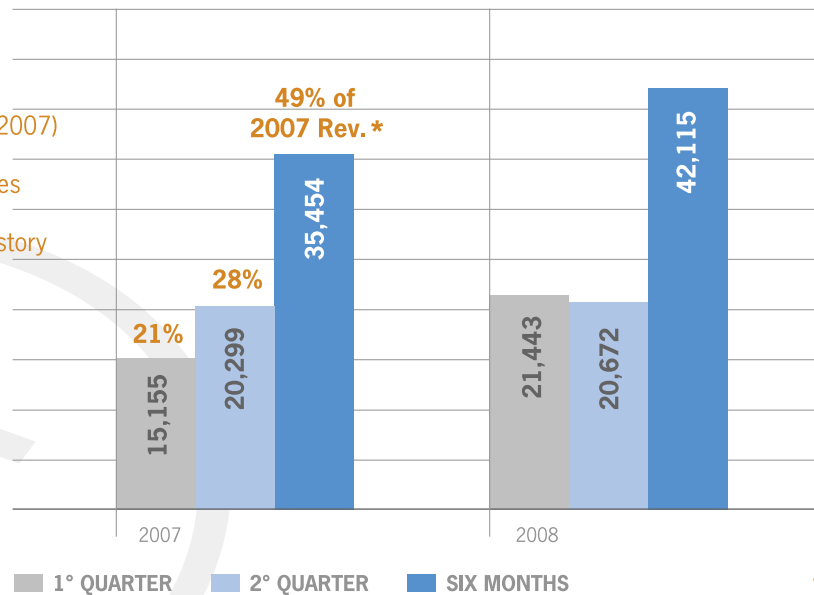
REVENUES BY GEOGRAPHICAL AREA 30 June 2007-2008 (€/000)



REVENUES

REVENUES, 30 June 2007-2008 (€/000)

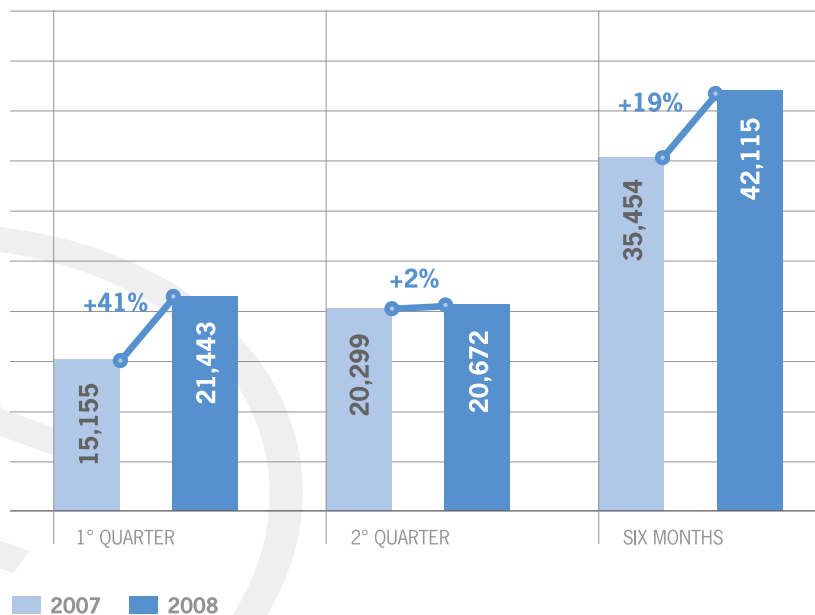
2Q 2007
(and hence 1H 2007)
weight on
FY2007 revenues
unusually high
compared to history



* Without Advanet

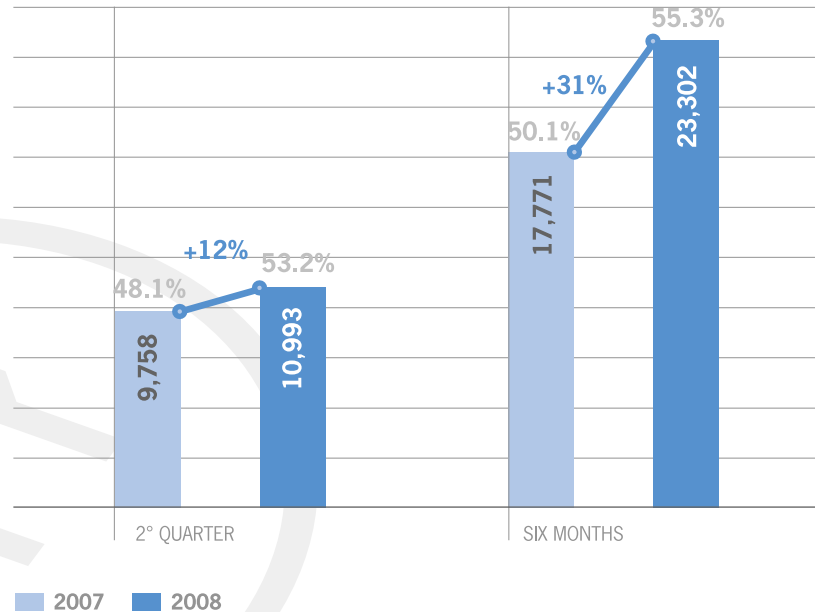
REVENUES

REVENUES, 30 June 2007-2008 (€/000)



GROSS PROFIT MARGIN

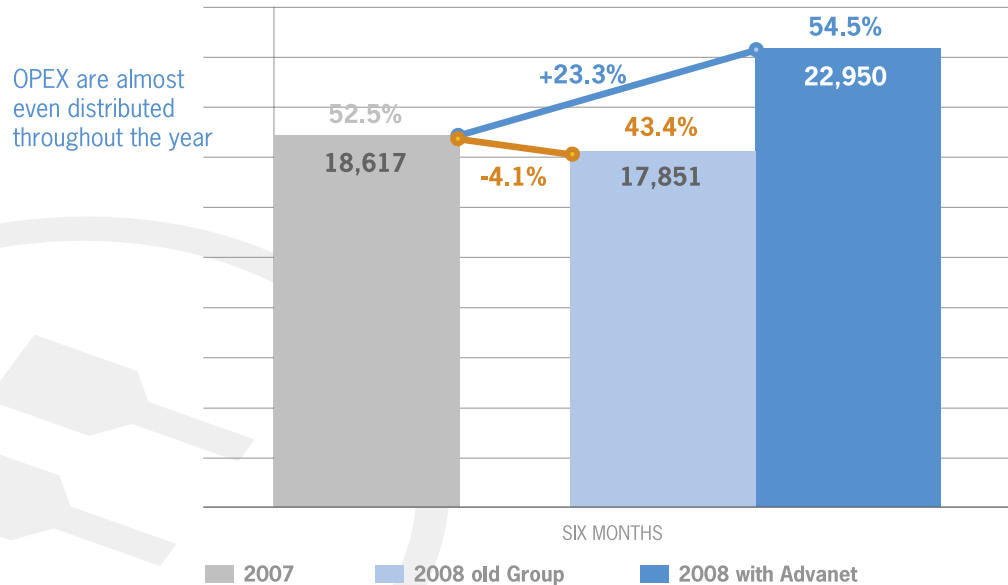
GROSS PROFIT MARGIN, 30 June 2007-2008 (€/000)



In 1H 2008,
GPM increased
63% more than
Sales Revenues

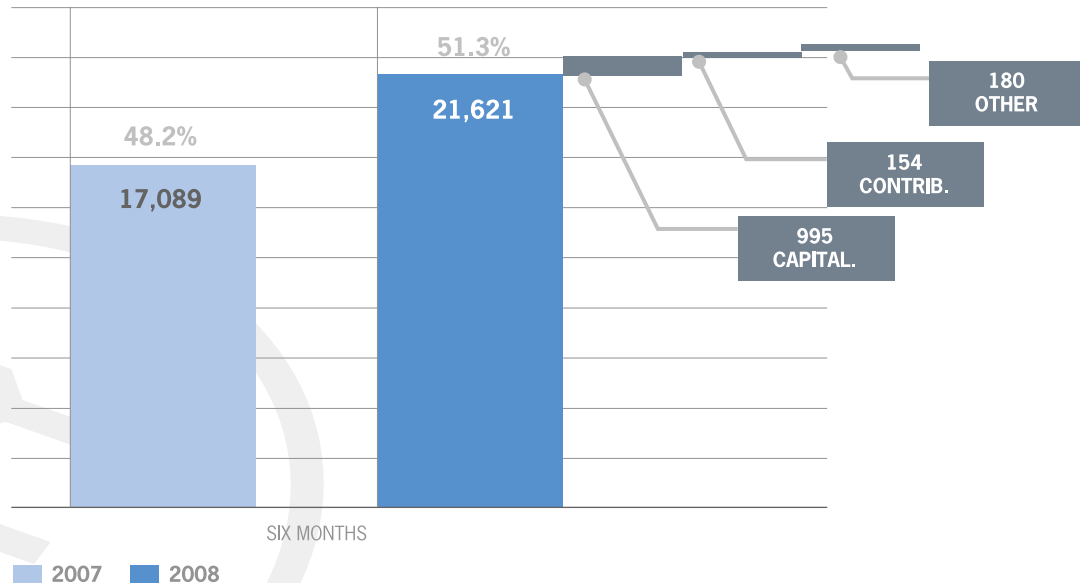
OPEX

OPEX, without & with Advanet, 30 June 2007-2008 (€/000)



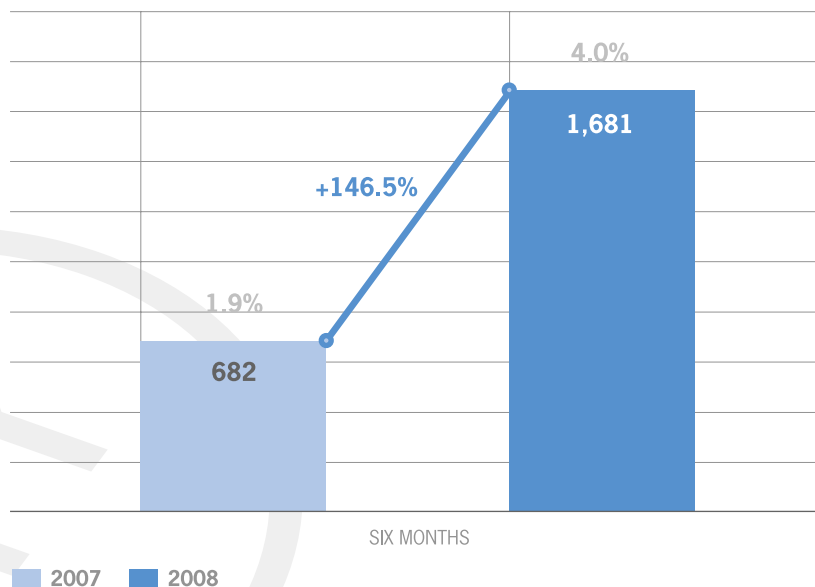
OPEX DETAILS

OPEX net of costs adjustments, 30 June 2007-2008 (€/000)



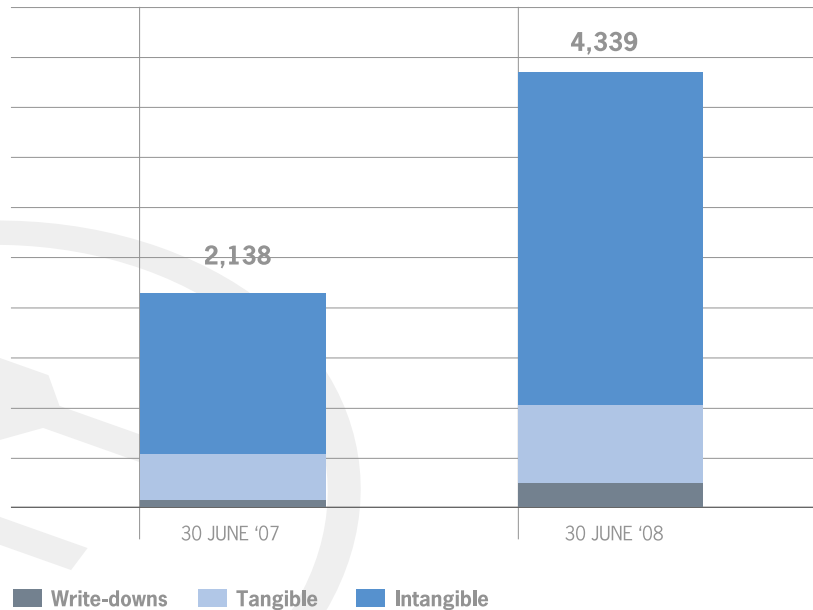
EBITDA

EBITDA, 30 June 2007-2008 (€/000)



D & A

DEPRECIATION & AMORTISATION, 30 June 2007-2008 (€/000)

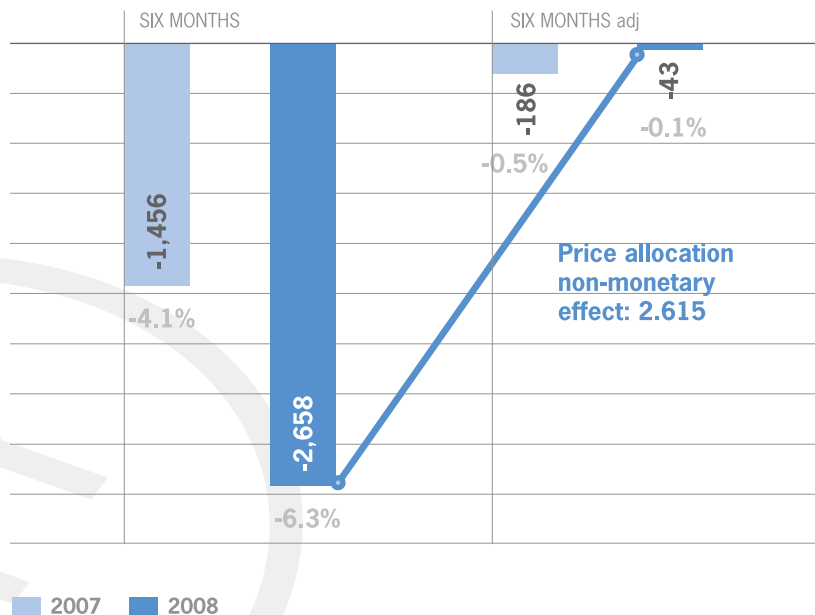


D&A from Advanet Group:
633 non recurrent
922 recurrent next half

**Total non recurrent
D&A = 1.134**

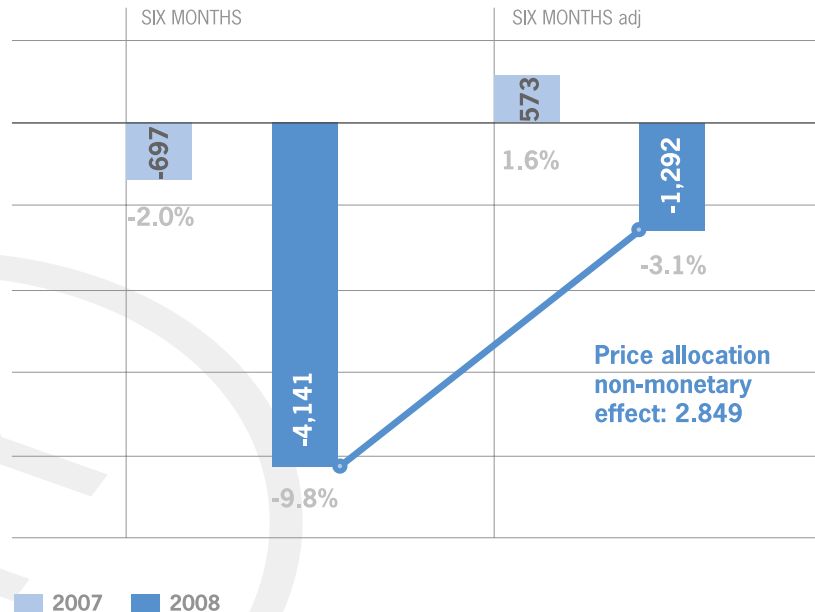
EBIT

EBIT & EBIT adjusted, 30 June 2007-2008 (€/000)



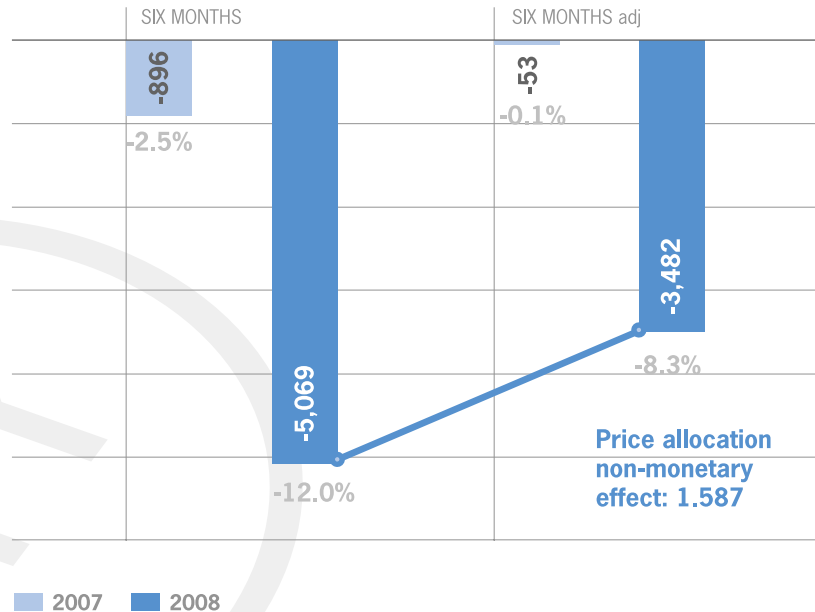
PROFIT (LOSS) BEFORE TAXES

EBT & EBT adjusted, 30 June 2007-2008 (€/000)



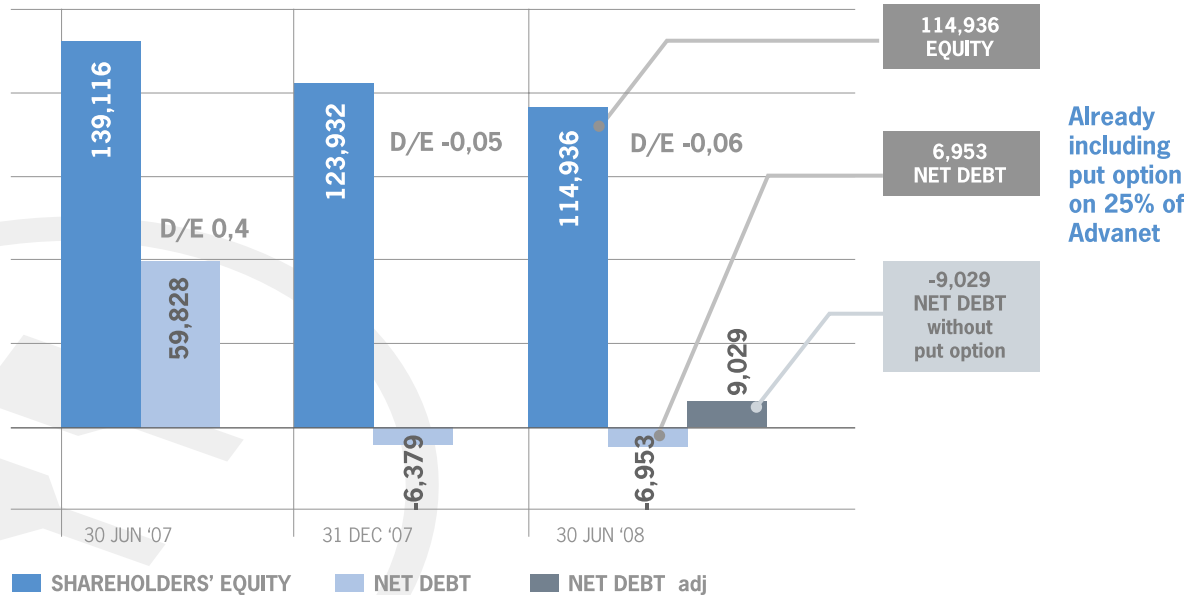
GROUP NET PROFIT (LOSS)

NET PROFIT & NET PROFIT adjusted, 30 June 2007-2008 (€/000)



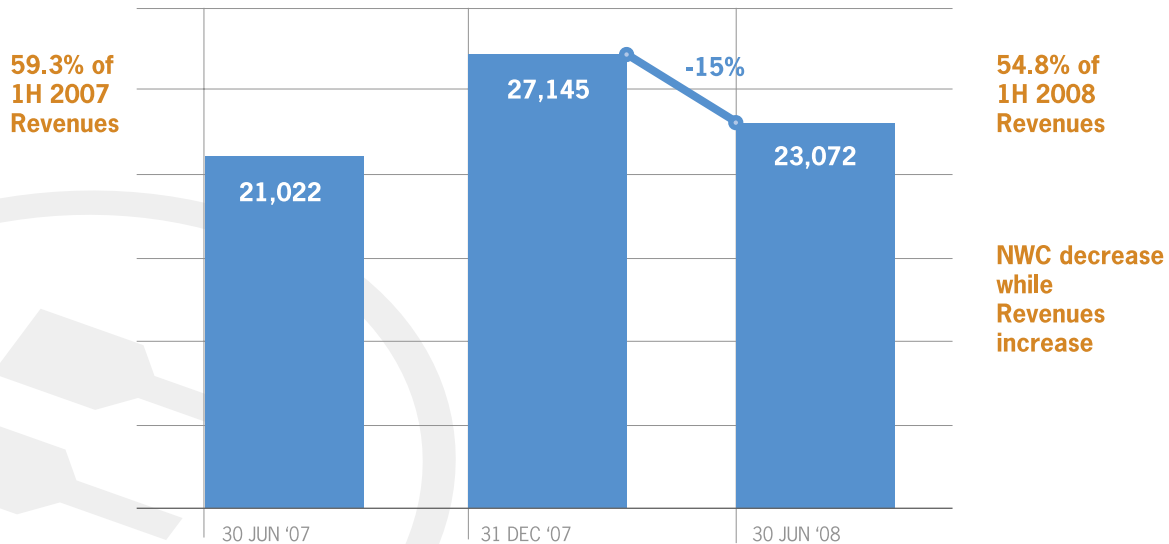
EQUITY AND NET DEBT

EQUITY AND NET DEBT, 30 June 2007-2008 (€/000)



NET WORKING CAPITAL

NET WORKING CAPITAL, 30 June 2007-2008 (€/000)



EMPLOYEES

Headcount, 30 June 2007-2008

