

# 2008 Results Presentation

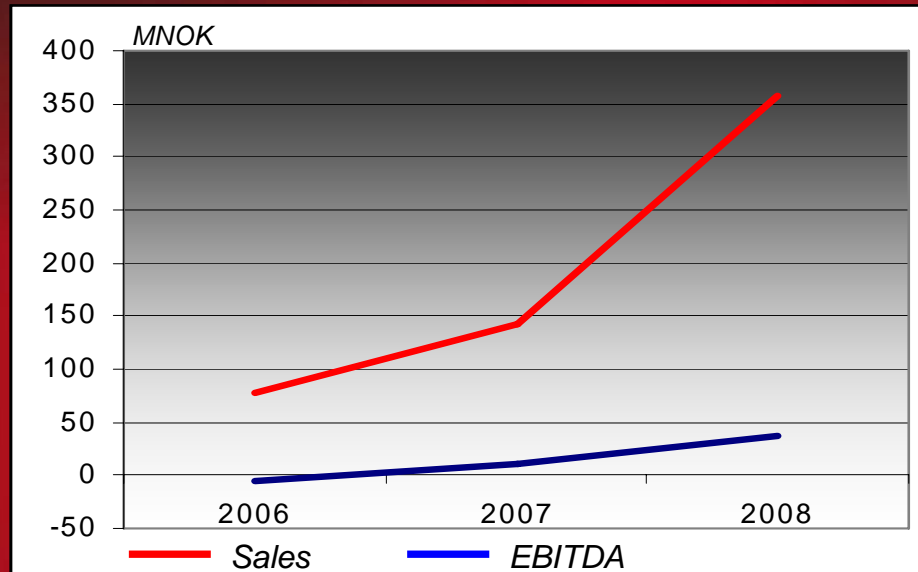
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- Headlines
- Financial results
- Operations and market
- Going forward

## 2008 Headlines

- **Strong top line growth**
  - NOK 357 million revenue – up 151%
- **Substantially improved profitability**
  - NOK 35.8 million EBITDA – up 214%
  - Double digit EBITDA margin for the year
- **Our first year as a multi product safety group**
  - Entry into numerous new markets and industry segments
- **Improved operational efficiency**
  - Considerable synergies released following acquisitions
- **Attractive position in Asia secured**
  - Singapore and Korea branches established
- **Strong order flow maintained**
  - High order intake in Q4

## Simtronics' journey



- Demerged from SIT and listed January 2007
- Strategy of growth and building a multi product offering
- Consolidating the industry through acquisitions
  - WME, May 2007
  - Fire Eater, February 2008
  - ETech Process, March 2008
  - Technor Safe Ex AS' active fire fighting system division, March 2008
- Entering high growth markets

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## 4th quarter 2008 results

<i>MNOK</i>	<i>Q4 08</i>	<i>Q4 07</i>	<i>Change</i>
Operating income	94.9	48.0	98%
Operating expenses	-86.7	-44.1	97%
EBITDA	8.2	4.0	106%
EBITDA %	8.6%	8.3%	
Depreciations excess values	-1.4	-0.6	
Depreciations ordinary items	-2.1	-0.4	
EBIT	4.7	3.2	
EBIT %	4.9%	6.7%	
Net financial items	-2.5	-1.0	
EBT	2.2	2.2	

**WME** included from March 2007, **Fire Eater** included from February 2008, **Technor Safe Ex AS' active fire fighting system division** included from April 2008, **ETech Process** included from March 2008

## 2008 results

<i>MNOK</i>	<i>2008</i>	<i>2007</i>	<i>Change</i>
Operating income	<b>357.2</b>	142.5	151%
Operating expenses	<b>-321.4</b>	-131.3	145%
EBITDA	<b>35.8</b>	11.4	214%
EBITDA %	<b>10.0%</b>	8.0%	
Depreciations excess values	<b>-5.4</b>	-2.3	
Depreciations ordinary items	<b>-4.8</b>	-1.1	
EBIT	<b>25.5</b>	8.0	
EBIT %	<b>7.3%</b>	5.6%	
Net financial items	<b>-8.8</b>	-2.9	
EBT	<b>16.7</b>	5.1	

**WME** included from March 2007, **Fire Eater** included from February 2008, **Technor Safe Ex AS' active fire fighting system division** included from April 2008, **ETech Process** included from March 2008

## Strong cash position maintained

<i>MNOK</i>	<i>Q4 08</i>	<i>Q3 08</i>
Cash flow from operating activities	<b>-4.3</b>	1.4
Cash flow from investing activities	<b>-7.0</b>	-1.6
Cash flow from financing activities	<b>1.1</b>	6.1
Net change in cash and cash equivalents	<b>-10.2</b>	5.9
Cash and cash equivalents at the beginning of period	<b>43.4</b>	63.4
Cash and cash equivalents at the end of period	<b>33.2</b>	69.3

## Balance Sheet Summary

<i>MNOK</i>	<i>31.12.2008</i>	<i>31.12.2007</i>
Intangible non current assets	<b>200.1</b>	42.5
Tangible/non current assets	<b>8.4</b>	2.1
Inventories	<b>63.0</b>	18.5
Receivables	<b>124.7</b>	52.6
Bank deposits	<b>36.1</b>	69.3
<b>Total assets</b>	<b><u>432.3</u></b>	<u>185.0</u>
Total equity	<b>160.4</b>	77.0
Total non-current liabilities	<b>128.3</b>	48.1
Total current liabilities	<b>143.6</b>	59.9
<b>Total equity and liabilities</b>	<b><u>432.3</u></b>	<u>185.0</u>

- Equity ratio of 37%

## Financial flexibility

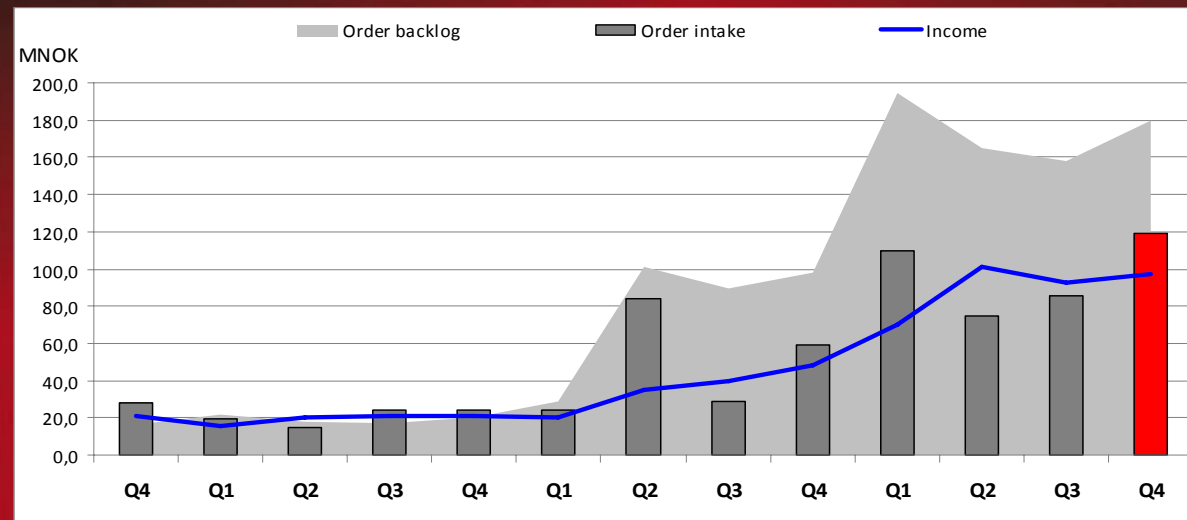
	<i>Per Desember 08</i>	<i>Covenant requirements per 31.12.08</i>
Book value of equity	NOK 160 mill.	NOK 70 mill.
Equity ratio	37%	25%
NIBD/EBITDA ratio	2,45	4.0

- Covenant requirements met with good margins

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# Order backlog, intake and income



- Water Mist Engineering included from Q2 2007
- Fire Eater included from February 2008
- ETech included from March 2008
- Technor Safe Ex AS' active fire fighting system division included from April 2008

## Contract situation

- Q4 order intake MNOK 116.8
- 31 Dec order backlog of MNOK 177.8

## Operational events

- Order flow above sales in Detection and Extinguishing
- Sideways quarter in Prevention, however strong pipeline
- Further improvement of position in Asia; Korea branch operational
- Building revenue in retrofit/maintenance markets

## Significant Q4 contracts

Customer	Business area	MNOK
Groveley Detection Ltd.	Detection systems	16.8
Autronica Fire & Safety	Detection systems	4.6
Gazprom offshore project	Extinguishing solutions	4.5
MAN Ferrostaal	Detection systems	3.0
Petrochemical Industries Design and Engineering Co	Detection systems, Extinguishing solutions	2.0

## Operational developments in Q4

### Detection Systems

- Strong and profitable growth
- All planned projects going forward

### Extinguishing Solutions

- Strong and profitable growth
- Strong foothold in Asia
- All planned projects going forward

### Fire Prevention Systems

- Several projects postponed
- Strong order pipeline

### Europe

- Stable activity in the key markets
- Strong quarter in France operations

### Middle East

- Continued positive development

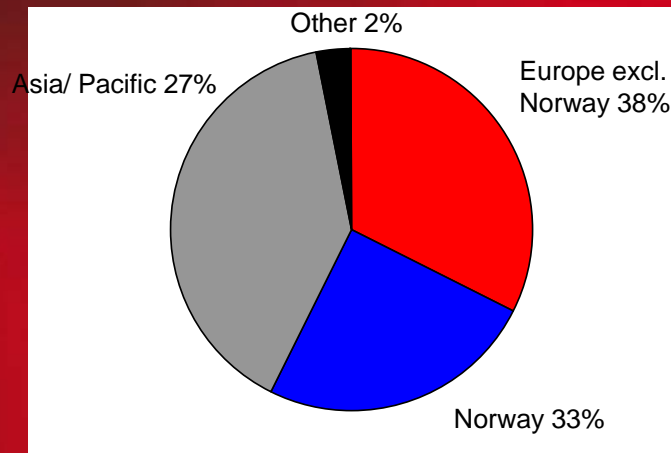
### Asia Pacific

- Singapore branch developing according to plan
- Korea branch operational in November

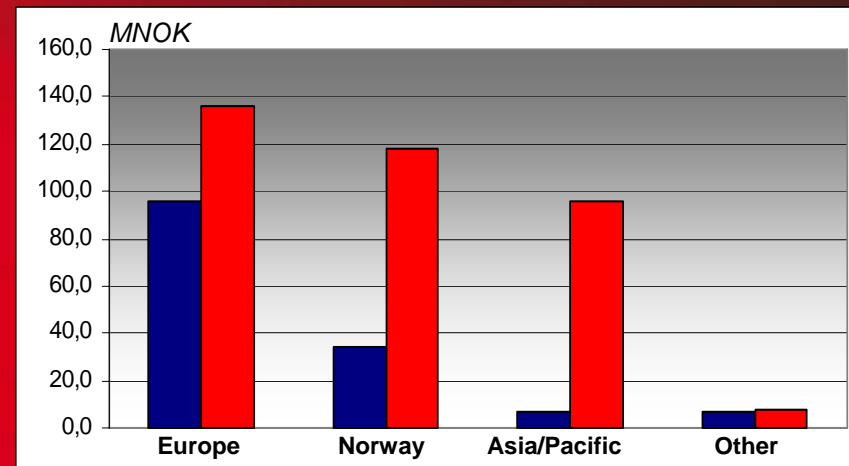
### North America

- Sideways development due to recession

# Geographical distribution 2008



Sales 2008



Sales development 2007-2008

## Simtronics group locations and sales network



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## Robust business model

- Complementary product lines addressing a wide range of customers
- All Simtronics' business areas represent state-of-the-art technology
- Attractive balance between newbuildings and retrofit/maintenance
- Most major projects being implemented in 2009 are already initiated and financed

## 2008 priorities – brief recap

- Maintain strong top line growth
- Continue to broaden product range and safety offering
- Further enhance penetration and distribution to new markets and segments
- Establish stronger presence in Asia
  - China and Korea branches in addition to Singapore operations
- Further enhance operational and market synergies within the group
- Further improve margins through higher volumes and increased efficiency
- Maintain strong focus on working capital

## Going forward

- Continued high sales activity
  - Coordinated sales teams; industry approach
  - Develop sales synergies
- Tightening the organisation
  - Less subcontracted personnel/temporary staff
  - Develop operational synergies
  - Merger of ETech and WME
- Revenue growth to be expected in 2009
- Margins at current levels to be expected
- Simtronics remains open to further consolidation initiatives

## Financial calendar 2009

- Q1 presentation: 8 May
- Q2 presentation: 14 August
- Q3 presentation: 28 October
- Q4 presentation: 26 February (2010)

Designed for safety – made for life

Thank you

**SIMTRONICS** group

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