

# 4th Quarter 2010 Results Presentation

# Contents

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

## Q4 10 Headlines

- Soft Markets and project delays continued in fourth quarter
- Reduced sales in quarter and full year
- Slow order flow during quarter, however picking up into 2011
- Autronica announced voluntary offer for all shares (post quarter)

# Contents

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

## Forth quarter 2010 results

<i>MNOK</i>	<i>Q4 2010</i>	<i>Q4 2009</i>	<i>Change</i>
Operating income	<b>61,9</b>	63,5	-2%
Operating expenses	<b>-72,7</b>	-70,0	4%
Non-recurring expenses and restructuring charges	-	-5,4	
EBITDA after restructuring charges	<b>-10,8</b>	-11,8	
EBITDA % after restructuring charges	<b>-17,4%</b>	-18,7%	
Depreciations excess values	<b>-1,2</b>	-1,3	
Depreciations ordinary items	<b>-1,7</b>	-4,2	
EBIT	<b>-13,8</b>	-17,4	
EBIT %	<b>-22,2%</b>	-27,4%	
Net financial items	<b>-4,7</b>	-4,6	
EBT	<b>-18,4</b>	-22,0	

## Year to date 2010 results

<i>MNOK</i>	<i>FY 2010</i>	<i>FY 2009</i>	<i>Change</i>
Operating income	260,4	288,5	-10%
Operating expenses	-280,9	-292,6	-4%
Non-recurring expenses and restructuring charges	-	-12,6	
EBITDA after restructuring charges	-20,4	-16,7	
EBITDA % after restructuring charges	-7,8%	-5,8%	
Depreciations excess values	-4,9	-5,4	
Depreciations ordinary items	-6,1	-8,3	
EBIT	-31,4	-30,4	
EBIT %	-12,1%	-10,5%	
Net financial items	-20,5	-13,0	
EBT	-51,9	-43,4	

## Segment figures – year to date 2010

<i>MNOK</i>	<i>Detection</i>		<i>Extinguishing</i>		<i>Corporate</i>		<i>Group</i>
	<i>Q4 2010</i>	<i>FY 2010</i>	<i>Q4 2010</i>	<i>FY 2010</i>	<i>Q4 2010</i>	<i>FY 2010</i>	<i>FY 2010</i>
Operating income	29,5	103,3	32,4	157,1			260,4
Operating expenses	-26,8	-98,1	-40,8	-170,2	-5,1	-12,8	-280,8
EBITDA	2,7	3,8	-8,4	-13,1	-5,1	-12,8	-20,4
EBITDA %	9,0%	5,0%	-25,8%	-8,3%			-7,8%

## Statement of Cash flow in 4 th quarter

<i>MNOK</i>	<i>Q4 10</i>	<i>Q4 09</i>
Cash flow from operating activities	<b>13,5</b>	12,7
Cash flow from investing activities	<b>-1.4</b>	-17,9
Cash flow from financing activities	<b>-6,2</b>	11,4
Net change in cash and cash equivalents	<b>6,0</b>	6,2
Cash and cash equivalents at the beginning of period*	<b>19,3</b>	34,3
Cash and cash equivalents at the end of period*	<b>25,3</b>	40,5

- Working capital position improved by MNOK 26,5 in Q4
  - Inventories reduced by MNOK 13,0 in last quarter of 2010
- Bridge financing of MNOK 18,0 from UTC extended to 30 June 2011

*\*) Including NOK 20 million in restricted cash (NOK 30 million in Q4 09)*

## Balance sheet summary

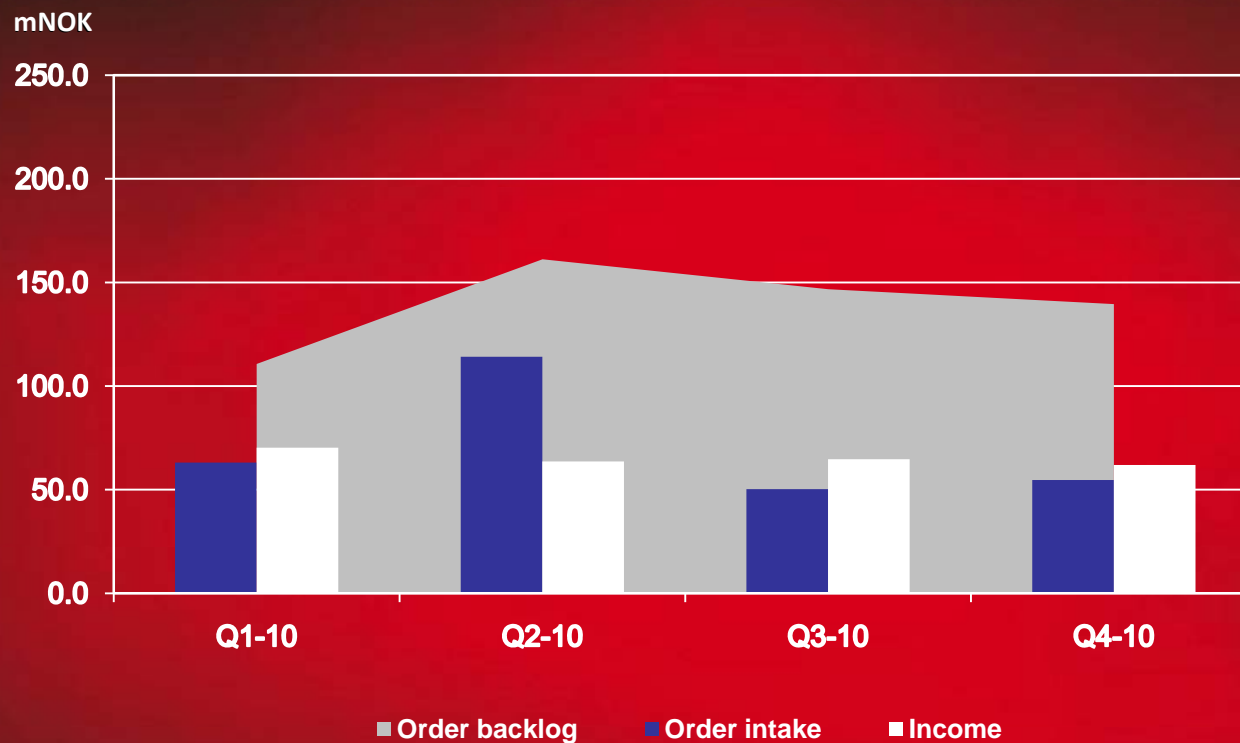
<i>MNOK</i>	<i>31.12.2010</i>	<i>31.12.2009</i>
Intangible non-current assets	161,1	166,1
Tangible/ fin. non-current assets	13,0	15,6
Inventories	46,1	60,9
Receivables	78,6	87,5
Bank deposits	25,3	40,5
<b>Total assets</b>	<b><u>324,1</u></b>	<b><u>370,6</u></b>
Total equity	56,3	112,2
Convertible loan	66,6	64,2
Total non-current liabilities	15,2	17,4
Total current liabilities	186,0	176,8
<b>Total equity and liabilities</b>	<b><u>324,1</u></b>	<b><u>370,6</u></b>

- Inventories/receivables reduced by 16% over last year.
- Bank deposits include restricted cash of MNOK 20 (MNOK 30 pr 31.12.09).
- Covenant requirements not met in Q4-2010 – waiver given.
  - Bank loan is hence presented under current liabilities.
- Repayment of bridge funding MNOK 18 extended to 30 June 2011.

# Contents

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

# Stable order intake



## Contract situation

- Q4 order intake MNOK 55
- Order backlog has been restated due to customer uncertainties. Total value at 31.12.2010 is MNOK 140.
- Order intake MNOK 22 higher than revenue in 2010
- Substantial new orders in 2011.
  - North Sea upgrade order MNOK 80-110.
  - FPSO contract in Netherlands MNOK 5.2

## Operational developments in the forth quarter

### Detection Systems

- Slow order intake in the quarter
- Reduced revenue and profit due to lack of product sales
- Strong sales pipeline

### Extinguishing Systems

- Slow order intake in the quarter
- The challenging Middle East project delivered in December
- Reduced revenue and profit due to other projects being postponed
- Strong sales pipeline on both extinguishing and nitrogen system

### Europe

- Reduced activity in the French market
- Reduced activity in the North Sea Market
- Planned projects being postponed into 2011

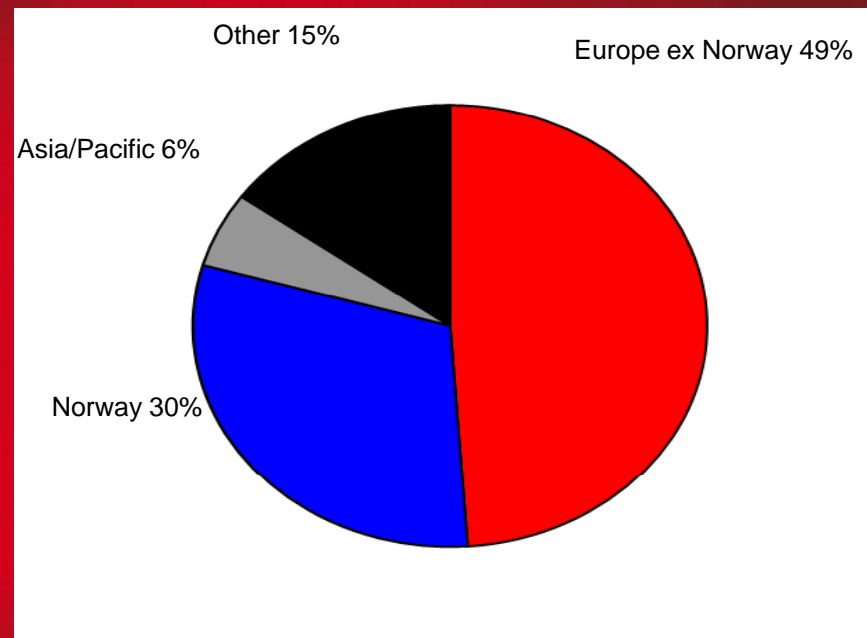
### Middle East

- Activity is still high
- Several large projects has been announced

### Asia Pacific

- Market is still slow
- Planned projects being postponed
- Increased activity in chemical tanker market
- Increased pipeline due to higher activity within both extinguishing and nitrogen generators

## Geographical distribution forth quarter 2010



## **Autronica/ UTC offer**

- **VOLUNTARY CASH OFFER FOR ALL SHARES OF SIMTRONICS ASA**
  - The NOK 1.90 per share offer is supported by Simtronics' Board of Directors
  - The offer will be customary closing conditions
- In relation to the offer, Autronica has entered into a extension agreement with Simtronics for the Short Term Loan Facility of NOK 18 million, whereby the repayment date is extended to 30 June 2011 or.
- Simtronics has on the 15 February summoned an extraordinary general meeting to be held 8 March 2011, where the Board of Directors proposes that the conversion price under the convertible loan provided by Autronica of NOK 71,575,000 shall be amended to the offer price (NOK 1.90), subject to the offer being completed.
- The Company expects that, following completion of the offer and Autronica's acquisition of shares representing more than 90 per cent of the shares and votes of Simtronics, Autronica will commence a compulsory acquisition procedure to acquire all remaining Simtronics shares and promote a delisting of the Simtronics shares from Oslo Børs.

# Contents

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

## Priorities going forward

- **Convert sales pipeline into order backlog**
- **Strong focus on executing the order back log**
- **Regain sales and execution momentum**
- **Strong focus on reducing cost**

## Outlook

- The overall markets still remains challenging
- The North Sea market is picking up, several upgrade projects has been launched
- Strong order intake in the beginning of 2011
- New markets and segments will provide additional opportunities

## Financial calendar 2011

- Annual General Meeting May 20
- Q1 May 6
- Q2 Aug 26
- Q3 Oct 28
- Q4 Feb 24 (2012)

## Contact

### **CEO Rune Martini**

P: +47 48 07 80 80

M: [rune.martini@simtronics.no](mailto:rune.martini@simtronics.no)

### **Simtronics ASA**

P: +47 22 64 50 55

F: +47 22 64 50 18

M: [mail@simtronics.no](mailto:mail@simtronics.no)

[www.simtronics.eu](http://www.simtronics.eu)