

FINANCIAL RESULTS Q3 2011

Carnegie, November 24th 2011

TOPSiL



AGENDA

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DISCLAIMER:

This presentation includes forward-looking statements reflecting management's current expectations for certain future events and financial performance. Forward-looking statements are inherently subject to uncertainties, and results may differ significant from expectations. Factors that may cause the actual results to differ from expectations includes, but are not limited to, developments in the economy and financial markets, changes in the silicon market, market acceptance of new products and the introduction of competing products. Topsil is only obliged to update and adjust the expectations if so required by Danish legislation and the Danish law on securities trading, etc.



OVERALL VIEW, Q3

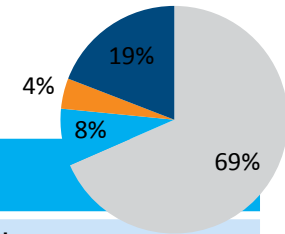
- NTD market still at low level, postponements of DKK 6m of orders from Q3 to Q4
- Quality issue on poly reached technical solution, commercial agreement pending
- PFZ and CZ-EPI qualifications progressing according to revised expectations
- 8" development on track, expected market introduction 2012
- Construction of new plant following plan
- Cost improvement programme: Savings implemented FY11 DKK 10m, DKK 20m 2012

Outlook for 2011:

- Revenue in the range of DKK 370m, EBITDA in the level of DKK 35m, corresponding to Q2 guidance less cost related to replacement of CEO (level of DKK 5m)

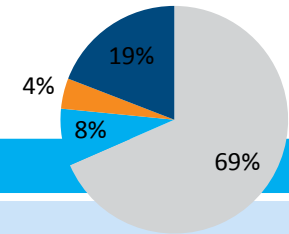


STATUS, NTD MARKET



	NTD	
Q3 2011	<ul style="list-style-type: none"> NTD sales lower than Q2, due to postponements of orders in the level of DKK 6m from Q3 to Q4 2011 	
Status 2011	<ul style="list-style-type: none"> Market down on the short term. Late impact of financial crisis Infrastructure and transport sectors significantly lower than expected Chinese decision on lowering maximum speed of high speed trains: Short term impact on Topsil sales Market share maintained 	
Future	<ul style="list-style-type: none"> Growth expected in all segments. Infrastructure projects driven by developing countries, e.g. China and Brazil Increased competition 	
	Short term	Future
Market outlook	➡	➡

STATUS, PFZ, CZ AND CZ-EPI



	EPI and PFZ	
Q3 2011	<ul style="list-style-type: none"> General semiconductor market softening PFZ currently tested by 5-10 customers CZ-EPI: Technical issues resolved, qualification programme resumed 	
Status 2011	<ul style="list-style-type: none"> Low and medium power segments lower than expected H2, particularly Q4 Delay of qualifications to have negative impact on sales 2011 	
Future	<ul style="list-style-type: none"> Future market to develop in accordance with global economy PFZ/CZ-EPI qualifications expectedly finalised Q1 2012, ramp start of H2 2012 New customer agreement: CZ capacity fully utilised 2012 	
	Short term	Future
Market outlook	➡	➡



**INVESTMENT
PROGRAMME:
GREENFIELD**

NEW PLANT, GREENFIELD CONSTRUCTION 2011-2012



23 November 2011

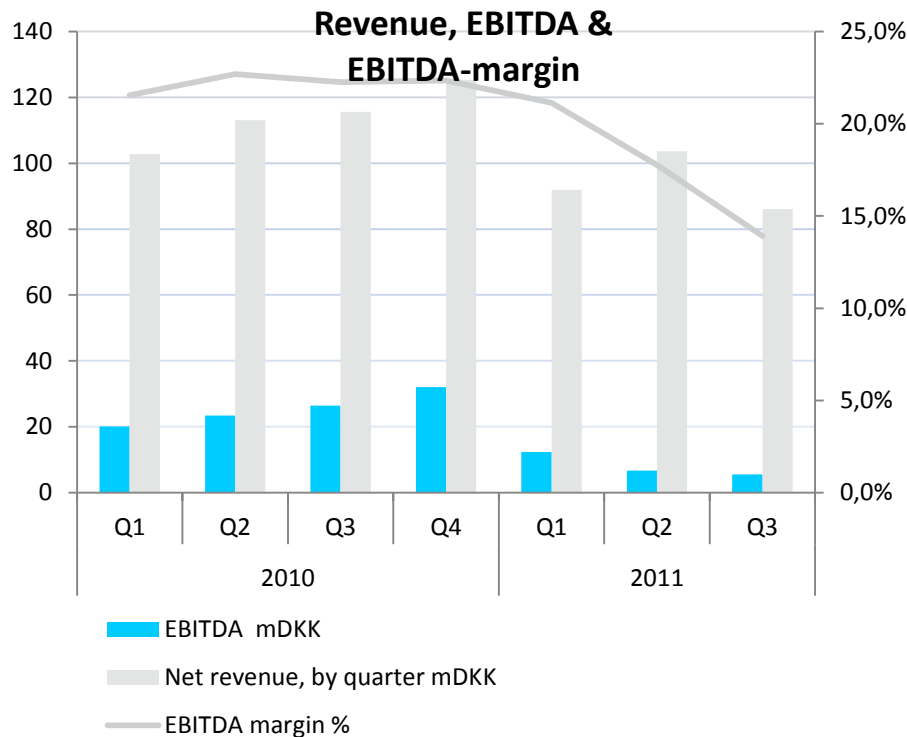


- Construction according to plan
- Allocated DKK 200m investment programme: Expenditure in level of DKK 120m in 2011, DKK 80m in 2012, within existing financial framework



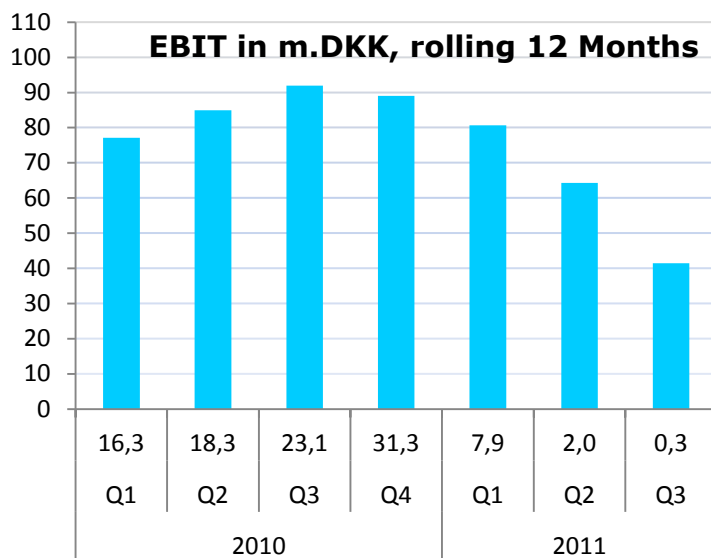
**COMMENTS TO
Q3 FINANCIALS
2011**

REVENUE AND EBITDA



- Q3 2011 revenues of DKK 86.1m (Q3 2010: DKK 115.6m) – decrease of 25.5%
- Postponements of orders in the range of DKK 6m from Q3 to Q4
- Cost reductions implemented Q3, effect DKK 10m FY11, DKK 20m 2012
- Consolidated EBITDA of DKK 5.5m (DKK 14.1m) – below expectations
- EBITDA-margin of 6.4% (Q3 2010: 22.9%) due to low level of activity
- Q4 2011 expectations**
Revenue DKK 88m
EBITDA DKK 10m
Margin 12%

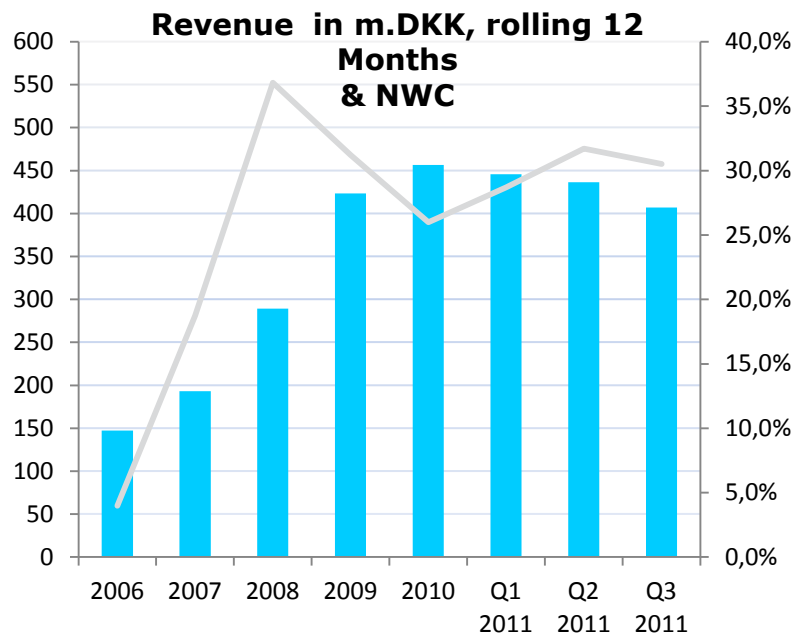
EARNINGS BELOW EXPECTATIONS



- Q3 2011 EBIT at DKK 0.3m (Q3 2010: DKK 23.1m) corresponding to EBIT-margin of 0.3% (Q3 2010: 20.0%)
- Net financial costs of DKK 4.6m compared to costs of DKK 5.7m last year (fluctuations in USD)
- New finance policy implemented securing against fluctuations in daily business
- PBT at DKK -4.3m (Q3 2010: DKK 17.4m) and net profit decreased to DKK -1.4m (Q3 2010: DKK 14.5m)

INVESTMENTS IN SEIZING THE OPPORTUNITY

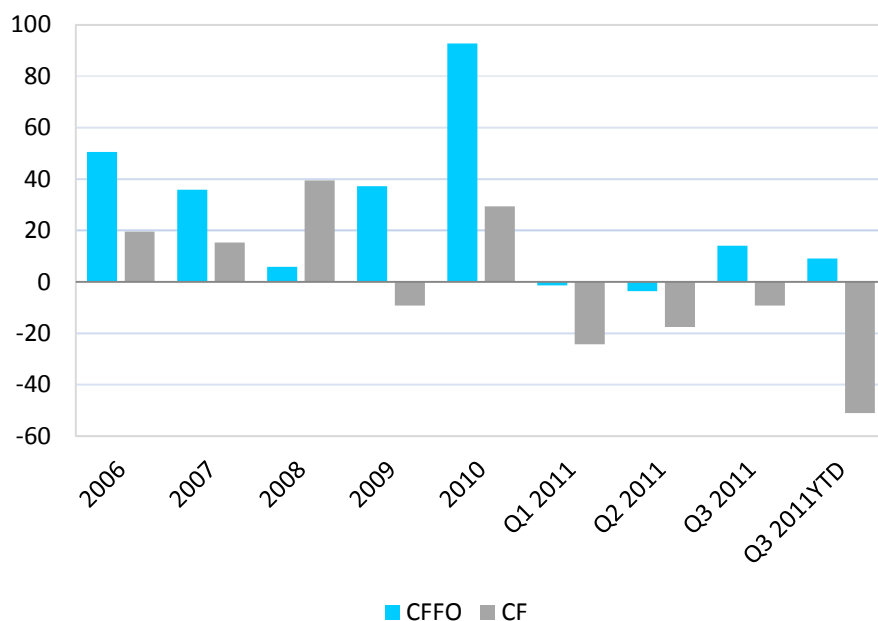
NWC UP DUE TO HIGHER INVENTORIES



- Investment programme increases property, plant and equipment by approx. DKK 57m since beginning of year
- Net working capital (NWC) up DKK 5.6m to DKK 124.2m since beginning of year, due to increase in inventories
 - Receivables and supplier debt on par with ultimo 2010
- Net interest bearing debt (NIBD) an asset of DKK 24.0m (DKK 92.6m primo 2011)
- New programme focussing on working capital optimisation

CFFO INFLUENCED BY HIGHER NWC AND LOWER EARNINGS

Cash Flow in m.DKK



- Cash flow from operations (CFFO) from DKK 77.1m to DKK 20.3m
- EBIT down from DKK 23.1m to DKK 0.3m
- NWC change from DKK 3.9m to DKK (8.0m)
- Net investment of DKK 65.3m since beginning of year, expected to end at DKK 120m end of year



SUMMARY



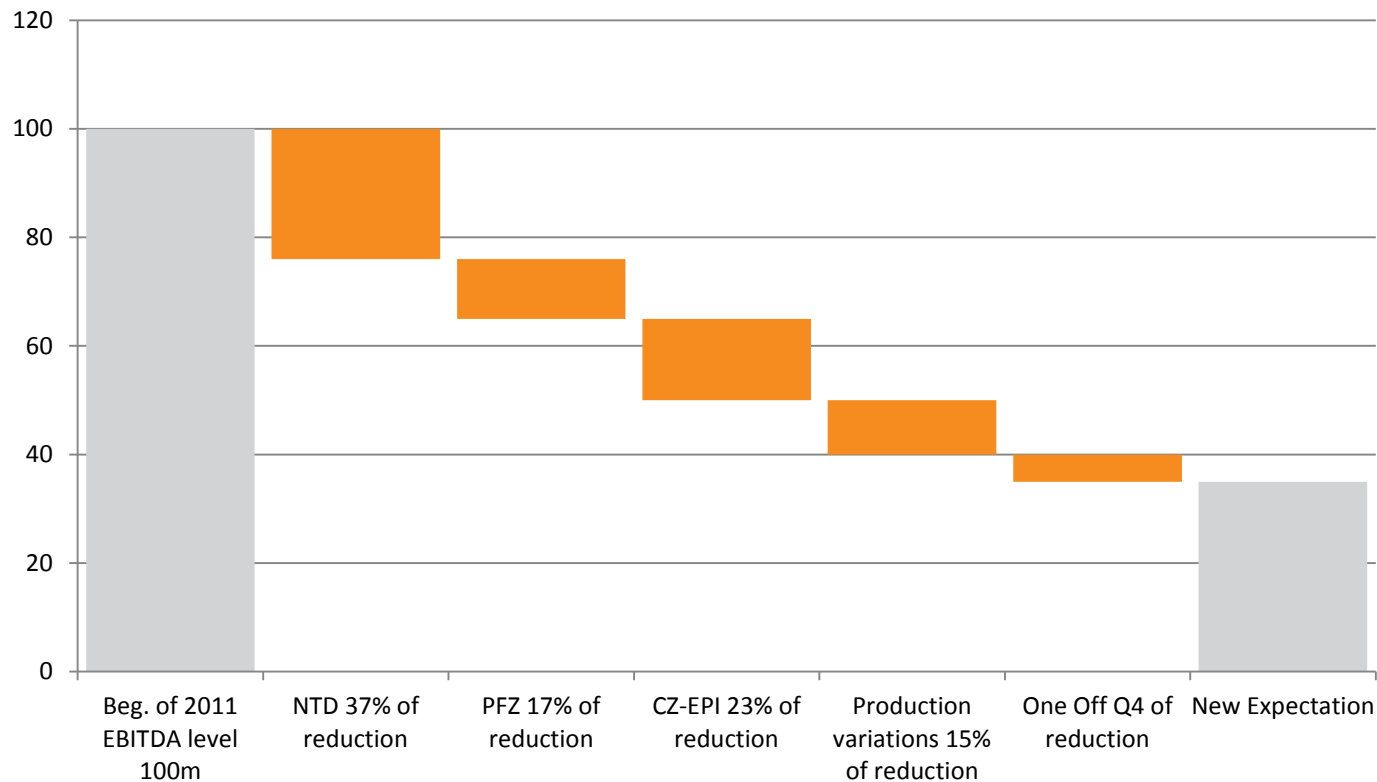
SUMMARY

- 2011 market slow down
- Focus on sales, existing and new customers
- Poly quality issue solved technically, commercial agreement pending
- Ongoing product qualification of PFZ progressing:
Orders expected Q1 2012
- New customer agreement: Full CZ capacity utilisation 2012
- 8" development and new plant following plan
- Cost improvement programme,
savings FY11 DKK 10m, 2012 DKK 20m



BACK UP SLIDE

ADJUSTED EBITDA 2011



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