

# FINANCIAL RESULTS Q1 2012

SEB ENSKILDA, MAY 25<sup>th</sup> 2012

**TOPSIL**

The logo for 'AGENDA' features a stylized icon of a cluster of grey dots on the left, with the word 'AGENDA' in a bold, black, sans-serif font to its right. The entire logo is centered within a white, teardrop-shaped graphic that points towards the top-left corner of the slide.

# AGENDA

Q1 2012 highlights

Financials

Guidance 2012

Appendix

**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.*



# Q1 HIGHLIGHTS

## Status new products, R&D, new plant

- First orders on new PFZ product for medium voltage received
- Development of new larger diameter FZ product ongoing
- Construction of new FZ plant following plan – first new equipment installed Q1



# Q1 HIGHLIGHTS (CONTINUED)

## Revenue in line with expectations

- Q1 2012: DKK 78.5m (Q1 2011: DKK 92.0m)

## Earnings in line with expectations

- Q1 2012: EBITDA of DKK 9.1m (Q1 2011: DKK 12.3m)
- EBITDA margin of 11.5% (Q1 2011: 13.4%)
- Lower costs following cost reduction programme

## Guidance maintained for 2012

- Revenue to decline by 5-10% relative to 2011
- EBITDA in the range of DKK 40-50m

# NEW PLANT, NEW 8" PRODUCTS



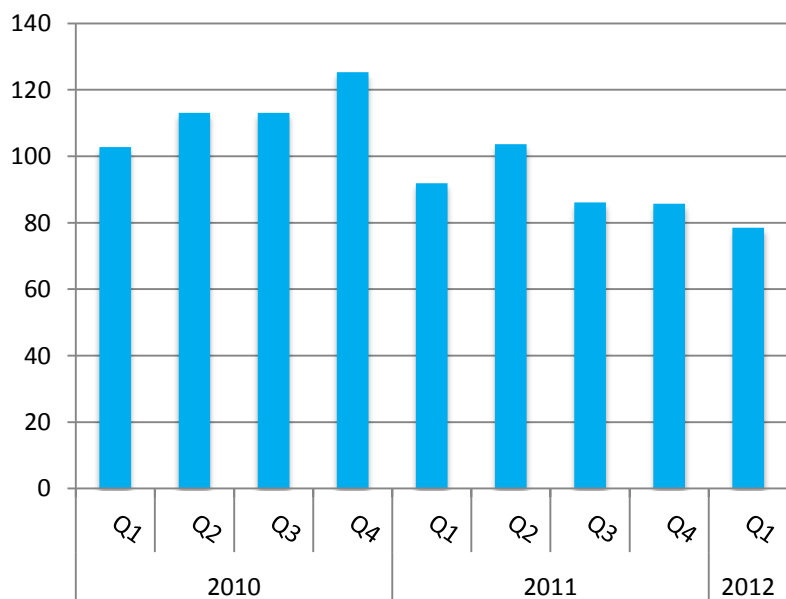
- New plant: On plan, first test products to undergo customer qualification towards end of year
- New 8 inch products: Development continues, initiation of first customer qualifications expected end of 2012, actual sales expected in 2013

A large white abstract shape, resembling a stylized drop or a partial circle, is positioned on the left side of the page. It contains the word "FINANCIALS" and a small icon of seven dots.

 **FINANCIALS**

# REVENUE Q1 2012 IN LINE WITH EXPECTATIONS

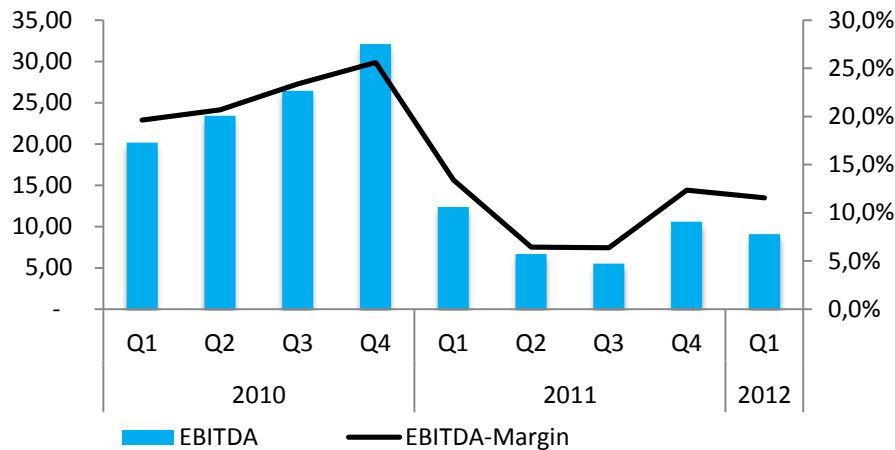
Revenue in DKKm:



- **Q1 2012 revenues of DKK 78.5m (DKK 92.0m) – decrease of 15% driven by:**
  - Reduced NTD
  - Partly compensated by higher PFZ, CZ and CZ-EPI

# IMPROVED EBITDA MARGIN COMPARED TO 2011 FULL YEAR

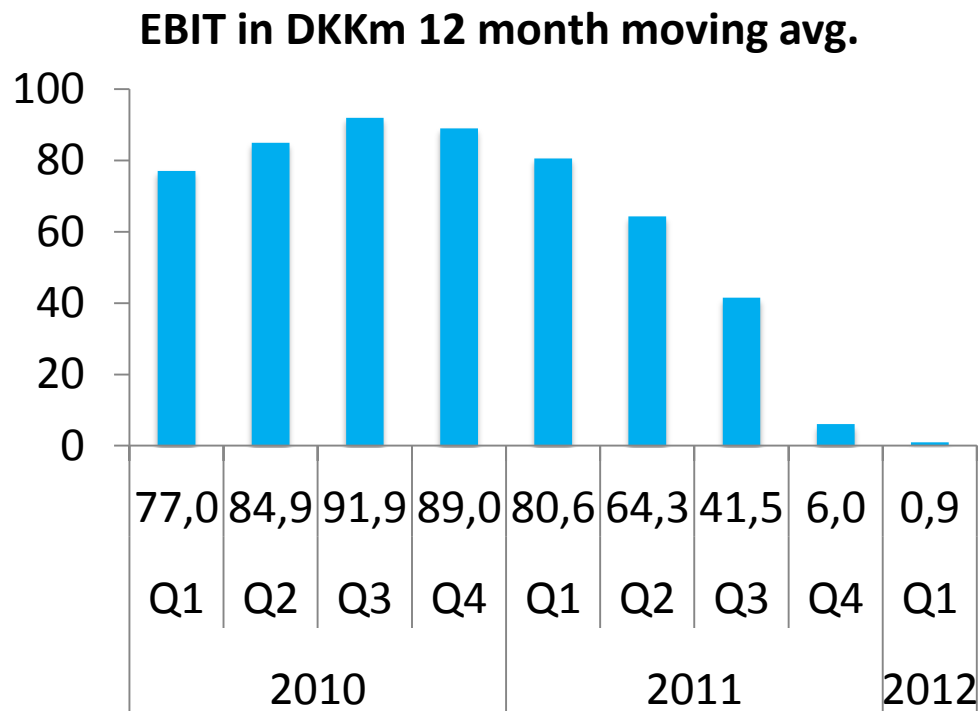
EBITDA & EBITDA-margin



- Consolidated EBITDA of DKK 9.1m (Q1 2011: DKK 12.3m) meets expectations
- EBITDA margin of 11.5% (Q1 2011: 13.4%)
  - Lower in margin due to lower level of activity
  - Margin above 2011 FY (9.6%)
  - Cost reduction programme yielding sustainable results

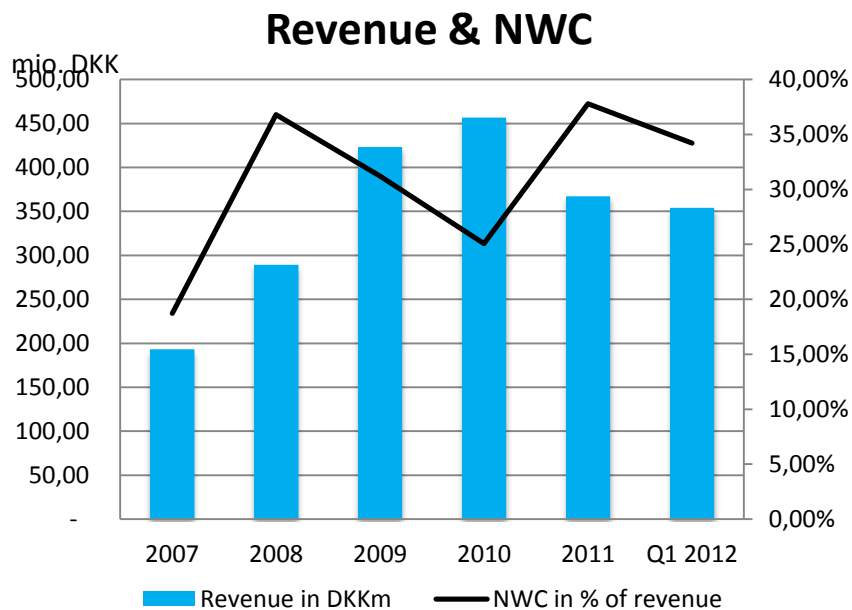


# Q1 EARNINGS IN LINE WITH EXPECTATIONS



- **Q1 2012 EBIT at DKK 2.8m (DKK 6.0m) corresponding to EBIT margin of 3.6% (8.6%) and 1.6% for full year 2011**
  - Cemmat'70 depreciations now fully consolidated
- **Net financials profit of DKK 2.7m (FX gain DKK 7.1m) compared to a cost of DKK 2.2m last year (FX loss DKK (1.9)m). FX effects primarily from PLN/USD**
- **PBT at DKK 5.5m (DKK 5.7m) and net profit increased to DKK 4.3m (DKK 2.7m)**

# CASH IMPACTED BY LOWER RECEIVABLES AND INVESTMENTS IN GREENFIELD



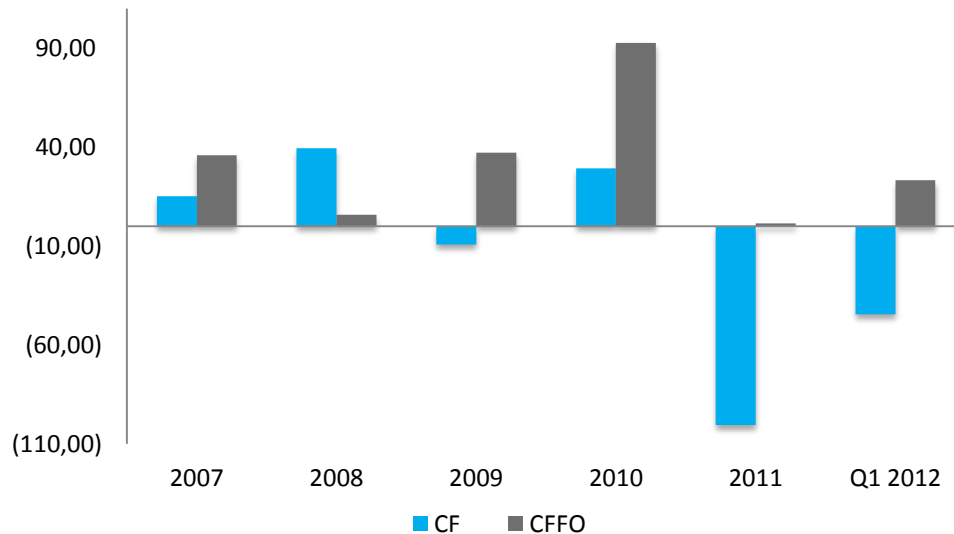
anm: Q1 2012 = 12 month moving avg.

- **Net working capital (NWC) down by DKK 17,8m to DKK 121.1m**
  - Receivables noticeably down and supplier debt slightly up compared to ultimo 2011
- **Investments in Greenfield site and plant and equipment by approx. DKK 54m since beginning of year**
- **Net interest bearing debt (NIBD) of DKK 53.8m (DKK 4.3m primo 2012)**



# CFFO INFLUENCED BY LOWER NWC

Cash flow in DKKm



- **Cash flow from operations (CFFO) at DKK 25.3m (DKK 0.9m) improved from Q1 2011**
  - EBIT down from DKK 7.9m to DKK 2.8m
  - NWC increased Q1 2011 with DKK 9.2m and in Q1 2012 NWC was improved by 20.5m
- **Net investment of DKK 55.6m in Q1 2012 (DKK 25.1m)**



**GUIDANCE  
2012**

# **GUIDANCE FOR 2012**

## **Market expectations**

- Soft market to continue - market expected to gradually recover during the second half of the year
- From then on gradual improvement expected towards a rate of approximately 5-10% p.a.

## **Revenue**

- Revenue in 2012 to decline by 5-10% relative to 2011
- Assumption of a fall of about 25% in the first half of the year, followed by minor growth in the second half of the year

## **EBITDA**

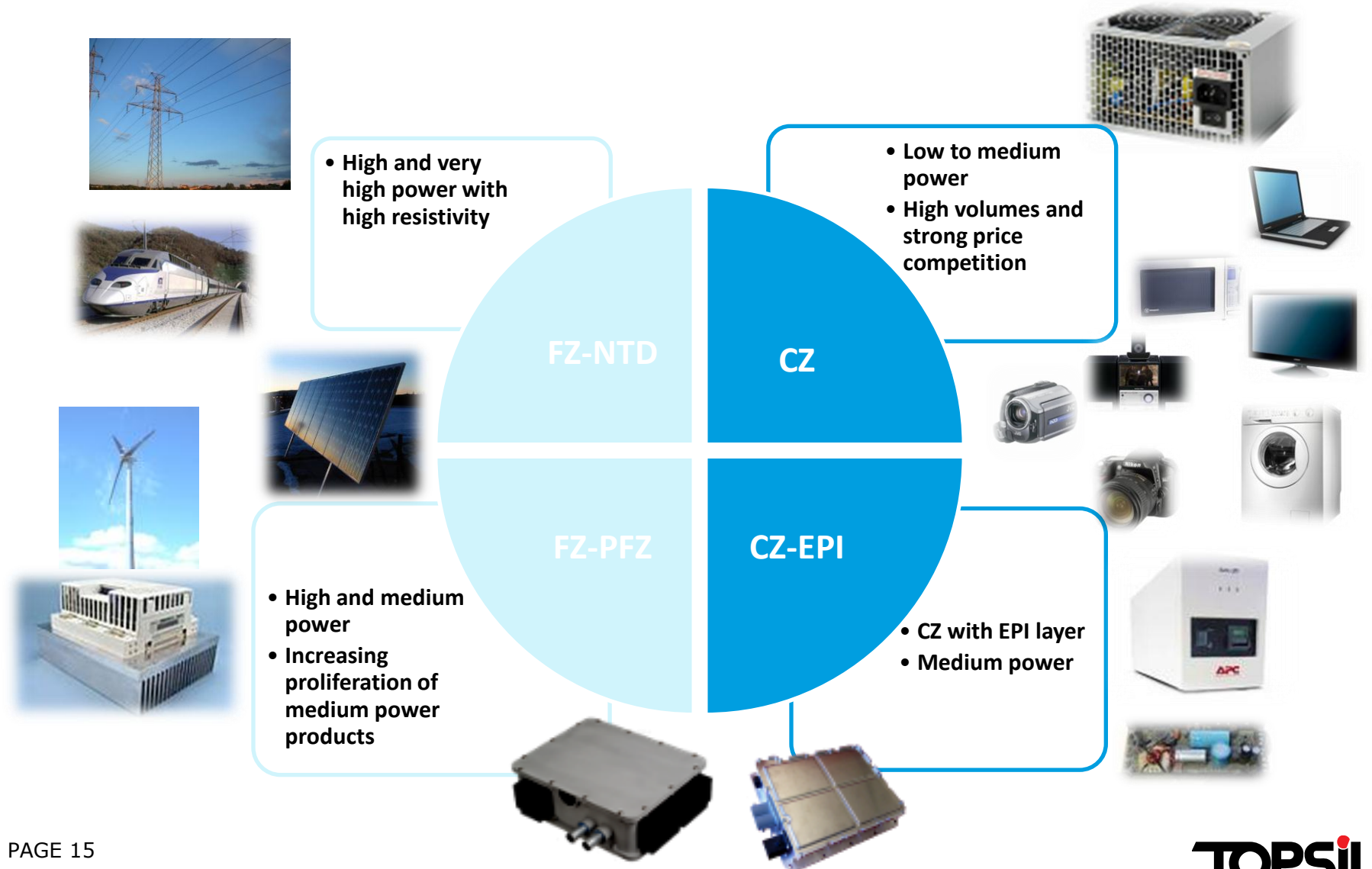
- Expected to be at approximately DKK 40-50 million 2012 against DKK 35 million in 2011
- Implemented cost reductions will provide full-year effect in 2012, albeit moderately offset by the costs for operating in two locations in Denmark

Expectations based on exchange rates of DKK 550/USD 100 and DKK 185/PLN 100



 **APPENDIX**

# TOPSIL IS DEDICATED TO HIGH PERFORMANCE DEVICES



# QUALIFICATION PROCESS (APP. 3 ITERATIONS OF PHASE 6)

■ Sales ■ Operations ■ R&D ■ QA

