

FINANCIAL RESULTS Q2 2012

SEB ENSKILDA, AUGUST 30th 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

Q2 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.



Q2 HIGHLIGHTS

Status new products, R&D, new plant

- Two qualifications (new PFZ and CZ-EPI) finalised Q2, further qualifications ongoing
- Slow pace of qualifications due to soft market
- Development of new larger diameter FZ silicon progressing according to expectations
- New plant: Installation of machinery and equipment according to plan



Q2 HIGHLIGHTS (CONTINUED)

Revenue in line with expectations

- Q2 2012: DKK 76.5m (Q2 2011: DKK 103.7m)
- H1 2012 decrease of 21% compared to previous year, improved compared to expectations of 25% decrease

Earnings in line with expectations

- Q2 2012: EBITDA of DKK 5.3m (Q2 2011: DKK 6.7m)
- EBITDA margin of 7.0% (Q2 2011: 6.4%)
- Close to 20% lower costs following cost reduction programme

Guidance adjusted 8 August 2012

- Revenue of approximately DKK 260-280m
- EBITDA in the range of DKK 5-15m



NEW PLANT, NEW 200 MM PRODUCTS



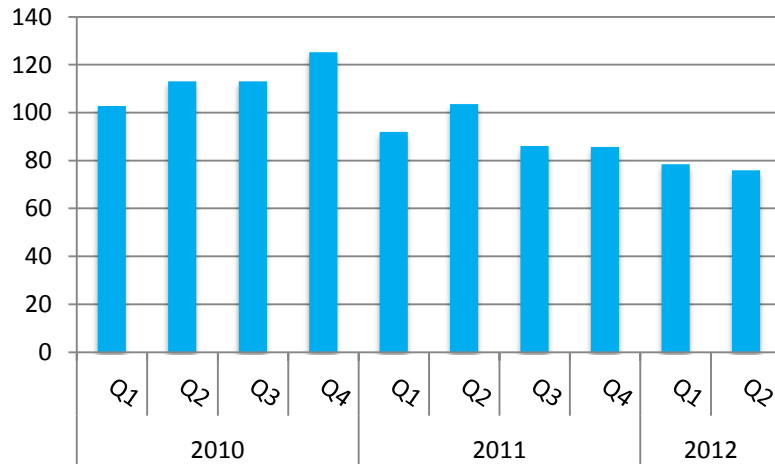
- New plant: First test crystals have been manufactured end Q2, first group of staff to be relocated Q3 2012
- New 200mm products: On diameter Q2, first test wafers to be shipped Q3, qualification wafers end of 2012



 **FINANCIALS**

REVENUE Q2 2012 IN LINE WITH EXPECTATIONS

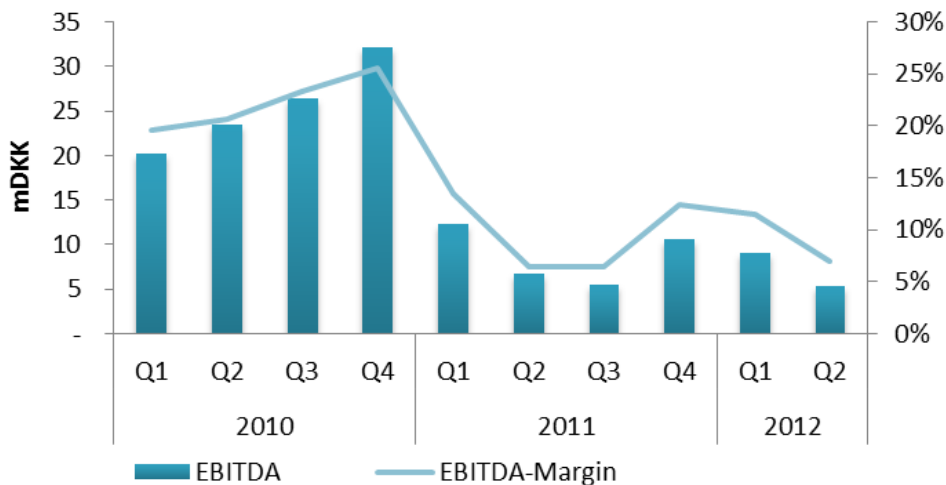
Revenue in DKKm:



- **Q2 2012 revenues of DKK 76.0m (DKK 103.7m) – decrease of 26,7% driven by:**
 - Expected low activity level in market
 - Reduced NTD
 - Partly compensated by higher PFZ, CZ and CZ-EPI

IMPROVED EBITDA MARGIN COMPARED TO 2011 Q2

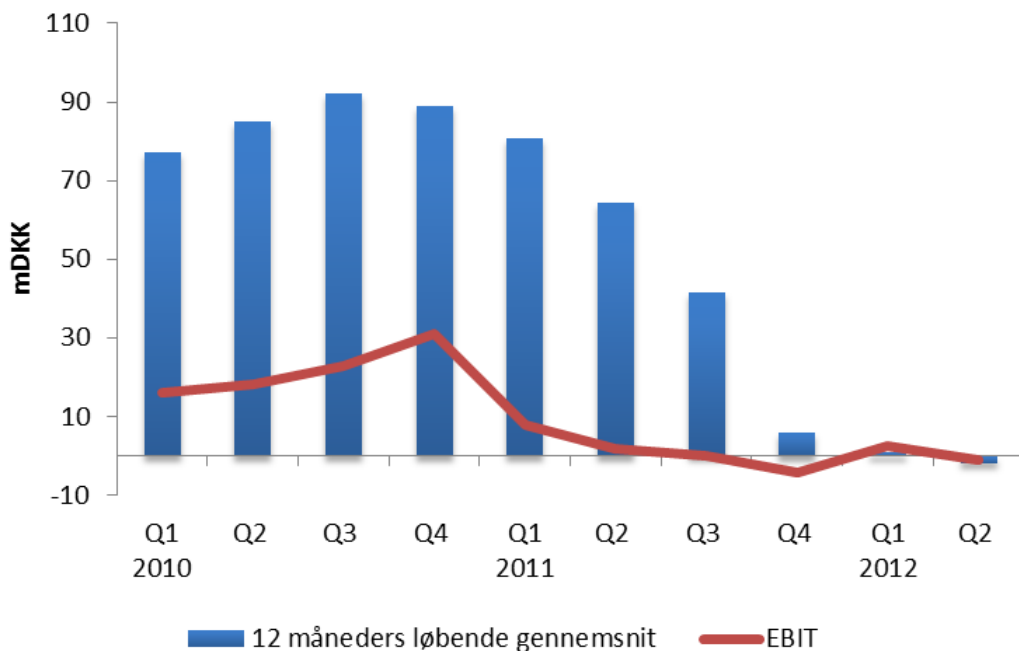
EBITDA & EBITDA-margin



- **EBITDA of DKK 5.3m (Q2 2011: DKK 6,7m) meets expectations**
- **EBITDA margin of 7.0% (Q2 2011: 6.4%)**
 - Lower margin due to lower level of activity / lower utilization
 - Compensated by cost reduction programme yielding sustainable results – savings in fixed cost close to 20%

Q1 EARNINGS IN LINE WITH EXPECTATIONS

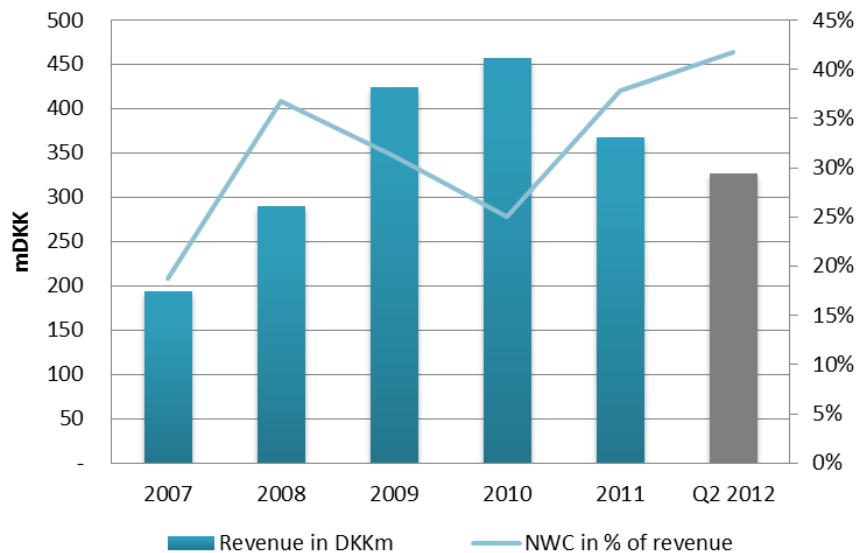
EBIT - 12 month moving avg.



- **Q2 2012 EBIT at DKK (1,0m) versus DKK 2.0 in 2011 corresponding to EBIT margin of (1.3%) compared to 2.0% in Q2 2011 and 1.6% for full year 2011**
- **Net financials cost of DKK (7.1m) compared to an income in Q1 2012 of 2.7m DKK and a cost of DKK 1.0m Q2 last year. FX effects primarily from PLN/USD**
- **PBT at DKK (8.1m) versus Q2 2011 of DKK 1.0 m and net profit decreased to DKK (8.9m) against DKK 1.1m in 2011.**

CASH IMPACTED BY INVENTORY AND INVESTMENTS IN GREENFIELD

Revenue & NWC



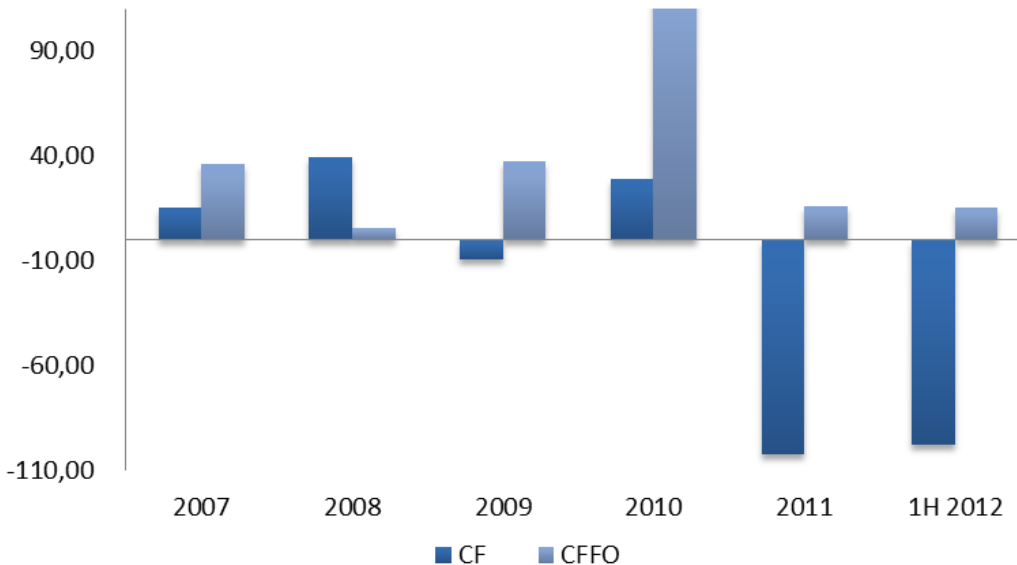
ann: Q2 2012 = 12 month moving avg.

- **Net working capital (NWC) up by DKK 15.3m to DKK 136.4m**
 - Inventory noticeably up and supplier debt and debtors flat compared to Q1 2012
- **Investments in Greenfield site and plant and equipment by approx. DKK 36.2m in Q2 and DKK 91.9m since beginning of year**
- **Net interest bearing debt (NIBD) of DKK 103,9m (DKK 4.3m primo 2012)**



CFFO INFLUENCED BY HIGHER NWC

Cash flow in DKKm



- **Cash flow from operations (CFFO) at DKK (10.3m) versus DKK (2.5m) in Q2 2011**
 - EBIT down from DKK 2.0m to DKK (1.0m)
 - NWC increased Q2 2012 with DKK 15.5m and in Q2 2011 NWC increased with 9.7m
- **Investment of DKK 36.2m in Q2 2012 (DKK 14.4m in Q2 2011)**



**GUIDANCE
2012**

GUIDANCE FOR 2012

Market expectations

- Soft market to continue during second half of the year
- Main customer not able to meet contracted purpose for 2012

Revenue

- Revenue in 2012 at approximately DKK 260-280m

EBITDA

- EBITDA at approximately DKK 5-15m

Expectations based on exchange rates of DKK 600/USD 100 and DKK 180/PLN 100