# Exceet Group S.E.

## Group Financial Results – 9M/Q3 2011

23 November 2011

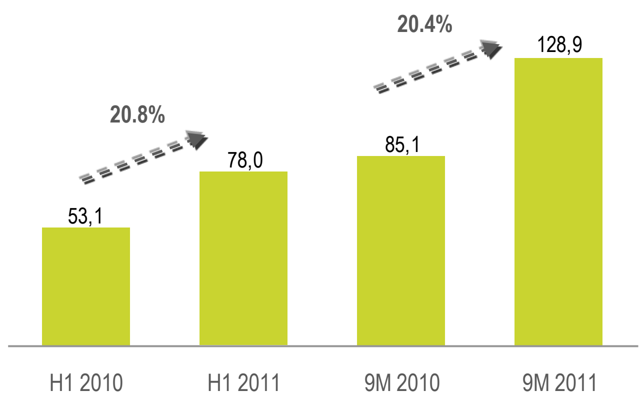
# Disclaimer

This presentation contains forward-looking statements based on beliefs of exceet Group SE management. Such statements reflect current views of exceet Group SE with respect to future events and results and are subject to risks and uncertainties. Actual results may vary materially from those projected here, due to factors including changes in general economic and business conditions, changes in currency exchange, the introduction of competing products, lack of market acceptance of new products, services or technologies and changes in business strategy.
exceet Group SE does not intend or assume any obligation to update these forward-looking statements.

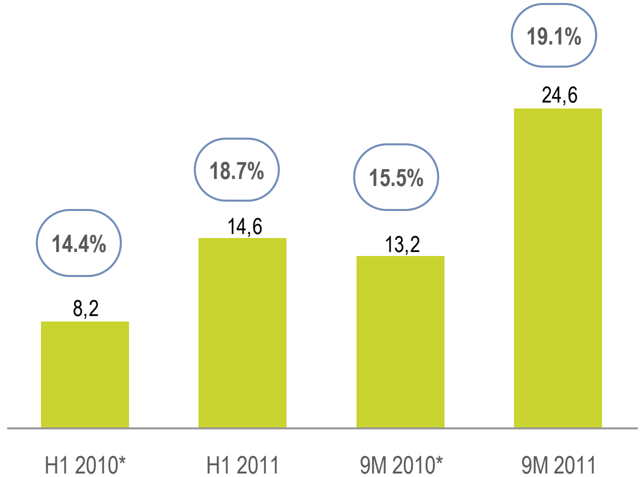
# Highlights (1)

- **9M revenues rose 51.5% to 128.9m€,** reflecting **20.4% organic growth**. In particular, **Q3 revenues show sustained organic growth of +19.7%**, broadly in line with H1 trend (+20.8%).
- **9M reported EBITDA grew 64.6% to 21.7m€,** reflecting **16.9% EBITDA margin** (15.5% in 9M10), despite negative impact of one-off IPO and Helikos/SPAC costs (excluding one-offs, **recurring EBITDA margin** would have reached **19.1%**).
- **9M EBITA rose 75.8% to 17.7m€** , reflecting **13.8% EBITA margin** (vs 11.9% in 9M/10)
- **9M Net Profit grew 95.5% to 13.1m€**, reflecting **10.2% net margin.** The total number of Class A shares reached 20.07m at the end of September 2011.

**Group Sales (€ million)**




**Recurring EBITDA (€ million)**



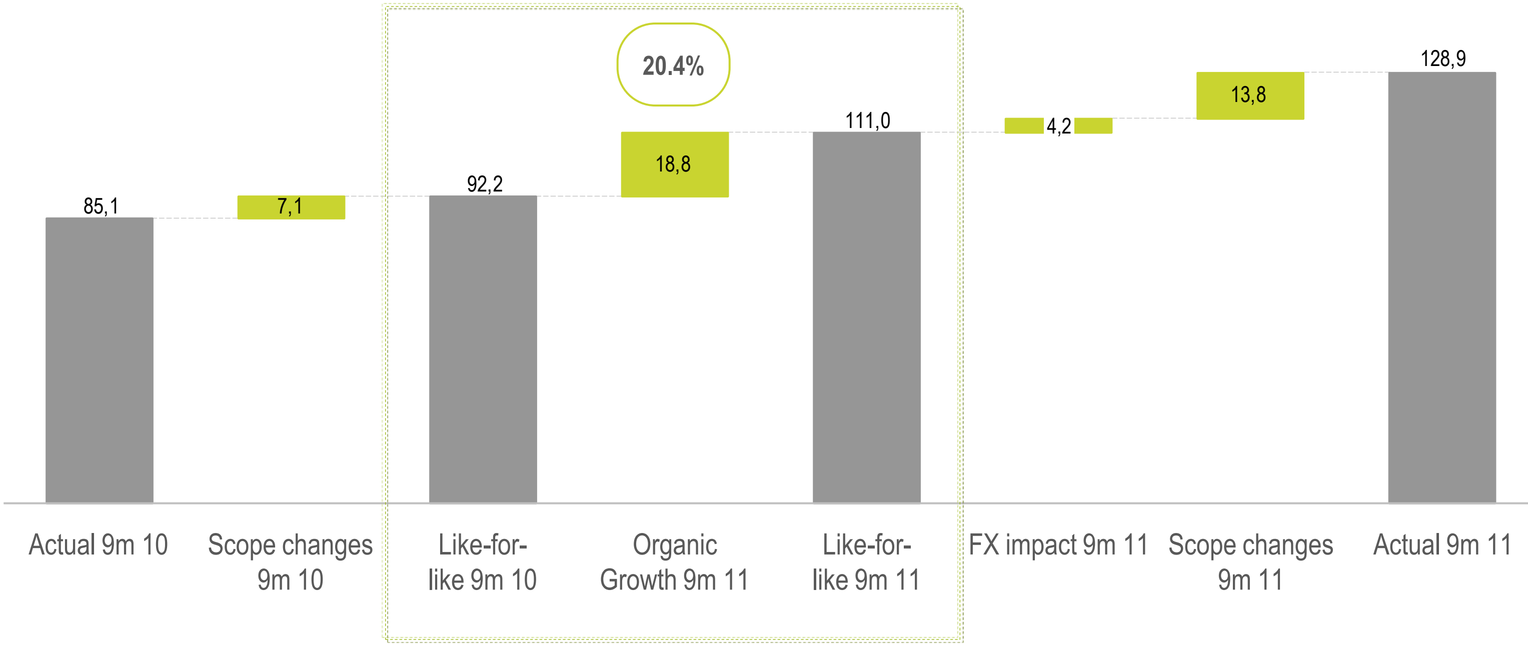
# Highlights (2)

- **9M Free cash flow* reached 8.4m€, up 114%** vs 9M10.
- **Solid Balance sheet**, showing net debt of 1.1m€, down from 17.6m€ at the end of Dec 10. Decrease in net financial debt is mainly explained by Free Cash Flow generation in 9M11 and the capital increase completed in the framework of the Helikos transaction.
- **Order book reached 104m€**, as a result of new orders in the medical engineering segment as well as in the market for security solutions. Q3 new orders reached 37.9m€.
- **2011 prospects**: exceet continues to see strong demand across its medical engineering and security solutions. Detailed guidance for FY12 will be disclosed when exceet reports FY11 preliminary sales (expected in February 2012).

*Free Cash Flow = Cash Flow From Operations (as per Cash Flow Statement) less Net Capex (excluding the deduction of finance leases)

# Financial review and analysis

# Revenue bridge from actual 9M 2010 to actual 9M 2011

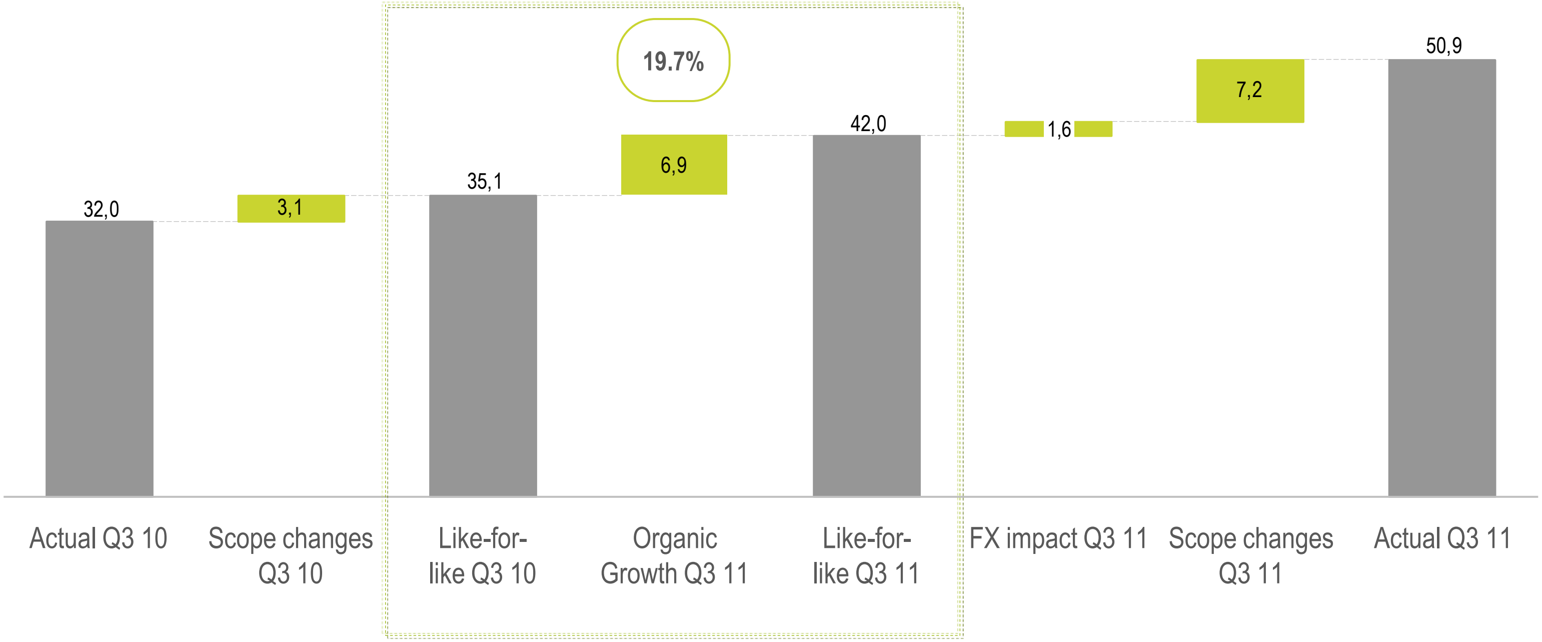



**FX rate EUR/CHF:**
Actual 9M 2010 0.71
Actual 9M 2011 0.81

**FX rate EUR/USD :**
Actual 9M 2010 1.32
Actual 9M 2011 1.41

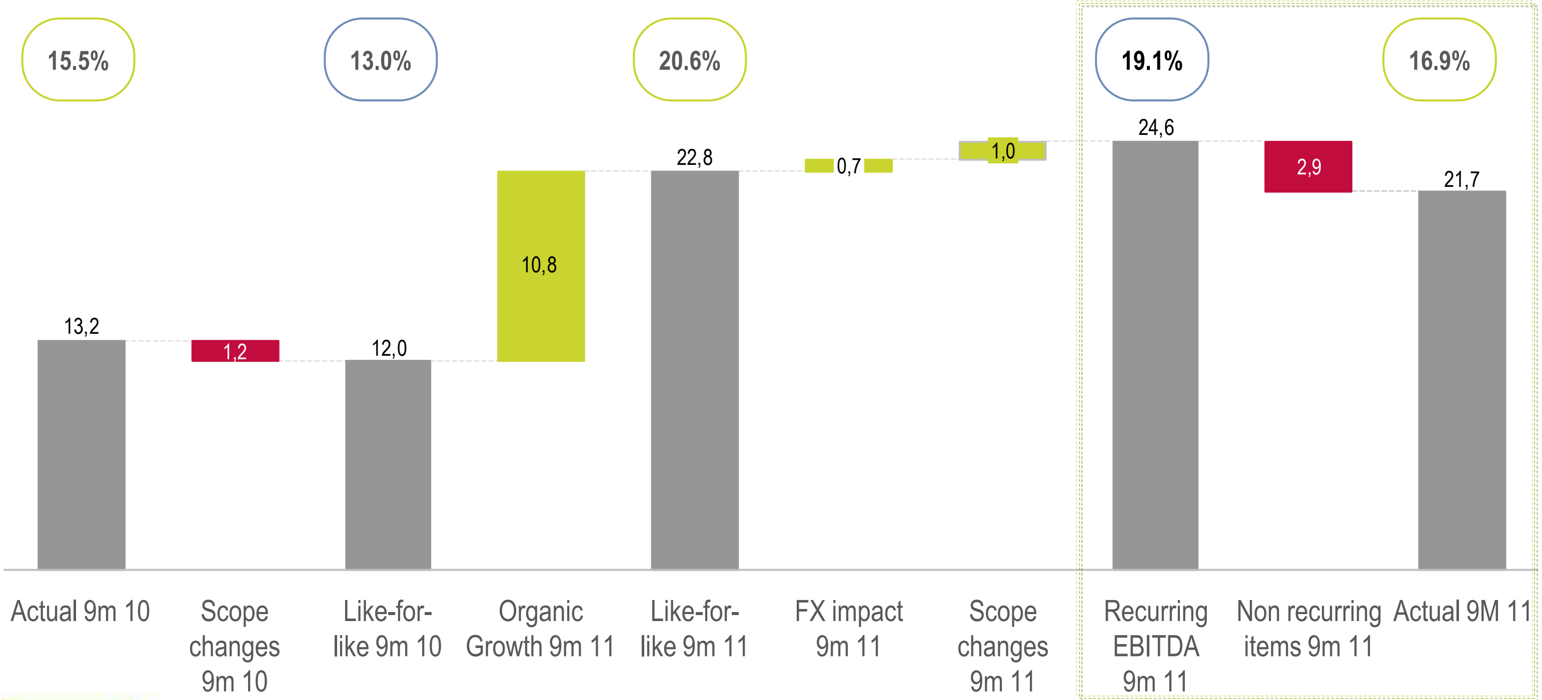
- Organic revenue growth reached 18.8m€, reflecting +20.4% organic growth rate.
- 9M2010 ‘Like for like’ revenues integrate Winter’s contribution as if Winter had been consolidated from 01.01.2010 (as a reminder, Winter was consolidated from 29.12.2010).
- FX adjustments mainly reflect the impact of strengthening CHF vs the € (+14% during the period).
- 2011 scope changes reflect the impact of AthentiDate and Contec, respectively consolidated on 01.04.2011 and 01.05.2011.

# Revenue bridge from actual Q3 2010 to actual Q3 2011




- Organic revenue growth reached 6.9m€, reflecting +19.7% organic growth rate.
- Q3 2010 ‘Like for like’ revenues integrate Winter’s contribution in full Q3 2010, as if Winter had been consolidated from 01.01.2010.
- FX adjustments mainly reflect the impact of strengthening CHF vs the € (up14% year on year).
- 2011 scope changes reflect the impact of AthentiDate and Contec, respectively consolidated on 01.04.2011 and 01.05.2011.

# EBITDA bridge from actual 9M 2010 to actual 9M 2011

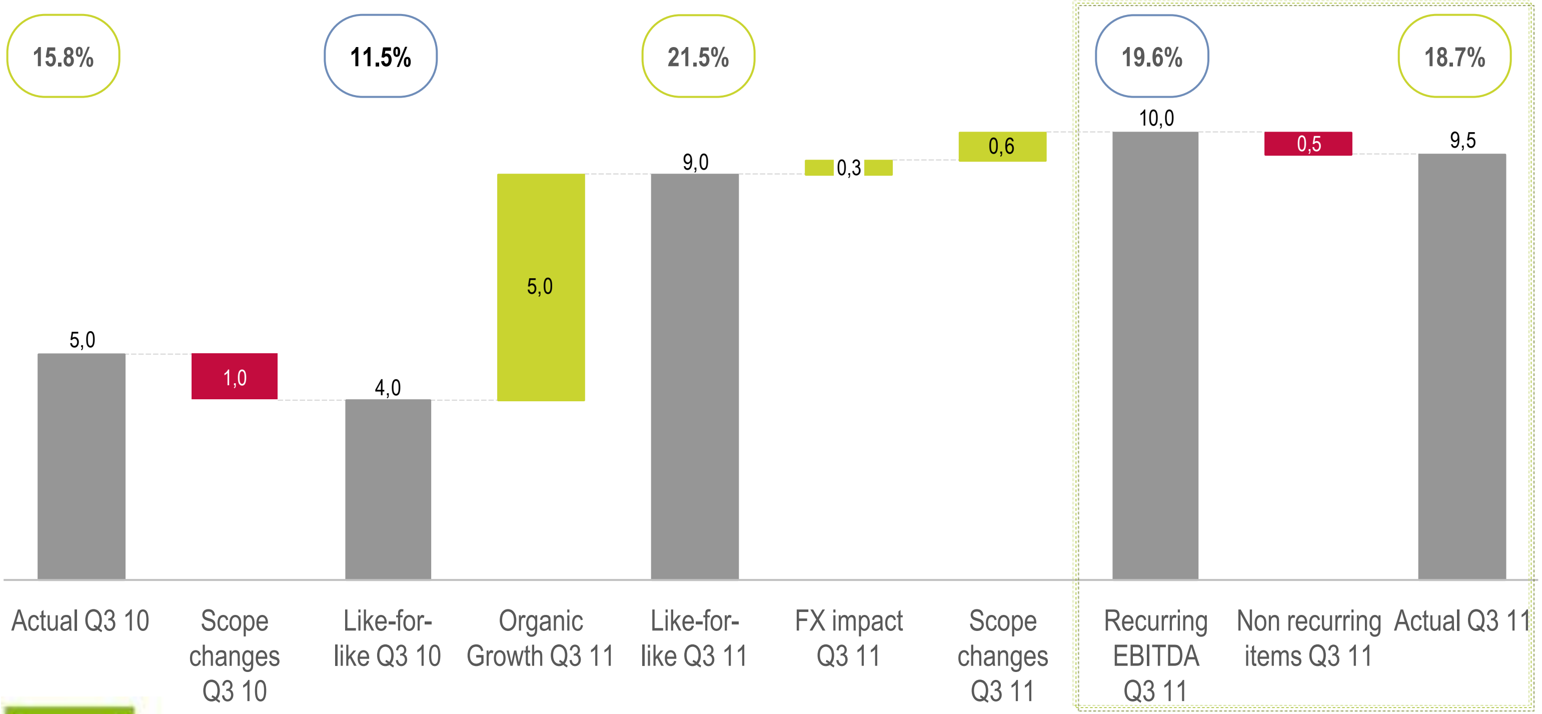



**FX rate EUR/CHF:**
Actual 9M 2010 0.71
Actual 9M 2011 0.81

**FX rate EUR/USD :**
Actual 9M 2010 1.32
Actual 9M 2011 1.41

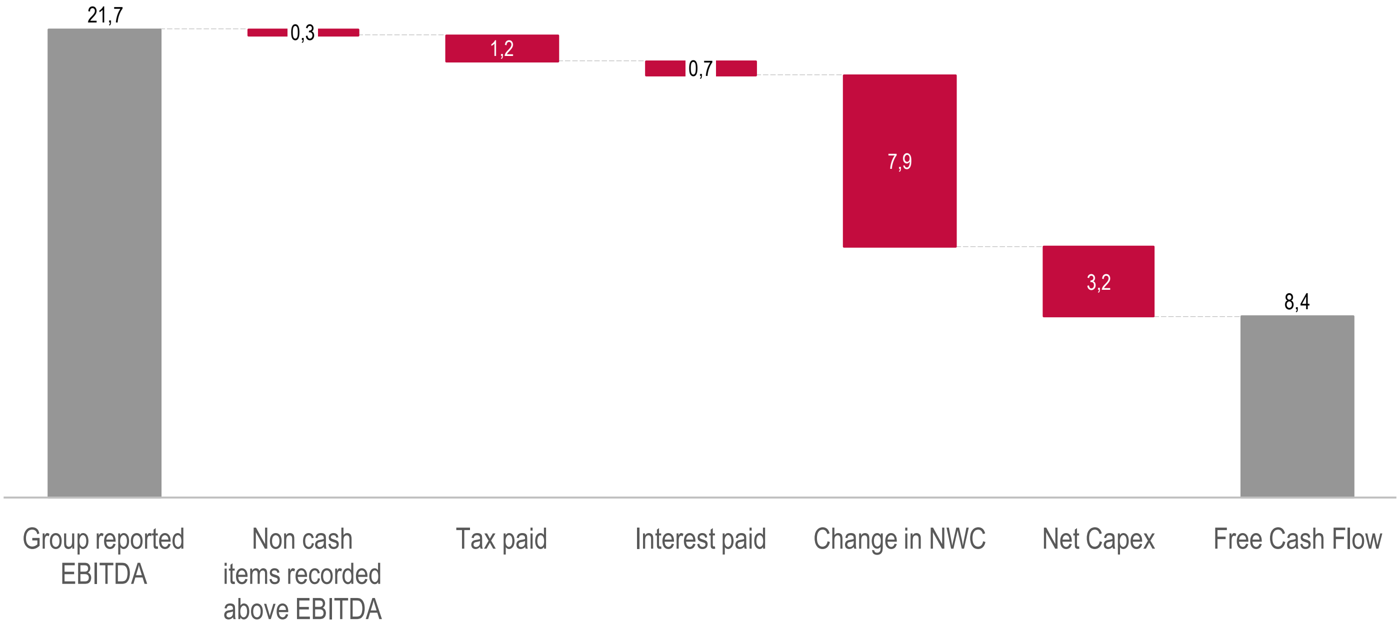
- 9M reported EBITDA grew 64.6% to 21.7m€, reflecting 16.9% EBITDA margin, despite negative impact of one-off IPO and Helikos/SPAC costs (-2.9m€).
- Excluding one-offs, recurring EBITDA margin would have reached 19.1%.

# EBITDA bridge from actual Q3 2010 to actual Q3 2011




- In Q3, exceet reported 18.7% EBITDA margin (**excluding one-offs, recurring EBITDA margin would have reached 19.6%).**
- Notably, exceet delivered strong EBITDA margin despite the dilutive impact of Contec and AuthentiDate.

# From EBITDA to Free Cash Flow – 9M11-




- **9M Free cash flow reached 8.4m€, up 114%** vs 9M10: under the combined impact of rising EBITDA and fairly stable Capex, which have more than offset the WCR growth experienced in Q3.
- **WCR usually picks in Q3, and reverses in Q4**, as exceet generally sells its high Q3 inventories in Q4. Moreover, receivables tend to decline in Q4, given the weak activity in the 2nd half of December (also seasonal).
- Capital expenditures were focused mainly on production and equipment as well as the purchase of land in connection with the acquisition of Contec GmbH in Tirol. Capital expenditures representing 2.5% of revenues were invested in property, plant and equipment in the first nine months of 2011.

# Net Debt evolution between 31.12.10 and 30.09.2011

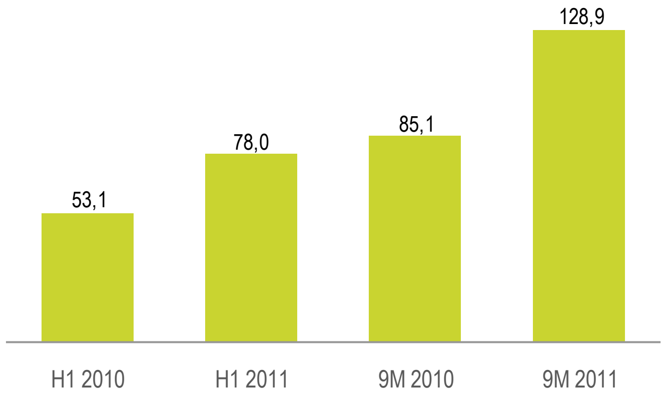

Net debt declined from 17.6m€ at the end of December 2010 to 1.1m€ at the end of September 2011.
By order of importance:

- The Helikos transaction translated into 20.6m€ inflow (itself mainly driven by 15.1m€ capital increase in the framework of the IPO)
- Free Cash Flow generation in the first 9 months of 2011 (8.4m€)
- The 2-above mentioned cash inflows were partially mitigated by acquisition spending (Contec & AuthentiDate for 6.4m€).

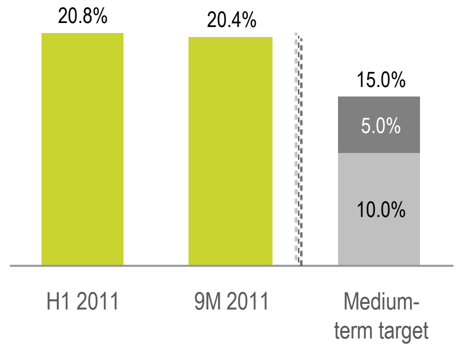
*mainly covers the redemption of a shareholder loan, included in the 20.6m€ effects of the Helikos transaction

# 9M 2011: Reported 9M11 vs medium-term targets

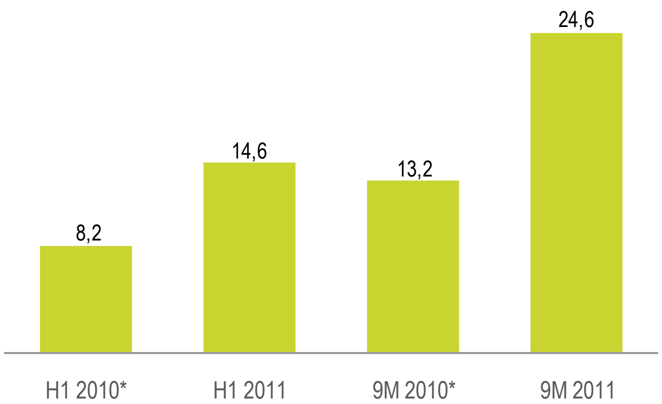
## Group Sales (€ million)



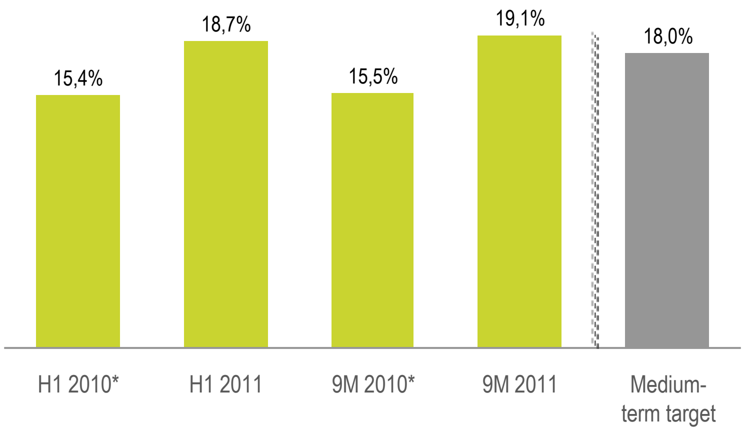

## Organic Sales Growth Rate (%)




## Recurring EBITDA (€ million)




## Recurring EBITDA Margin (%)




*2010 : excluding Winter

# ‘Below EBITDA’ items

- Depreciation & Amortization charges reached 5.9m€, up 40.5% vs 9M10, due to increase asset base as a result of both organic growth and acquisitions. **Despite D&A increase, EBIT (+75.9%) grew faster than EBITDA (+64.6%).**
- Notably, Amortization of PPA* charge reached 1.9m€ in 9M11, up from 1.1m€ in 9M10, purely driven by the full year impact of Winter’s acquisition, as well as additional amortization incurred in 2011 in relation with the Contec and AuthentiDate acquisitions. **EBITA margin expansion (up 190 bps to 13.8%) was higher than EBIT margin expansion (up 170 bps to 12.3%)** because the growth of PPA amortization was higher than the increase in depreciation charges.
- Net financial income of +1.6m€, vs net financial expense of -1.05m in 9M10, mainly driven by +2m€ income associated with mark-to-market valuation of the warrants.
- Reported tax rate of 24.5%  in line with exceet’s normalized tax rate 25-26%.
- **2011 prospects**: exceet continues to see strong demand across its medical engineering and security solutions. Detailed guidance for FY12 will be disclosed when exceet reports FY11 preliminary sales results (expected in February 2012).

*Purchase Price Allocation (Amortization related to Customer Base, Technology and Brand acquired in relation with M&A transactions)

# Appendix

# Group income statement

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## 9 Month 2011/9 Month 2010

| (in €m) | 9m 2011 | 9m 2010 |
|---|---|---|
| **Revenue** | **128,9** | **85,1** |
| Cost of sales | -95,1 | -66,3 |
| **Gross profit** | **33,8** | **18,7** |
| *% margin* | *26,2%* | *22,0%* |
| Distribution costs | -7,4 | -5,7 |
| Administrative expenses | -11,7 | -5,0 |
| Other operating income | 1,0 | 1,0 |
| **EBIT** | **15,8** | **9,0** |
| *% margin* | *12,3%* | *10,6%* |
| **Net financial result** | **1,6** | **-1,1** |
| **Profit before tax** | **17,4** | **7,9** |
| Income tax | -4,3 | -1,2 |
| **Net profit** | **13,1** | **6,7** |
| *% margin* | *10,2%* | *7,9%* |

| Key Financial Indicators | | |
|---|---|---|
| **Reported EBIT** | **15,8** | **9,0** |
| + PPA Amortization | 1,9 | 1,1 |
| **= EBITA** | **17,7** | **10,1** |
| *EBITA margin* | *13,8%* | *11,9%* |
| **Reported EBIT** | **15,8** | **9,0** |
| + Depreciation charges & Amortization | 5,9 | 4,2 |
| + Non recurring items | 2,9 | 0,0 |
| **= Recurring EBITDA** | **24,6** | **13,2** |
| *% Recurring EBITDA margin* | *19,1%* | *15,5%* |

# Sales and profit per segment

## 9 Month 2011/ 9 Month 2010

| | ECMS | | IDMS | | ESS | | Corporate an others | | Intersegment elimination | | Group consolidation | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| [in €m) | 1.1.2011 to 30.09.2011 | 1.1.2010 to 30.09.2010 | 1.1.2011 to 30.09.2011 | 1.1.2010 to 30.09.2010 | 1.1.2010 to 30.09.2010 | 1.1.2011 to 30.09.2011 | 1.1.2011 to 30.09.2011 | 1.1.2010 to 30.09.2010 | 1.1.2010 to 30.09.2010 | 1.1.2011 to 30.09.2011 | 1.1.2011 to 30.09.2011 | 1.1.2010 to 30.09.2010 |
| External revenue | 93.2 | 59.2 | 32.6 | 26.0 | 3.1 | 0 | 0 | 0 | 0 | 0 | 128.9 | 85.1 |
| Intersegment revenue | 0 | 0 | 0.6 | 0 | 0 | 0 | 0.3 | 0.2 | -0.9 | -0.2 | 0 | 0 |
| **Total revenue** | **93.2** | **59.2** | **33.2** | **25.9** | **3.1** | **0** | **0.3** | **0.3** | **-0.9** | **-0.2** | **128.9** | **85.1** |
| Operating result (EBITDA) | 24.2 | 13.1 | 3.0 | 2.0 | 0.4 | 0 | -5.9 | -2.0 | 0 | 0 | 21.7 | 13.2 |

# Cash flow statement

## 9 Month 2011/ 9 Month 2010

| | 9m 2011 | 9m 2010 |
|---|---|---|
| Profit before income tax | 17,4 | 7,9 |
| Depreciation & amortization | 5,9 | 4,2 |
| Other non cash items | -0,7 | 0,4 |
| Interest Income/(expense), net | -1,1 | 1,0 |
| **Operating results before changes in net working capital** | **21,5** | **13,5** |
| Changes to net working capital | -7,9 | -4,4 |
| Tax paid (net) | -1,2 | -1,4 |
| Interest paid (net) | -0,7 | -0,3 |
| **Cashflows from operating activities** | **11,6** | **7,4** |
| Reverse asset acquisition, net of cash acquired | 131,1 | 0,0 |
| Acquisition of subsidiaries, net of cash acquired | -6,3 | 0,0 |
| Net Capex | -3,0 | -1,8 |
| **Cashflows from investing activities** | **121,7** | **-1,8** |
| Acquisition of non-controlling interests | -0,1 | 0,0 |
| Repayments/proceeds of borrowings & repayment of finance lease | -3,7 | -4,3 |
| Distributiion of profit to shareholder | -110,5 | 0,0 |
| **Cashflows from financing activities** | **-114,2** | **-4,3** |
| | | |
| **Net changes in cash and cash equivalents** | **19,1** | **1,3** |
| | | |
| Cash and cash equivalents at the beginning of the period | 18,9 | 10,9 |
| Effect of exchange rate gains/(losses) | -0,6 | 0,7 |
| **Cash and cash equivalents at the end of the period** | **37,4** | **12,9** |

# Balance sheet

## 9 Month 2011/ 31.12.2010

| ASSETS | unaudited Sept 30, 2011 | Dec 31, 2010 |
|---|---|---|
| Tangible assets | 26,0 | 21,0 |
| Intangible assets | 52,3 | 47,2 |
| Other non current asset | 0,3 | 0,3 |
| Inventories | 34,4 | 22,3 |
| Trade receivables, net | 23,6 | 16,3 |
| Other current receivables | 2,6 | 1,0 |
| Current income tax receivable | 1,2 | 0,8 |
| Cash and cash equivalents | 37,4 | 18,9 |
| **Total assets** | 177,6 | 127,8 |

| LIABILITIES | | |
|---|---|---|
| **Total equity** | 85,2 | 56,0 |
| Borrowings | 33,3 | 18,8 |
| Retirement benefit obligations | 5,6 | 4,1 |
| Deferred tax liabilities | 7,6 | 6,5 |
| Non current Provisions & others | 2,4 | 0,9 |
| Trade payables | 9,5 | 9,1 |
| Other current liabilities | 23,0 | 13,5 |
| Current Borrowings | 5,2 | 17,8 |
| Current Provisions & others | 5,7 | 1,1 |
| **Total liabilities** | 92,4 | 71,8 |
| | | |
| **Total equity and liabilities** | 177,6 | 127,8 |