

# **Cencorp Corporation**

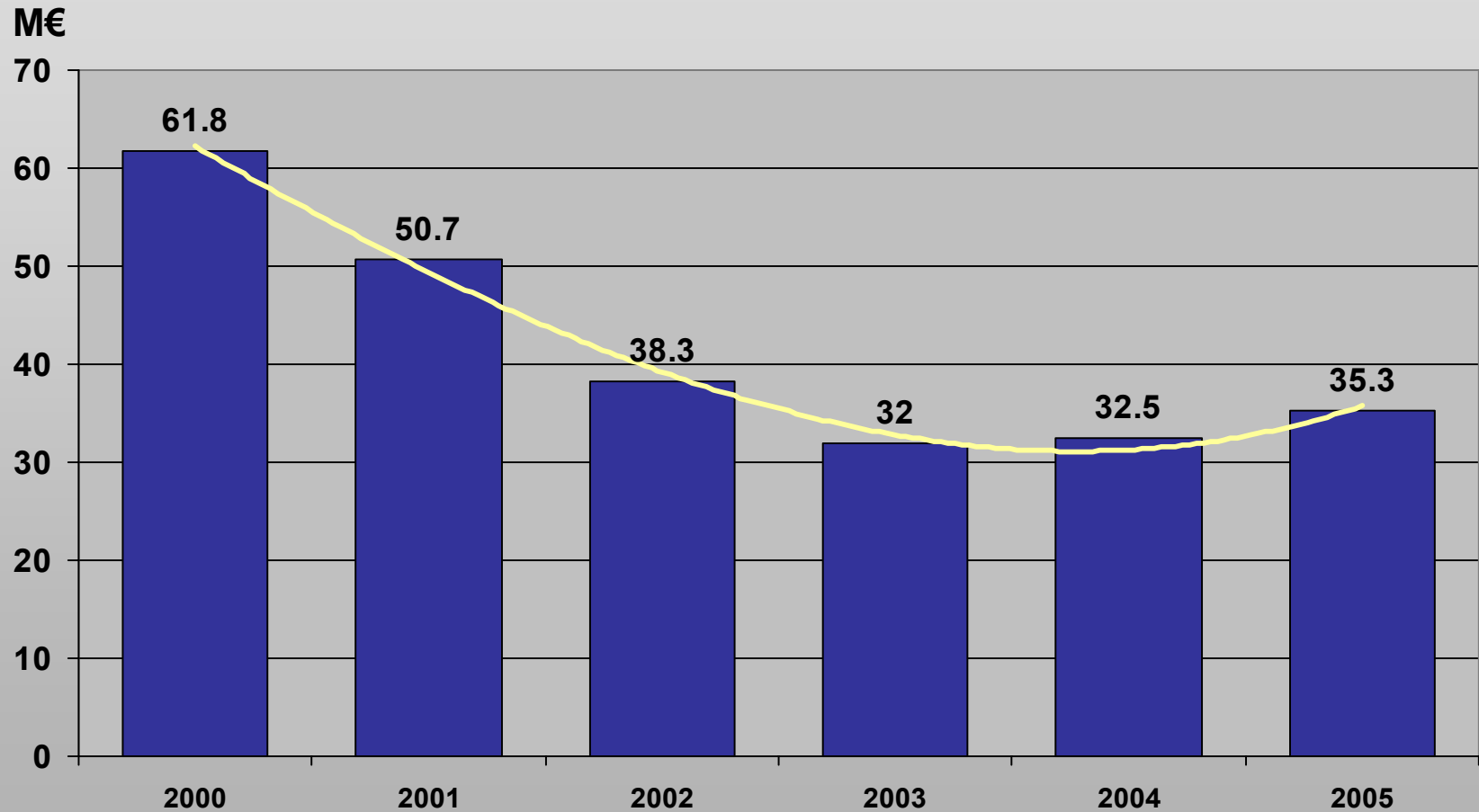
## **Financial Report 2005**

**February 09. 2006**  
**World Trade Center, Helsinki**

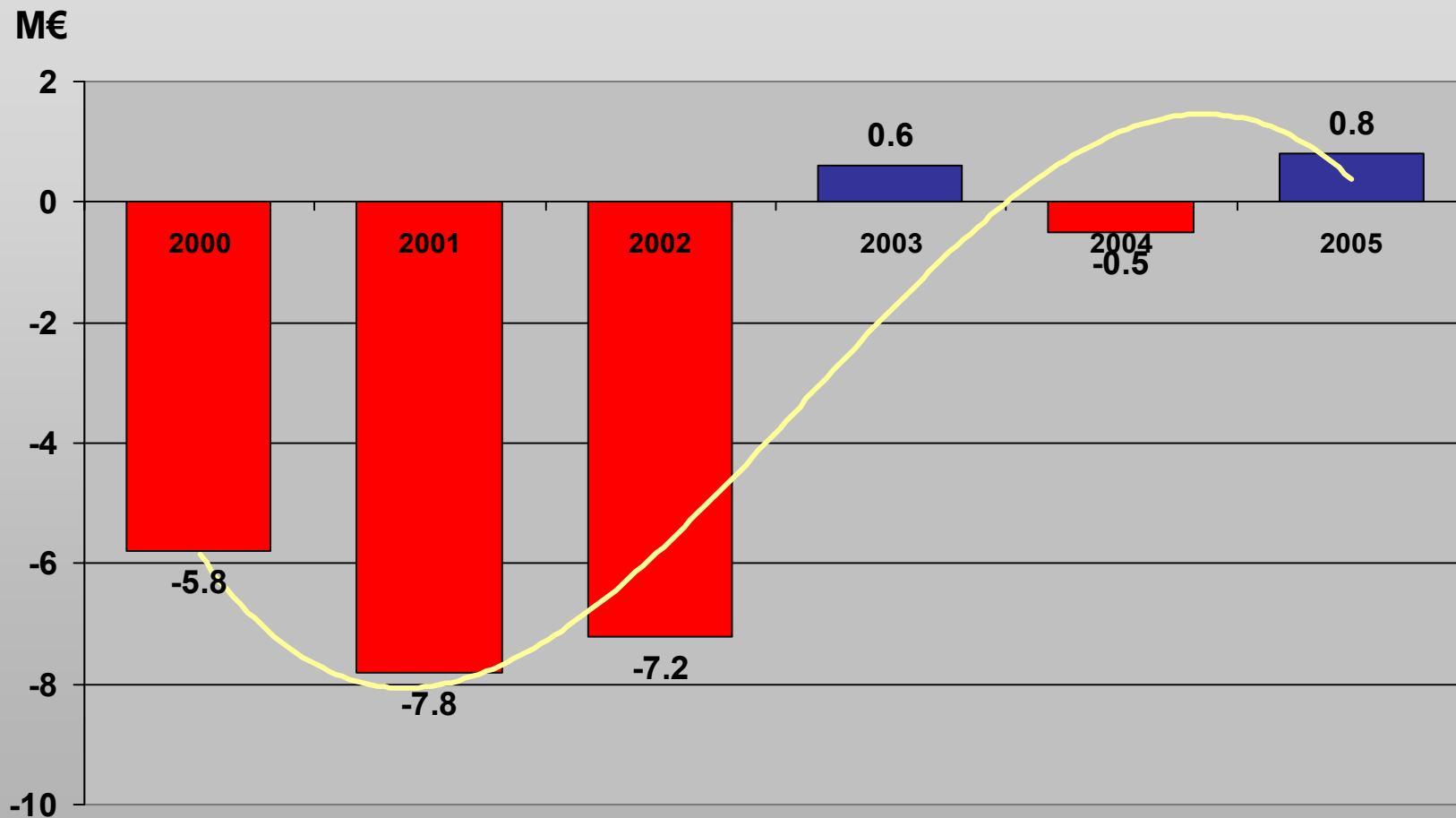
# Year 2005

- Net sales 32.5 M€ → 35.3 M€, + 9%
- Net result -1.4 M€ → 1.9 M€ (IFRS)
  - Including deferred tax receivables 1.6 M€
- EBIT -0.5 M€ → 0.8 M€ (IFRS)
- R&D expenditure 2,1 M€ → 2,2 M€
- Equity ratio 17,6% → 27,7 %

# Net Sales



# EBIT



2004 onwards according to IFRS

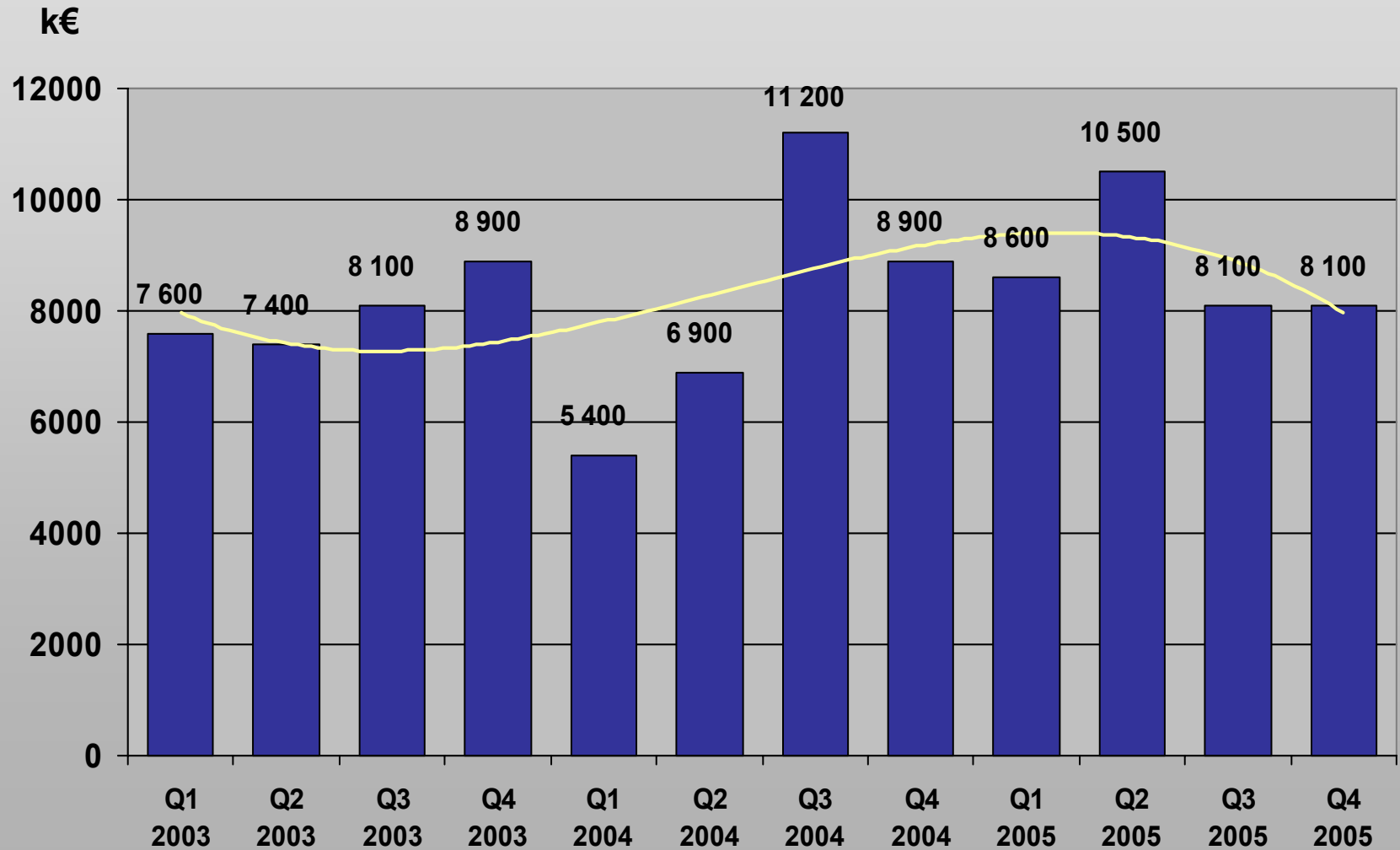
# Q4 / 2005

- Net sales 8,9 M€ → 8,1 M€
- Net result 0,4 M€ → 0,1 M€
- EBIT 0.8 M€ → -1,5 M€

# Q4 / 2005 Result is Influenced by:

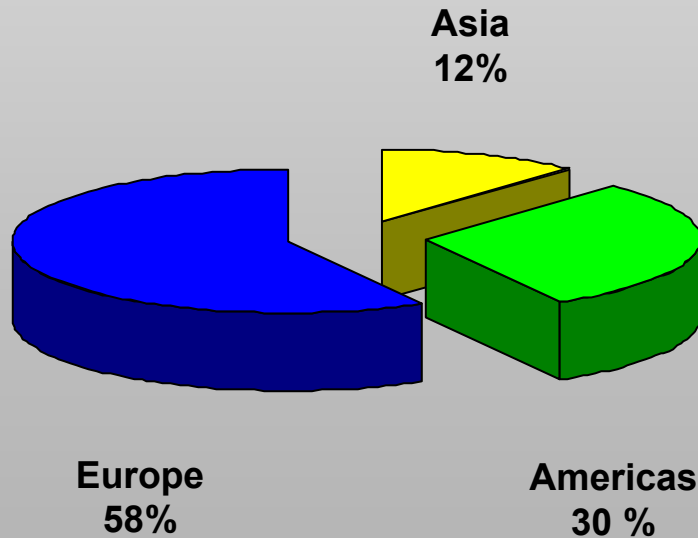
- Acquisition of the new ERP system
- High R&D expenditure
- A major share of Q4 sales has been consisting of products with lower margins
- Approximately 1 M€ of cost related to deliveries earlier from earlier quarters
  - Since the beginning of 2005 revenue bookings have been made according to IFRS :
    - 100% revenue booking from the delivery
    - Costs and expenses materialize over a longer period of time
    - During earlier fiscal years partial revenue bookings were used and thus cost and revenue bookings had a higher congruence

# Net Sales

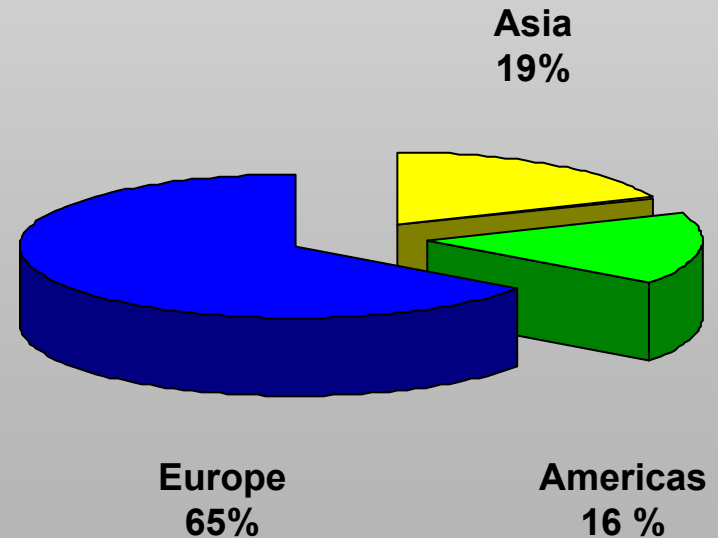


# Geographical Split of Net Sales

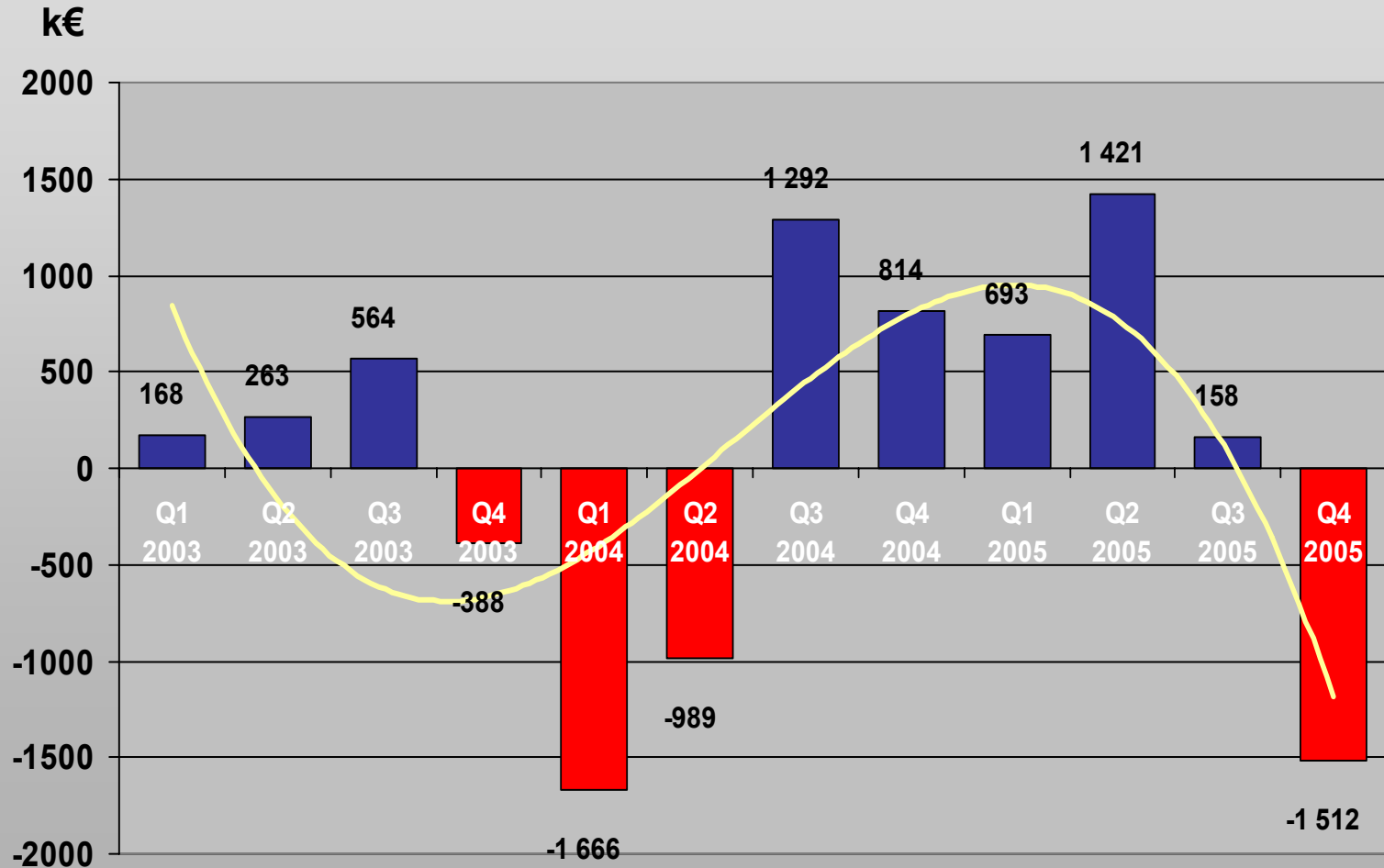
2004



2005

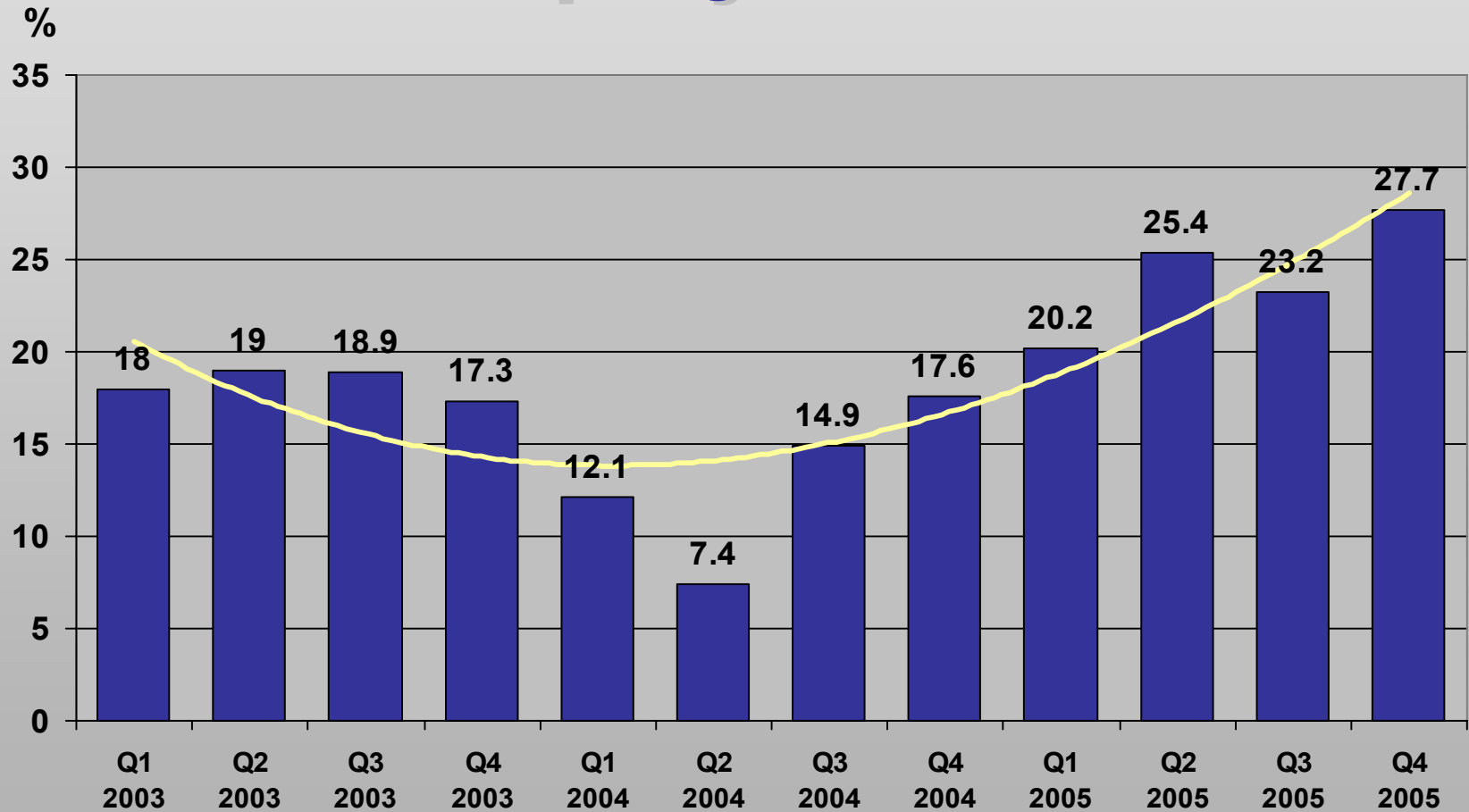


# EBIT

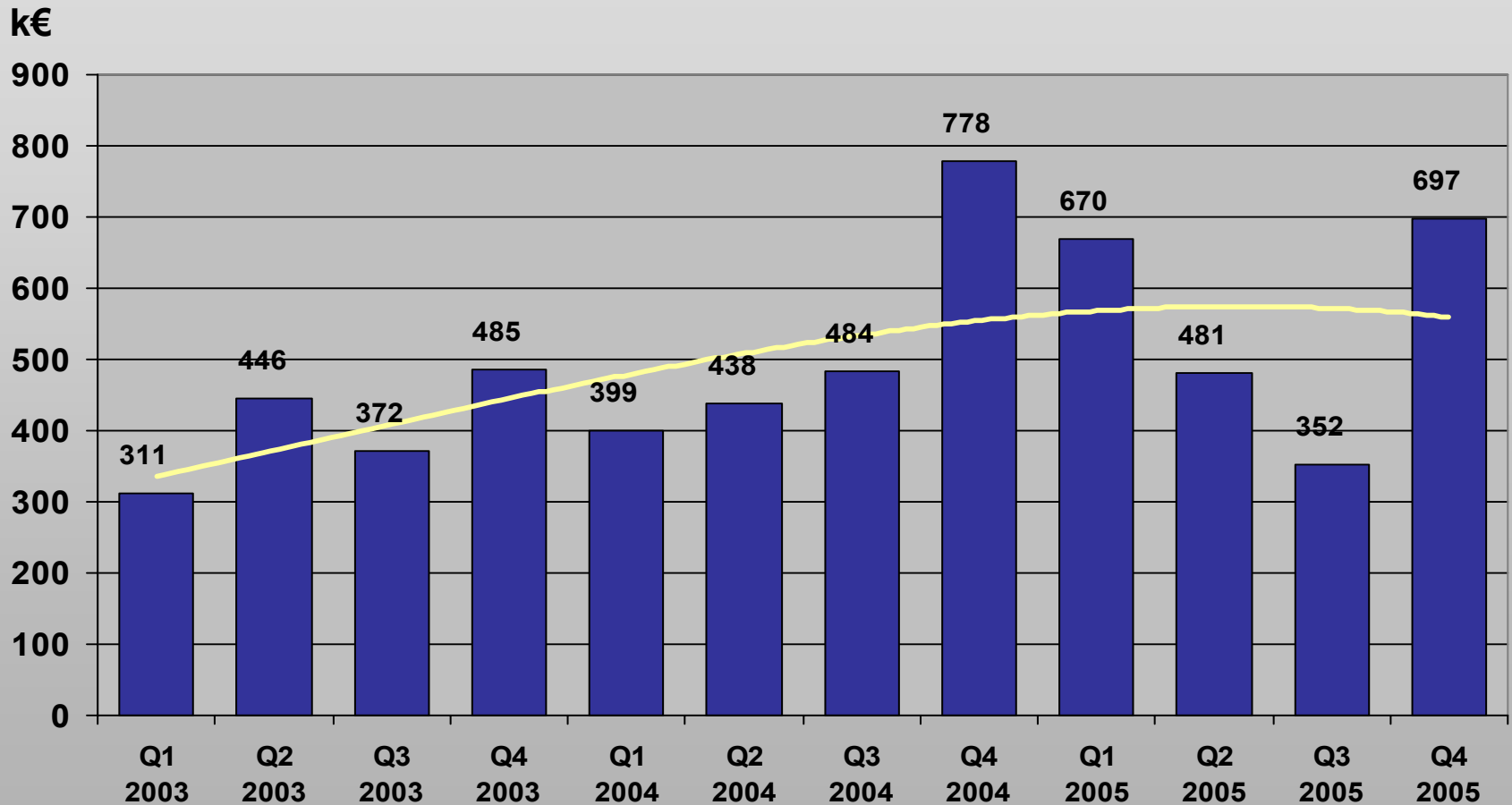


2004 onwards according to IFRS

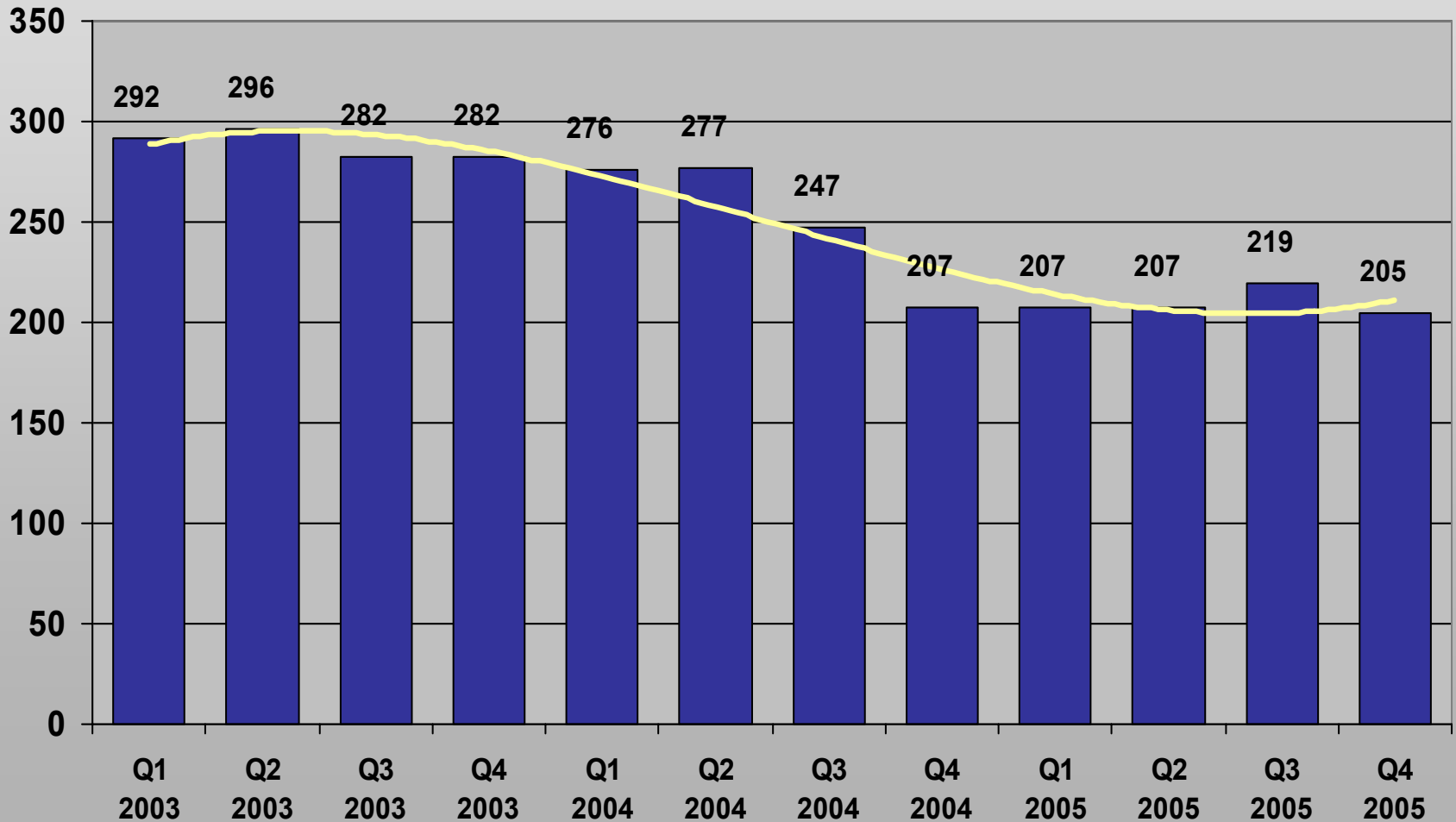
# Equity Ratio



# R&D Expenditure



# Personnel



# Singulase

- Singulase LD10, was introduced at Semicon Europe show in Germany in
  - The product is used for semiconductor wafer grooving
  - The product differs from the equipment in market for its unique laser-technology, which is based on ultra short-pulse, ultra-high frequency fiber-laser
  - The technology minimises heat effects to the processed material, provides for high grooving quality and for excellent grooving speed
- The first Singulase LD10 customer delivery took place on the third quarter of 2005

# Singulase

- To complement the product range there has been developed the Singulase WL300 wafer loading and unloading
- Singulase continues strong investments to both product and process development
- The target is to release during the first half of 2006 the Singulase LD20 which enables cutting of thin semiconductor wafers
- Singulase is expected to make up over 20% of Cencorp turnover by the end of year 2007

# Outlook for the Future

- Product demand is expected to increase after the first quarter
- Net sales is estimated to grow 6 – 12 % in 2006
- EBIT to exceed 8 % of net sales
- Strong growth is expected especially in Asian and American markets
  - Sales are expected to split between geographies approximately 50 % in Europe and 25% in Asia and in Americas
- Order book on February 9. 2006 2,7 M€, quotation book increased
- Customer lead-times have reduced from the earlier 10-16 weeks to 2-8 weeks

# Profitability Improvement

- Board of directors initiated on February 2nd 2006 planning of actions to improve productivity and profitability
- The plan will generate annual fixed cost savings in excess of 2 M€
- In addition the target is to achieve production cost savings in excess of 1 M€

# Profitability Improvement

- A notification of starting personnel negotiations was issued today
  - On shifts to part-time work, layoffs and redundancies, to be carried out owing to productive and economic reasons
  - The negotiations will begin on February 17th 2006 and they concern Cencorp Corporation's entire staff
  - Reduction of personnel in Finland shall not exceed 40 people
- Potential to fixed cost reduction in foreign subsidiaries will be studied

# Summary

1 000 eur (unaudited)	1-12/2005	1-12/2004	Q4/2005	Q4/2004
<b>Net sales</b>	<b>35 308</b>	<b>32 473</b>	<b>8 138</b>	<b>8 914</b>
<b>EBITDA</b>	<b>1 941</b>	<b>850</b>	<b>-1 070</b>	<b>939</b>
<b>% of net sales</b>	<b>5.5 %</b>	<b>2.6 %</b>	<b>-13.1 %</b>	<b>10.5 %</b>
<b>EBIT</b>	<b>760</b>	<b>-541</b>	<b>-1 512</b>	<b>814</b>
<b>% of net sales</b>	<b>2.2 %</b>	<b>-1.7 %</b>	<b>-18.6 %</b>	<b>9.1 %</b>
<b>Financing income and cost</b>	<b>-471</b>	<b>-745</b>	<b>-45</b>	<b>-268</b>
<b>EBT</b>	<b>289</b>	<b>-1 286</b>	<b>-1 557</b>	<b>546</b>
<b>% of net sales</b>	<b>0.8 %</b>	<b>-4.0 %</b>	<b>-19.1 %</b>	<b>6.1 %</b>
<b>Net result</b>	<b>1 891</b>	<b>-1 352</b>	<b>67</b>	<b>415</b>
<b>% of net sales</b>	<b>5 %</b>	<b>-4 %</b>	<b>1 %</b>	<b>5 %</b>
<b>R&amp;D expenditure</b>	<b>2 201</b>	<b>2 148</b>	<b>697</b>	<b>827</b>
<b>% of net sales</b>	<b>6.2 %</b>	<b>6.6 %</b>	<b>8.6 %</b>	<b>9.3 %</b>
<b>Equity ratio</b>	<b>27.7 %</b>	<b>17.6 %</b>	<b>27.7 %</b>	<b>17.6 %</b>
<b>Interest bearing net liabilities</b>	<b>11 736</b>	<b>12 119</b>	<b>11 736</b>	<b>12 119</b>
<b>Equity capital / share</b>	<b>0.22</b>	<b>0.13</b>	<b>0.22</b>	<b>0.13</b>
<b>Personnel, average</b>	<b>214</b>	<b>263</b>	<b>215</b>	<b>230</b>
<b>Profit / share (diluted) eur</b>	<b>0.06</b>	<b>-0.04</b>	<b>0.00</b>	<b>0.01</b>