

ENEA



Enea

Third Quarter Report 2005

Johan Wall
President & CEO

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CFO

Enea in Brief

- Global software company with a strong professional services offering
- Customer value through complete embedded solutions, reduced development time and cost
- Revenue SEK ~700 m
- 500+ employees



Enea Worldwide

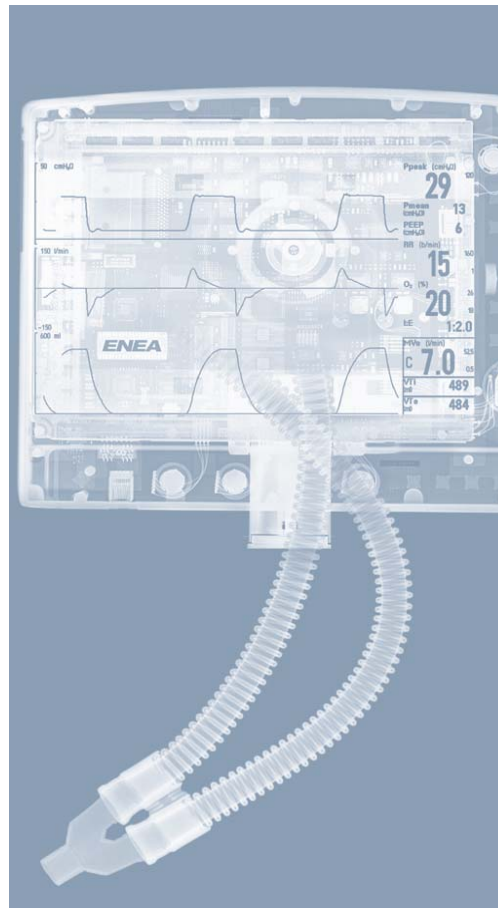


- Enea offices
- Product distributors
- Other Enea offices

Market Offering

- ▶ Software
 - OSE, Real Time Operating System
 - Polyhedra, In Memory Database
 - Element, Application Development and High Availability Middleware
- ▶ Consulting services
 - Application development, systems integration, testing
 - Hardware and software design
 - Training
 - 300 professional consultants
- ▶ Third party products
 - Best of breed tools, network protocols and applications

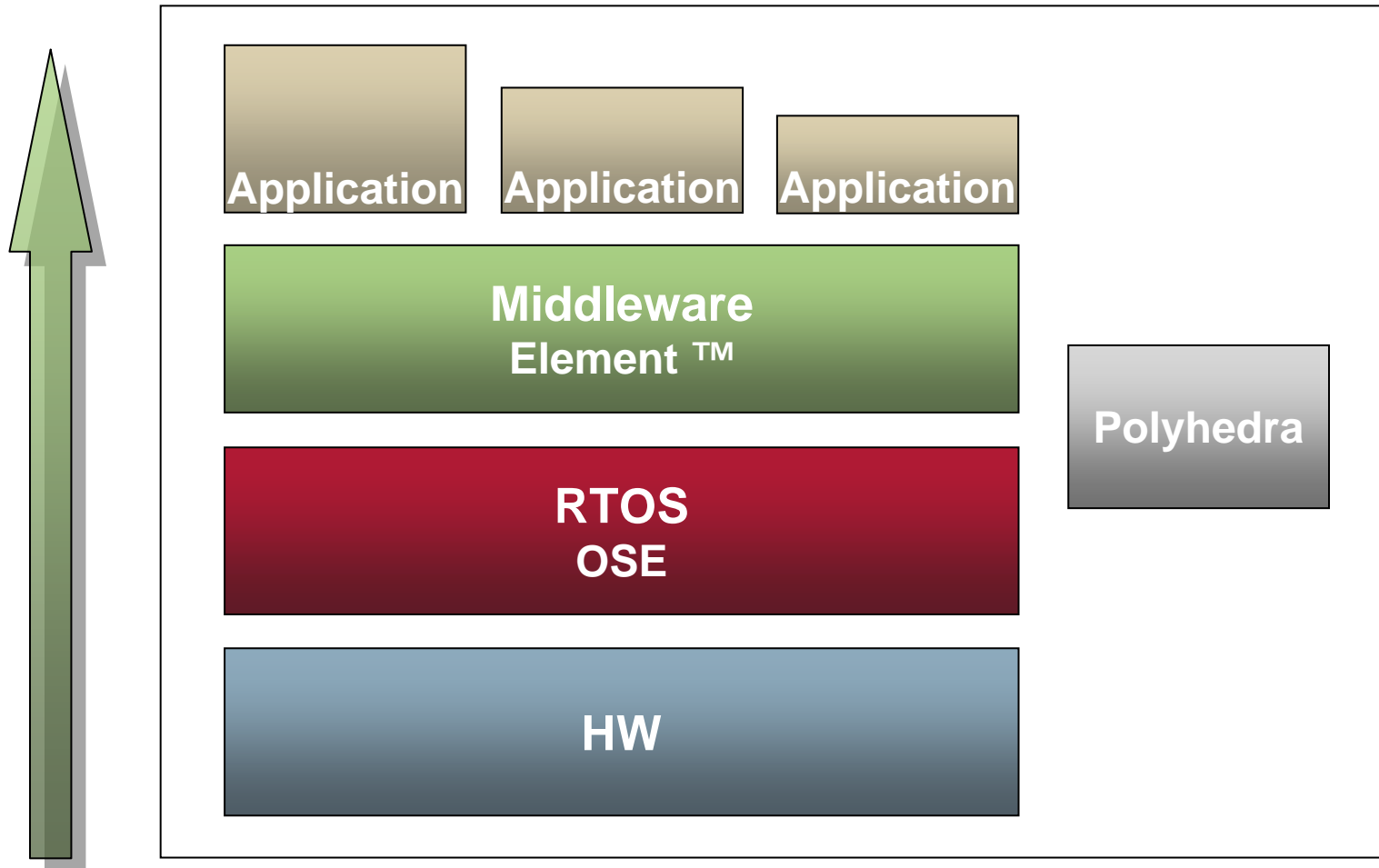
Enea Market Segments



Some of Enea's Clients

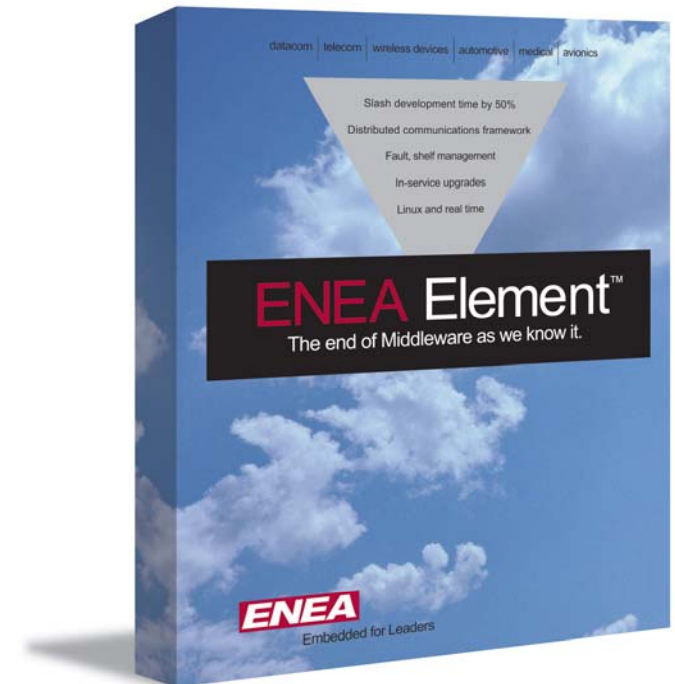


Telecom Infrastructure Software



New Product Enea Element™

- A framework for high-availability applications development
- Integrates with OSE and gives access to standard functions
- Developed primarily for customers within telecom and IT
- Compatible with systems other than OSE, like Linux
- Based on software IPR acquired in Q1



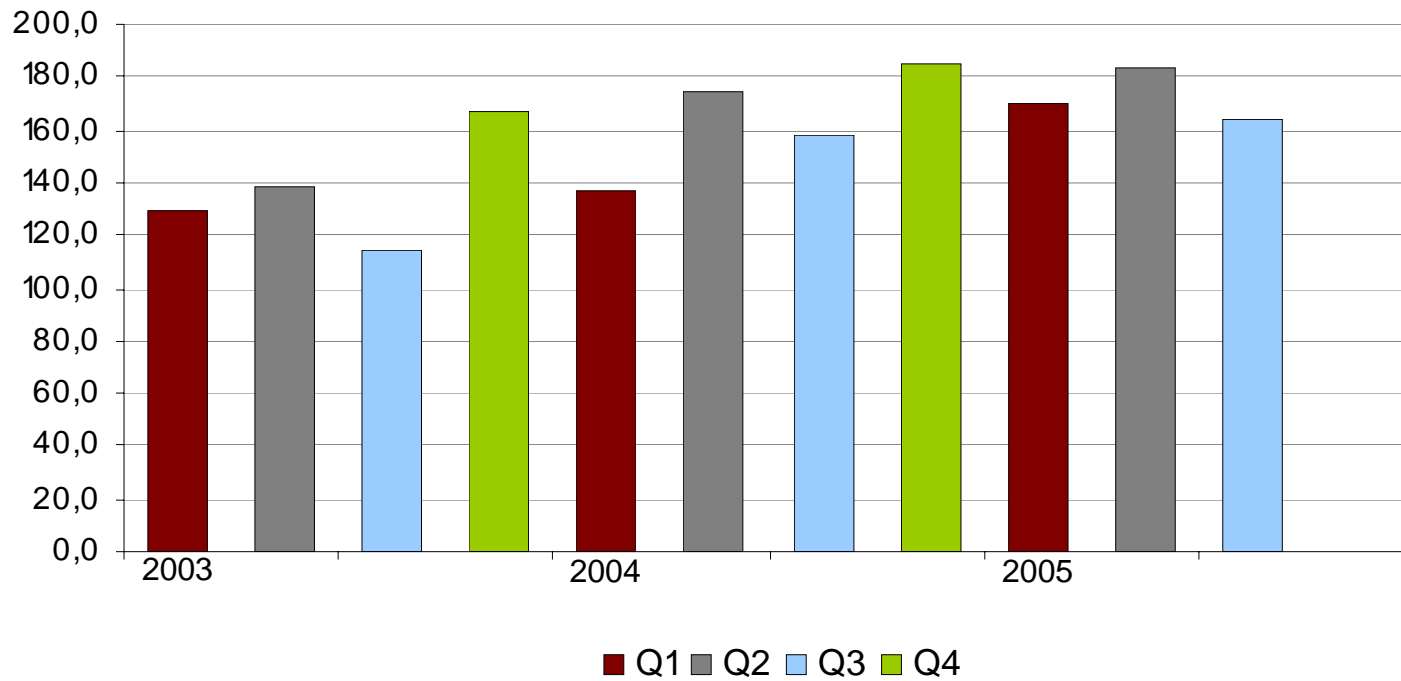
Q3 2005 in Brief

- The sixth consecutive quarter of sales growth, year on year.
- Operating profit improved by 60 percent to SEK 16 million, equivalent to an operating margin of 10 (6) percent.
- Software sales increased by 2 percent to SEK 60 million, accounting for 36 percent of the Group's net sales.
- Cash flow from operating activities improved to SEK 16 (-11) million.
- Cash and cash equivalents amount to SEK 174 (95) million.



Net Sales Enea Group

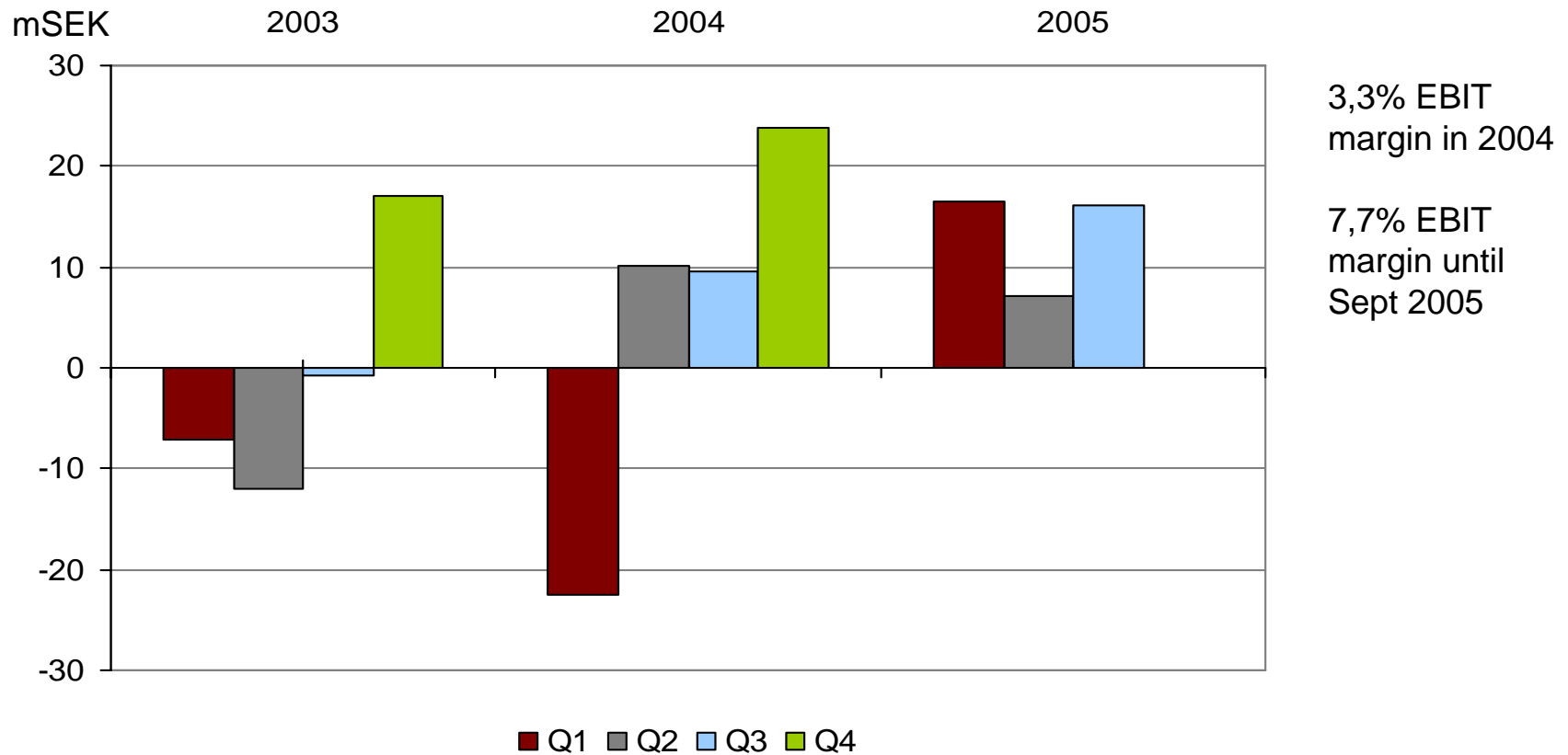
mSEK



YTD increased by 10 percent to 518 (470) mSEK

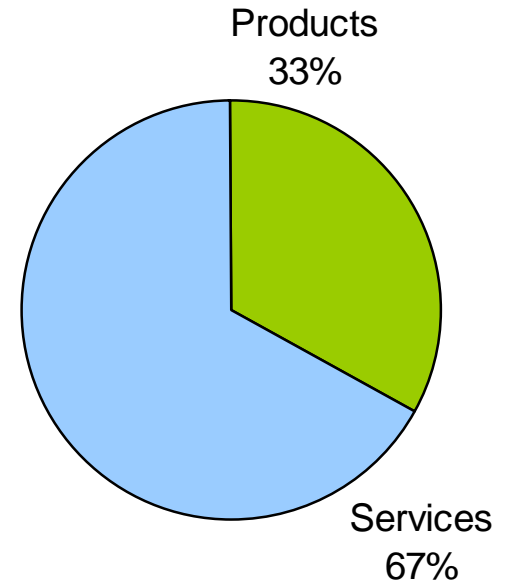
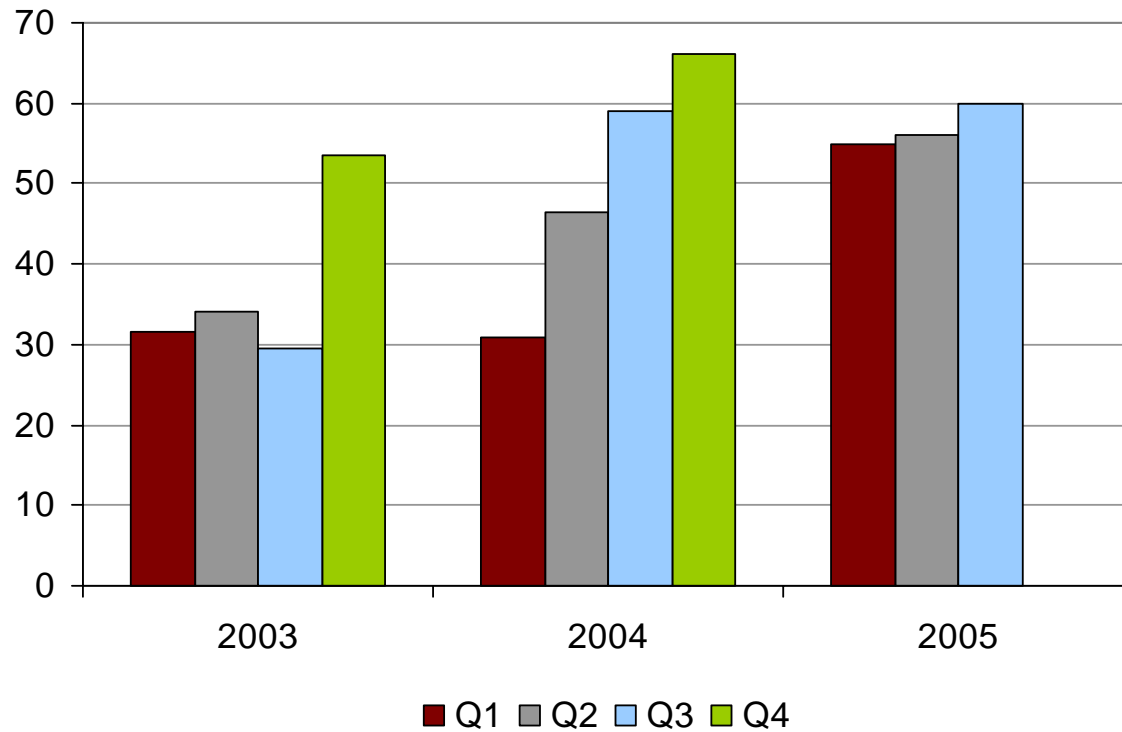
EBIT Enea Group

Profitable during repositioning



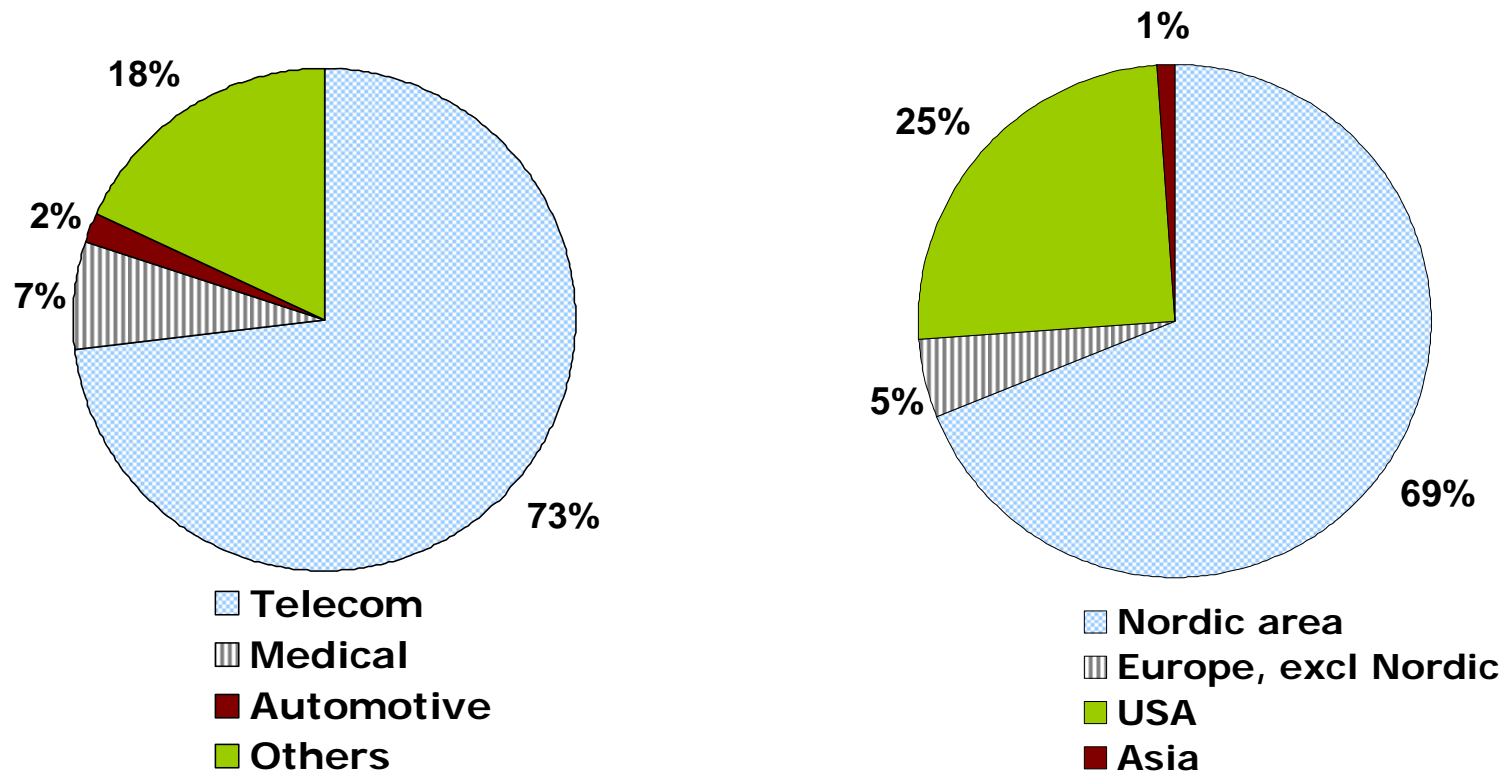
Transforming into a Software Company

Software sales, mSEK



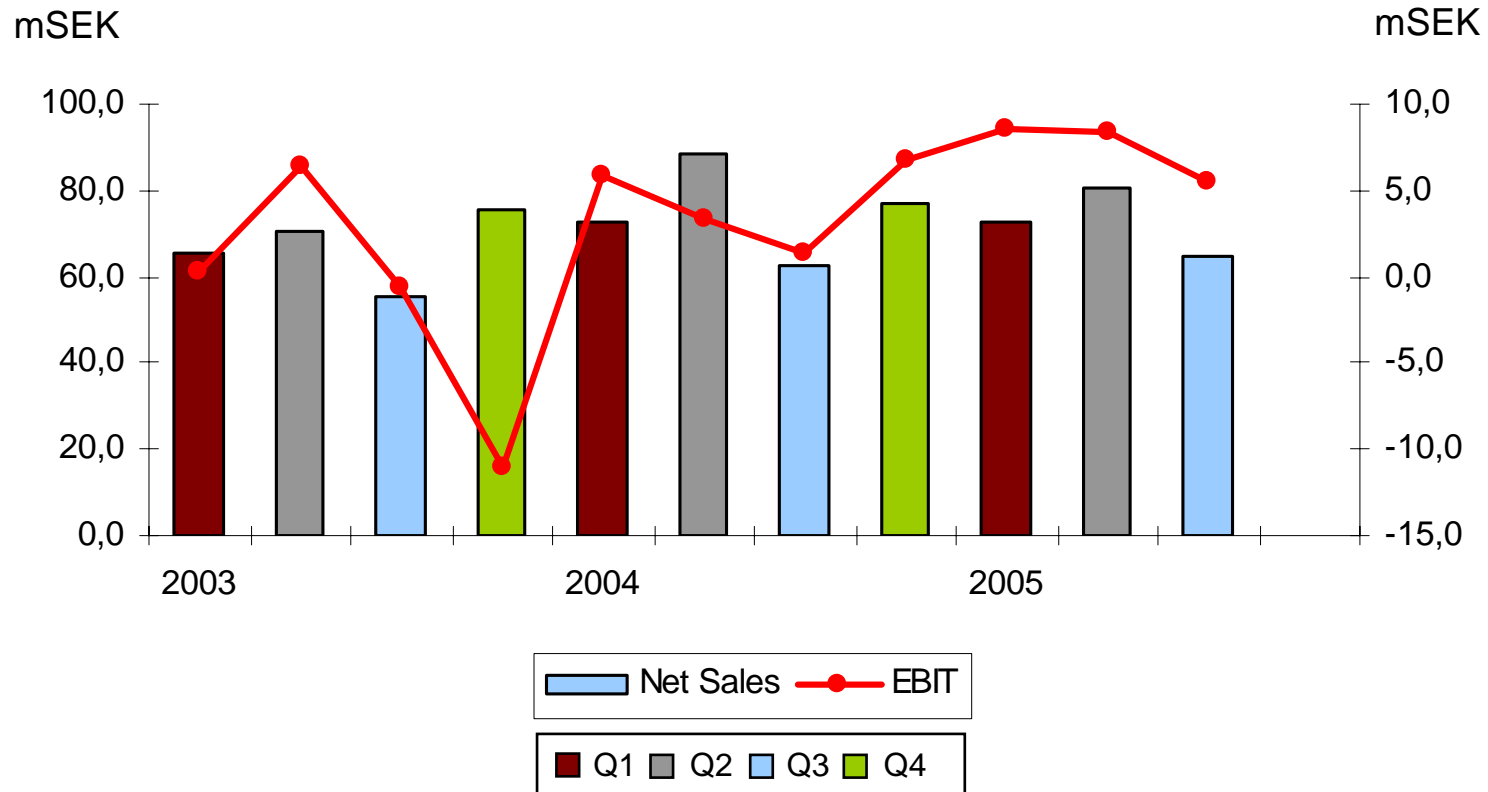
Operational target 50 % software

Sales per segment and market Q3 2005



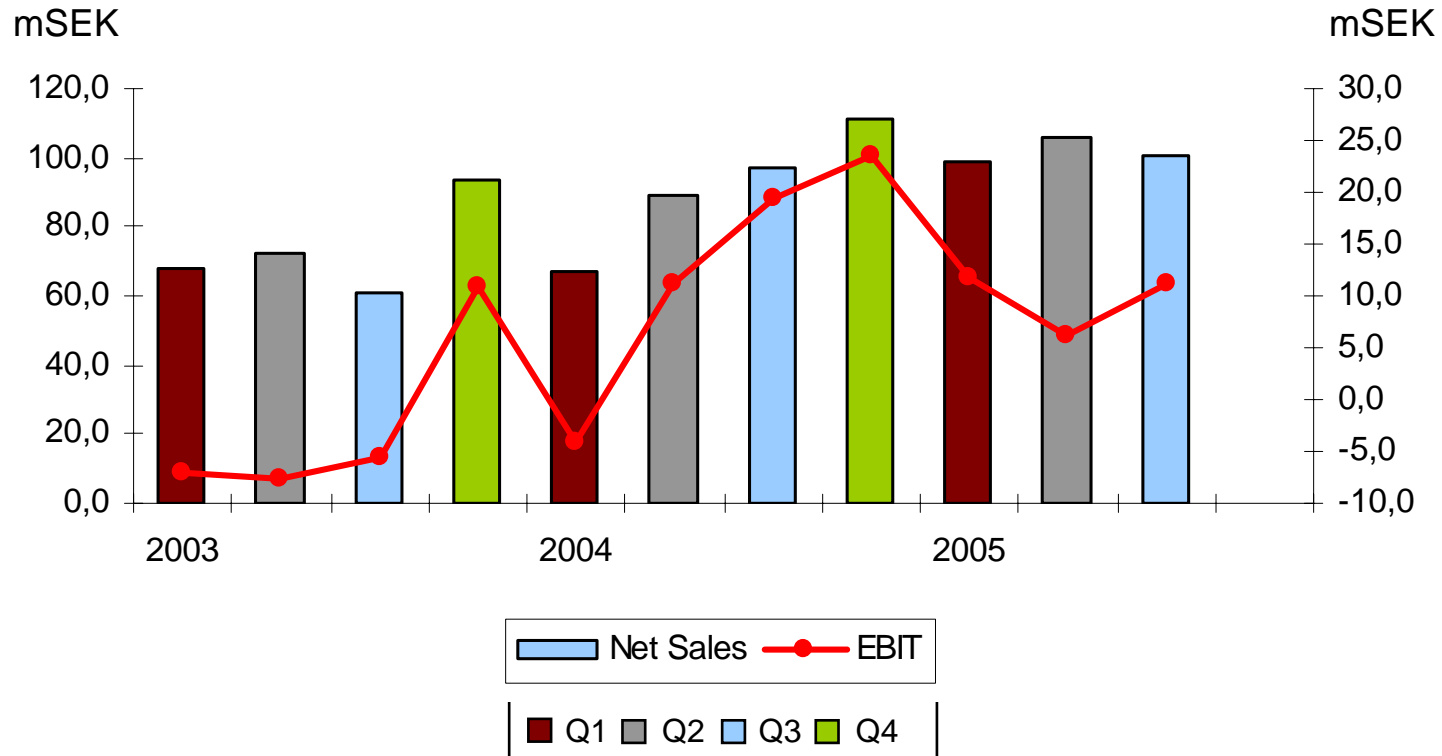
- Ericsson largest customer, > 50% of total sales

Enea Systems



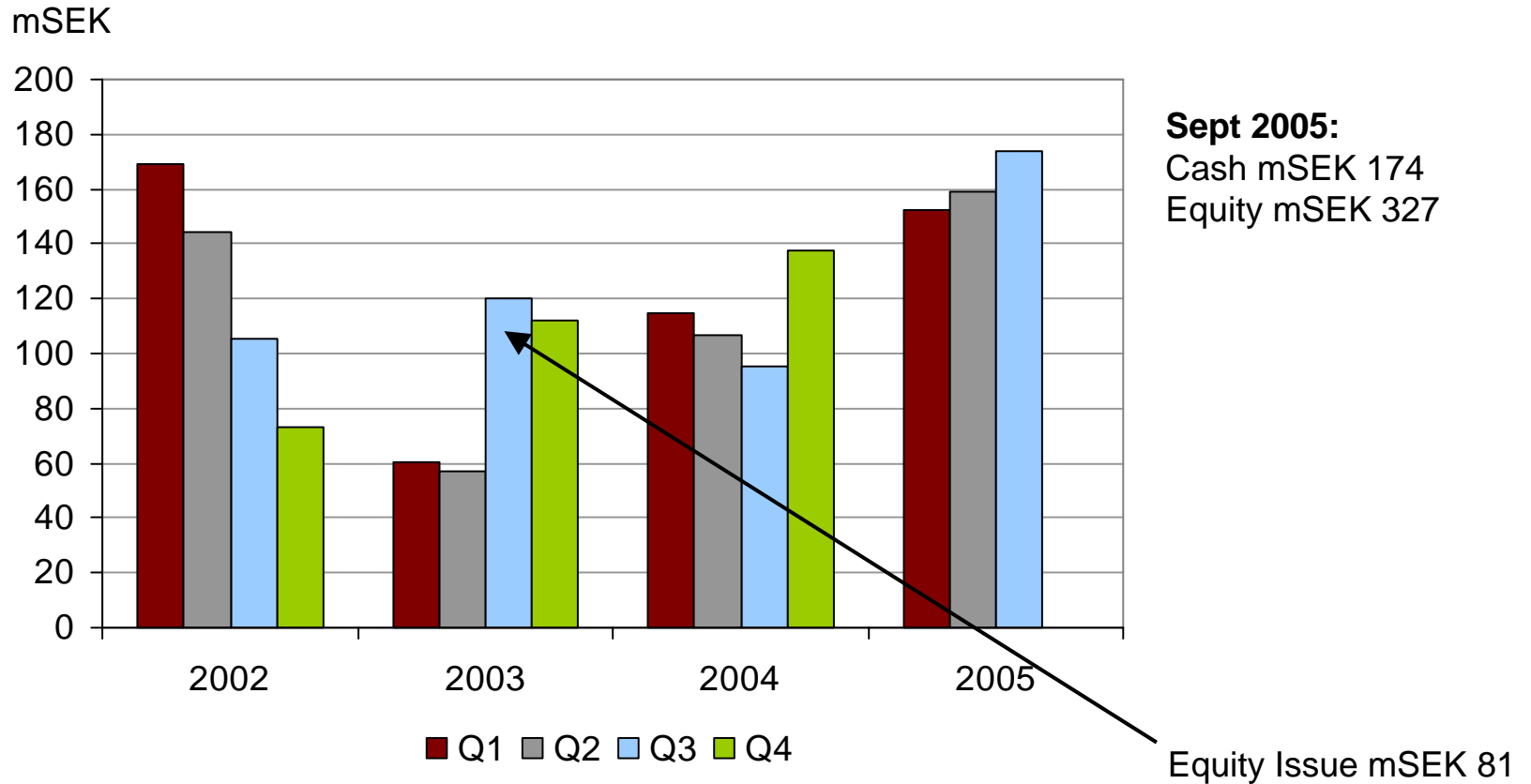
Enea Systems provides consulting services in Sweden

Enea Embedded Technology



Enea Embedded Technology provides OSE software worldwide and related professional services in Sweden and in USA

Solid Financials



Market Growth

The global market for real time technology is estimated at around USD 1 billion, one third telecom

Underlying growth is estimated at 15 percent annually

Source: Venture Development Corporation,
www.vdc-corp.com



Industry Outlook

Software

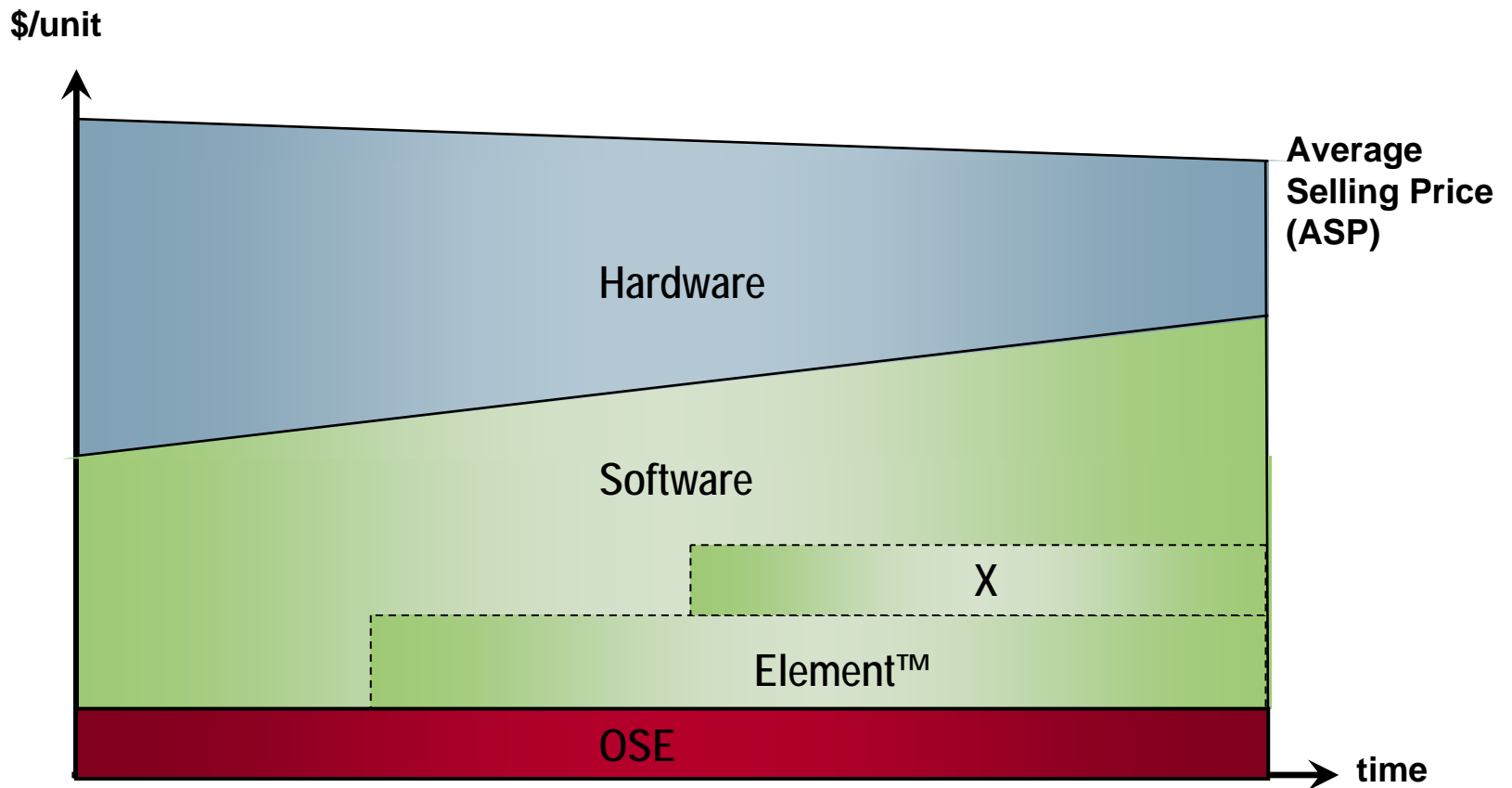
- Fewer suppliers
- Integrated solutions
- Middleware
- Development process tools
- Device Software Optimazation
- Multicore
- Strong growth
- Price stability

Consulting

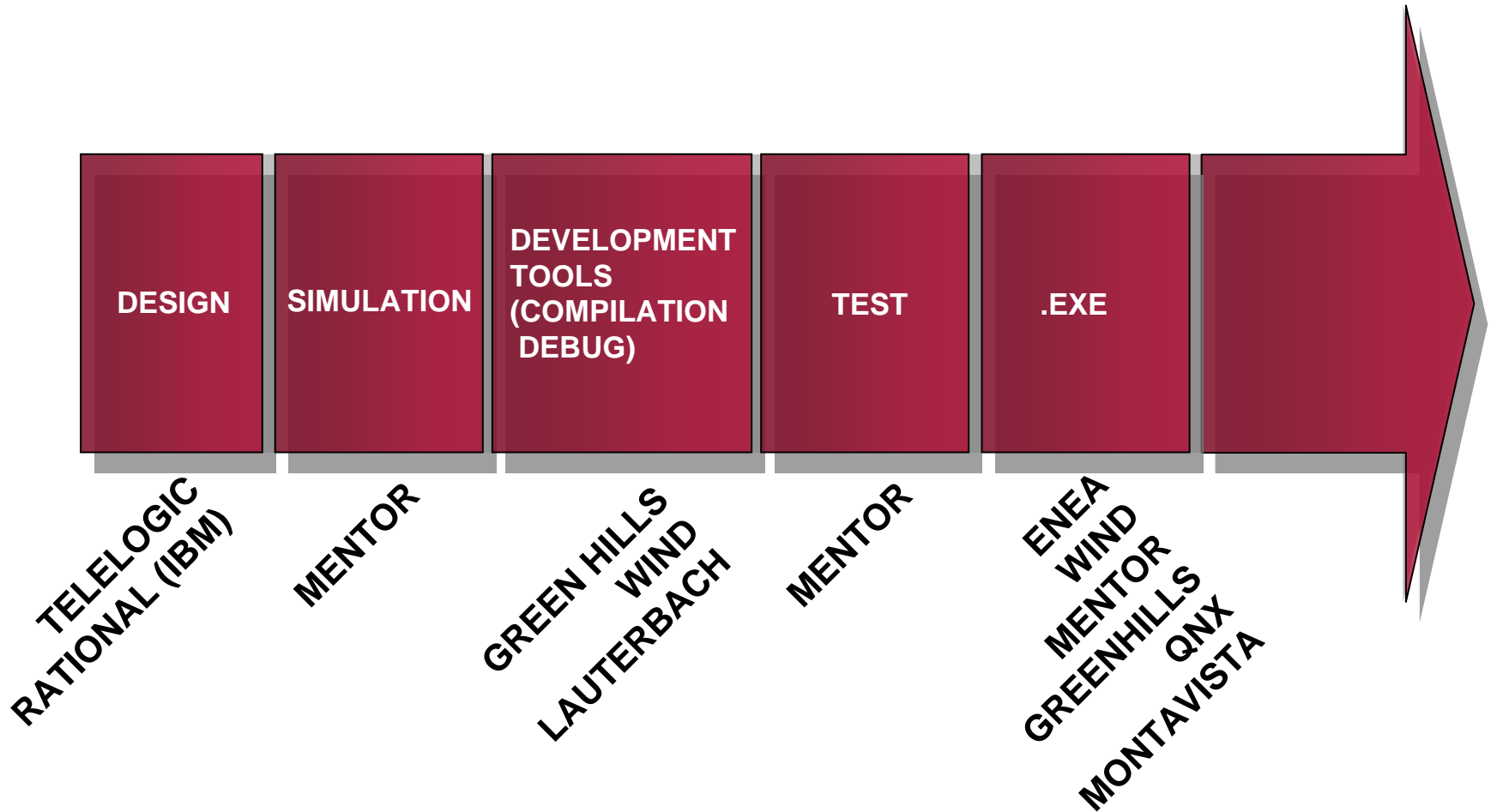
- High demand
- Price pressure, specifically in Swedish market



Enea Share of Software Spend

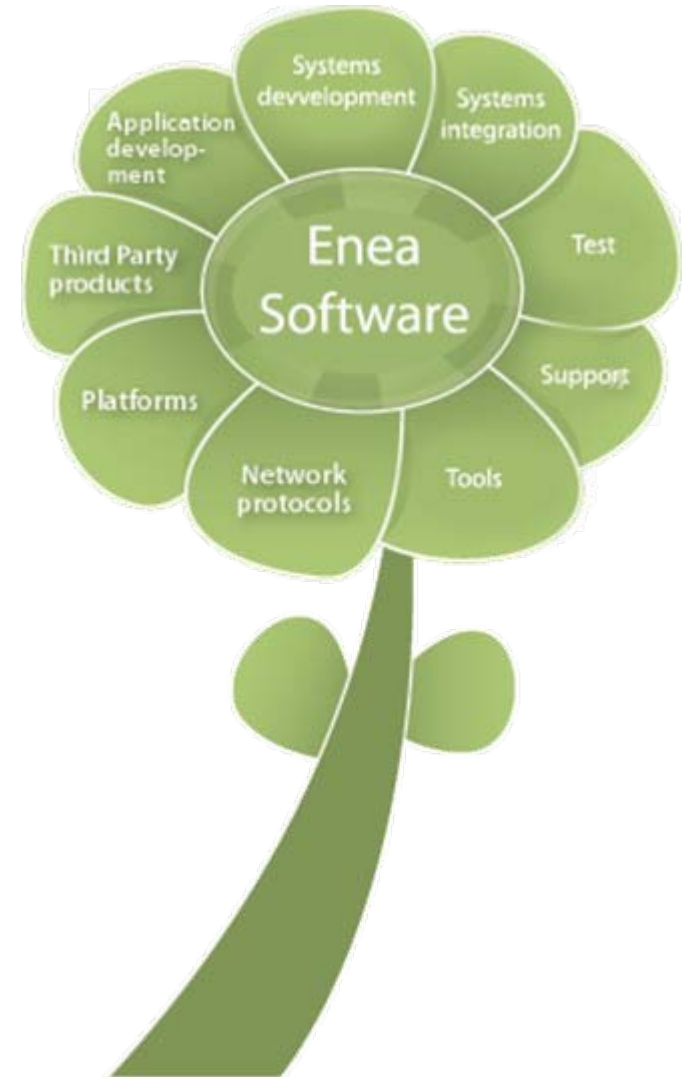


Development Process



Our Strategy

- Growth
 - New products
 - Geographic expansion
 - Broaden customer base
- Competitiveness
 - Platform independent software
 - Related services and 3rd party products
 - Middleware integration
- Profitability
 - Recurring revenue model
 - Cost efficiency



Summary

- Complete and integrated solutions
- Intensified market orientation
- Focus on profitable growth



ENEA



Question & Answer