

***ENECA***



# Enea Pioneering Software Development

Per Åkerberg, President and CEO

*July 23rd, 2009*

**ENEAA**

# Agenda

- **Corporate Overview**
- Highlights and Financials 2009
- Market Outlook, Opportunities and Growth Factors



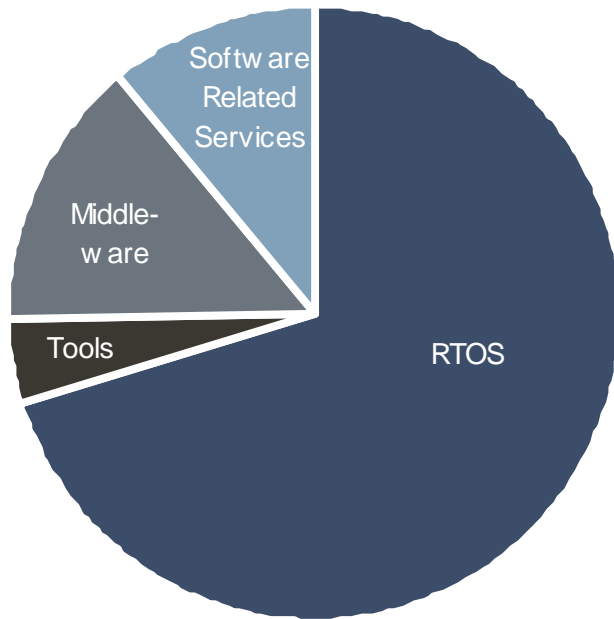


# Leader in Communications Software and Services

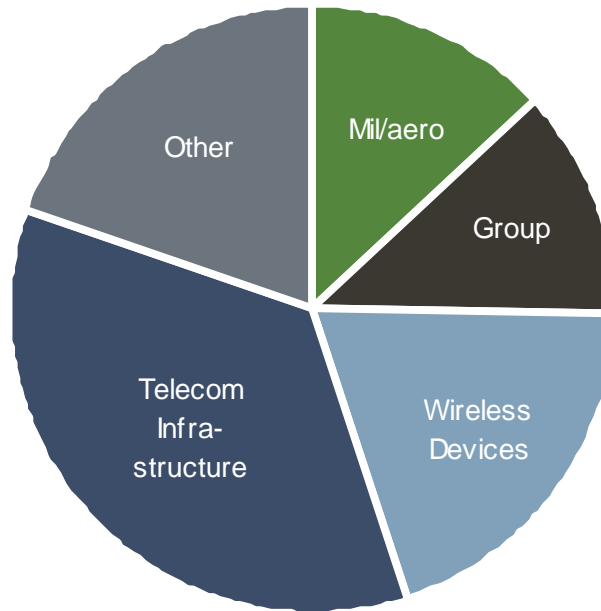
- Global software and services company focused on solutions for communication-driven products since 1968
- Primary segments: telecom (infrastructure and wireless devices), mil/aero, automotive and medtech
- 670 employees and 16 offices in Sweden (HQ), Romania, North America, France, Germany, UK, Israel, China and Japan
- Listed on OMX Nordic Exchange in Stockholm since 1989
- The Enea software:
  - is among the most widely deployed in the world
  - handles 5 billion phone calls every day
  - is installed in over 400 million new cell phones in 2008 alone

# Enea Group Sales Distribution Six Months 2009

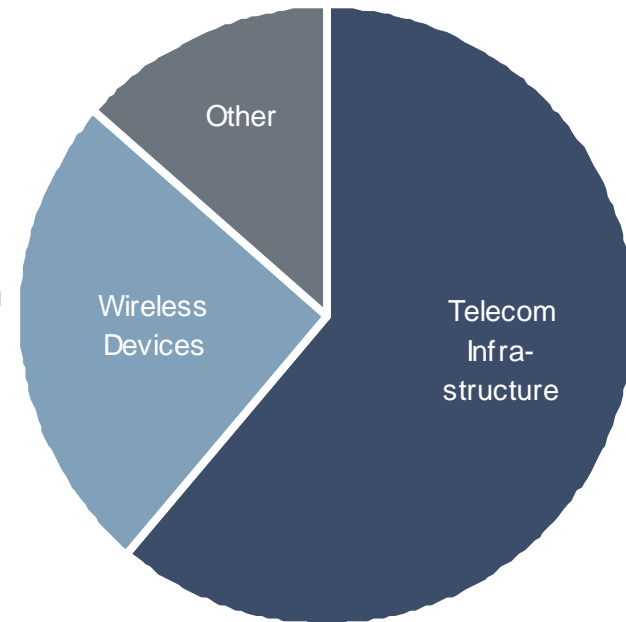
Sales per product, Products  
Jan-Jun 2009



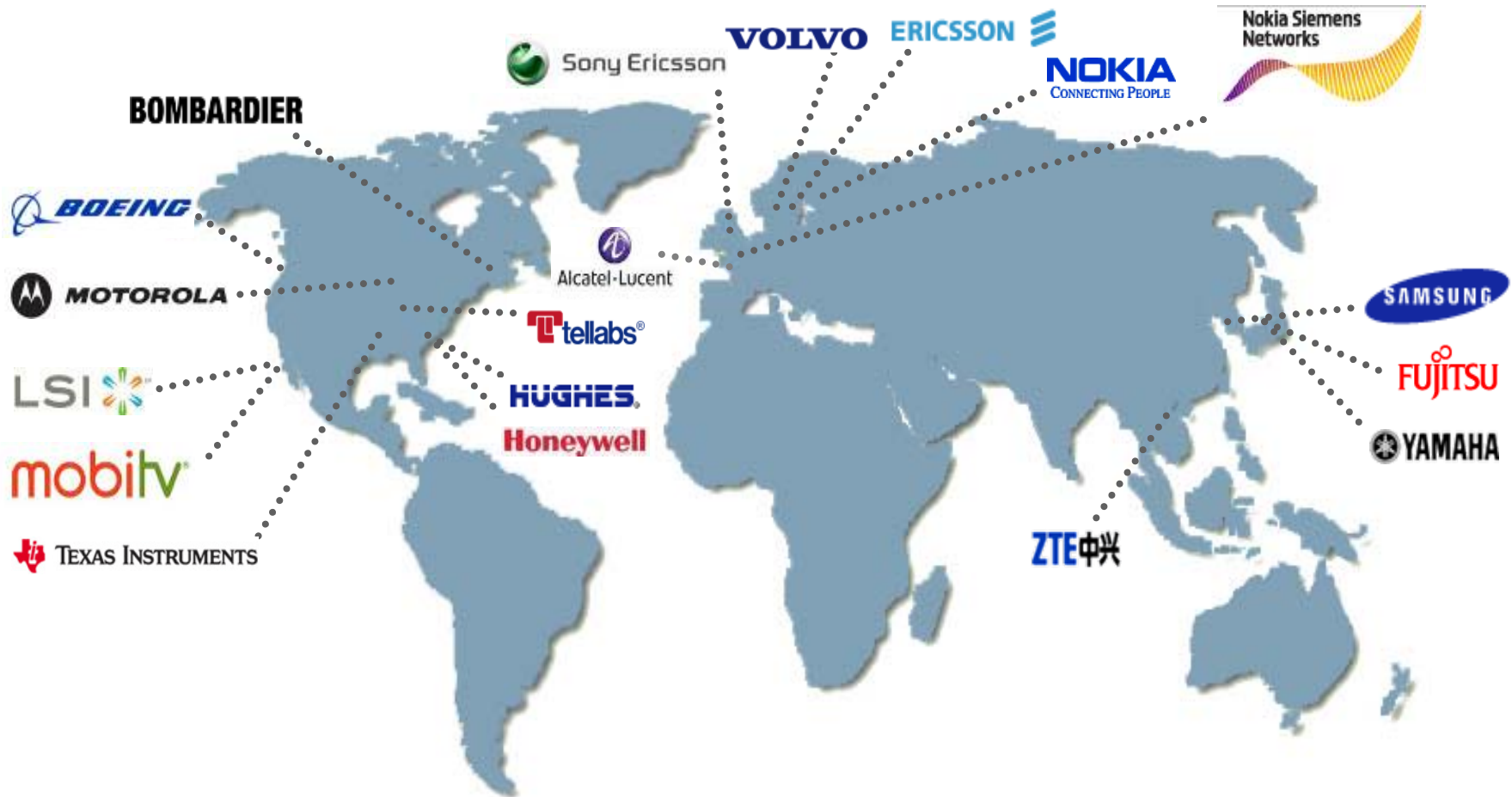
Sales per segment, Services  
Jan-Jun 2009



Sales per customer segment  
Products, Jan-Jun 2009



# Global Footprint – Global Customers



# Enea Software Portfolio

## ■ Run-time Software

- RTOS family, In-memory database, Middleware platform, Interprocess communication, Communications software, Network protocols

## ■ Tools

- Eclipsebased software development tools and System debug tools, Run-time analysis tool

## ■ Platforms

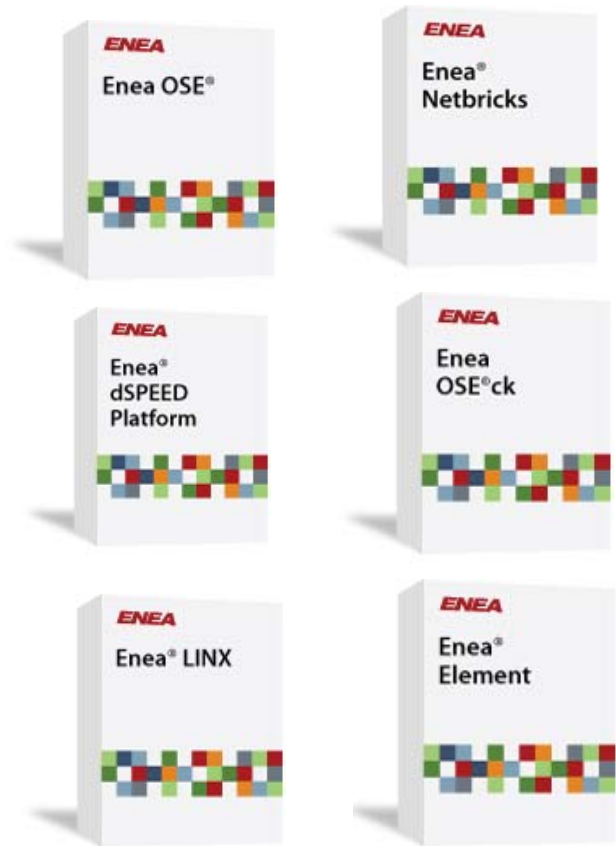
- A pre-integrated solution including Enea run-time software and third party products

## ■ Platform Services

- Evaluation, Design, Integration, Development, Test, Support and Maintenance

## ■ Third Party Products

- Network protocol and Software security, Linux, Middleware extensions, System management software



# Enea Global Services Expertise

- Over 470 professional services staff
- Full product life cycle software Development
  - Hardware & Software design/architecture
  - Systems integration, test, & verification
  - Application & system development
- Outsourcing capabilities
- Standard and customized training services
- Solution centers
  - Linux
  - Mobile platforms
  - Middleware
  - Software quality
  - Mil/aero certification services





# Agenda

- Corporate Overview
- **Highlights and Financials 2009**
- Market Outlook, Opportunities and Growth Factors





# The Second Quarter 2009

- Net sales amounted to SEK 202.9 (240.1) million
- Revenues for Products were SEK 84.9 (98.1) million
- Revenues for Services were SEK 129.3 (163.1) million
- Operating profit was SEK 4.6 (13.0) million
- Net profit declined to SEK 5.0 (31.4) million, corresponding to SEK 0.28 (1.74) per share\*
- The SEK 50 million cost-cutting program on track

\*Capitalization of tax loss-carryforwards for the North American entities had a positive effect on the net profit by SEK 19.9 million for the second quarter 2008.



## Financial Information in the Second Quarter

- Cash flow from operations amounted to SEK 15,1 (39,8) million
- Cash and cash equivalents at the end of the period were SEK 142.1 (104,0) million
- Enea has unused credits amounting to SEK 100 million
- The equity/assets ratio was 71.1 (67.2) percent



# Business Highlights during the Quarter

## ■ Closed 14 design-wins

- Hypervisor/Enea OSE deal with major tier 1 telecom infrastructure manufacturer valued at SEK +10 million
- Enea OSE5 design-win with wireless handset manufacturer for Tetra handsets
- Enea Element plus System Manager design-win for existing customer

## ■ Launch of the Enea Linux Project Framework

- A new and innovative way of delivering Linux that challenge today's large and complex commercial Linux platforms

# Agenda

- Corporate Overview
- Highlights and Financials 2009
- **Market Outlook, Opportunities and Growth Factors**





# The Telecom Market 2009

## ■ Infrastructure

- Ericsson: "Planning for zero growth"
- NSN: "Expecting 5% decline in Euro terms"
- Huawei: "Expecting 30% growth"

## ■ Handsets

- SEMC 43% drop in shipment Q2 09 vs. Q2 08
- Nokia 15% drop in shipment Q2 09 vs. Q2 08

- BUT - Enea sales are driven by our customers' R&D and technology development

# Technology Development Drives Demand for Enea Software and Services

Mobile 3G networks



Networked  
media

Digital content

Telecom

Media



Games

Video

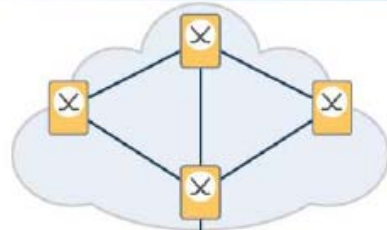
TV

Music

Radio

Print

Personalization



Fixed broadband  
networks

**ENEAA**



# Multicore: Growth Opportunity for Enea OSE

- Number of R&D projects using multicore processors may increase five-fold over the coming two years
- The market for embedded multicore software will reach 355 MUSD in 2010 (VDC estimate) with an annual growth rate of over 50 percent
- Telecom/datacom market represents over 35 percent of total market
- Handset multicore market will increase as phone complexity grows
- Multicore area is an important sales focus for Enea in 2009 and coming years





# Strategy

- Broaden offering and customer base through organic growth and acquisitions
- Combine software and services expertise
- Embrace open source software
- Expand outsourcing and bridged services projects
- Increase presence in Asia
- Work with channel partnerships



# Why invest in Enea?

- More devices contain embedded software systems – increasing need for expertise
- An industry leader in the telecom market
- Financial backing to increase growth through strategic acquisitions
- Proven ability to grow with solid profitability and positive cash flow



# THANK YOU!

For further information, please contact:

Per Åkerberg, +46 8 507 140 00, [per.akerberg@enea.com](mailto:per.akerberg@enea.com)

Carl Sköld, +46 8 507 140 00, [carl.skold@enea.com](mailto:carl.skold@enea.com)

**ENEA**