

## 1° Quarter 07 Financial Results

May 10, 2007

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## Key Points

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### 1°Q07 Results

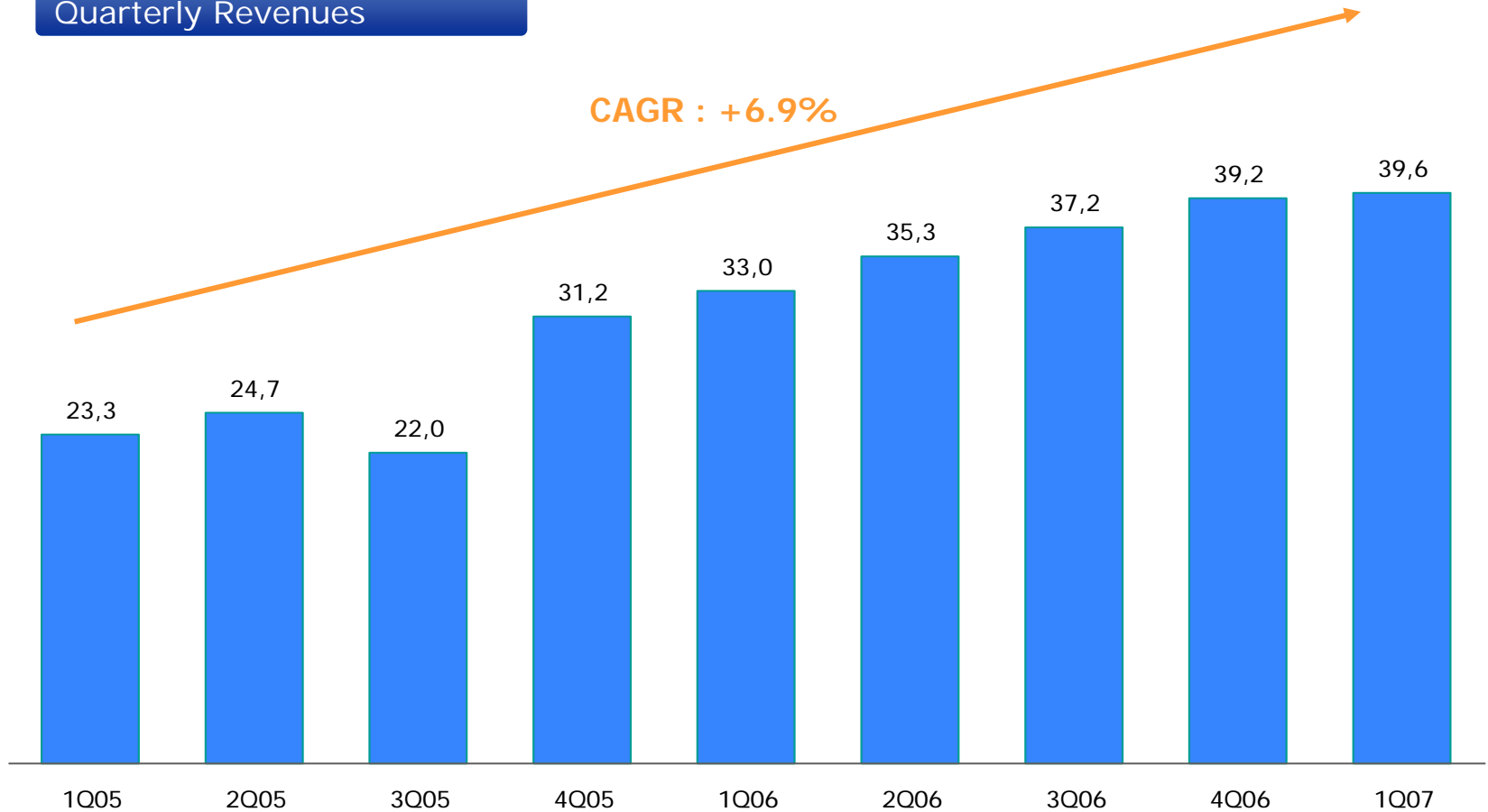
- 20.1% Revenues growth to €39.6m ( €33.0 in 1Q06)
- Ebitda: €13.5m, increased by 16.1% vs. 1Q06
- Ebit: €2.7m, increased by 16% vs. 1Q06
- Net income: €3.0m vs a €(0.2)m net loss in 1Q06

### Operations and recent events

- Additional increase in capacity
- Asian revenues 23.8€ mm with an increase of 7.8% vs. 4Q06 and 128% vs 1Q06
- Entry in the photovoltaic business with establishment of EEMSolar SpA
- Pre-payment of Senior Loan Facility
- Purchase orders for solar equipments
- Stock option granting

## Increased Revenues

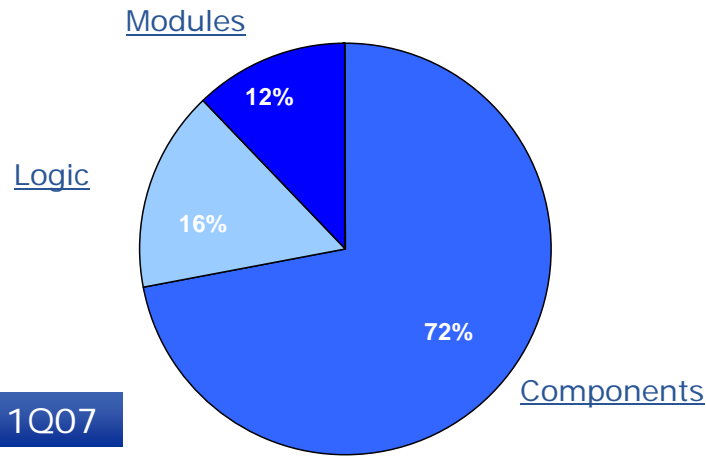
### Quarterly Revenues



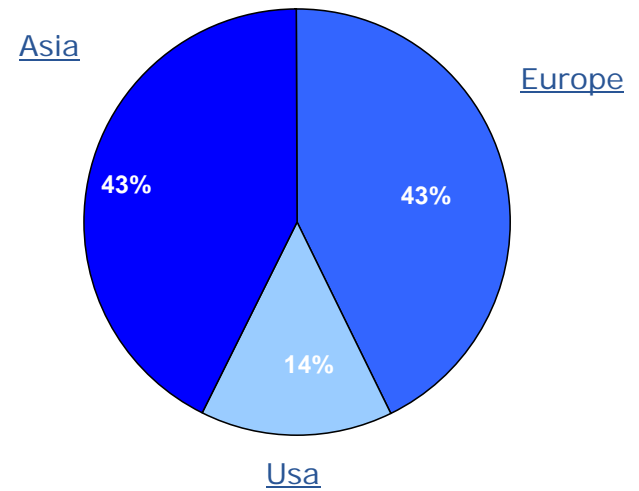
Continuous growth over the last 6 quarters

# Revenues

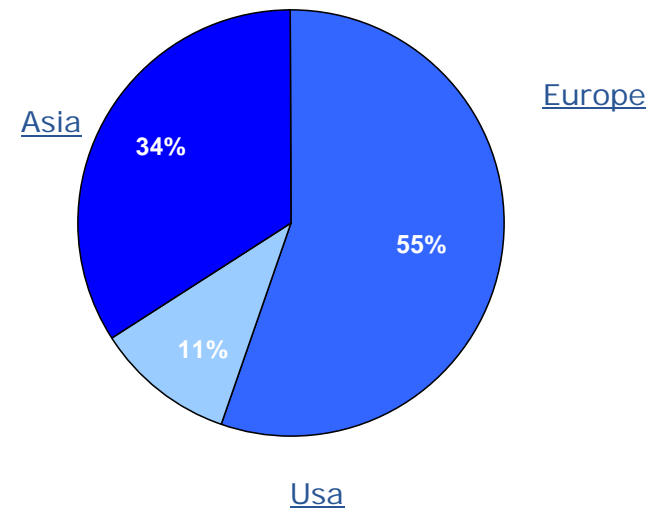
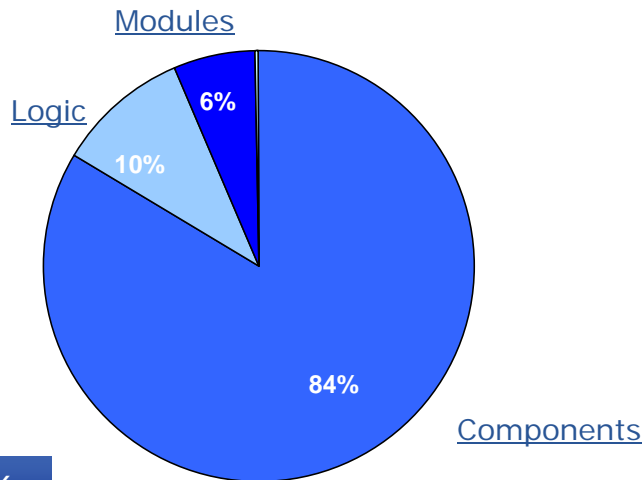
## By Business Activity



## By Geographical Region

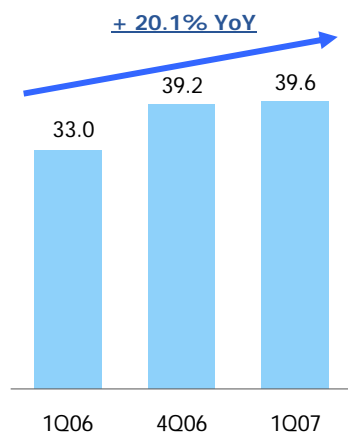


## Diversified product and geographic mix

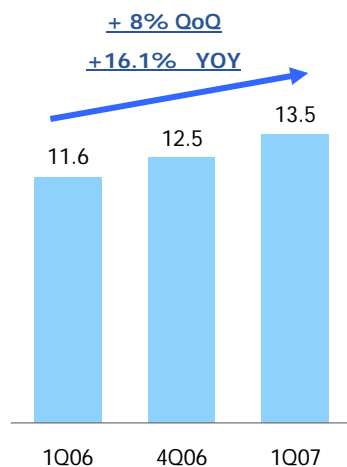


## Financial performance

### Revenue Growth (€ million)



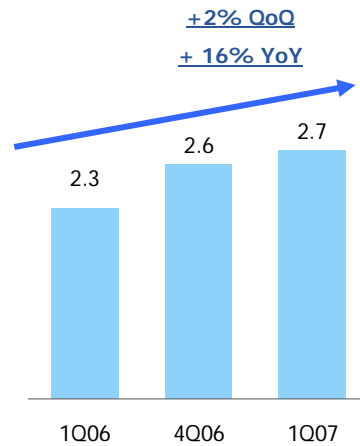
### EBITDA (€ million)



- Significant growth with revenues up 20.1% vs. Q1 2006
- Increase in China and Singapore contribution
- USD Revenues: \$51.3m vs. \$39.3m 1Q06 (+30%)
- 1€m savings in labour cost vs. Q106 with more than 400 new employees
- Material Cost Increase due to increase in A&T units and change in product mix
- Fx Impact (0,6€ mm) due to USD's weakness

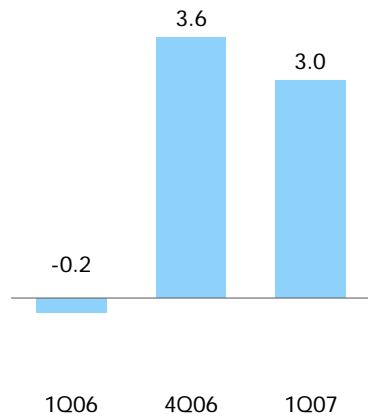
## Financial performance

### EBIT (€ million)



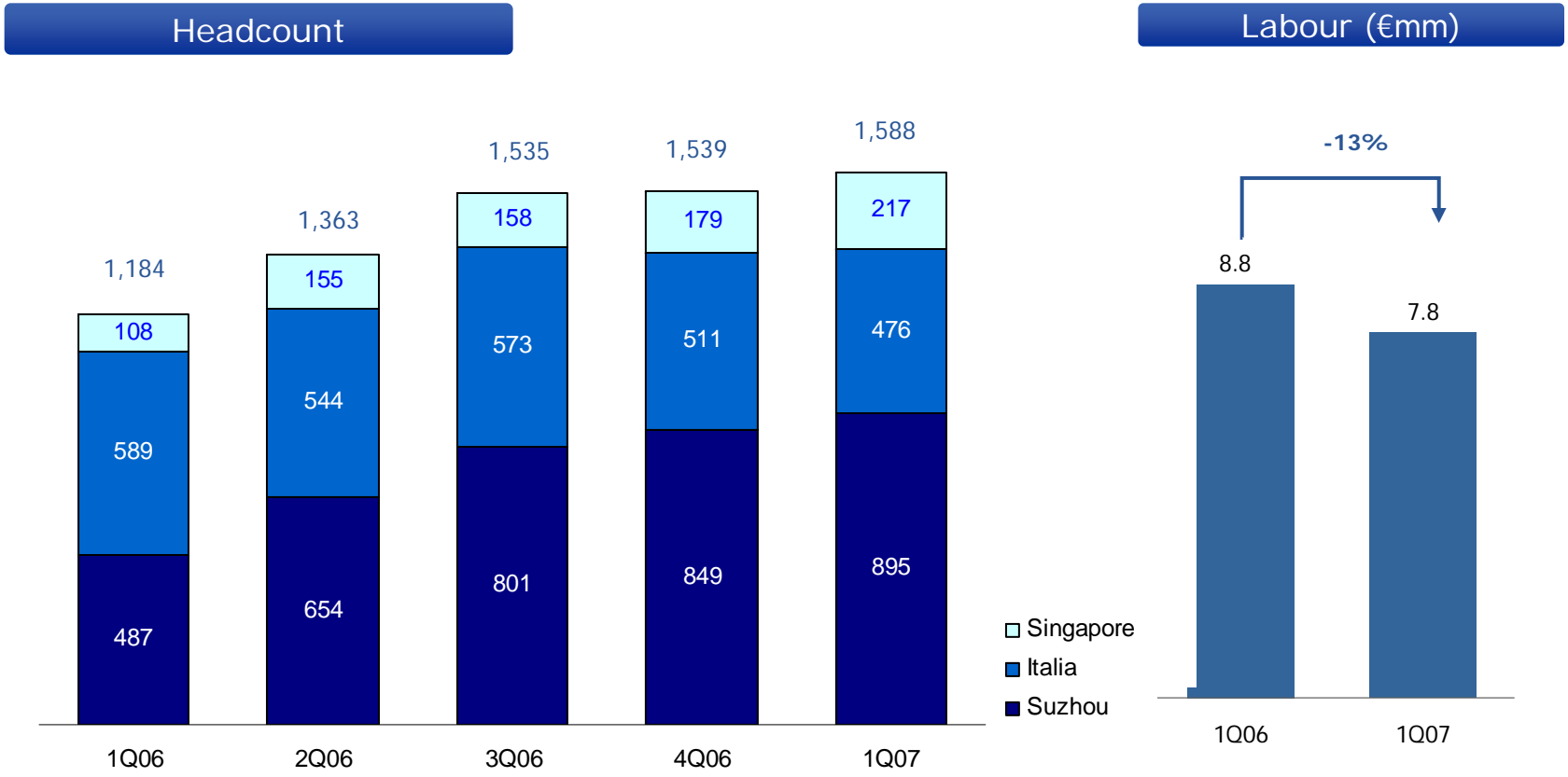
- Most of the installed capacity is running at full potential, with lower impact from depreciation

### Net Income (€ million)



- Lower interest costs
- Additional deferred tax release

# Headcount

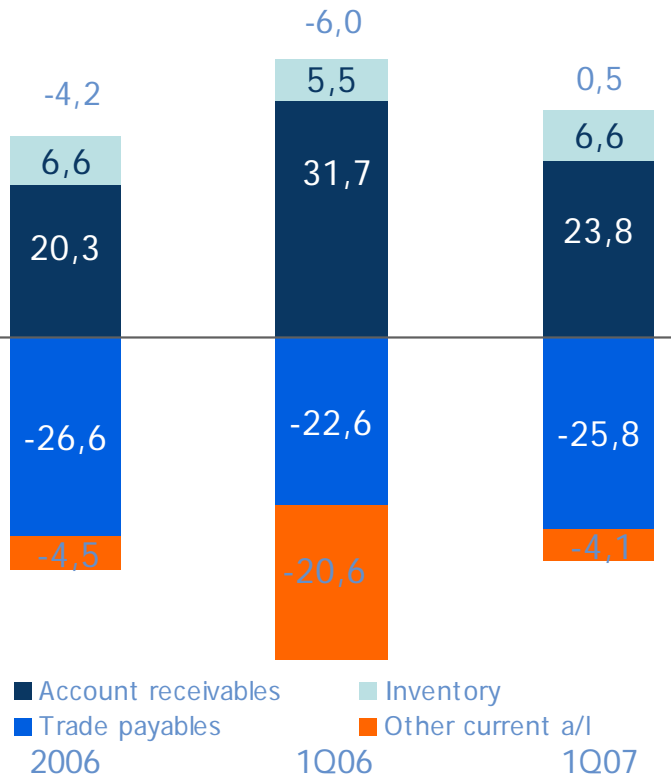


Decrease vs. 1Q06 labour cost thanks to lower unitary cost in China

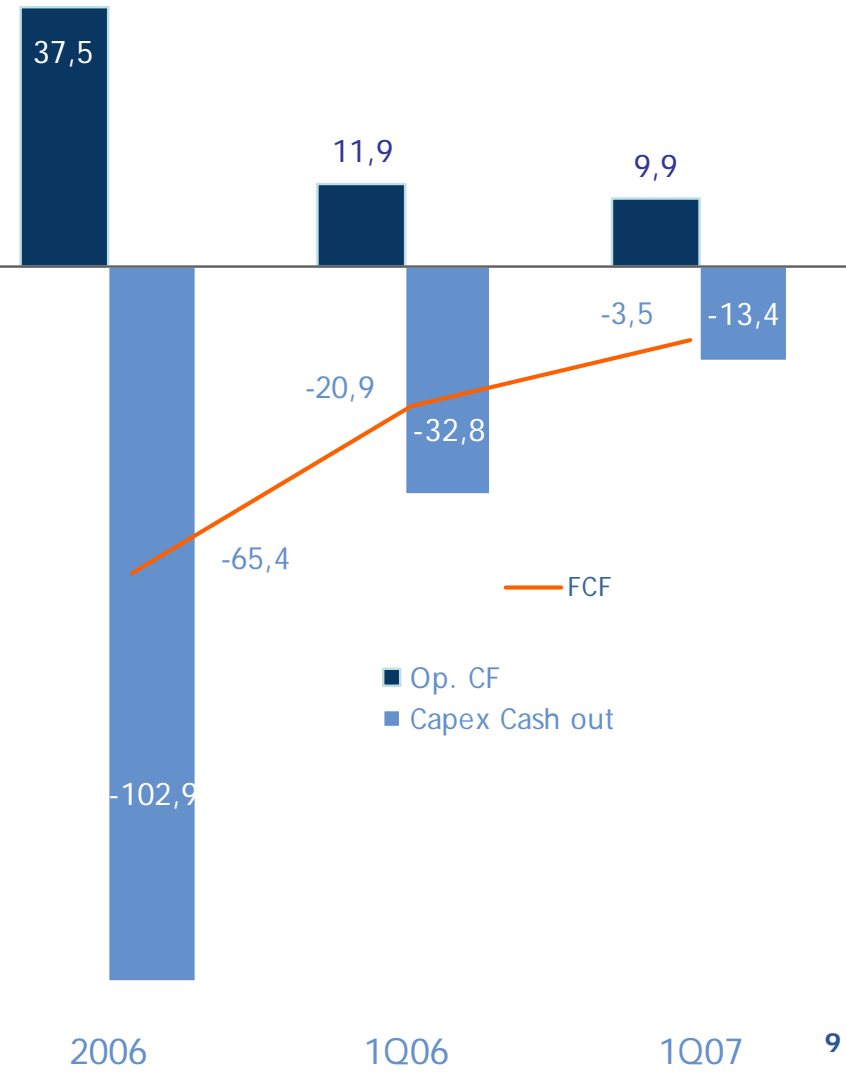


# Healthy Working capital

Development of working capital (€mm)



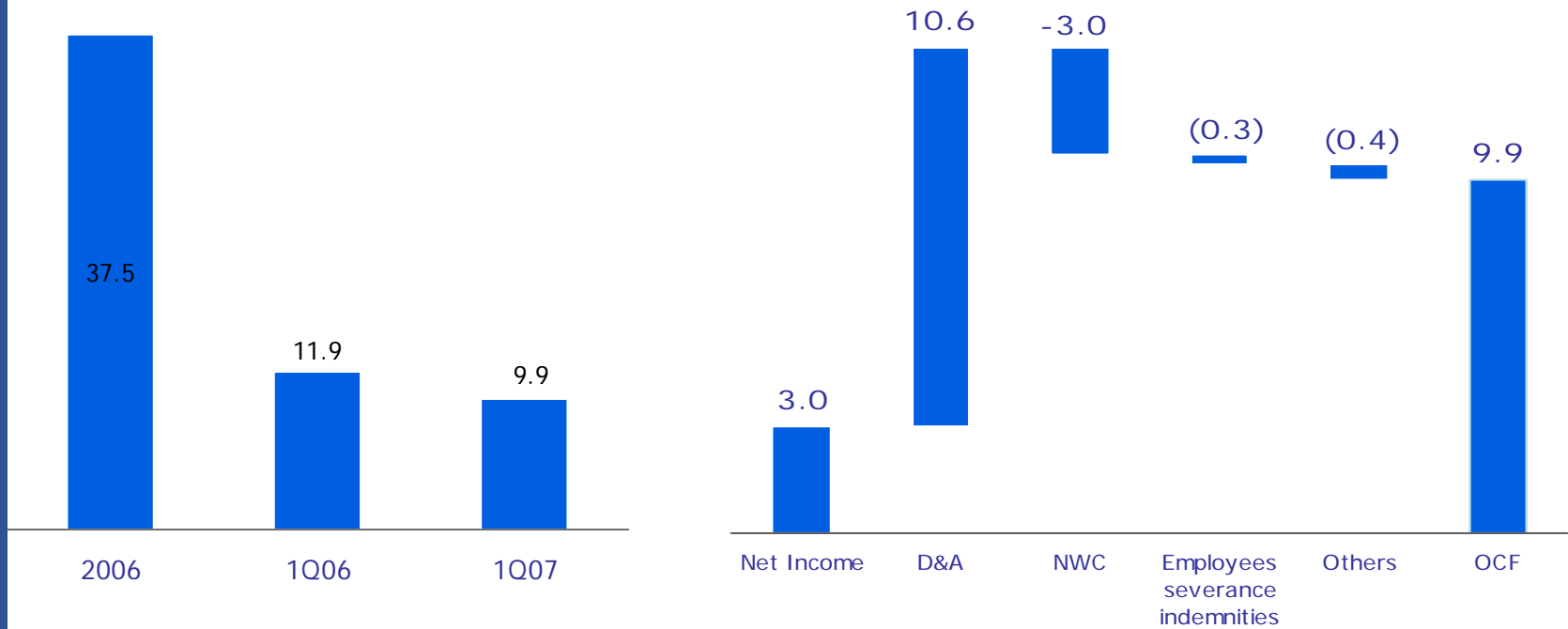
| % Annual Revenues |       |      |
|-------------------|-------|------|
| 2006              | 1Q06  | 1Q07 |
| -2.9%             | -5.4% | 1.0% |



# Operating cash flow

Operating Cash Flow (€mm)

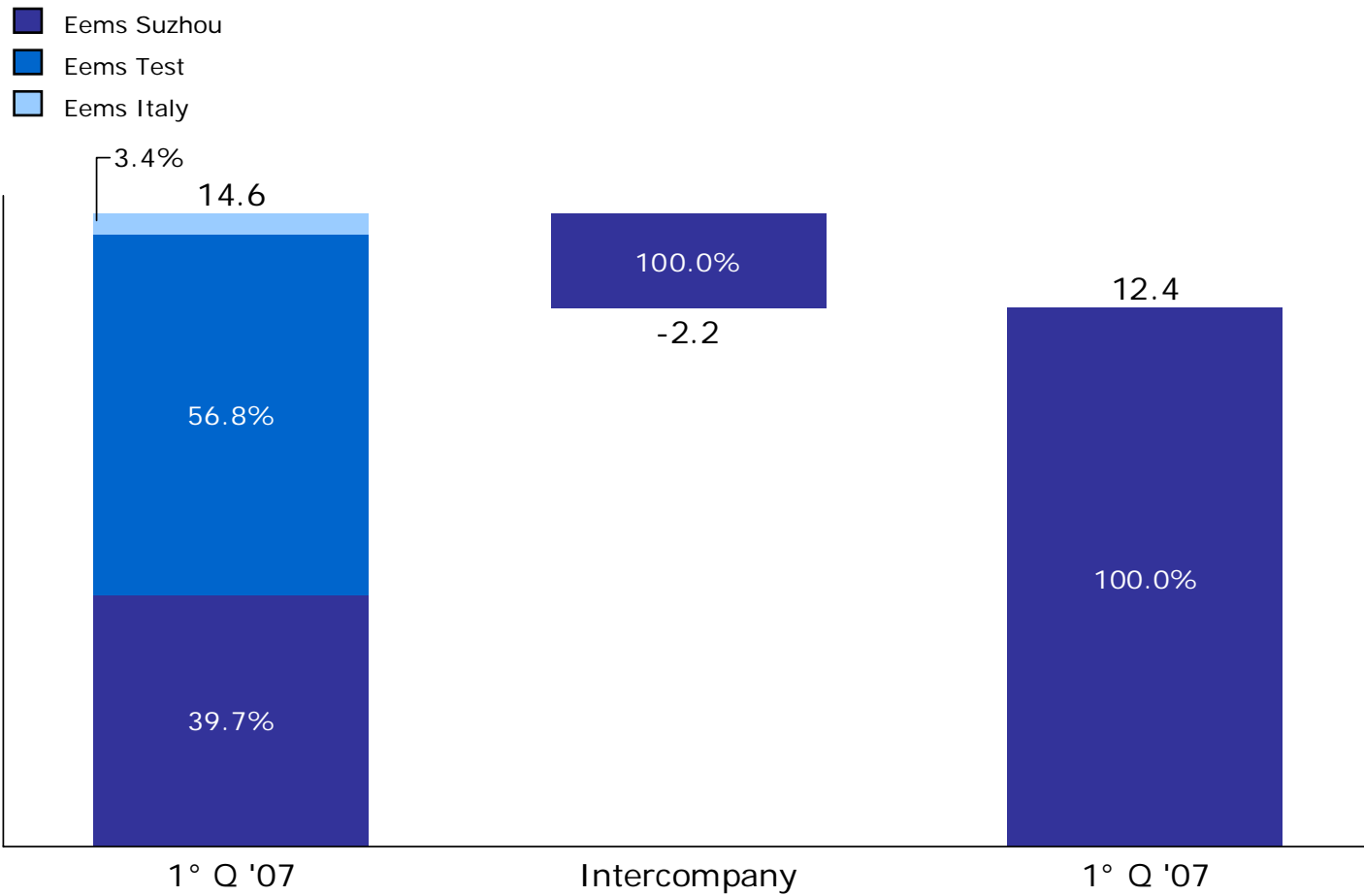
1Q07 Operating Cash Flow Reconciliation (€mm)



 Stable operating cash flow generation

# Capex

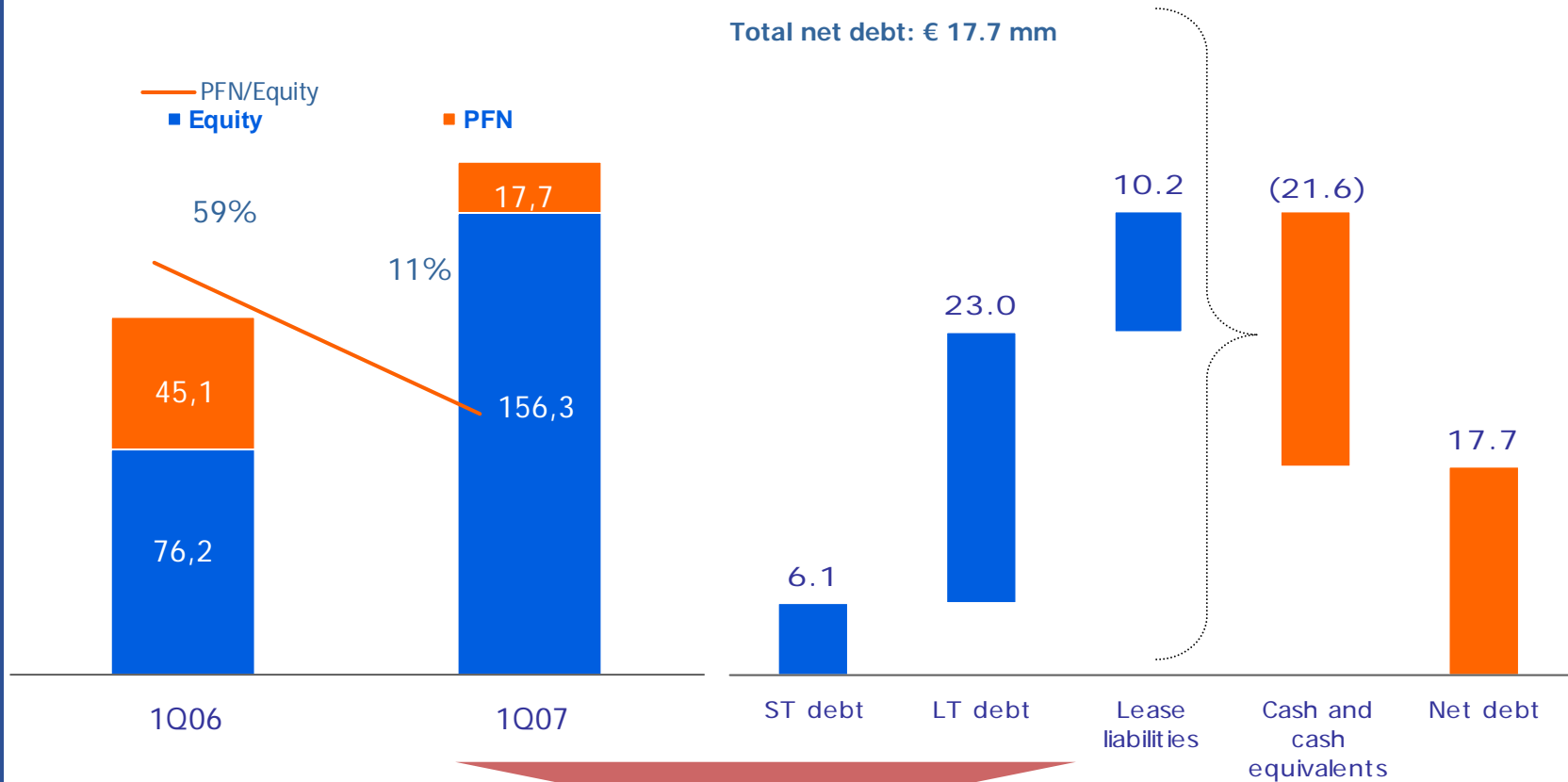
## Key Financial Data - Capex



# Capital Structure

Development of capital structure (€mm)

Net debt as of March 31, 2007 (€mm)



■ Pre-payment of 11,5 € mm debt

■ Close to sign a new credit facility (110€m, 2 years availability + 3 years repayment, multicurrency)

## The Path Ahead

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### Further Expansion in Asia

- Build up of the third facility
- New customers ramp up
- Improving visibility for mixed signal and logic product

### Solar business start up

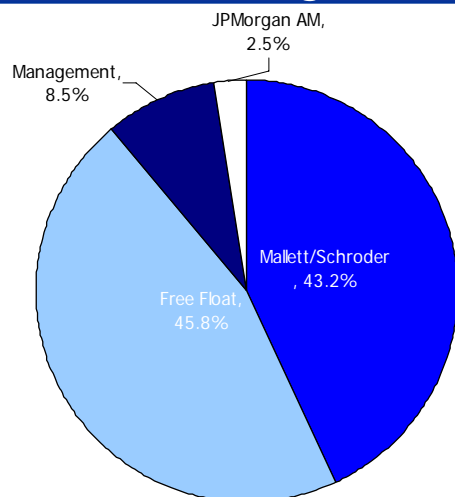
- Purchase order for solar equipments
- Up stream and down stream partnerships
- Hiring of PV professionals

### Cost Control

- Natural hedging policy
- Higher control on G&A expenses
- Continuous negotiation with vendors

# Company Profile

## Shareholding (1)



## Share information

Number of shares: 42,435,345

Price @ 09/05/07: € 6.01

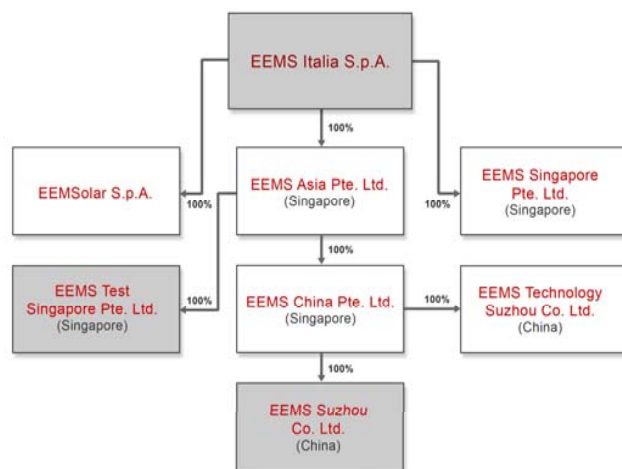
Market Cap: € 255.2 mm

Italian Stock Exchange - Segmento TechSTAR

Specialist: Intermonte

Auditors: Ernst & Young

## Group Structure



## Board of Director

**Giovanni Battista Nunziante – Chairman (Independent)**

**Vincenzo D'Antonio – CEO\***

**Roberto Biondi - Director\***

**Guido Cottini - Independent Director**

**Albert NG – Director\***

\* Member of Operating Committee

(1) As of May 05, 2007

# Appendix

## Financial Highlights - P&L

(thousands of Euro)

|                                   | 1Q07          | 1Q06          | 1Q07          | 1Q06          |
|-----------------------------------|---------------|---------------|---------------|---------------|
| <b>Revenues</b>                   | <b>39,641</b> | <b>33,010</b> | <b>100.0%</b> | <b>100.0%</b> |
| Raw Material and Others           | 12,612        | 8,705         | 31.8%         | 26.4%         |
| Services                          | 4,983         | 3,462         | 12.6%         | 10.5%         |
| Labor                             | 7,827         | 8,783         | 19.7%         | 26.6%         |
| Other Operating expenses          | 715           | 429           | 1.8%          | 1.3%          |
| <b>EBITDA</b>                     | <b>13,504</b> | <b>11,631</b> | <b>34.1%</b>  | <b>35.2%</b>  |
| Depreciation and amortization     | 10,601        | 9,267         | 26.7%         | 28.1%         |
| Impairments                       | 229           | 58            | 0.6%          | 0.2%          |
| <b>EBIT</b>                       | <b>2,674</b>  | <b>2,306</b>  | <b>6.7%</b>   | <b>7.0%</b>   |
| Financial Income                  | 268           | 191           | 0.7%          | 0.6%          |
| Financial expenses                | (958)         | (769)         | -2.4%         | -2.3%         |
| <b>Income before income taxes</b> | <b>1,984</b>  | <b>1,728</b>  | <b>5.0%</b>   | <b>5.2%</b>   |
| Income taxes                      | (1,013)       | 1,912         | -2.6%         | 5.8%          |
| <b>Net Income (Loss)</b>          | <b>2,997</b>  | <b>(184)</b>  | <b>7.6%</b>   | <b>-0.6%</b>  |



## Financial Highlights – Balance Sheet

(thousands of Euro)

|   | 31/03/07       | 31/12/06       |
|---|----------------|----------------|
| Intangible Assets                                 | 12,237         | 11,889         |
| Tangible Assets                                   | 178,436        | 178,913        |
| Other non-current assets                          | 188            | 187            |
| <b>Total Non-Current Assets</b>                   | <b>190,861</b> | <b>190,989</b> |
| Inventories                                       | 6,570          | 6,625          |
| Trade receivables                                 | 23,774         | 20,331         |
| Tax receivables                                   | 934            | 1,715          |
| Cash and cash equivalent                          | 21,600         | 36,540         |
| Other current assets                              | 1,596          | 651            |
| <b>Total Current Assets</b>                       | <b>54,474</b>  | <b>65,862</b>  |
| <b>Total Assets</b>                               | <b>245,335</b> | <b>256,851</b> |
| <b>Total Shareholders' Equity</b>                 | <b>156,333</b> | <b>153,884</b> |
| Non-Current financial Liabilities                 | 27,706         | 26,330         |
| Employee severance indemnities (TFR)              | 7,881          | 7,927          |
| Deferred taxes                                    | 8,871          | 10,115         |
| Others  | 359            | 226            |
| <b>Total Non-Current Liabilities</b>              | <b>44,817</b>  | <b>44,598</b>  |
| Current financial liabilities                     | 11,749         | 25,020         |
| Trade payables                                    | 25,815         | 26,627         |
| Taxes payables                                    | 849            | 867            |
| Others current liabilities                        | 5,772          | 5,855          |
| <b>Total Current Liabilities</b>                  | <b>44,185</b>  | <b>58,369</b>  |
| <b>Total Liabilities</b>                          | <b>89,002</b>  | <b>102,967</b> |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>245,335</b> | <b>256,851</b> |

## Financial Highlights – Cash Flow

(thousands of Euro)

|   | 1Q'07           | 1Q'06           |
|---|-----------------|-----------------|
| Net cash provided by operating activities                     | 9,858           | 11,877          |
| Net cash used in investing activities                         | (13,400)        | (32,887)        |
| Net cash and cash equivalents used in financing activities    | (11,131)        | 10,898          |
| Effect of change of exchange rate on cash and cash equivalent | (267)           | 1               |
| <b>Increase (decrease) in cash and cash equivalents</b>       | <b>(14,940)</b> | <b>(10,111)</b> |