

# Gigaset

## Analyst Conference Call Q2 Results

11 August 2011

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**MADE IN GERMANY**

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## Continued Focus

### ■ Important Events in Q2 2011

#### Optimisation of Financing Structure

Q2 = first quarter as Gigaset ONLY,  
continued operations make up 92% of group sales

Equity ratio strengthened by conversion of convertible  
bond (up from 10 % to 25%)

#### Optimisation of Management Structure

Q2 = first quarter with Dr. Blum as CFO  
Search for a new CEO started

New Supervisory Board members with industry and  
capital market expertise

#### Optimisation of Capital Market Communication

Specific European „Gigaset ONLY“ road show activities in  
UK, Switzerland, France, Scotland, Germany

Initiation of analyst coverage from Hauck & Aufhäuser  
Price Target of EUR 9,00 confirmed

## Financial Highlights Q2 2011

### ■ Continued Operations

- EBITDA increased by 66% to EUR 9.0m (Q2 2010: EUR 5.5m)
- EBIT-turnaround from EUR -3.3m in Q2 2010 to EUR 1.5m in Q2 2011
- Positive net income of EUR 0.7m compared to EUR -4.7m in Q2 2010 despite the seasonal sales decrease in Q2 represents a great achievement in the traditionally weakest quarter
- Comfortable cash position of EUR 42.5m (31/12/2010: EUR 36.6m) and low financial/bank liabilities of EUR 5.9m (31/12/2010: EUR 4.7m)
- Shareholders' equity almost doubled from EUR 35.0m (31/12/2010) to EUR 67.0m due to conversion of convertible bond and positive net income/result; equity ratio increases to 25% (31/12/2010: 10%)

## Consolidated Income Statement\*

 Continued Operations

in EUR millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Group Sales	100.2	112.5	-11 %	218.8	237.8	-8 %
Change in finished goods & work in progress	-1.4	0.3	n/a	-0.8	1.2	n/a
Other own work capitalised	4.6	5.0	-8 %	8.6	10.0	-14 %
Cost of materials	-50.6	-59.5	-15 %	-109.4	-121.8	-10 %
Personnel expenses	-27.9	-29.0	-4 %	-56.5	-61.9	-9 %
Other income & expenses	-15.8	-23.9	-34 %	-35.0	-42.5	-18 %
EBITDA	9.0	5.5	66 %	25.7	22.8	13 %
EBIT	1.5	-3.3	n/a	10.9	5.0	115 %
Net income	0.7	-4.7	n/a	5.3	-0.4	n/a
EPS (diluted in EUR)	0.01	-0.18	n/a	0.12	-0.02	n/a

\*Rounded figures may not add up  
11.08.2011

## Consolidated Statement of Financial Position\*

in EUR millions	30/06/2011	31/12/2010	Change
Balance sheet total	271.6	345.6	-21 %
Non-current assets	93.7	91.0	3 %
Current assets	177.9	254.6	-30 %
thereof inventories	39.9	36.5	9 %
thereof trade receivables	57.3	83.4	-31 %
thereof cash & cash equivalents	42.5	36.6	16 %
Equity	67.0	35.0	91 %
Equity ratio	24.7%	10.1%	143 %
Non-current liabilities	41.9	66.0	-37 %
Current liabilities	162.7	244.5	-33 %
thereof financial liabilities	5.9	4.7	26 %
thereof trade payables	87.6	89.8	-2 %
thereof provisions	30.0	37.1	- 19 %

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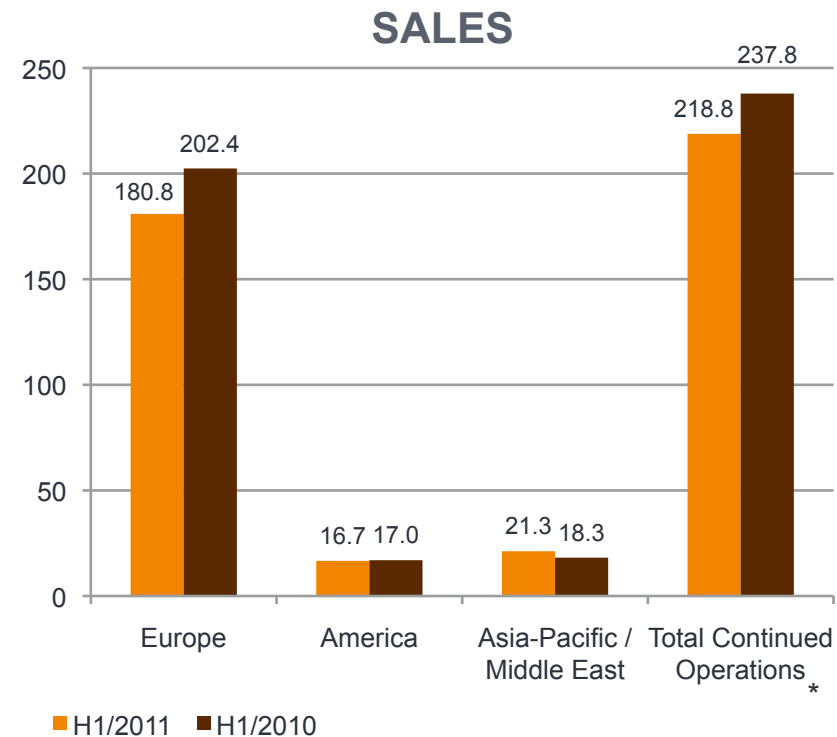
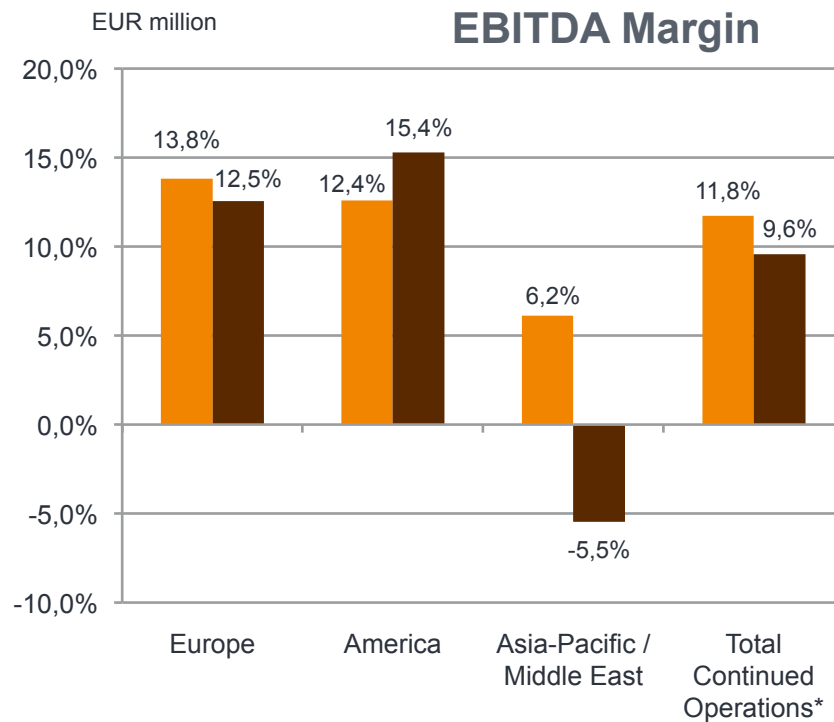
## Consolidated Cash Flow Statement\*

in EUR millions	01/01 - 30/06 2011	01/01 - 30/06 2010	Change
Cash flow from operating activities	4.9**	6.9	-29 %
Cash flow from investing activities	-3.0	-4.2	-29 %
Cash flow from financing activities	1.2	-6.1	n/a
Net change in cash & cash equivalents	3.0	-3.4	n/a
Free cash flow	1.9**	2.7	-30 %
Adjusted cash flow	4.0**	n/a	n/a

\*\*The operating/free cash flow was negatively affected to an amount of EUR 2.1m by the deconsolidation of disposed non-core businesses. Thus, the adjusted operating/free cash flow (from continued operations only) amounts to EUR 4.0m (see page 30/31 of the Q2 report).

## Operating H1 Revenues by Business Areas

- Generally positive EBITDA development
- Sales decreased in Europe due to restrained purchasing behavior of customers due to difficult economic situation in Southern Europe
- Positive sales development in the rest of the world



\*including Holding activities  
11.08.2011



## ■ Four-Pillar Strategy Going Forward



## ■ Gigaset Group Outlook for 2011

- Guidance is confirmed
- Q2 figures show that company is on right track
- Strong focus on profitability
- Careful management of corporate funds in terms of acquisitions

Keep on showing good results,  
regain trust in capital markets!!

■ Forecast Gigaset Group 2011 (“Guidance”)

**Guidance 2011:**

Revenues: EUR 540 m

EBITDA: EUR 57 m

EPS basic: EUR 0,40

EPS diluted: EUR 0,36

## ■ Consolidated Income Statement Group\*

in EUR millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Group Sales	109.0	257.7	-58 %	259.2	524.6	-51 %
Change in finished goods & work in progress	-1.8	1.4	n/a	-2.4	6.5	n/a
Other own work capitalised	4.6	5.8	-21 %	8.6	10.9	-21 %
Cost of materials	-54.7	-155.3	-65 %	-135.2	-312.7	-57 %
Personnel expenses	-29.8	-56.3	-47 %	-62.2	-116.2	-46 %
Other income & expenses	-18.1	-39.1	-54 %	-38.2	-74.9	-49 %
EBITDA	9.2	14.2	-35 %	29.8	38.2	-22 %
EBIT	1.4	-5,5	n/a	14.8	1.3	1,020 %
Net income	0.5	-9.2	n/a	9.1	-8.1	n/a
EPS (diluted in EUR)	0.01	-0.38	n/a	0.19	-0.33	n/a

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11.08.2011