

**25**  
**YEARS**

**ascom**

THE INTERNATIONAL TECHNOLOGY COMPANY

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# ABOUT ASCOM

25  
YEARS

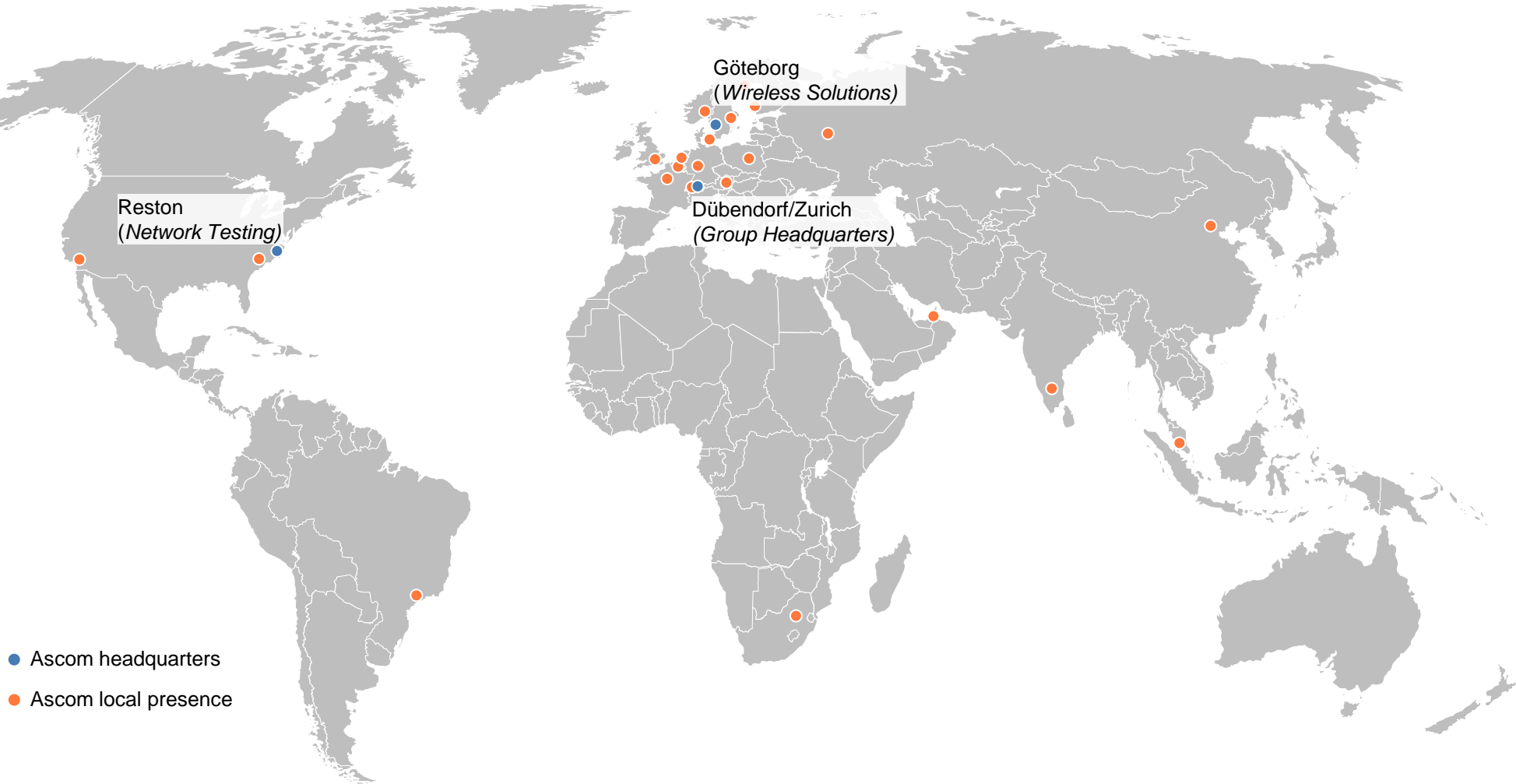


# ASCOM

- Ascom employs about 1'900 people worldwide.
- Ascom has subsidiaries in approx. 17 countries.
- In 2011 Ascom generated revenues of CHF 437.5m with an EBITDA margin of 13.7%
- For 2013, Ascom has set itself the goal of achieving a Group EBITDA margin of 14-15%.
- Ascom registered shares (ASCN) are listed on the SWX Swiss Exchange in Zurich.

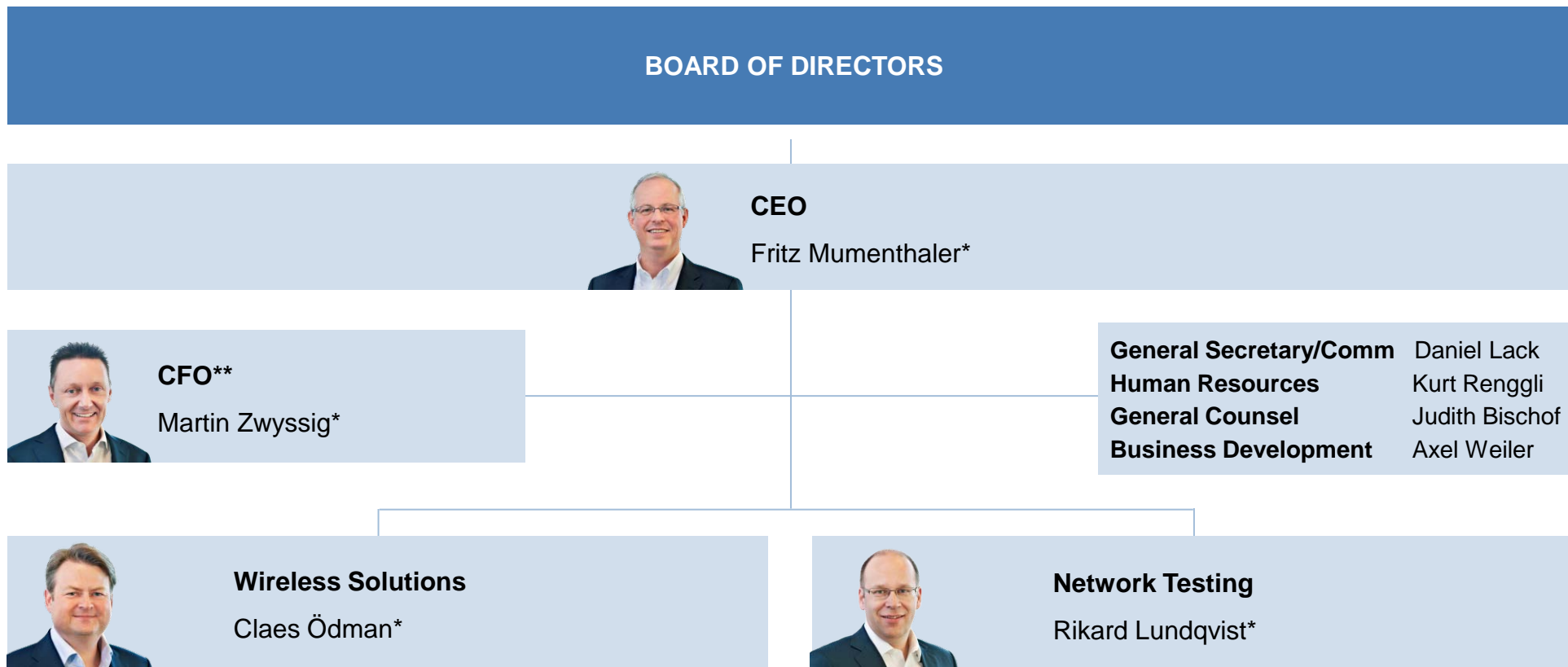
▶ [www.ascom.com](http://www.ascom.com)





ASCOM 2.0 – A TRULY INTERNATIONAL COMPANY

# OUR MANAGEMENT TEAM



\* Member of the Executive Board

\*\* The CFO is also responsible for Investor Relations and Real Estate.

# MISSION-CRITICAL COMMUNICATION STRATEGY SINCE 2004

## Customer needs

- Communication systems and solutions, which enable quicker and very reliable responses, when security, safety or efficiency is mission critical.
  - ▶ Need for state-of-the-art products, systems, solutions and services
- Continuous innovation, which ensures efficient use of customers' investments and resources.

## Strategy

- Market leadership in selected communication segments with international growth perspectives based on specific growth drivers
- Continuous investments in people, innovation and sales channels
- Active portfolio strategy

# THE INTERNATIONAL TECHNOLOGY COMPANY

Investments in new products, markets, and technologies aim at further consolidating and expanding our leading market position in the respective markets. Our strategy focuses on creating sustainable values.

## Wireless Solutions



For all healthcare communications.  
Wireless Communication solutions for  
hospitals, senior care and independent living.

▶ [www.ascom.com/ws](http://www.ascom.com/ws)

## Network Testing



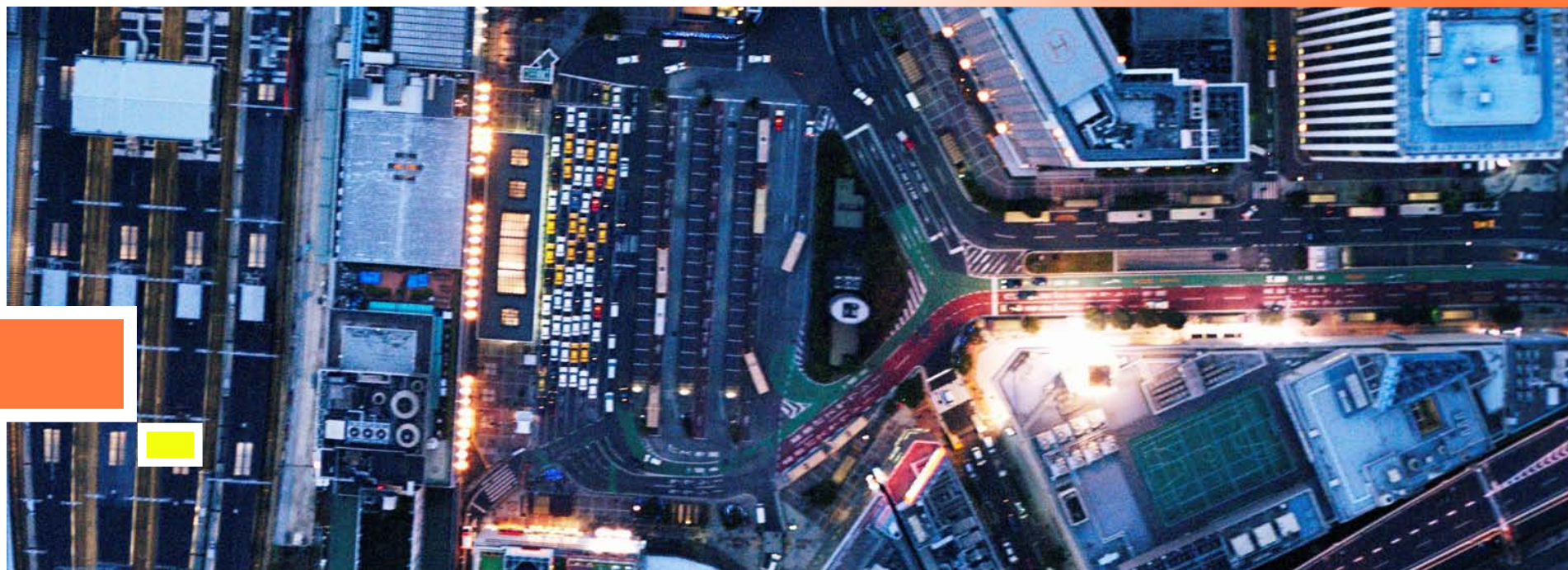
Testing, optimization, benchmarking and  
monitoring solutions for mobile networks.

▶ [www.ascom.com/nt](http://www.ascom.com/nt)

[ ]

# THE ASCOM DIVISIONS

25  
YEARS



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# ASCOM WIRELESS SOLUTIONS

# 25 YEARS



▶ [www.ascom.com/ws](http://www.ascom.com/ws)

# ASCOM WIRELESS SOLUTIONS

## Mission

Ascom Wireless Solutions is the leading provider for on-site wireless communications in healthcare and in other market segments. ▶ [www.ascom.com/ws](http://www.ascom.com/ws)

## Core segments



### HOSPITALS

Efficient communication for patients, nurses, doctors and between colleagues.

Integration to hospital systems to give more time for care.

### SENIOR CARE

Caring communication for residents and staff to ensure quality of care and security.

### INDEPENDENT LIVING

Dignified communication for persons living securely at home.

### OTHER SEGMENTS

Industry, secure establishments, hotels and retail

## Customers



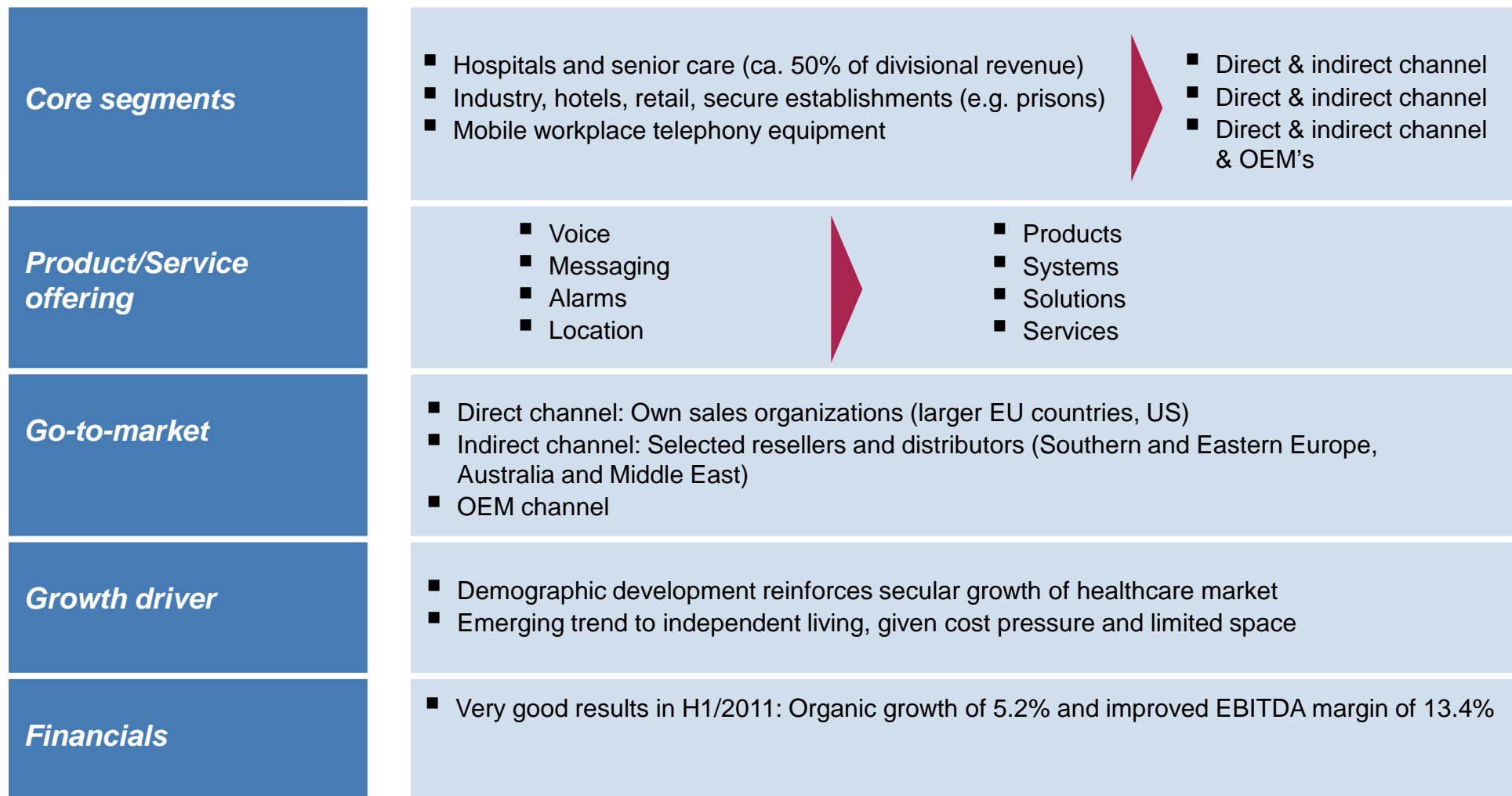
## Local presence



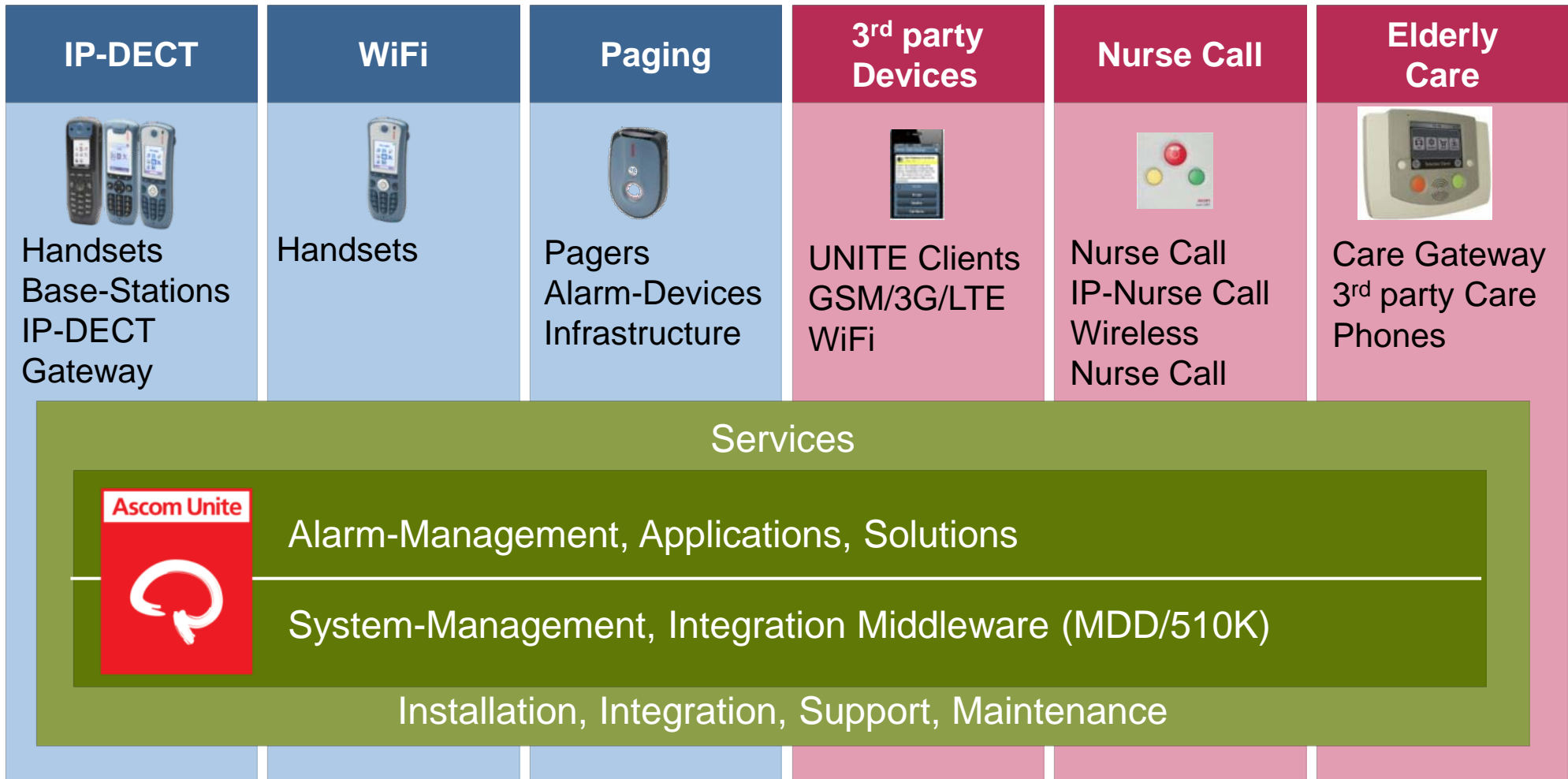
## Figures 2011

Revenue	CHF 276.6m
EBITDA	CHF 41.5m
Employees	1,198

# WIRELESS SOLUTIONS INCREASES EFFICIENCY IN HEALTHCARE FACILITIES



# WIRELESS SOLUTIONS PORTFOLIO



# WIRELESS SOLUTIONS – FOCUS ITEMS 2012

**1**

## **FURTHER INVESTMENT IN SALES CHANNELS**

- Further growth in the own channel, particular in North America
- Gaining market share in new markets (Middle East, Central & Eastern Europe)

**2**

## **PREPARE FOR FURTHER GROWTH**

- Striving for further organic growth
- Growing business by acquisitions continues to be a priority (mainly companies with a strong portfolio in the healthcare sector)

**3**

## **INVESTMENTS IN NEW PRODUCTS AND BUSINESS FIELDS**

- Enhance mobility offers with new features
- Broaden the existing product offering
- Address the independent living/home care segment

[ ]

# ASCOM NETWORK TESTING

25  
YEARS



# ASCOM NETWORK TESTING

## Mission

Ascom Network Testing is the industry leader in testing, optimization, benchmarking and monitoring solutions for mobile networks.

▶ [www.ascom.com/nt](http://www.ascom.com/nt)

## Core segments



**HOSPITALS**  
Mobile Operators



Mobile Network  
Service Providers



Mobile Network  
Infrastructure  
Providers

## Customers



## Local presence



## Figures 2011

Revenue	CHF 138.9 m
EBITDA	CHF 3.4m
Employees	571

# NETWORK TESTING PROVIDES BEST-IN-CLASS SOLUTIONS TO MEASURE, ANALYZE, AND OPTIMIZE MOBILE NETWORKS

<p><i>Core segments</i></p>	<ul style="list-style-type: none"> <li>■ Telecom operators</li> <li>■ Telecom infrastructure vendors</li> <li>■ Telecom professional service providers</li> <li>■ Telecom regulatory agencies and other government entities</li> <li>■ Telecom content providers</li> </ul>			
<p><i>Product/Service offering</i></p>	<table border="0"> <tr> <td data-bbox="540 558 1265 801"> <ul style="list-style-type: none"> <li>■ Test &amp; Measurement</li> <li>■ Benchmarking &amp; Monitoring</li> <li>■ Reporting &amp; Analysis of radio access network performance, as well as network quality of service</li> </ul> </td> <td data-bbox="1265 558 1369 801" style="text-align: center;">  </td> <td data-bbox="1369 558 1980 801"> <p><b>Offered as:</b></p> <ul style="list-style-type: none"> <li>■ Products</li> <li>■ Systems</li> <li>■ Solutions</li> <li>■ Product-near services</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>■ Test &amp; Measurement</li> <li>■ Benchmarking &amp; Monitoring</li> <li>■ Reporting &amp; Analysis of radio access network performance, as well as network quality of service</li> </ul>		<p><b>Offered as:</b></p> <ul style="list-style-type: none"> <li>■ Products</li> <li>■ Systems</li> <li>■ Solutions</li> <li>■ Product-near services</li> </ul>
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<p><i>Go-to-market</i></p>	<ul style="list-style-type: none"> <li>■ Direct channel: Global business with subsidiaries/branches in approx. 20 countries</li> <li>■ Indirect channel</li> </ul>			
<p><i>Growth driver</i></p>	<ul style="list-style-type: none"> <li>■ Exponentially growing demand of mobile broadband services: Data volume to quadruple by 2013</li> <li>■ End-customer needs (smart phones) force mobile operators to invest into 3.5G and 4G (LTE) networks to offer sufficient bandwidth in order to manage the higher data volume</li> </ul>			
<p><i>Financials</i></p>	<ul style="list-style-type: none"> <li>■ H1/2011: Operating result strongly effected by negative currency effects</li> <li>■ Revenue development stable (adjusted for currency and divestment effects)</li> </ul>			

# NETWORK TESTING OFFERING

## TEST & MEASUREMENT



TEMS Investigation



TEMS Pocket

## BENCHMARKING & MONITORING



TEMS Automatic

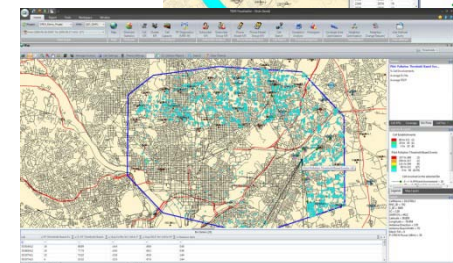
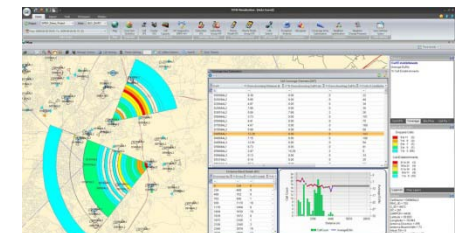
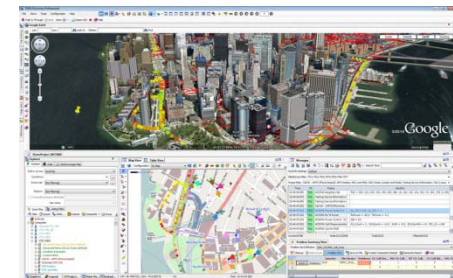


TEMS Symphony



TEMS Monitor Master

## REPORTING & ANALYSIS



TEMS Discovery / TEMS Visualization

# NETWORK TESTING – FOCUS ITEMS 2012

**1**

## **IMPROVE PROFITABILITY**

- Cost measures to re-establish profitability level
- Expansion of indirect sales channels
- Drive TEMS Discovery business

**2**

## **LEVERAGE MARKET LEADERSHIP**

- Provide solutions that drive operator efficiency and promotes portfolio value
- Utilize common components across portfolio
- Partner to drive speed and efficiency of in-building deployments and optimization

**3**

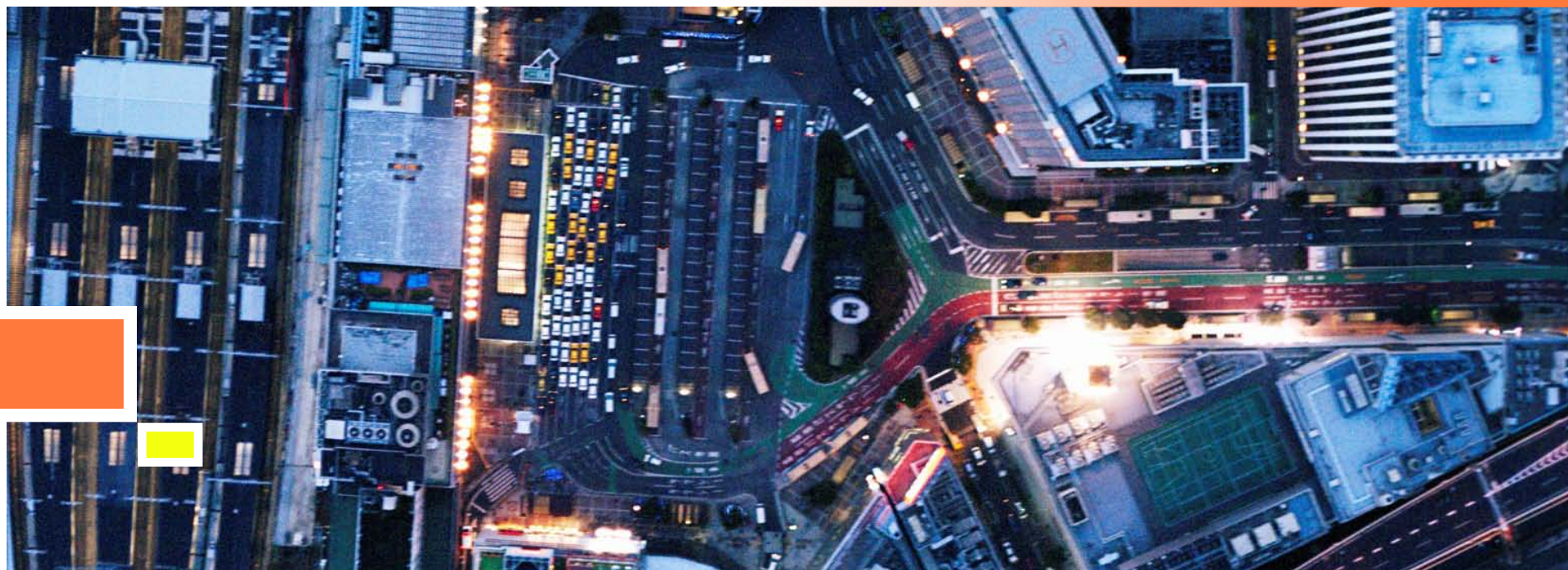
## **CONTINUE TO INNOVATE**

- Invest in expanded leadership in smart-phone integration
- Leverage device partnerships to bring unique value to customers
- Reporting & Analysis expansion – launch of TEMS Discovery Enterprise

[ ]

# 2011 FULL-YEAR RESULTS

# 25 YEARS



## TOPLINE – STABLE DEVELOPMENT IN 2011

### **Slight increase of 1.1% for continuing operations**

- Total revenue of CHF 437.5m (FY 2010: CHF 472.9m)
  - ▶ Strong impact of negative currency translation effects
  - ▶ Slight increase of about 1.1% in local currencies
- Wireless Solutions: Growth of 6.8% in local currencies (incl. six months of Miratel)
- Network Testing: Decline of 6.9% in local currencies (adjusted for divestments)

### **Stable development of incoming orders**

- Incoming orders: CHF 451.4m (2010: CHF 488.4m)  
(development in local currencies: +0.5%)
- Book-to-bill ratio positive

## PROFITABILITY – GOOD EBITDA MARGIN OF 13.7%

### EBITDA margin at good level of 13.7% despite negative currency effects

- EBITDA: CHF 59.8m
- EBITDA margin: 13.7%
- EBITDA guidance of 13–14% fulfilled

### Net profit – continuing business in line with prior year

- Group profit: CHF 23.1m (2010: CHF 32.5m)
- Profit from continuing operations amounts to CHF 30.6m
- Loss from discontinued operations of CHF 7.5m

- ▶ VERY STRONG RESULT FOR WIRELESS SOLUTIONS
- ▶ NETWORK TESTING HIT BY MARKET DEVELOPMENT

### **Wireless Solutions: Outstanding result and beyond expectations**

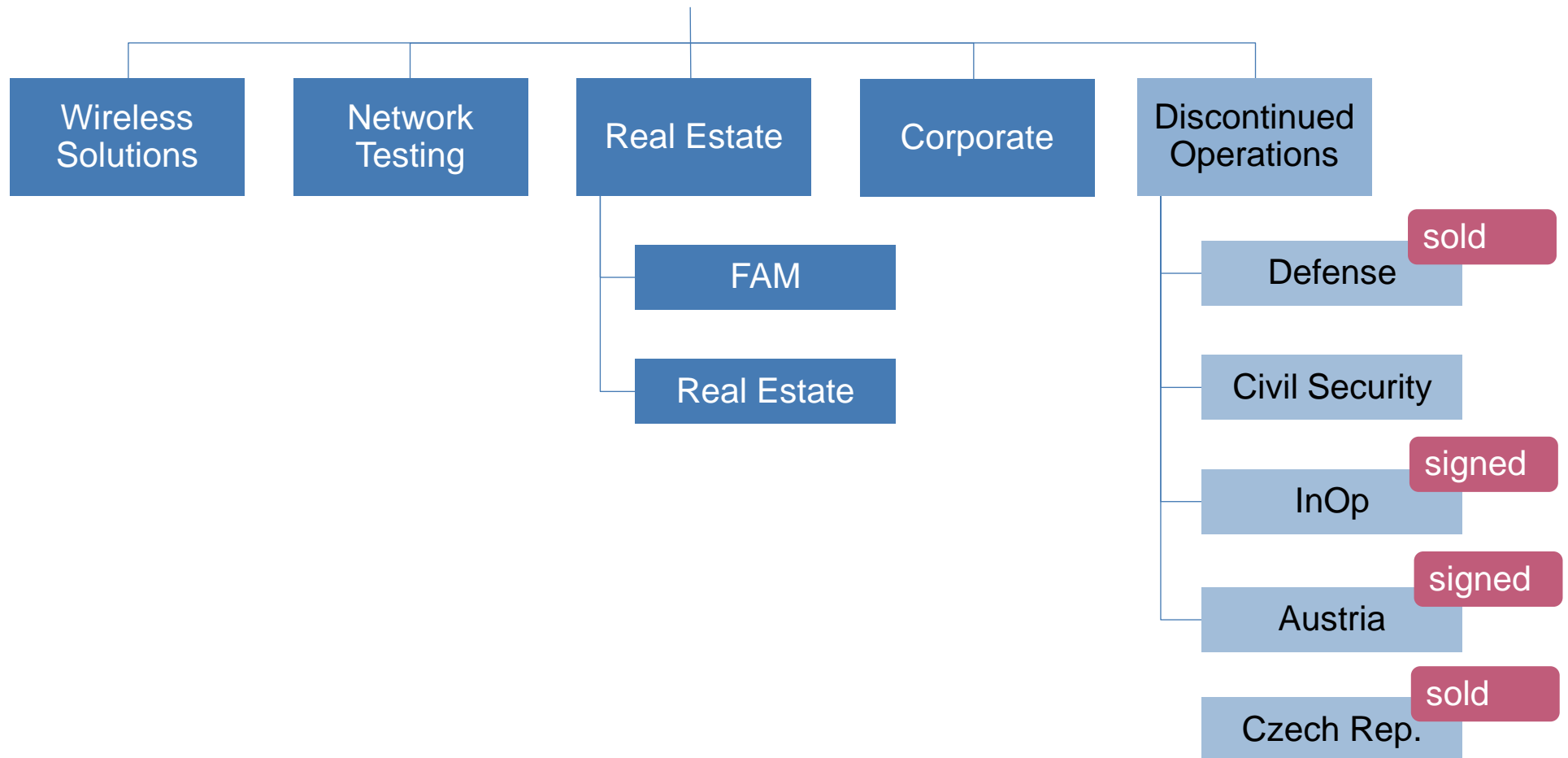
- Revenue growth of 6.8% (in local currencies)
- Improvement of the gross margin by 2.3 percentage points to 51.3%
- EBITDA increased to CHF 41.5m (2010: CHF 37.2m)
- Excellent EBITDA margin of 15.0% (2010: 13.1%)

### **Network Testing: Unsatisfactory result – due to lower demand from customers and unfavorable business mix**

- Revenue declined by 6.9% (in local currencies and adjusted for divestment effects)
- EBITDA considerably lower at CHF 3.4m (2010: CHF 27.7m)
- EBITDA margin decreased to 2.4% (2010: 16.4%)

# CURRENT REPORTING STRUCTURE

ascom



# CONSOLIDATED INCOME STATEMENT

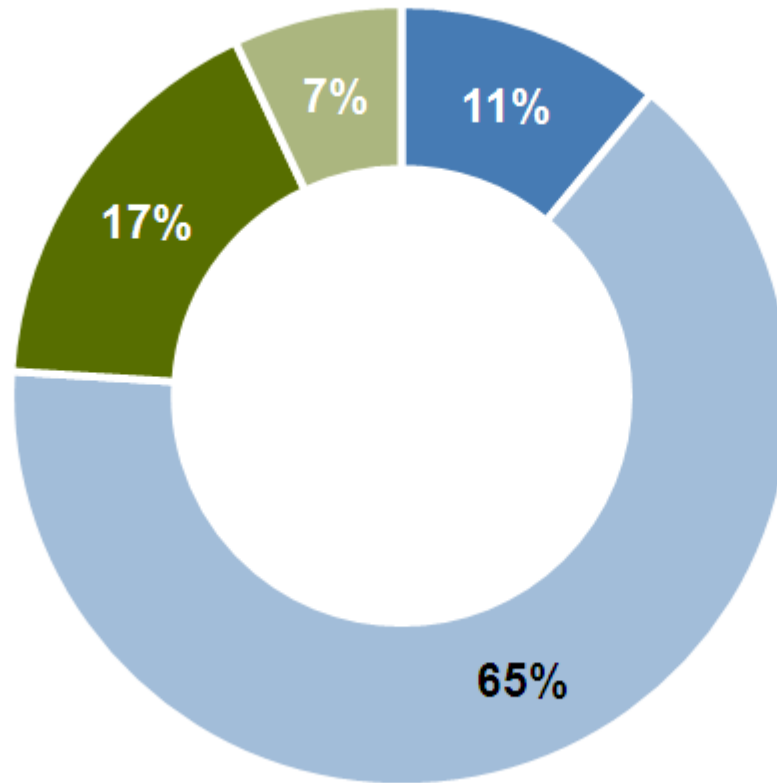
CHFm	2010	2010 FX-adj.	2011
<b>Revenue</b>	<b>472.9</b>	<b>432.2</b>	<b>437.5</b>
<b>Gross profit</b>	<b>244.8</b>		<b>218.9</b>
<i>Gross margin</i>	<i>51.8%</i>		<i>50.0%</i>
<b>Total functional costs</b>	<b>(189.1)</b>		<b>(179.3)</b>
Amortization of intangible assets from acquisition	(10.5)		(9.4)
Other income/(expenses), net	6.2		10.4
<b>EBIT</b>	<b>51.4</b>	<b>48.1</b>	<b>40.6</b>
Net financial result	(5.8)		(6.6)
Income tax	(9.8)		(3.4)
<b>Profit for the period from continuing operations</b>	<b>35.8</b>		<b>30.6</b>
Loss for the period from discontinued operations	(3.3)		(7.5)
<b>Group profit for the period</b>	<b>32.5</b>		<b>23.1</b>
<b>EBITDA from continuing operations</b>	<b>70.9</b>	<b>66.1</b>	<b>59.8</b>
<i>EBITDA margin</i>	<i>15.0%</i>	<i>15.3%</i>	<i>13.7%</i>

# GROWTH ANALYSIS

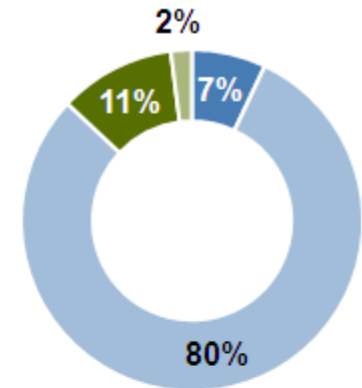
	Actual 2010	Organic growth (in %)	FX translation (in %)	Acquisition/divestment (in CHFm)	Actual 2011	Δ 2011/2010 (in %)
Wireless Solutions	282.9	5.1%	-9.0%	4.7	276.6	-2.2%
Network Testing	168.5	-6.9%	-9.0%	-2.7	138.9	-17.6%
Real Estate	22.4	0.8%	-0.7%	n/a	22.4	0.1%
<b>Total Ascom</b>	<b>472.9</b>	<b>0.7%</b>	<b>-8.6%</b>	<b>2.0</b>	<b>437.5</b>	<b>-7.5%</b>

# REVENUE SPLIT PER REGION (in %)

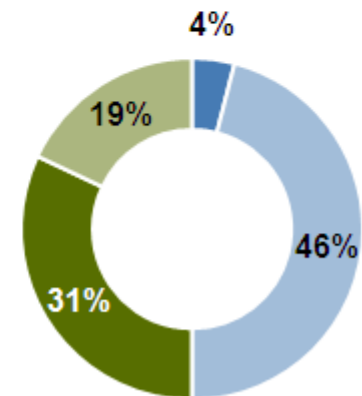
- Switzerland
- Europe & Africa
- Americas
- Asia/Pacific



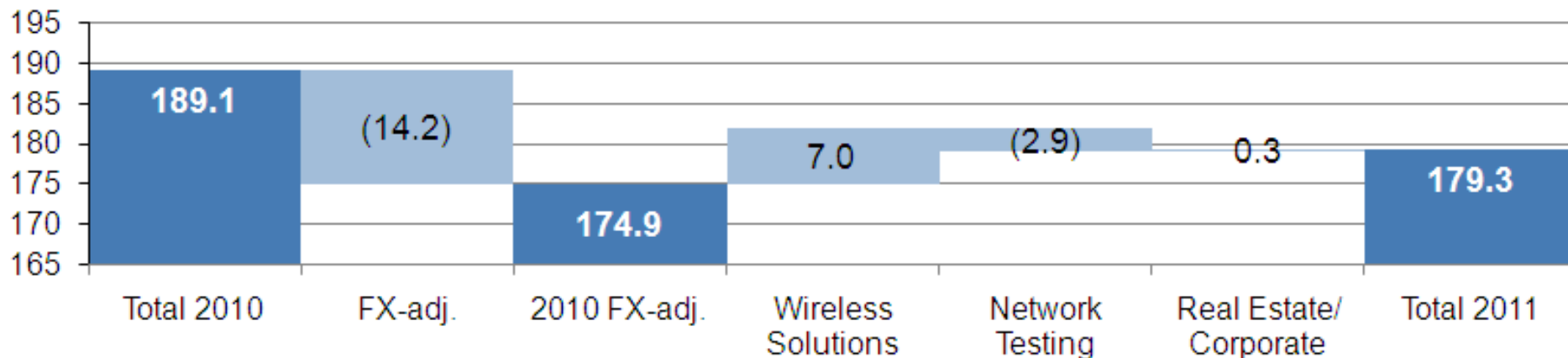
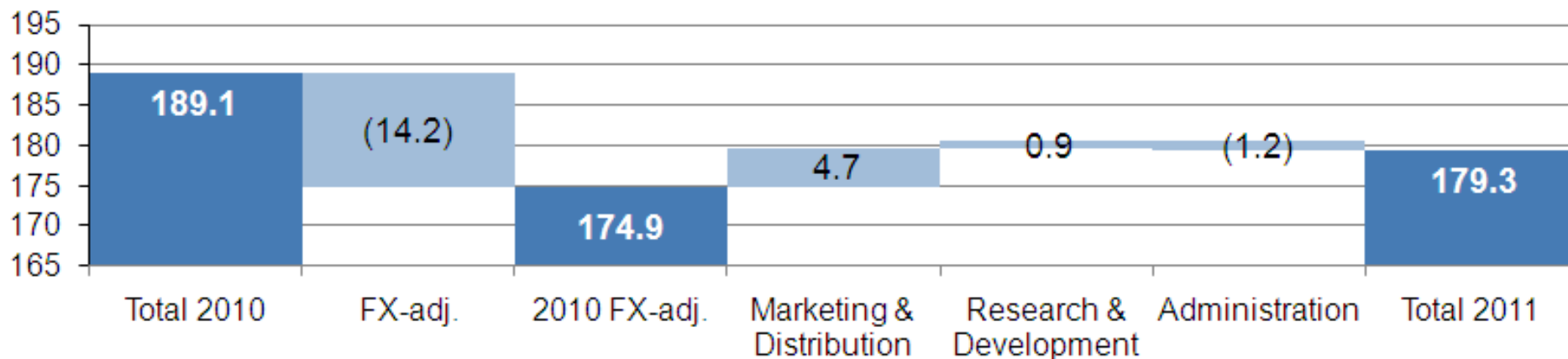
Wireless Solutions



Network Testing



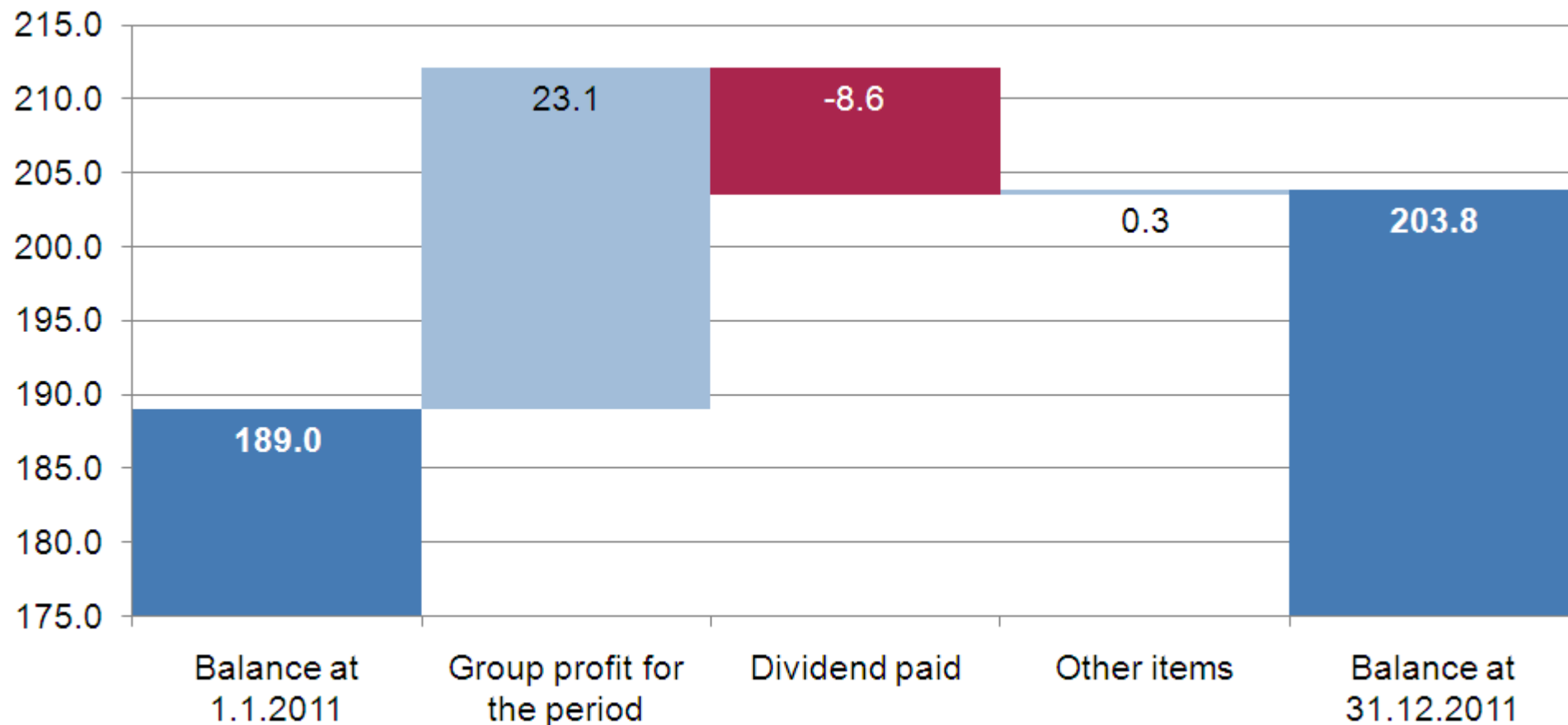
# FUNCTIONAL COSTS DEVELOPMENT (in mCHF)



# CONSOLIDATED BALANCE SHEET

	31.12.2010		31.12.2011	
	CHFm	%	CHFm	%
Intangible assets	221.5	38.1	215.0	42.4
Other non-current assets	39.9	6.9	40.8	8.1
<b>Non-current assets</b>	<b>261.4</b>	<b>45.0</b>	<b>255.8</b>	<b>50.5</b>
Cash and cash equivalents	129.0	22.2	73.3	14.4
Other current assets of continuing operations	189.9	32.8	164.5	32.5
Assets of disposal group classified as held for sale			13.2	2.6
<b>Total assets</b>	<b>580.3</b>	<b>100.0</b>	<b>506.8</b>	<b>100.0</b>
Shareholders' equity	189.0	32.6	203.8	40.2
Non-current liabilities	83.9	14.4	60.4	11.9
Current liabilities of continuing operations	307.4	53.0	152.8	30.2
Liabilities of disposal group classified as held for sale			89.8	17.7
<b>Total liabilities and shareholders' equity</b>	<b>580.3</b>	<b>100.0</b>	<b>506.8</b>	<b>100.0</b>

## DEVELOPMENT OF THE SHAREHOLDERS' EQUITY (in CHFm)



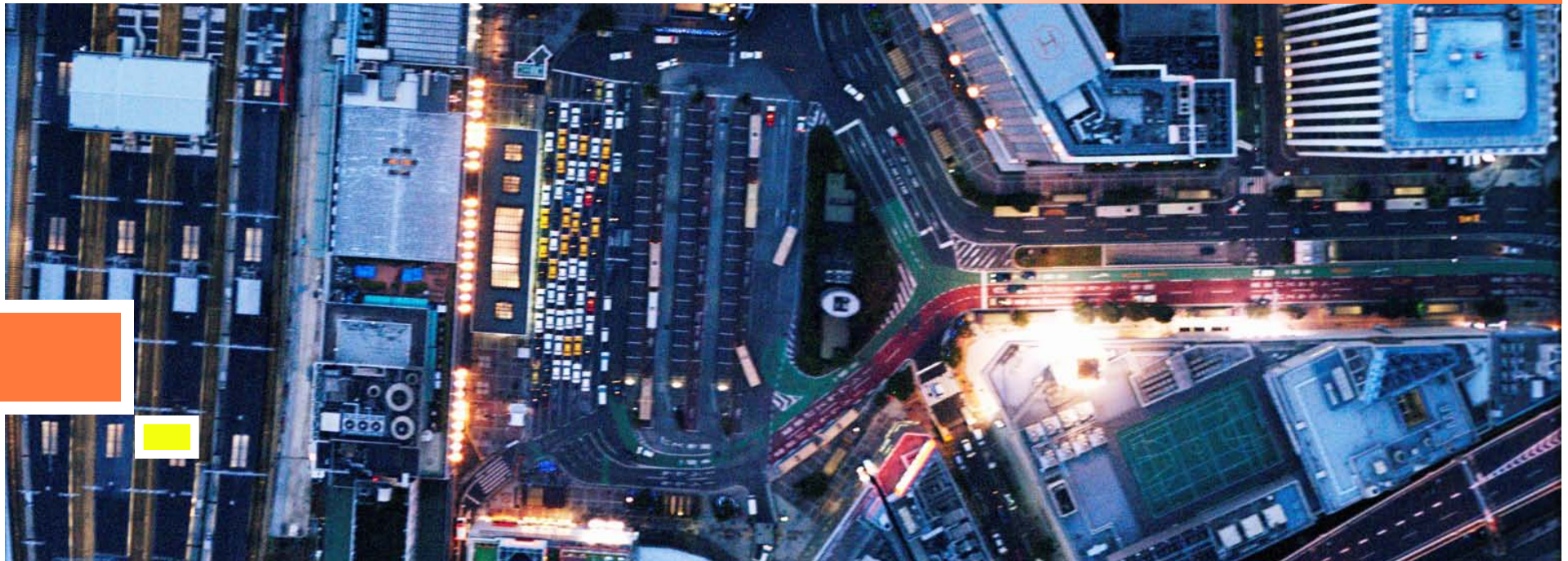
## CONSOLIDATED STATEMENT OF CASH FLOWS

CHFm	2010	2011
Net cash flow from operating activities	46.2	16.4
Net cash flow from investing activities	(11.4)	(4.5)
Net cash flow from financing activities	(27.2)	(66.7)
Net increase/(decrease) in cash and cash equivalents	1.3	(55.7)
Cash and cash equivalents at 31.12.	129.0	73.3

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# OUTLOOK AND STRATEGIC FOCUS

25  
YEARS



## ASCOM IS WELL POSITIONED TO CREATE VALUE

- ▶ Ascom is well positioned in **two global businesses with market leadership** and with a clear focus on innovative software and hardware products, systems, solutions and services.
- ▶ **EBITDA margin** target for 2013 remains **14-15%**.
- ▶ **Solid balance sheet** with a strong equity ratio.
- ▶ New **credit facility arrangement** further enhances the strategic flexibility and is a strong base for the targeted investments.
- ▶ Substantial efforts being made to re-establish profitability level at **Network Testing**.
- ▶ Investment will be **off-set by book gain** from divestment of Security Communication core businesses.
- ▶ Continuous focus on organic **growth opportunities** and acquisitions.

## CONSISTENT GROWTH STRATEGY

- Ascom will continue to consistently pursue its corporate strategy it adopted in 2004 and concentrate on Mission-Critical Communication in the business-to-business strategy.
- Wireless Solutions and Network Testing are both market leaders in their respective markets. Both see good opportunities to expand and to further develop their business and their market share organically and through acquisitions.
- Thus Ascom will continue to explore opportunities for targeted, value-adding acquisitions in Wireless Solutions and as well as in Network Testing.

# OUTLOOK

## Financial medium-term targets for 2013\*:



\* Outlook assumes a steady economical environment and at least stable currency relations

## SIX CORNERSTONES

1	<b>Two globally oriented businesses, targeting selected market segments, both leaders in their markets</b>
2	<b>Software and hardware products, systems, solutions and services</b>
3	<b>Dedicated to innovation, spending more than 10% p.a. on R&amp;D</b>
4	<b>Underlying megatrends support the growth</b>
5	<b>Rigorous performance culture, cost conscious, customer oriented</b>
6	<b>Profitable businesses that need to grow, expand, develop and to improve their bottom line</b>

[ ]

## GROUP CONTACT

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25  
YEARS



## LEGAL DISCLAIMER

This document contains specific forward-looking statements, e.g. statements including terms like “believe”, “expect” or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of Ascom and those explicitly presumed in these statements.

Against the background of these uncertainties readers should not rely on forward-looking statements. Ascom assumes no responsibility to update forward-looking statements or adapt them to future events or developments.

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