

Vtation Wireless Technology AG

Investor Presentation 2010 Q1
Financial Results Conference Call
12 May, 2011

Wireless Anywhere



Vtion at a Glance



- Founded in 2002
- The only prime standard IPO in Frankfurt in 2009
- Traded on the Frankfurt Exchange Ticker – V33
- Offices in Chinese mainland, Taiwan, Hong Kong, Germany
- Currently has 209 employees
- Offers products in three major product groups – wireless data terminals, mobile intelligent terminals and mobile operation platform
- Products range to cover all technology standards, interfaces and operators



Vtion Product Groups

Wireless data terminals



E1916
CDMA2000 EV-DO Rev.A Wireless Modem



U1920
UMTS Wireless Modem



TG1912
TD-SCDMA/GSM Wireless Modem



V6
HSPA Mobile Hotspot

Wireless intelligent terminals



V1
Tablet
(Release in 2H 2011)



C1
E book



VT1
PCtoTV

Mobile applications



Vtion's wireless data card product line covers all three technology standards used by China's three wireless operators, China Unicom, China Telecom and China Mobile.

As of Q4 2010, the company began diversifying its product portfolio:

- Wireless modules
- Wireless routers
- C1 Ebook.

Vtion will release further new products in the second half of 2011:

- V1 Tablet PC
- Vtion Anzhuo

2010 Q1 Finance Results at a Glance



		Q1 2011	Q1 2010	+/- %
Sales	million €	12.62	26.31	-52
Gross profit	million €	2.58	9.41	-73
Gross profit margin	%	20	36	-16PP
EBITDA	million €	1.15	7.73	-85
EBITDA margin	%	9	29	-20PP
EBIT	million €	1.03	7.65	-86
EBIT margin	%	8	29	-21PP
Net profit	million €	2.30	4.53	-49
Net profit margin	%	18	17	1PP
Earnings per share	€	0.14	0.28	-49
Net Cash flow from operations	million €	10.17	11.47	n/a

- On April 21, 2011, Vtion announced the initiation of a share buyback program;
- The program allocated approximately Euro 4 million to purchase up to 1 million of the company's shares with a notional value of 1 Euro;
- Thus far, the company has purchased a total of 19,225 shares at an average price of Euro 4.08.

Strategic Goals

Become a top provider of comprehensive wireless data service solutions in China, staying ahead of the market and continuously upgrading the company's value chain and integration capacity

Business Model

Provide high-quality cost-efficient products in two product spheres – wireless connectivity terminals and wireless intelligent terminals, adapting product offerings to the needs of China's major telecom operators as well as the broader market. Vtion also develops mobile application solutions through its Vtion Anzhuo platform, to both pair with its hardware offerings and sell individually.

Market Strategy

Leverage ties with China's telecom operators to sell mobile computing hardware and application solutions. Create product and service offerings based on operator feedback regarding market needs.

➤ **Tablet PC**

- Vtion will release a 7-inch tablet PC product in July 2011, targeted at professional users;
- The company will release a 10-inch tablet PC in September, designed to be combined with customized applications for industry clients;
- The company has developed an insurance policy application, to meet the specific needs mobile computing needs of China's insurance salespersons.

➤ **Vtion Anzhuo Mobile Application Platform**

- Vtion will launch its own mobile Appstore, Vtion Anzhuo, in the second half of 2011;
- The company will be an aggregator and distributor of applications from both inside and outside China;
- Anzhuo will sell to China's three major telecom operators, device manufacturers, independent app distributors as well as on Vtion's own platform.



➤ **Confirm Guidance**

- Vtion re-affirms its guidance issued January 31, 2011 for FY 2011;
- Revenue between Euro 75 million and Euro 100 million;
- EBIT margin of 10%-12%;
- Vtion expects stronger results in the wireless data terminal sector in the second half of the year, in addition to revenues from new products.



➤ **More Diversified Revenue Streams**

- Vtion expects revenues from both the wireless data terminal and wireless intelligent terminal sectors in 2011.
- The company expects to realize revenue in the mobile application space from its subsidiary, Anzhuo, at the end of 2011.

Drew Burns

Vtion Wireless Technology AG

11-12 11F Westhafen Tower

Westhafen Platz 1

D-60327 Frankfurt am Main

Tel: +49 (0) 69 71 04 56 249

Mob: +49 (0) 151 51 283 099

Mob: +86 139 1075 1226

Fax: +49 (0) 69 71 04 56 248

E-Mail: IR@vtion.de

Internet: <http://www.ir-en.vtion.de>

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