



Vtion Wireless Technology AG

Company Presentation

Q2 2010 Financial Results Conference Call
Aug 12, 2010

Wireless Anywhere

Vtion Wireless Technology AG at a Glance

Company Profile

- Vtion Wireless Technology AG is one of the three leading providers of wireless broadband data cards in China, with a steady market share of approx. 25% since 2008;
- Vtion is already a VNO partner of China Unicom and China Telecom, working closely with China's four largest banks;
- Vtion has established strong sales channels and provides after-sales support in the most populous provinces in China;
- Founded in 2002 Vtion Group currently employs approx. 184 staff and its operations are headquartered in Fuzhou, Fujian Province, China.

Highlights H1 2010

- Vtion experienced 112% growth in sales revenue from Q2 2009 to Q2 2010, with total revenue for Q2 2010 reaching Euro 29.48 million;
- The company maintains a competitive cost base, reaching an EBIT of Euro 8.89 million in Q2 2010, which is a margin of approx. 30%;
- Vtion's net profit for Q2 2010 was Euro 4.67 million, which represents a margin of approx. 16%, influenced by a non-cash foreign exchange loss;
- The company saw strong positive cash flow in Q2, and maintains a strong cash position, finishing the quarter with net cash of Euro 92 million, which is approx. Euro 5.75 per share.

Vtion built upon a strong first quarter with steady business growth and very solid results across the board in the second quarter.

Q2 Industry and Business Development

Sector Development

- As of the end of Q2, China's internet penetration rate reached 31.8% nationwide, a total market of approx. 420 million persons;
- Of the total number of users, approximately 25.2 million are 3G users, implying a large remaining latent market;
- China Telecom has now achieved 3G coverage in 95.6% of urban areas and 60% of rural areas, China Unicom has 3G coverage in 335 cities and China Mobile has 3G coverage in 238 cities;
- The three operators have combined to invest 10.15 billion RMB in their networks so far this year, with greater amounts of further investment planned, signifying strong continuing growth in the 3G market.

Business Development and Outlook

- Vtion experienced steady and stable growth consistent with market growth over the course of the second quarter;
- The company continues its close cooperation with China's three major telecom operators and maintains its status as one of the Top 3 data card suppliers in China;
- Vtion expects continued growth in the 3G market;
- Vtion will look to leverage its strong cash position:
 - Expand R&D knowledge and capacity;
 - Develop new product offerings consistent with the developing needs of the telecom operators and end users;
 - Expand new service, platform and application businesses.

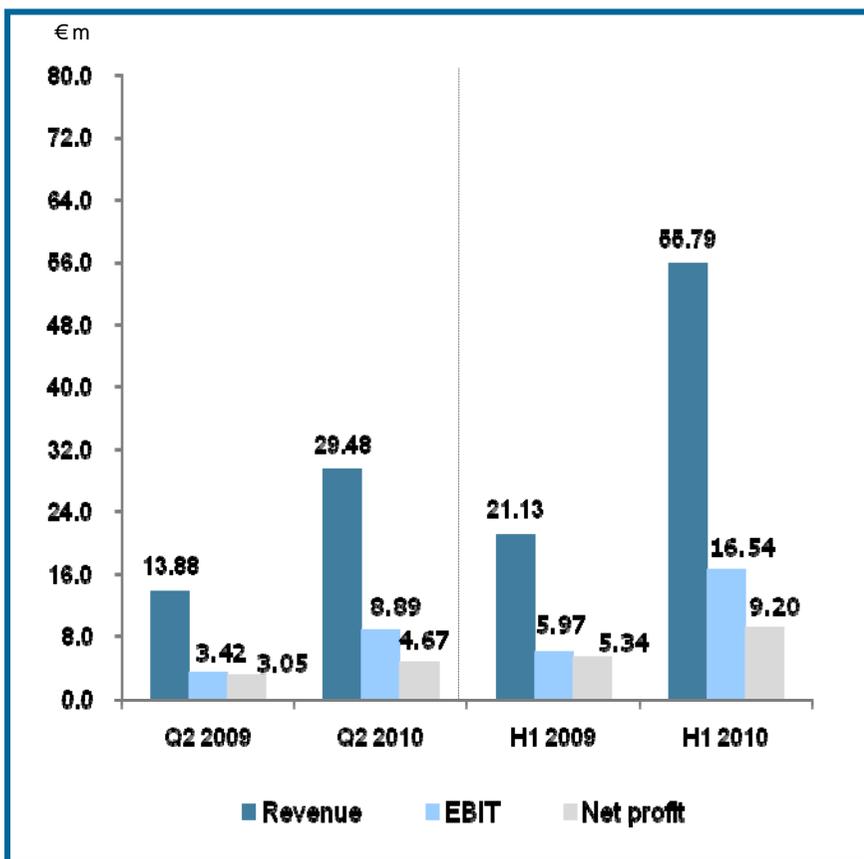
Vtion will continue to develop its business to take advantage of China's large and dynamically developing 3G market.

Half Year Results at a Glance

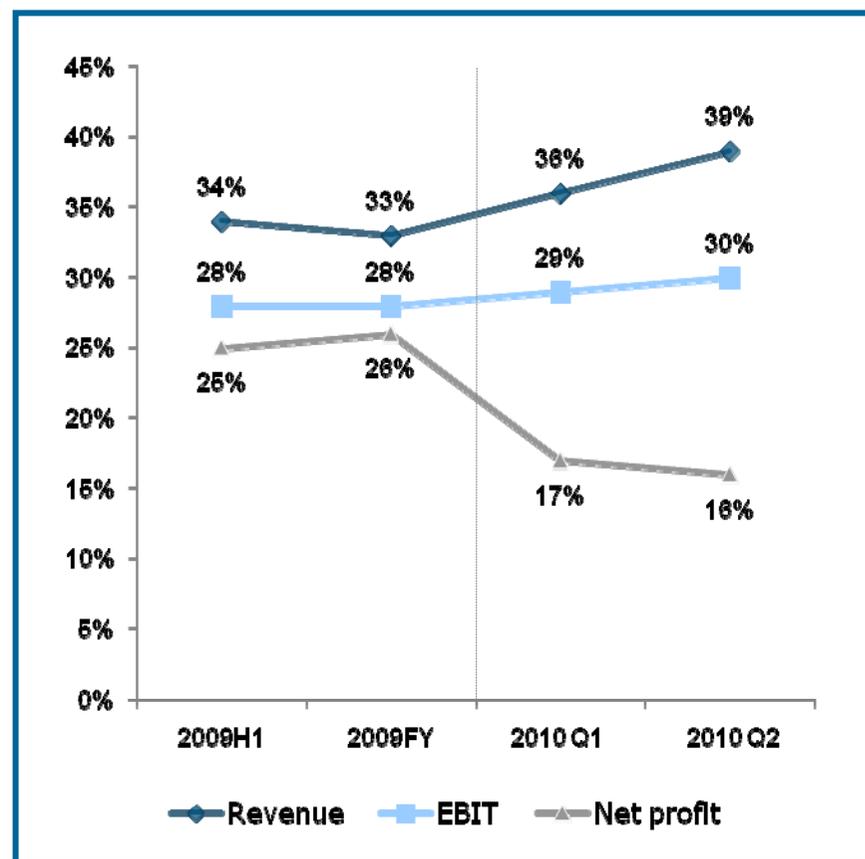
		Q2			H1		
		2010	2009	+/-%	2010	2009	+/-%
Revenues	million €	29.48	13.88	112	55.79	21.13	164
Gross profit	million €	11.38	4.08	179	20.79	7.13	191
Gross profit margin	%	39	29	10PP	37	34	3PP
EBITDA	million €	9.00	3.47	159	16.73	6.06	176
EBITDA margin	%	31	25	6PP	30	29	1PP
EBIT	million €	8.89	3.42	160	16.54	5.97	177
EBIT margin	%	30	25	5PP	30	28	2PP
Net profit	million €	4.67	3.05	53	9.20	5.34	72
Net profit margin	%	16	22	-6PP	16	25	-9PP
Earnings per share	€	0.29	0.27	10	0.58	0.47	24
Net Cash flow from operations	million €	6.74	10.30	-35	18.21	1.52	1,098

Profitability of Vtion

Revenues, EBIT and Net Profit

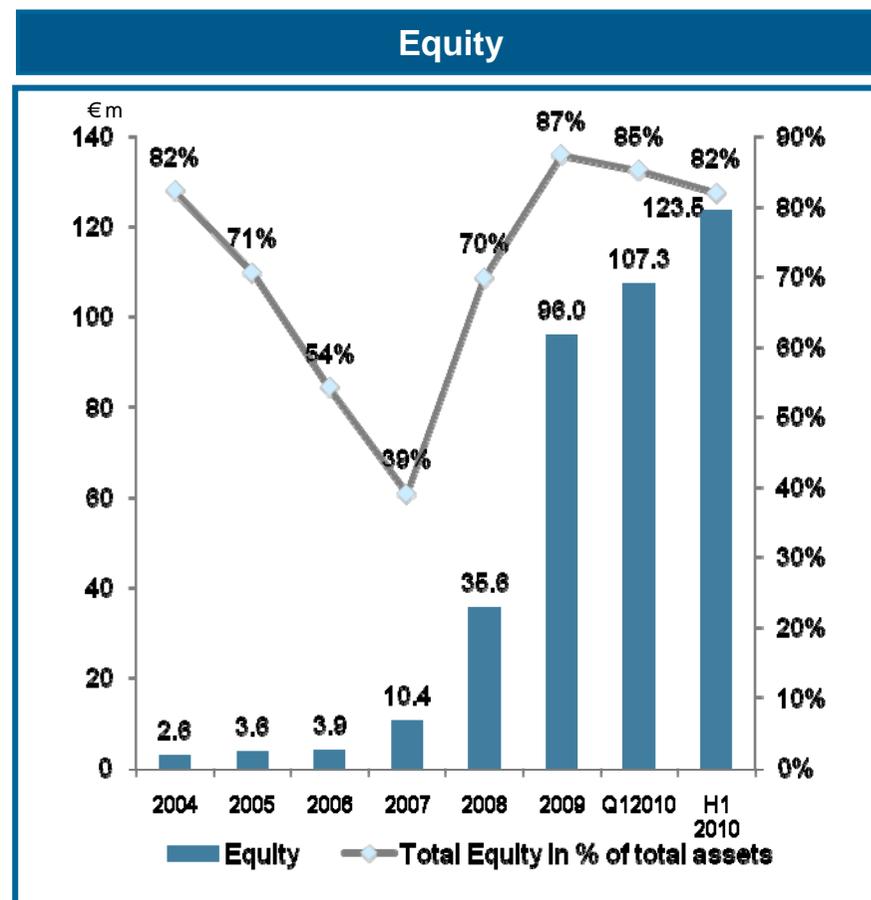
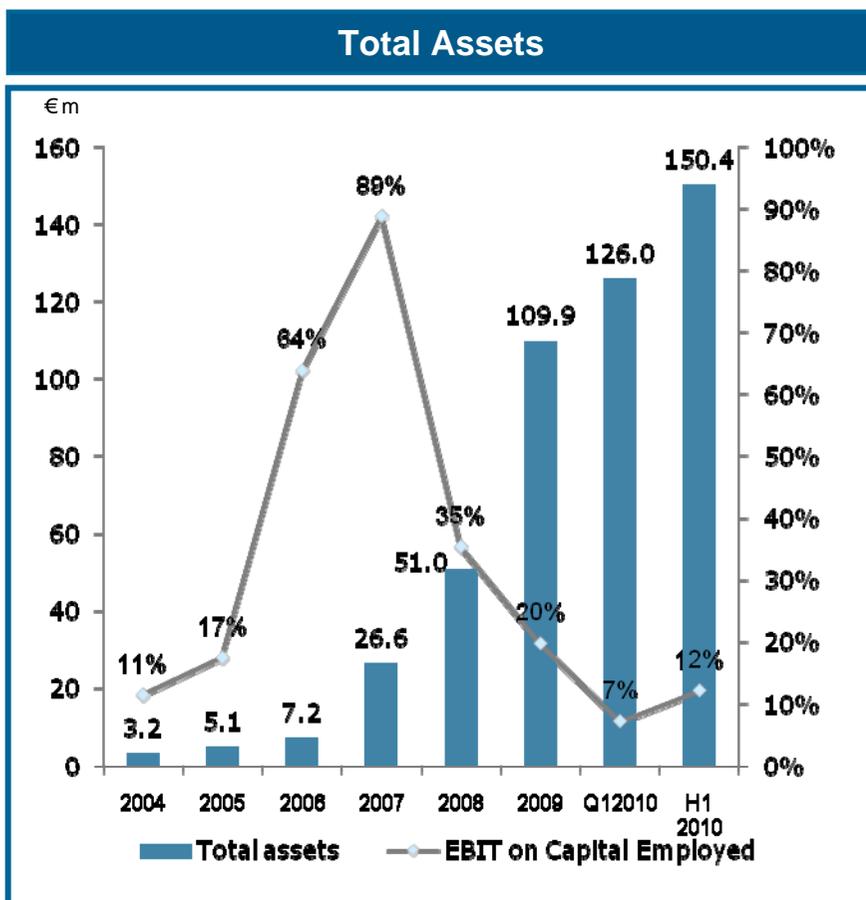


Margins



Strong revenue in Q2 2010 and H1 2010, gross profit and EBIT margins improved over 2009. Net profit margin affected by foreign exchange fluctuation.

Solid Balance Sheet



* Capital employed is calculated by Equity plus long-term liabilities

Vtion maintains a very solid balance sheet structure.

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