



**Enea**  
**Full Year Report 2004**

**Johan Wall**  
**President & CEO**

**Gunilla Spongh**  
**CFO**

# Enea in Brief

**Founded in 1968**

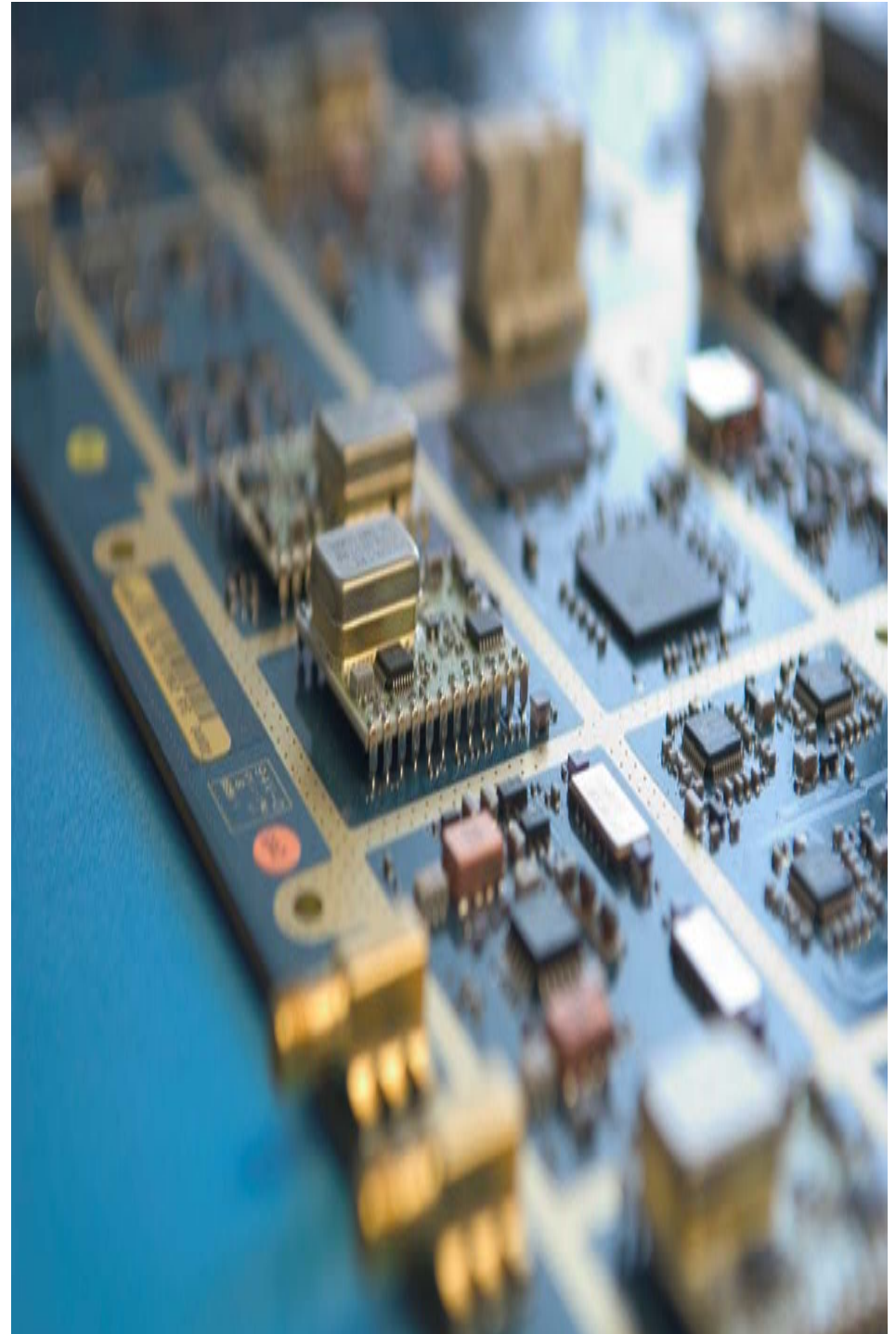
**Approx. 500 employees**

**Improved sales and results**

**Repositioning program completed**

**Focus on the real time operating system OSE, product-related consulting and qualified services, primarily within telecom**

**Transformation into market oriented global software company is ongoing**



# Enea's Real Time Operating System

With "Enea Inside" your mobile is:

- **Faster. No hourglass.**
- **More reliable. No reboot.**
- **Power Efficient. Less Recharge.**







## Other Market Segments



# Repositioned 2004

**Real Time Technology, OSE**

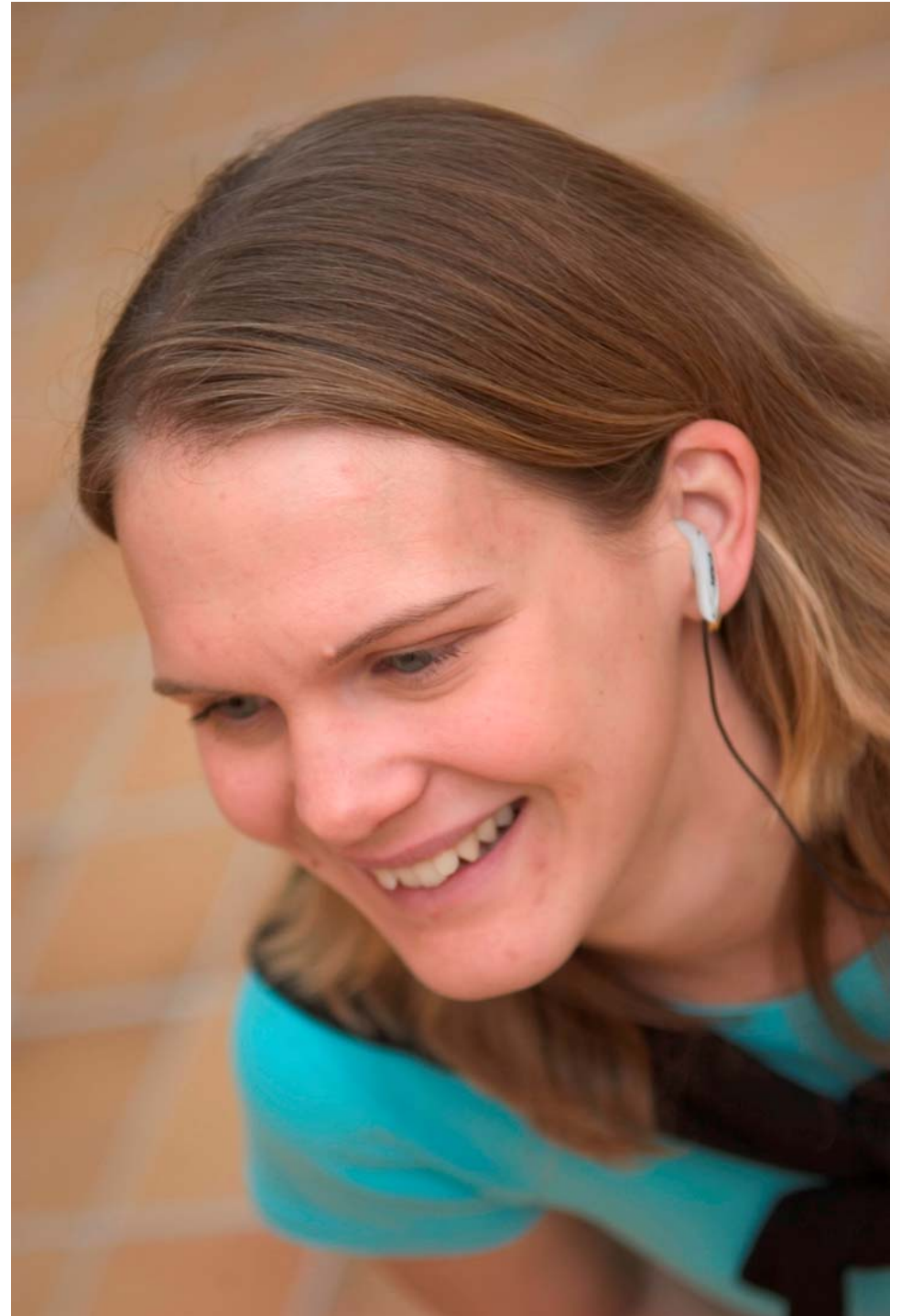
**Divestments of non core**

**All major telecom customers  
on royalty and rental  
agreement**

**Global sales efforts**

**Cost base review**

**Management changes**



## **Achievements in Q4 2004**

**Strong global sales for OSE, especially in telecom  
Increased sales in consulting in the US and Sweden,  
still price pressure**

**Sales increased to SEK 186 (167) million**

**Software related income increased to SEK 66 (54) million**

**Operating profits excluding extraordinary items  
improved to SEK 12 (1) million**

**Profitable software business**

## **Achievements in 2004**

**Sales increased with 19 percent to SEK 656 million**

**Operating profits excluding extraordinary items improved with SEK 65 million to 18 million**

**Cash flow from operations improved with SEK 60 million to 26 million**

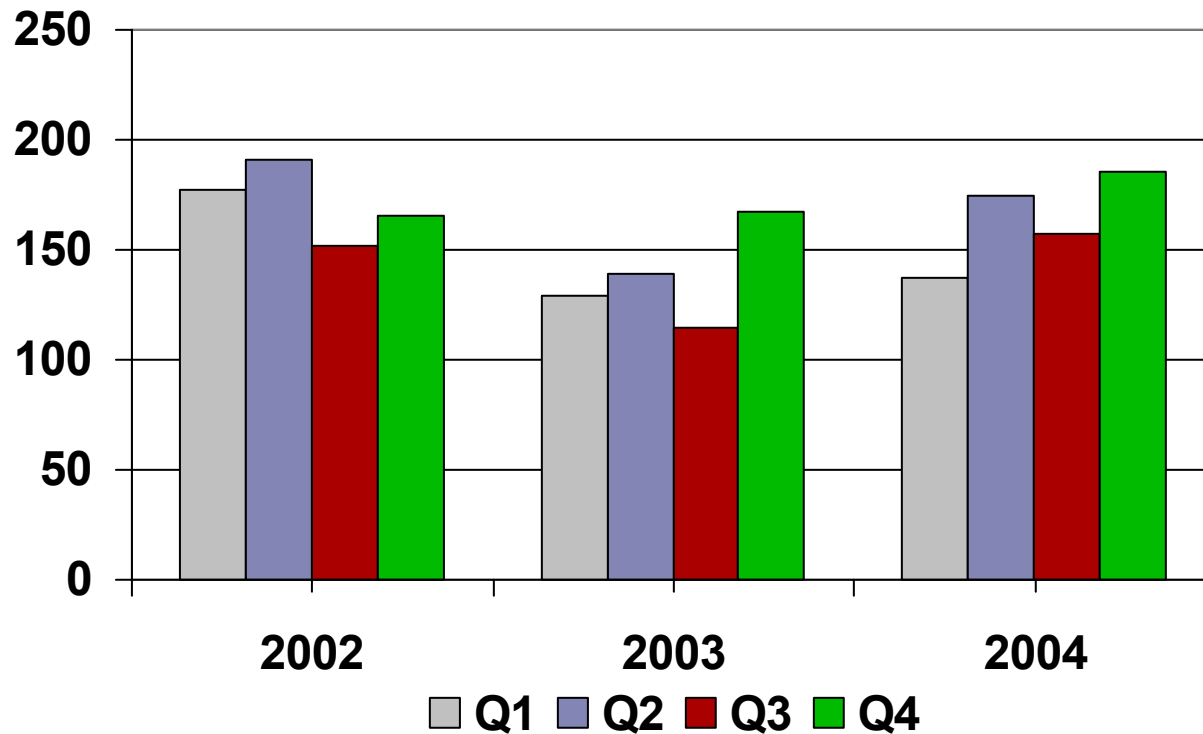
**Profit after taxes improved with SEK 48 million to - 6 million**

# **On The Right Track**

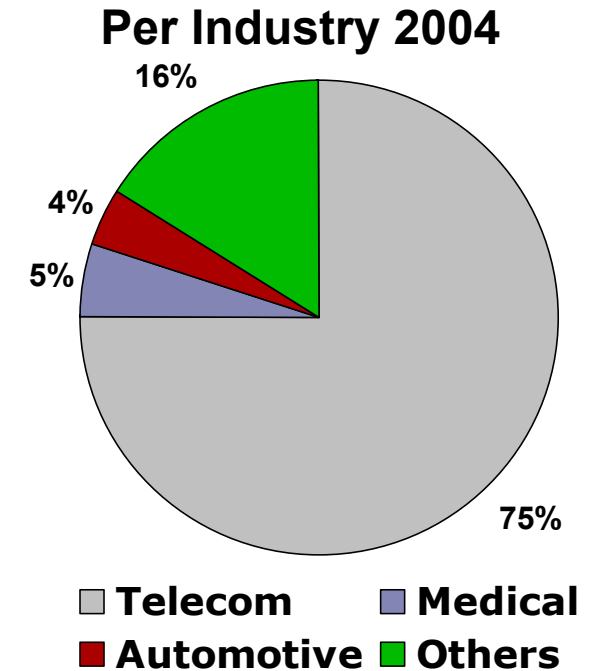


# Net Sales

SEK million

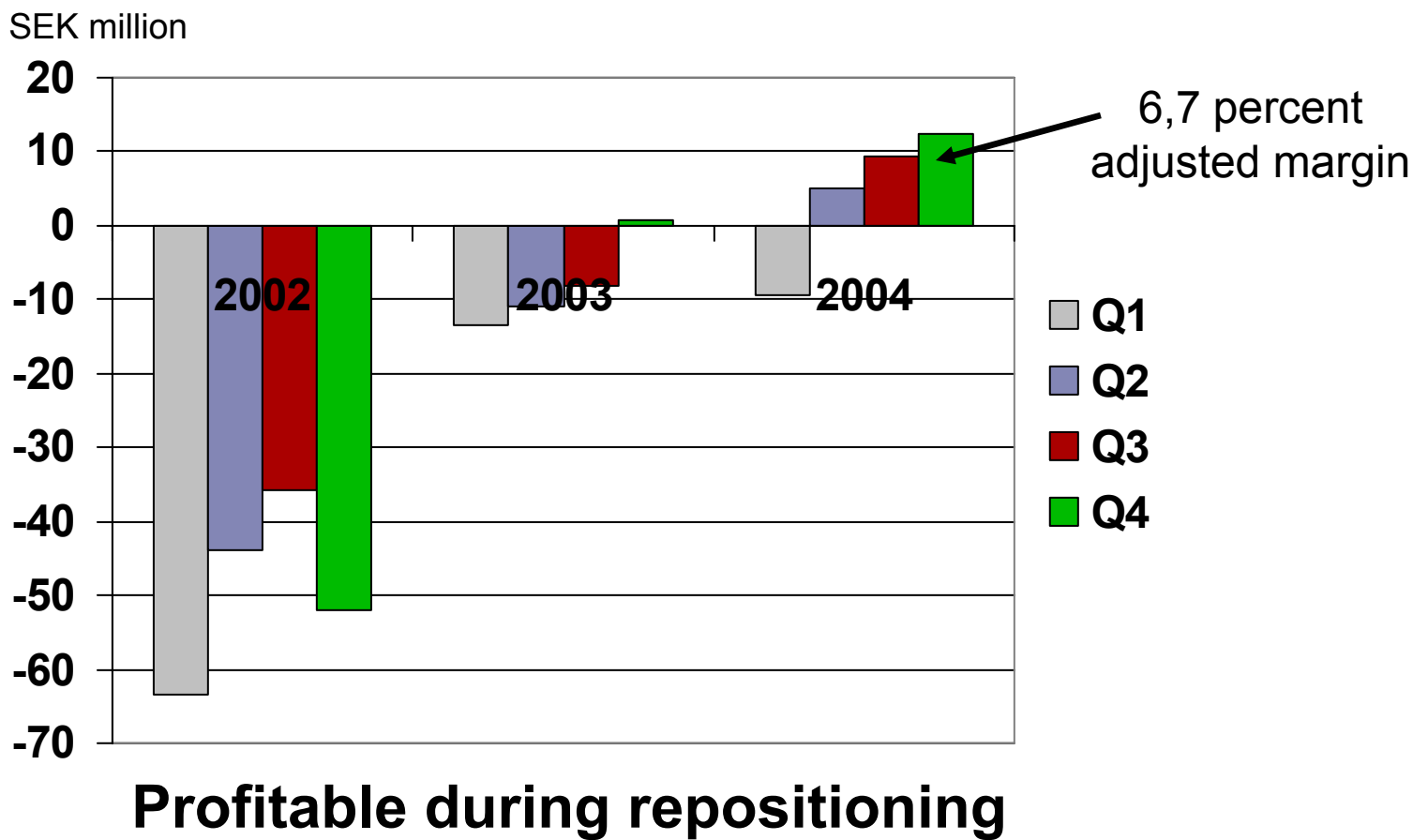


**4Q is the strongest in software**

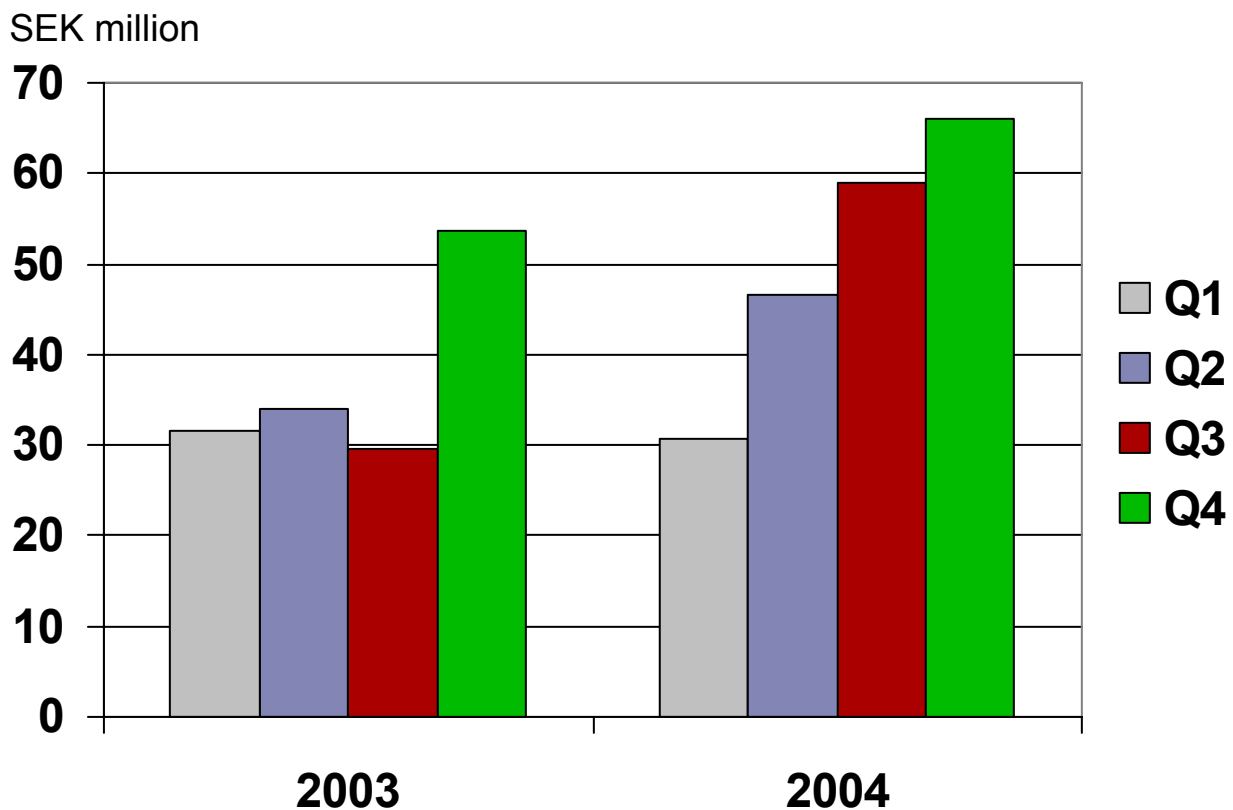


# Operating Profit

(excluding extraordinary items)



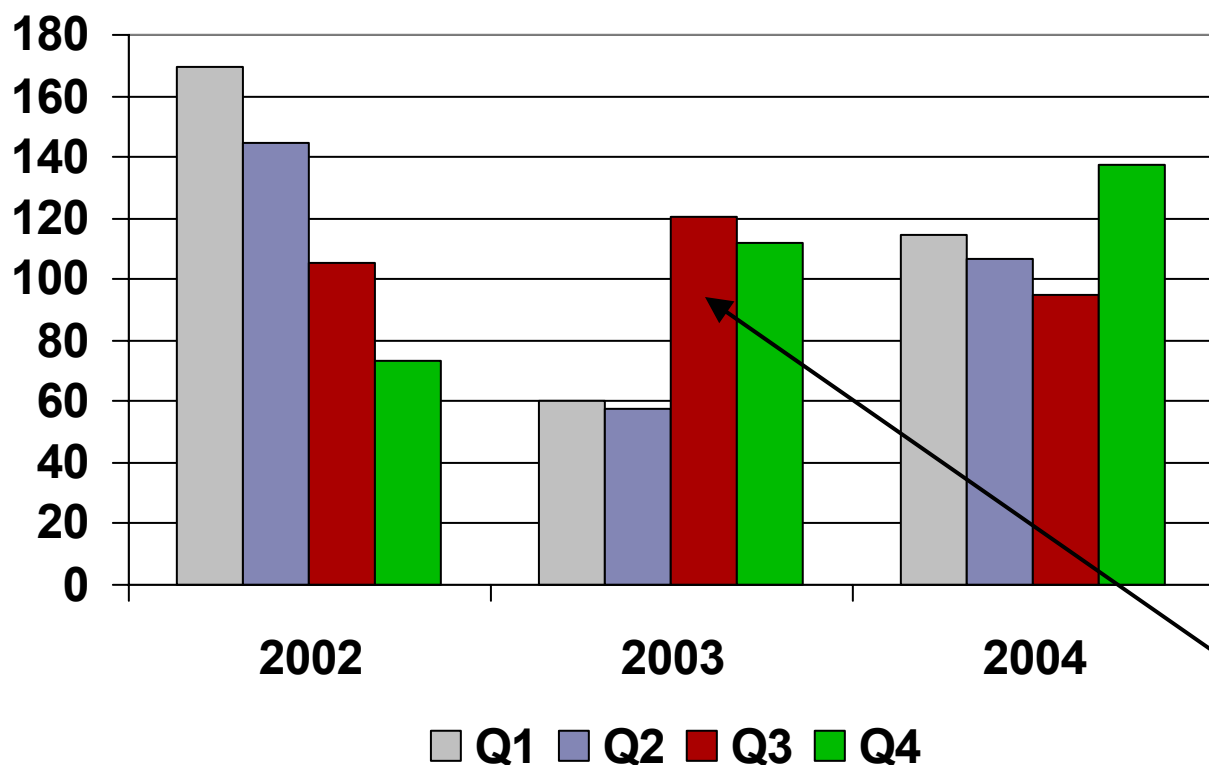
# Software Sales



## Repositioning into a software company

# Cash Position

SEK million



## End 2004:

Cash SEK 138 million

Equity SEK 243 million

Equity/assets ratio 52%

Intangible assets SEK 85 million

Equity Issue 81 million

**Accumulating cash over repositioning**

# Market Segments

## Real Time Operating Systems

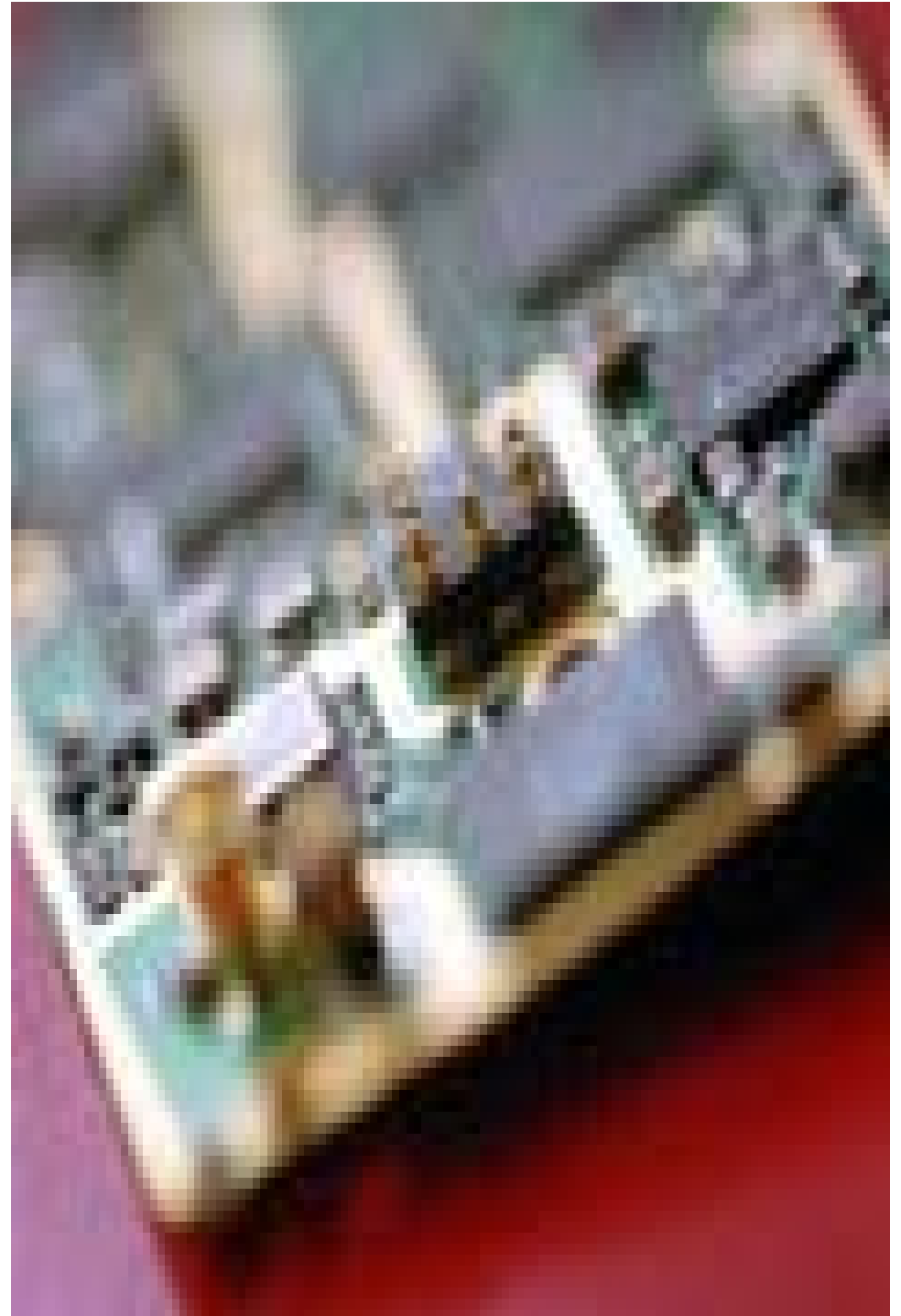
Wind River, GreenHills, Mentor  
Graphics Accelerated  
Technology, MontaVista and  
QNX

## Other Operating Systems

Symbian, OMTP, Microsoft CE,  
Linux

## Inhouse Developed Systems

Equipment and chip-set vendors





# **Industry Outlook**

**Fewer suppliers**

**Integrated solutions**

**Consolidating**

**Multiple CPUs in each  
device**

**Sales via chip sets  
vendors**

**3G deployment**



# The Market

The global market for real time technology is estimated at around USD 1 billion, one third telecom

Underlying growth is estimated at 15% annually

(Venture Development Corporation, [www.vdc-corp.com](http://www.vdc-corp.com))

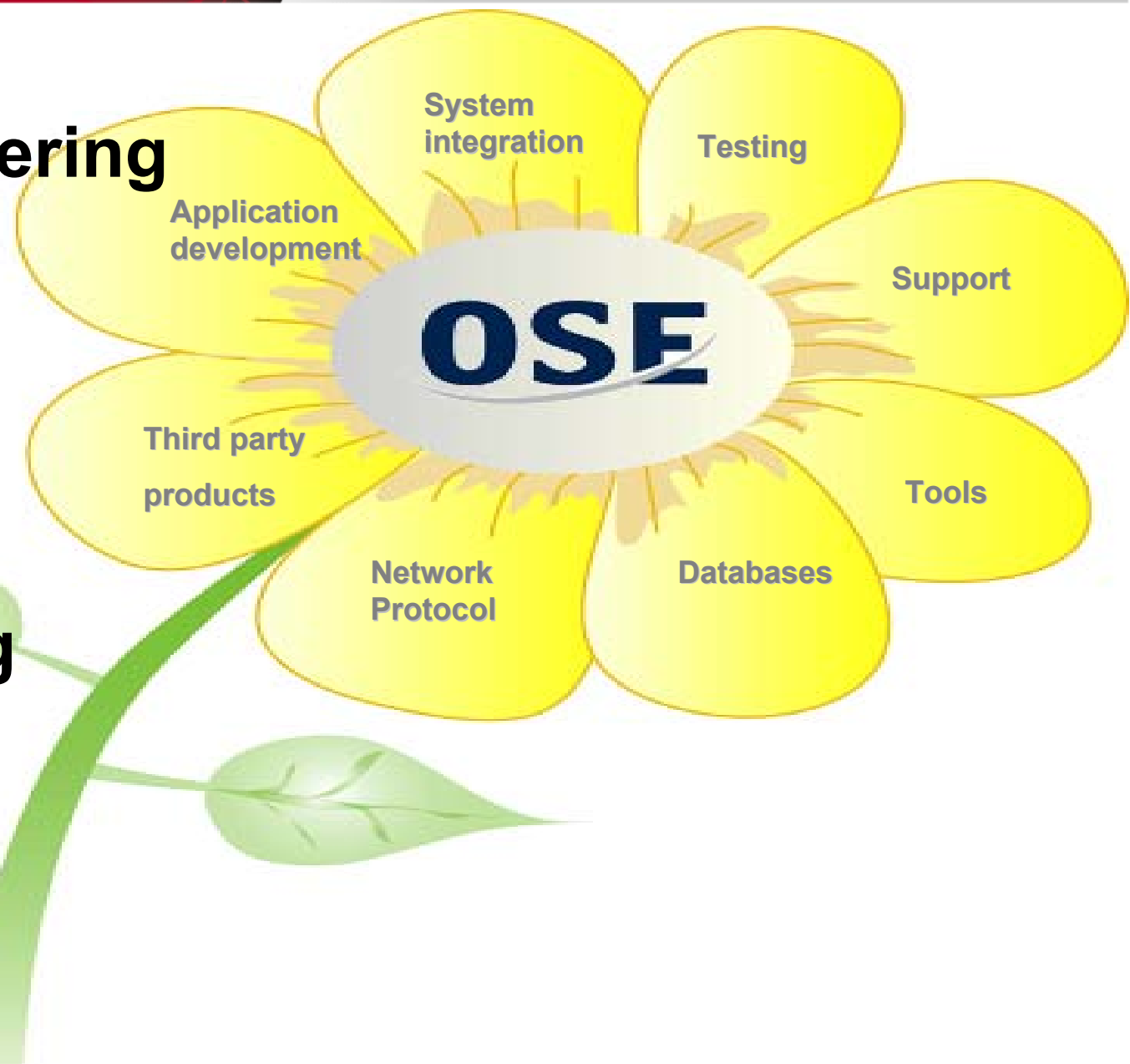
Q4 Report 2004, February 2005, [www.enea.com](http://www.enea.com)



# Enea's Offering

**Global products**

**Local consulting**



## **OSE makes your device software run:**

- **Faster**
- **More efficient**
- **At a lower cost**

## **OSE enables customers to achieve:**

- **Shorter time-to-market**
- **Lower costs for development and Bill of Material costs**
- **High performance and reliability**



## Some of Enea's clients

Top 5:







## **Market focus 2005**

**Utilize leadership position in telecom**

**Broaden base in medtech and automotive**

**Increase sales reach in China (Datang, ZTE & Huawei)**

**Increase rental and royalty**

**Strengthen marcom and KAM**

**Increase internal efficiency**

# Operational Targets

**Be the global leader in real time operating systems in the telecom sector**

**Global software offering with integrated third party solutions and local consulting**

**At least 50 percent of sales from software**

**OSE in over 50 percent of all 3G mobiles and base stations (today in 15 percent of all 2G mobiles and 50 percent of all base stations)**

# Financial Targets

**Enea's long-term financial targets are to over the course of a business cycle achieve:**

**Sales increase of more than 15 percent annually**

**Operating margin of at least 10 percent**



# Summary

**Enea has a leadership position in real time technology, especially Telecom**

**New Revenue Model**

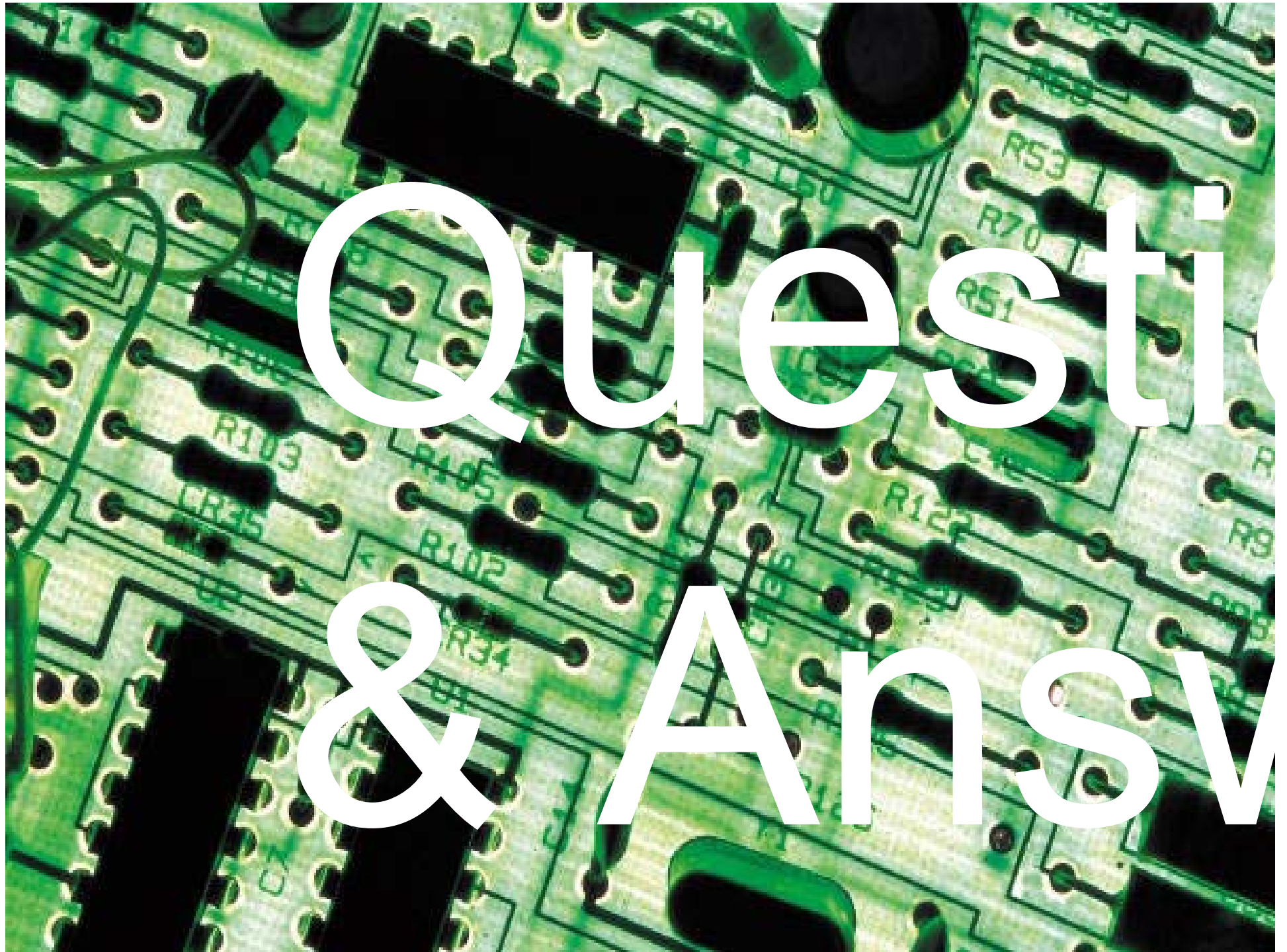
**Sales increased 19 percent to SEK 656 million**

**Improved cash flow and solid financial position**

**Enea is well positioned and financially strong**

Q4 Report 2004, February 2005, [www.enea.com](http://www.enea.com)





# Question & Answer