

Vtation Wireless Technology AG

Investor Presentation
Q3 2011 Financial Results Conference Call

November 14, 2011



Vtion at a Glance



- Founded in 2002
- Offers products in three major product groups – wireless data terminals, mobile intelligent terminals and mobile applications platform
- Strong sales channels connections to all three of China’s major telecom operators – China Telecom, China Unicom and China Mobile
- Experienced management team allows company to adapt quickly to market change
- Products range covers all technology standards, interfaces and operators
- Offices in Chinese mainland, Taiwan, Hong Kong, Germany
- Currently has 242 employees



Vtion Product Groups

Wireless data terminals



U2916
HSPA+ Wireless Modem



E1916
CDMA2000 EV-DO Rev. A Wireless Modem



TG1912
TD-SCDMA/GSM Wireless Modem



V6
HSPA Mobile Hotspot

Wireless intelligent terminals



V7
Tablet PC



C1
E book



VT1
PCtoTV

Mobile applications



Technology standards

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

Diversification

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

- Wireless modules
- Wireless routers

New Products

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

- V7 Tablet PC
- Vtion Anzhuo

New Business Initiatives



Tablet PC

- Release of a 7-inch tablet PC product in June 2011, targeted at female users and sold through sales and distribution partners;
- The company's insurance industry-specific products have passed the testing phase and in competition for orders from a state-owned insurance co.;
- Vtion expects its first insurance contract by the end of 2011



Vtion Anzhuo Mobile Application Platform

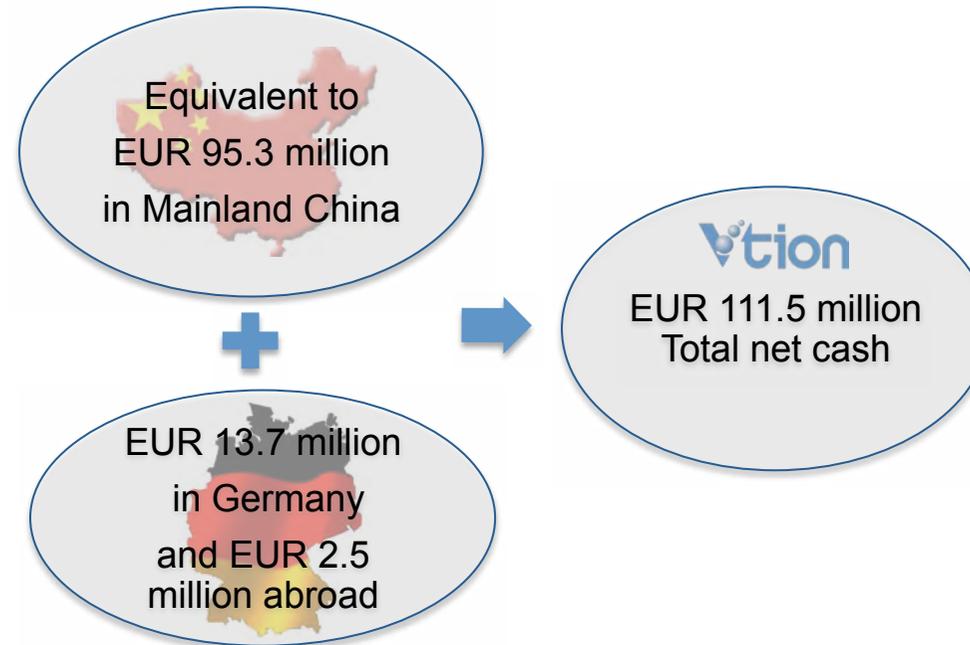
- Launch of own mobile Appstore, Vtion Anzhuo, and seeking for additional domestic and international partners;
- The company will be an aggregator and distributor of applications from both inside and outside China;
- Anzhuo will sell to China's three major telecom operators, device manufacturers, independent app distributors as well as on Vtion's own platform.

Q3 2011 / Finance Results at a Glance



		Q3			Q1-Q3		
		2011	2010	+/-%	2011	2010	+/-%
Revenues	million €	23.88	29.85	-20	55.87	85.64	-35
Gross profit	million €	4.38	12.02	-64	10.50	32.81	-68
Gross profit margin	%	18	40	-22PP	19	38	-19PP
EBITDA	million €	3.07	10.14	-70	6.24	26.87	-77
EBITDA margin	%	13	34	-21PP	11	31	-20PP
EBIT	million €	2.95	10.02	-71	5.88	26.56	-78
EBIT margin	%	12	34	-22PP	11	31	-20PP
Net profit	million €	0.91	11.57	-92	4.96	20.78	-76
Net profit margin	%	4	39	-35PP	9	24	-15PP
Earnings per share	€	0.06	0.72	-92	0.31	1.30	-76
Net Cash flow from operations	million €	6.18	1.26	390	15.51	19.47	-20

Cash Position Map (as of September 30, 2011)



Of Vtion's **EUR 111 million** total net cash position, approximately **10% is located with the German holding company**, while the remainder is located with the Chinese operating entities.

Uses for the Cash Position

- Though Vtion has maintained a strong control on its working capital thus far, it is possible working capital needs will increase;
- This would be due to a possible ramp-up in the sales and purchase volume of hardware products;
- Vtion keeps cash on hand to meet such a need if it arises;
- Vtion will look to continue to return cash to its shareholders;
 - Vtion will continue to repurchase shares within the limits set by the stock;
 - The company will maintain a minimum payout ratio of 15% of (2011) net profit for dividend payment in 2012;
- Vtion will look to apply its cash position in selective M&A opportunities as they arise,
- However, management remains confident in the company's ability to resume organic growth in 2012.

Share Buyback Progress



- 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;
- Start of buyback program May 6, 2011;
- As of November 11, 2011, the company has purchased a total of 660,550 shares at an average price of Euro 3.63.



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 a fourth quarter performance largely in line with that of the middle of the year, with steady wireless data terminal demand and its first orders in the insurance sector



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

Investor Relations

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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