



Vtation Wireless Technology AG

2012 Full Year Results Conference Call

April 25, 2013

- Offers products in two major product groups – Wireless Data Terminals and Industry-Specific Application Solutions
- Strong sales channel connections to all three of China's major telecom operators – China Telecom, China Unicom and China Mobile
- Products range covers all technology standards, interfaces and operators
- Experienced management team allows company to adapt quickly to market change
- Offices in Chinese mainland, Taiwan, Hong Kong, Germany
- Currently has 249 employees



Vtion Product Groups

Wireless data terminals



Industry-Specific & Service Solutions



Wireless Data Terminals

- covers all three of the 3G telecom standards operated in China, expects steady results in this segment
- covers all 3G and 3.5G technology standards 3.5G technology (HSPA+ and EVDO Rev.B) and the upcoming 4G (TD-LTE) technology

Industry-Specific & Application Solutions

continuing to build its foundation in its industry-specific computing solutions and mobile applications business segments

- **E-Agency Platform**
allows insurance sales agents to electronically manage their customer base, coordinate with other sales agents, execute policy sales online
- **Online Applications “Vmarket”**
Applications sold through own online store, telecom operators and device manufacturers offers 20,839 applications through its various sales channels on the platform

2012 Full Year Financial Results at a Glance



		2012	2011	+/-%
Revenues	million €	75.57	77.09	-2
Gross profit	million €	13.57	14.30	-5
Gross profit margin	%	18	19	-1PP
EBITDA	million €	7.45	8.40	-11
EBITDA margin	%	10	11	-1PP
EBIT	million €	6.85	7.92	-14
EBIT margin	%	9	10	-1PP
Net profit	million €	5.35	5.28	1
Net profit margin	%	7	7	0PP
Earnings per share	€	0.37	0.34	9

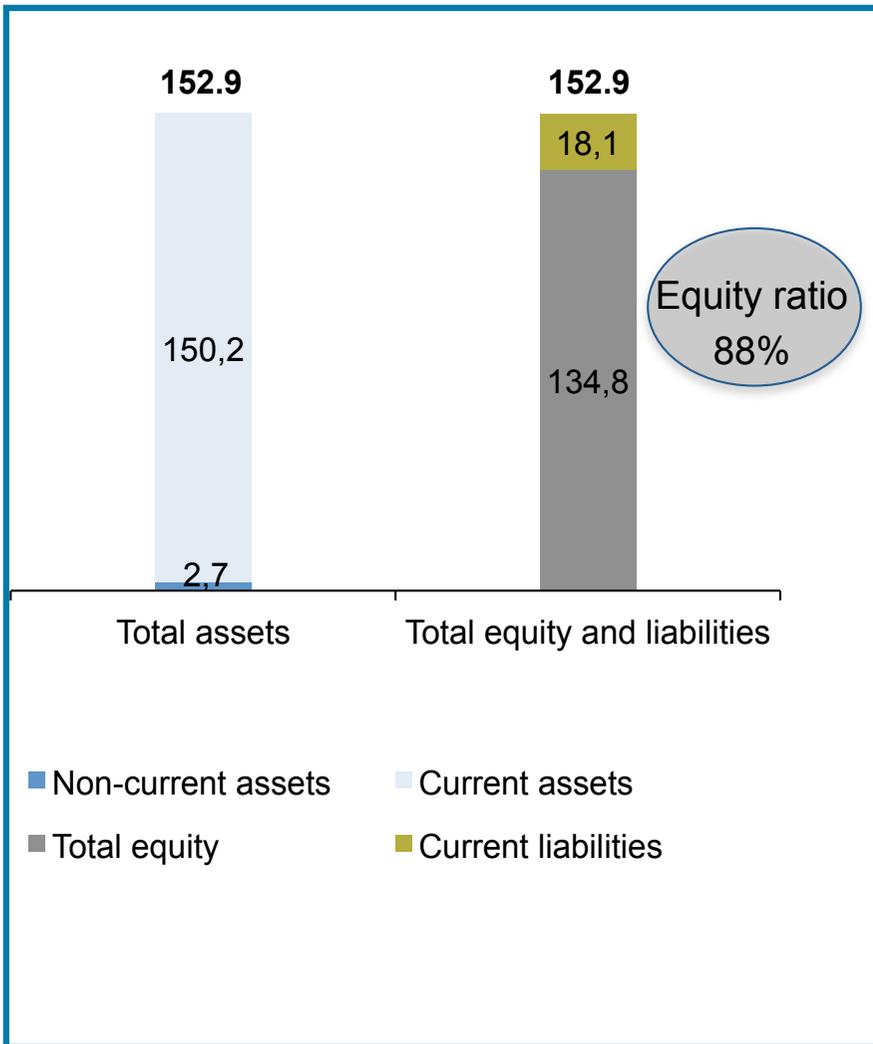
- The majority of Vtion's results again came from the wireless data terminal business segment, which accounted for approximately 85% of total sales;
- Wireless data card sales were slightly down year-on-year, while 3G wireless router sales were slightly stronger than expected;
- Given the strong price competition in China's consumer tablet PC market, the company has exited this market with an eye to protecting overall margins;
- Vtion now has five corporate clients in its industry-specific computing solutions business segment;
- Vtion Anzhou had a successful year in increasing its user base and now offers over 20,839 online applications in its various sales channels;



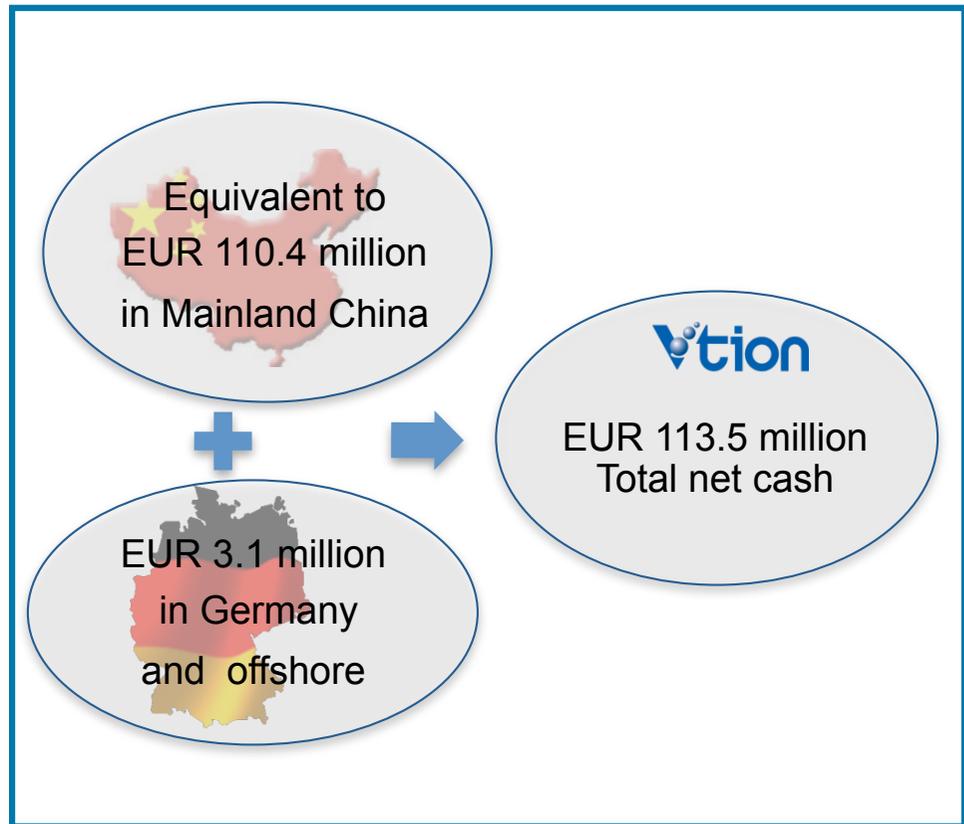
2012 Balance Sheet and Cash Position Map



Balance sheet million € / as of December 31, 2012



Cash Position Map as of December 31, 2012



Of Vtion's **EUR 113.5 million** total net cash position, approx. **2.8%** is located with the **German holding company**, while the remainder is located with the Chinese operating entities.



Cash Flow Statement



	2012	2011
	kEUR	kEUR
Operating cash flow before working capital changes	7,455	8,410
Cash generated from/(used in) operations	5,043	23,960
Net cash generated from operating activities	3,517	23,100
Cash flow from investing activities	-5,236	-399
Cash flow from financing activities	-8,526	-5,986
Net increase in cash and cash equivalents	-10,245	16,716
Cash at the beginning of the reporting period	124,516	98,961
Foreign exchange differences	-761	8,839
Cash at the end of the reporting period	113,510	124,516

Based on the total number of shares 14,495,086 as at the end of 2012,

Cash per share is **EUR 7.83**.

- In keeping with past precedent, management will propose to the 2013 AGM a dividend payment to shareholders amounting to 15% of 2012 net profit;
- Net profit in 2012 was Euro 5.35 million, this implies a dividend payment of Euro 801,887 and dividend per share is Euro 0.055.

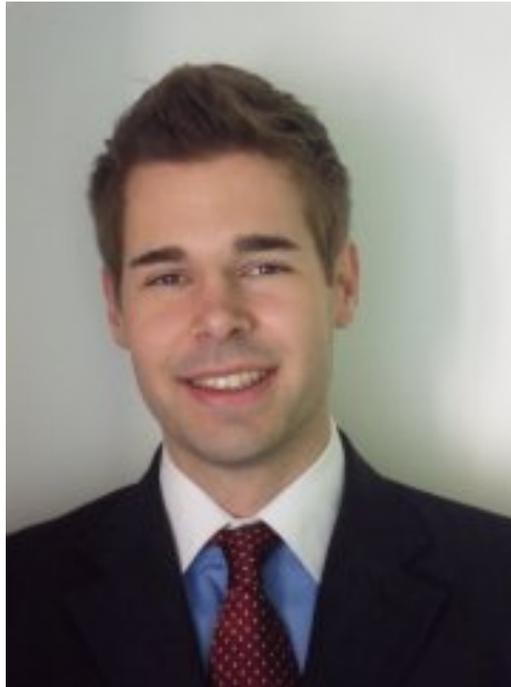


Guidance

- For the full year 2013 Vtion expects revenues between Euro 60-70 million, and an EBIT margin between 8%-10%.

Expected Business Development

- Steady base of demand in the Wireless Data Terminal business segment despite limited growth prospects in this market. Due to the company's strong supplier relations and lean overall cost structure, the company expects only small margin pressure in this segment, despite the overall downward trend in selling prices;
- Vtion will seek to expand its base of insurance industry clients to more than the current five, while also increasing revenues generated by existing clients;
- Project "Fujian Connection" has already started to generate some revenue, but the majority of the revenues will be realized in 2015 and beyond, as significant up-front investment is required for this project;
- Vtion Anzhuo is expected to increase its presence in the online gaming market, where more differentiation enables companies to charge for downloads or use pay-to-play models;
- Vtion Anzhuo will also seek to expand its business as a white label appstore designer and operator for other device manufacturers



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This document contains forward-looking statements and information – that is, statements related to future, not past, events. These statements may be identified by words such as 'expects,' 'looks forward to,' 'anticipates', 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' 'will,' 'project' or words of similar meaning. Such statements are based on our current expectations and certain assumptions, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Vtion's control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of Vtion to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. For us, particular uncertainties arise, among others, from changes in general economic and business conditions (including margin developments, the legal and regulatory framework, changes in currency exchange rates and interest rates).

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. Vtion does not intend or assume any obligation to update or revise these forward-looking statements in light of developments which differ from those anticipated.

